days, to be able to work with someone of his caliber, dedication, and experience is most unusual. Abby Luthin gave welcome support there as well.

Kate Maguire provided great help, as she has so often in the past. (Kate labeled the manuscript "The Beast" long before it received its current title!) She was supported admirably by Elana Trager, especially in tracking down some tricky bits of information. Coralie Clement dealt with all the references and permissions, plus lots more, working across countries, authors, and problems with remarkable skill. At one point, she wrote in an e-mail, "I think it's pretty awesome that I am communicating with a Franco-Anglo-Canadian in India about a book being published in the U.S. and Europe. . . . Ahhh, modern life."

Particularly wise and helpful were comments on the manuscript provided by Joëlle Méric. Thanks also go to the doctoral students of Henry's colloquium in Montreal, who made a number of helpful suggestions, and to Maeve Quaid, Doug Torgerson, and Melissa Nadler. We also express our appreciation to Denise Fleck for doing the index.

— I —

"AND OVER HERE, LADIES AND GENTLEMEN: THE STRATEGIC MANAGEMENT BEAST"
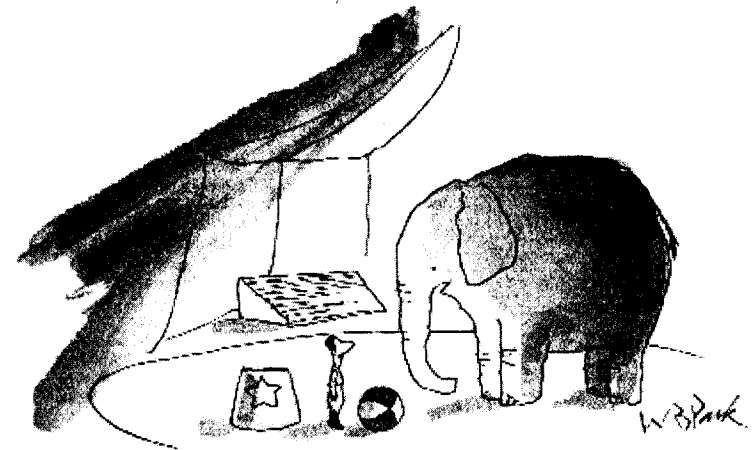
"To be perfectly frank, I'm not nearly as smart as you seem to think I am."

A fable to begin, often referred to, seldom known:

THE BLIND MEN AND THE ELEPHANT

by John Godfrey Saxe (1816–1887)

It was six men of Indostan
To learning much inclined,
Who went to see the Elephant
(Though all of them were blind)
That each by observation
Might satisfy his mind.

The First approached the Elephant,
And happening to fall
Against his broad and sturdy side,
At once began to brawl:
"God bless me but the Elephant
Is very like a wall."

The Second, feeling of the tusk,
Cried, "Ho! What have we here
So very round and smooth and sharp?
To me 'tis mighty clear
This wonder of an Elephant
Is very like a spear!"

The Third approached the animal,
And happening to take
The squirming trunk within his hands,
Thus boldly up and spake:
"I see," quoth he, "The Elephant
Is very like a snake!"

The Fourth reached out an eager hand,
And felt around the knee,
"What most this wondrous beast is like
Is mighty plain," quoth he;
"'Tis clear enough the Elephant
Is very like a tree!"

The Fifth, who chanced to touch the ear,
Said: "E'en the blindest man
Can tell what this resembles most;
Deny the fact who can,
This marvel of an Elephant
Is very like a fan!"

The Sixth no sooner had begun
About the beast to grope,
Than, seizing on the swinging tail
That fell within his scope,
"I see," quoth he, "the Elephant
is very like a rope!"

And so these men of Indostan
Disputed loud and long,
Each of his own opinion
Exceeding stiff and strong,
Though each was partly in the right,
And all were in the wrong!

Moral

So oft in theologic wars,
The disputants, I ween,
Rail on in utter ignorance
Of what each other mean,
And prate about an Elephant
Not one of them has seen!

We are the blind people and strategy formation is our elephant. Since no one has had the vision to see the entire beast, everyone has grabbed hold of some part or other and "railed on in utter ignorance" about the rest. We certainly do not get an elephant by adding up its parts. An elephant is more than that. Yet to comprehend the whole we also need to understand the parts.

