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The influence of open strategizing on organizational members' commitment to strategy

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Abstract

Wider organizational actors' integration in strategy making should plausibly result in increased identification and Commitment to Strategy. Yet, there is a dearth of studies exploring employees' involvement in strategizing let alone their commitment to strategy. Open Strategy (OS) is a recent trend in strategy research that facilitates such broader participative inclusion in strategizing. This conceptual paper contributes to strategy research by advancing understanding of Open Strategy, specifically shedding light on how OS promotes organizational actors' cultivation of a higher commitment to strategy. It also explicates the mediating roles of the Individual Empowerment and Sensemaking constructs between the relationship of actors' participation in OS and their commitment to strategy. Overall, the study extends the notion of participation to include broader organizational actors, contending that their engagement in organization-wide strategy making highly influences their commitment to strategy.

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1. Introduction

Strategy making has been considered as an organization-wide phenomenon (Hart, 1992). Nonetheless, mainstream strategy research has concentrated on top managers (Nag, Hambrick, & Chen, 2007) as agents of strategy making, although strategy-as-practice research has extended the focus to include various kinds of strategy specialists and interests in the role of middle managers in strategy making. Barton and Ambrosini (2013) argue that middle managers' participation in strategic decision-making is positively associated with their strategy commitment. Yet, there is a dearth

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of studies on employees involvement in strategizing (Kärnä, 2014). Gary Hamel called for the integration of wider organizational actors in strategy making more than two decades ago. Similarly, Henry Mintzberg (2009) suggests that organizations become more community oriented and that such a view certainly incorporates more employees in the process. Mantere (2005) expresses a frequently frustrated appetite for more strategy engagement among lower level employees outside of management ranks. Thus, more research on such actors in strategy making would broaden the analysis on the role of agency in strategy development and present interesting contributions to strategy literature.

Open strategy (OS) is a recent trend in strategy research that integrates a broader and wider array of employees during strategy making thus further research should enable more investigations into its benefits. In light of the inclusive and collaborative nature of open strategizing (OS), this study adopts the strategy-as-practice perspective of strategy characterized as a socially accomplished activity, constructed through the actions, interactions and negotiations of multiple actors and the situated practices upon which they draw in accomplishing that activity (Jarzabkowski, Balogun, & Seidl, 2007). This study places more emphasis on the communicative interactive process of organization-wide strategizing inclusive of wider organizational actors. It has been suggested that such forms of strategy making would increase the quality of strategy (Gast & Zanini, 2012), and the commitment towards implementation of strategic plans (Guth & MacMillan, 1986; Kim & Mauborgne, 1998; Klein & Sorra, 1996; Korsgaard, Schweiger, & Sapienza, 1995). In a similar vein, employee participation in open strategy might result in higher commitment to strategy.

Commitment to strategy implies "... a person's willingness to put forth effort to pursue the strategic direction of the [organization]" (Ford, Weissbein, & Plamondon, 2003, p. 164). Commitment to strategy is a relevant construct as it is suggested to influence strategy supportive behavior, yet scant attention has been paid to its investigation (Ford et al., 2003; Gagnon, Jansen, & Michael, 2008; Noble & Mokwa, 1999), particularly among employees in strategy making. As such, given the limited research on commitment to strategy, and as a response to above mentioned to call for more strategy research regarding lower level employees in strategy development, this paper examines the effect of employee participation in OS on their commitment to strategy. Moreover, this study acknowledges the significant role that technology plays in OS in facilitating the effect of employee participation on their commitment to strategy. Indeed, while Stieger, Matzler, Chatterjee, and Ladstaetter-Fussenegger (2012) suggest that the capabilities of Web 2.0 technologies bring employee involvement in strategy processes to the next level, Whittington, Caillaud, and Yakis-Douglas (2011) indicate how information technology systems challenge the orthodoxy of strategy making by widening the inclusion of different actors (internally and externally), and also increase the visibility and transparency of the strategy making process.

This study advances understanding on open strategy by specifically shedding light on how OS facilitates organizational actors' cultivation of a higher commitment to strategy. Furthermore, it explicates the mediating roles of the individual empowerment and sensemaking constructs between participation in OS and commitment to strategy. Overall, the study extends the notion of participation to include broader organizational actors, contending that their engagement in organization-wide strategy making affects their commitment to strategy. In the following sections, this paper presents the theoretical framework as depicted in Figure 1 and discusses four pertinent theoretical propositions. Figure 1 explicates four main constructs and their interrelationships: participation in open strategizing, commitment to strategy, employee sensemaking, and individual empowerment.

2. Commitment to Strategy

Commitment as a construct is fundamental for explaining the relationship between individuals and organizations (Mathieu & Zajac, 1990; Mowday & Sutton, 1993). Commitment to strategy as a notion differs from organizational commitment – which is an employee's commitment to his/her firm, and has been widely researched within several fields (Ford et al., 2003; Guth & MacMillan, 1986; Noble & Mokwa, 1999; Wilson & Wong, 2003). Commitment to strategy refers to "... a person's willingness to put forth effort to pursue the strategic direction of the [organization]" (Ford et al., 2003, p. 164). It is has been operationalized as 'strategy commitment' - "the extent to which a manager comprehends and supports the goals and objectives of a marketing strategy" (Noble & Mokwa, 1999, p. 62). The importance of gaining commitment to strategy was pointed out several decades ago (see Guth, 1976; Tichy, 1983; Yavitz & Newman, 1982). Specifically, the effects of actors (middle managers) possessing low or negative commitment towards formulated strategies have been seen to create significant obstacles to effective implementation (Guth & MacMillan, 1986). Also, Korsgaard et al. (1995) investigated the antecedents of teams' commitment to

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