The next ten chapters describe ten parts of our strategy-formation

beast. Each forms one "school of thought." These ten chapters are framed by this first chapter, which introduces the schools as well as some ideas about strategy itself, and a last chapter which returns to the whole beast.

Why Ten?

In a colorful article entitled "The Magic Number Seven, Plus or Minus Two: Some Limits on Our Capacity for Processing Information," psychologist George Miller (1956) asked why we tend to favor a quantity of about seven for categorizing things—for example seven wonders of the world, seven deadly sins, and seven days of the week. This reflects our cognitive makeup, he concluded: seven is about the number of "chunks" of information that we can comfortably retain in our short-term memories.* Three wonders of the world would fall a little flat, so to speak, while eighteen would be daunting. But those of us interested in strategy are, of course, no ordinary mortals—at least in terms of our cognitive capacities—and so should be able to comprehend, say, one more than the magic number seven plus two. Accordingly, this book proposes ten schools of thought on strategy formation.

Cognition aside, in reviewing a large body of literature, ten distinct points of view did emerge, most of which are reflected in management practice. Each has a unique perspective that focuses, like each of the blind men, on one major aspect of the strategy-formation process. Each of these perspectives is, in one sense, narrow and overstated. Yet in another sense, each is also interesting and insightful. An elephant may not *be* a trunk, but it certainly *has* a trunk, and it would be difficult to comprehend elephants without reference to trunks. The handicap of blindness does have an unexpected advantage, sharpening the other senses to the subtleties that can escape those who see clearly.

THE SCHOOLS. Accordingly, in each of the ten subsequent chapters, we present one of the schools from its own limited perspective. Then we critique it, to extract both its limitations and its contributions. These

*Actually, Miller argues for a limit of this order to the number of "bits" we can handle in what he refers to as "absolute judgment" and the number of "chunks"—combinations of these bits—in "intermediate memory."

schools, together with the single adjective that seems best to capture each one's view of the strategy process, are listed below:

The Design School: strategy formation as a process of *conception*
The Planning School: strategy formation as a *formal* process
The Positioning School: strategy formation as an *analytical* process
The Entrepreneurial School: strategy formation as a *visionary* process
The Cognitive School: strategy formation as a *mental* process
The Learning School: strategy formation as an *emergent* process
The Power School: strategy formation as a process of *negotiation*
The Cultural School: strategy formation as a *collective* process
The Environmental School: strategy formation as a *reactive* process
The Configuration School: strategy formation as a process of *transformation**

Our ten schools fall into three groupings. The first three schools are *prescriptive* in nature—more concerned with how strategies *should* be formulated than with how they necessarily *do* form. The first of these, which presented in the 1960s the basic framework on which the other two built, focuses on strategy formation as a process of informal *design*, essentially one of conception. The second school, which developed in parallel in the 1960s and peaked in a flurry of publications and practice in the 1970s, formalized that perspective, seeing strategy making as a more detached and systematic process of formal *planning*. That school was somewhat displaced in the 1980s by the third prescriptive school, less concerned with the process of strategy formation than with the actual content of strategies. It is referred to as the *positioning* school be-

*In an interesting alternative mapping Martinet (1996) has divided the field into *teleologic, sociologic, ideologic,* and *ecologic.* (Lauriol, 1996, has mapped our ten schools onto these four.) See also Bowman (1995) for another interesting cut of the field.

cause it focuses on the selection of strategic positions in the economic marketplace.

The six schools that follow consider specific aspects of the process of strategy formation, and have been concerned less with prescribing ideal strategic behavior than with *describing* how strategies do, in fact, get made.

Some prominent writers have long associated strategy with *entrepreneurship*, and have described the process in terms of the creation of vision by the great leader. But if strategy can be personalized vision, then strategy formation has also to be understood as the process of concept attainment in a person's head. Accordingly, a small but important *cognitive* school has also developed that seeks to use the messages of cognitive psychology to enter the strategist's mind.

Each of the four schools that follow has tried to open up the process of strategy formation beyond the individual, to other forces and other actors. For the *learning* school, the world is too complex to allow strategies to be developed all at once as clear plans or visions. Hence strategies must emerge in small steps, as an organization adapts, or "learns." Similar to this, but with a different twist, is the *power* school, which treats strategy formation as a process of negotiation, whether by conflicting groups within an organization or by organizations themselves as they confront their external environments. In contrast to this is another school of thought that considers strategy formation to be rooted in the *culture* of the organization. Hence the process is viewed as fundamentally collective and cooperative. And then there are the proponents of an *environmental* school, organization theorists who believe strategy formation is a reactive process in which the initiative lies not inside the organization, but with its external context. Accordingly, they seek to understand the pressures imposed on organizations.

Our final group contains but one school, although it could be argued that this school really combines the others. We call it *configuration*. People in this school, in seeking to be integrative, cluster the various elements of our beast—the strategy-making process, the content of strategies, organizational structures and their contexts—into distinct stages or episodes, for example, of entrepreneurial growth or stable maturity, sometimes sequenced over time to describe the life cycles of or-

ganizations. But if organizations settle into stable states, then strategy making has to describe the leap from one state to another. And so, another side of this school describes the process as one of transformation, which incorporates much of the huge prescriptive literature and practice on "strategic change."

These schools have appeared at different stages in the development of strategic management. A few have already peaked and declined, others are now developing, and some remain as thin but nonetheless significant trickles of publication and practice. We shall describe each school in turn, with our own interpretation of its development and its difficulties, before concluding with our final integrative comments in the closing chapter.

Note that all of these schools can be found in the literature, often in very clearly delineated pockets: particular academic journals, special practitioner magazines, certain styles of books. But most are, or have been, equally evident in practice, both within organizations and from the consulting firms that serve them. Practitioners read and are influenced by the literature, just as the literature is influenced by the practice. So this is a book of the school of thought on strategy formation both in publication and in practice.

A Field Review

The literature of strategic management is vast—the number of items we reviewed over the years numbers close to 2,000—and it grows larger every day. Of course, not all of this comes from the field of management. All kinds of other fields make important contributions to our understanding of the strategy process.

William Starbuck has written that to discuss "all aspects of organization which are relevant to adaptation . . . means . . . that one could legitimately discuss everything that has been written about organizations" (1965:468). This is, in fact, an understatement, because the last word in the quotation should read "collective systems of all kinds."

What biologists write about the adaptation of species (for example "punctuated equilibrium") can have relevance for our understanding of strategy as position ("niche"). What historians conclude about peri-

ods in the development of societies (such as "revolution") can help explain different stages in the development of organizational strategies (for example, "turnaround" as a form of "cultural revolution"). Physicists' descriptions of quantum mechanics and mathematicians' theories of chaos may provide insights into how organizations change. And so on. Add to this all the other literatures that are more commonly recognized as relevant to the study of organizations—psychology on human cognition as well as leadership charisma, anthropology on cultures in society, economics on industrial organization, urban planning on formal planning processes, political science on public policy making, military history on strategies of conflict, and on—and the result is an enormous, dispersed body of literature capable of rendering all sorts of insights. At the limit, strategy formation is not just about values and vision, competences and capabilities, but also about the military and the Moonies, crisis and commitment, organizational learning and punctuated equilibrium, industrial organization and social revolution.

We consider this literature in its own terms. We do not, however, seek to *review* it comprehensively. (We had no more wish to write several thousand pages than most people have to read it.) This, in other words, is a *field* review, not a literature review. We seek to *cover* the literature and the practice—to set out its different angles, orientations, tendencies. In so doing, we cite published work either because it has been key to a school or else because it well illustrates a body of work. We apologize to the many insightful writers and consultants whose work is not mentioned; we hope that we have left out no significant bodies of work.

We must add one point, however. There is a terrible bias in today's management literature toward the current, the latest, the "hottest." This does a disservice, not only to all those wonderful old writers, but especially to the readers who are all too frequently offered the trivial new instead of the significant old. We express no such bias in this book. Ours is a review of the evolution as well as the current state of this field. Later in this book we argue that ignorance of an organization's past can undermine the development of strategies for its future. The same is true for the field of strategic management. We ignore past work at our own peril. Indeed, we believe that time works on the literature and practice of strategic management much like it works on wine

in barrels: it reveals what is excellent. We therefore apologize to no one for reminding the reader of so many wonderful old publications.

Five Ps for Strategy

The word *strategy* has been around for a long time. Managers now use it both freely and fondly. It is also considered to be the high point of managerial activity. For their part, academics have studied strategy extensively for about two decades now, while business schools usually have as their final required capstone a course in strategic management. The word *strategy* is so influential. But what does it really mean?

It is part of human nature to look for a definition for every concept. Most of the standard textbooks on strategy offer that definition, usually presented in the introductory chapter, more or less as follows: "top management's plans to attain outcomes consistent with the organization's missions and goals" (Wright et al., 1992:3). No doubt such definitions have been dutifully memorized by generations of students, who have later used them in thousands of corporate reports. We offer no such easy definition here. Instead, we argue that strategy (not to mention ten such different schools about it) requires a number of definitions, five in particular (based on Mintzberg, 1987).

Ask someone to define strategy and you will likely be told that *strategy is a plan*, or something equivalent—a direction, a guide or course of action into the future, a path to get from here to there. Then ask that person to describe the strategy that his or her own organization or that of a competitor *actually* pursued over the past five years—not what they intended to do but what they really did. You will find that most people are perfectly happy to answer that question, oblivious to the fact that doing so differs from their very own definition of the term.

It turns out that strategy is one of those words that we inevitably define in one way yet often also use in another. *Strategy is a pattern*, that is, consistency in behavior over time. A company that perpetually markets the most expensive products in its industry pursues what is commonly called a high-end strategy, just as a person who always accepts the most challenging of jobs may be described as pursuing a high-risk strategy. Figure 1–1 contrasts strategy as plan—looking ahead, with strategy as pattern—looking at past behavior.
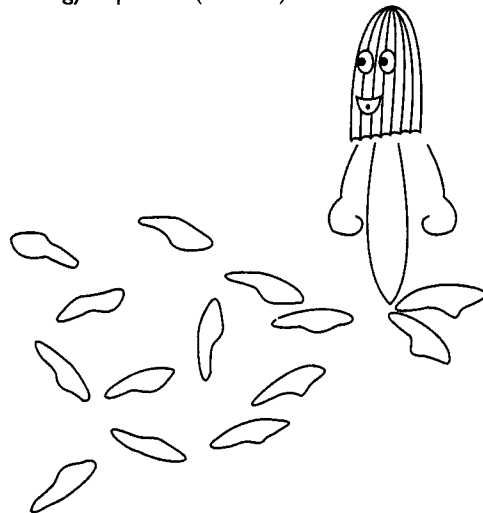
FIGURE 1–1

STRATEGIES AHEAD AND BEHIND

Strategy as plan (intended)
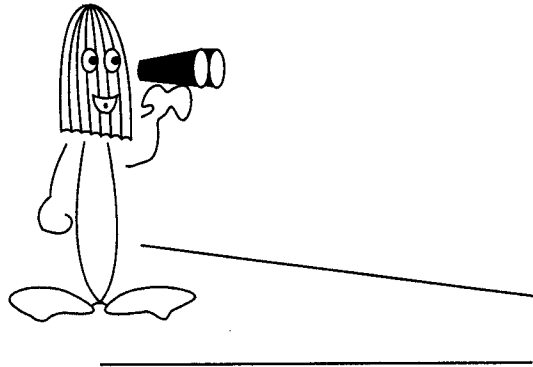
Strategy as pattern (realized)

Now, both definitions appear to be valid: organizations develop plans for their future and they also evolve patterns out of their past. We can call one *intended* strategy and the other *realized* strategy. The important question thus becomes: must realized strategies always have

been intended? (That intended strategies are not always realized is all too evident in practice.)

There is a simple way to find out. Just ask those people who happily described their (realized) strategies over the past five years what their intended strategies were five years earlier. Were they the same? A few may claim that their intentions were realized perfectly. Suspect their honesty. A few others may answer that what they realized as strategies had nothing to do with what they intended. Suspect their behavior. In our experience, the vast majority of people give an answer that falls between these two extremes—a bit of this and a bit of that, they say. They did not stray completely from their intentions, but neither did they achieve them perfectly. For, after all, perfect realization implies brilliant foresight, not to mention an unwillingness to adapt to unexpected events, while no realization at all suggests a certain mindlessness. The real world inevitably involves some thinking ahead as well as some adaptation en route.

As shown in Figure 1–2, intentions that are fully realized can be called *deliberate* strategies. Those that are not realized at all can be called *unrealized* strategies. The planning school, for example, recognizes both, with an obvious preference for the former. But there is a third case, which we call *emergent* strategy—where a pattern realized was not expressly intended. Actions were taken, one by one, which converged over time to some sort of consistency or pattern. For example, rather than pursuing a strategy (read plan) of diversification, a company simply makes diversification decisions one at a time, in effect testing the market. First it buys an urban hotel, next a restaurant, then a resort hotel, then another urban hotel with a restaurant, then a third of these, and so on, until a strategy (pattern) of diversifying into urban hotels with restaurants has emerged.

As implied earlier, few, if any, strategies are purely deliberate, just as few are purely emergent. One means no learning, the other means no control. All real-world strategies need to mix these in some way: to exercise control while fostering learning. Strategies, in other words, have to *form* as well as be *formulated*. An *umbrella* strategy, for example, means that the broad outlines are deliberate (such as to move upmarket), while the details are allowed to emerge en route (when, where,

FIGURE 1-2

STRATEGIES DELIBERATE AND EMERGENT

FIGURE 1-3

STRATEGIES ABOVE AND BELOW
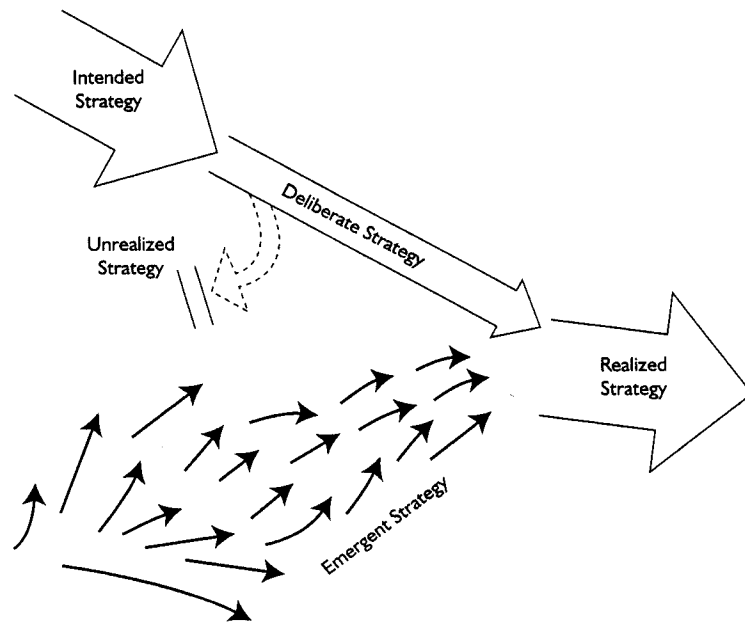
and how). Thus, emergent strategies are not necessarily bad and deliberate strategies good; effective strategists mix these in ways that reflect the conditions at hand, notably the ability to predict as well as the need to react to unexpected events.
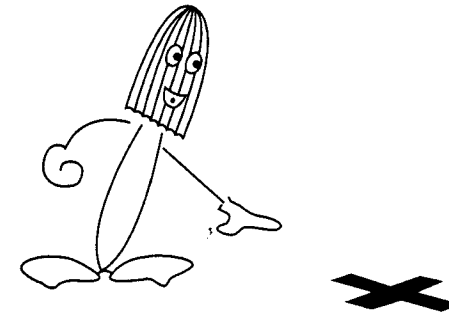
Alongside plan and pattern, we can add two more "p" words. Some years ago, McDonald's introduced a new product called Egg McMuffin—the American breakfast in a bun. This was to encourage the use of their restaurant facilities in the morning. If you ask people whether Egg McMuffin was a strategic change for McDonald's, you will inevitably hear two answers: "Yes, of course: it brought them into the breakfast market," and "Aw, come on, it's the same old stuff—the McDonald's way—just in a different package." In our view, the real difference between these people is in how they implicitly define the content of strategy.

To some people, *strategy is a position*, namely the locating of particu-

lar products in particular markets—Egg McMuffin for the breakfast market. As Michael Porter reiterated recently, "Strategy is the creation of a unique and valuable position, involving a different set of activities" (1996:68). To others, *strategy is a perspective*, namely an organization's fundamental way of doing things the McDonald's way. In Peter Drucker's memorable phrase, this is its "theory of the business" (1970:5; 1994). As shown in Figure 1–3, as position, strategy looks *down*—to the "x" that marks the spot where the product meets the customer, as well

FIGURE 1–4

CHANGING POSITION AND PERSPECTIVE

Strategy as Perspective
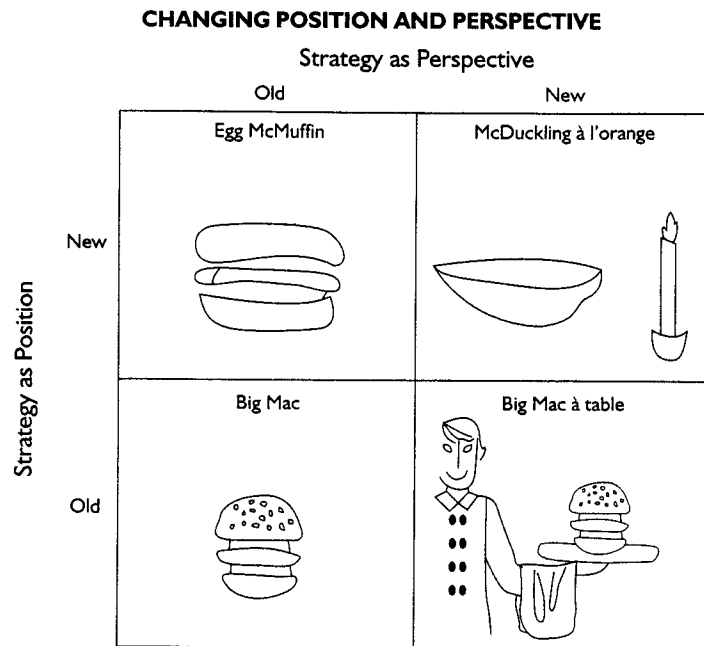
as *out*—to the external marketplace. As perspective, in contrast, strategy looks *in*—inside the organization, indeed, inside the heads of the strategists, but it also looks *up*—to the grand vision of the enterprise.

Again, we need both definitions. McDonald's introduced Egg Mc-Muffin successfully because the new position was consistent with the existing perspective. The executives of McDonald's seemed to understand well (although not necessarily in these terms) that one does not casually ignore perspective. (Anyone for McDuckling à l'Orange?) Changing position within perspective may be easy; changing perspective, even while trying to maintain position, is not. (Just ask Swiss watchmakers about the introduction of quartz technology.) Figure 1–4 illustrates examples of this.

Thus, we have four different definitions of strategy. A fifth is in common usage too: *strategy is a ploy*, that is, a specific "maneuver" intended to outwit an opponent or competitor. A kid may hop over a

fence to draw a bully into his yard, where his Doberman Pinscher waits for intruders. Likewise, a corporation may buy land to give the impression it plans to expand its capacity, in order to discourage a competitor from building a new plant. Here the real strategy (as plan, that is, the real intention) is the threat, not the expansion itself, and as such is a ploy.

Five definitions and ten schools. As we shall see, the relationships between them are varied, although some of the schools have their preferences—for example, plan in the planning school (as noted), position in the positioning school, perspective in the entrepreneurial school, pattern in the learning school, ploy in parts of the power school.

There may not be one simple definition of strategy, but there are by now some general areas of agreement about the nature of strategy. The accompanying box summarizes these.

Strategies for Better and for Worse

Any discussion of strategy inevitably ends on a knife-edge. For every advantage associated with strategy, there is an associated drawback or disadvantage:

1. "Strategy sets direction."

   Advantage: The main role of strategy is to chart the course of an organization in order for it to sail cohesively through its environment.

   Disadvantage: Strategic direction can also serve as a set of blinders to hide potential dangers. Setting out on a predetermined course in unknown waters is the perfect way to sail into an iceberg. While direction is important, sometimes it is better to move slowly, a little bit at a time, looking carefully but not too far ahead, as well as to each side, so that behavior can be shifted at a moment's notice.

2. "Strategy focuses effort."

   Advantage: Strategy promotes coordination of activity. Without strategy to focus effort, chaos can ensue as people pull in a variety of different directions.

THE STRATEGY BEAST: AREAS OF AGREEMENT

(adapted from Chaffee, 1985:89–90)

- *Strategy concerns both organization and environment.* "A basic premise of thinking about strategy concerns the inseparability of organization and environment. . . . The organization uses strategy to deal with changing environments."

- *The substance of strategy is complex.* "Because change brings novel combinations of circumstances to the organization, the substance of strategy remains unstructured, unprogrammed, nonroutine, and non-repetitive. . . ."

- *Strategy affects overall welfare of the organization.* ". . . Strategic decisions . . . are considered important enough to affect the overall welfare of the organization. . . ."

- *Strategy involves issues of both content and process.* ". . . The study of strategy includes both the actions taken, or the content of strategy, and the processes by which actions are decided and implemented."

- *Strategies are not purely deliberate.* "Theorists . . . agree that intended, emergent, and realized strategies may differ from one another."

- *Strategies exist on different levels.* ". . . Firms have . . . corporate strategy (What businesses shall we be in?) and business strategy (How shall we compete in each business?)"

- *Strategy involves various thought processes.* ". . . Strategy involves conceptual as well as analytical exercises. Some authors stress the analytical dimension more than others, but most affirm that the heart of strategy making is the conceptual work done by leaders of the organization."

Disadvantage: "Groupthink" arises when effort is too carefully focused. There may be no peripheral vision, to open other possibilities. A given strategy can become too heavily embedded in the fabric of the organization.

3. "Strategy defines the organization."

Advantage: Strategy provides people with a shorthand way to understand their organization and to distinguish it from others. Strategy provides meaning, plus a convenient way to comprehend what the organization does.

Disadvantage: To define an organization too sharply may also mean define it too simply, sometimes to the point of stereotyping, so that the rich complexity of the system is lost.

4. "Strategy provides consistency."

Advantage: Strategy is needed to reduce ambiguity and provide order. In this sense, a strategy is like a theory: a cognitive structure to simplify and explain the world, and thereby facilitate action.

Disadvantage: Ralph Waldo Emerson said that "A foolish consistency is the hobgoblin of little minds. . . ." Creativity thrives on inconsistency—by finding new combinations of hitherto separate phenomena. It has to be realized that every strategy, like every theory, is a simplification that necessarily distorts reality. Strategies and theories are not reality themselves, only representations (or abstractions) of reality in the minds of people. No one has ever touched or seen a strategy. This means that every strategy can have a misrepresenting or distorting effect. That is the price of having a strategy.

We function best when we can take some things for granted, at least for a time. And that is a major role of strategy in organizations: it resolves the big issues so that people can get on with the little details—like targeting and serving customers instead of debating which markets are best. Even chief executives, most of the time, must get on with managing their organizations in a given context; they cannot constantly put that context into question.

There is a tendency to picture the chief executive as a strategist, up there conceiving the big ideas while everyone else gets on with the little details. But the job is not like that at all. A great deal of it has to do

with its own little details—reinforcing the existing perspective (and "culture") through all kinds of figurehead duties, developing contacts to find important information, negotiating agreements to reinforce existing positions, and so on.

The problem with this, of course, is that eventually situations change—environments destabilize, niches disappear, opportunities open up. Then all that is constructive and effective about an established strategy becomes a liability. That is why, even though the concept of strategy is rooted in stability, so much of the study of strategy focuses on change. But while formulas for strategic change may come easily, the management of that change, especially when it involves shifting perspective, comes hard. The very encouragement of strategy to get on with it—its very role in protecting people in the organization from distraction—impedes their capacity to respond to changes in the environment. In other words, retooling is expensive, especially when it is human minds, and not just machines, that have to be retooled. Strategy, as mental set, can blind the organization to its own outdatedness. Thus we conclude that strategies are to organizations what blinders are to horses: they keep them going in a straight line but hardly encourage peripheral vision.

All this leads to our final conclusion, which is that strategies (and the strategic management process) can be vital to organizations by their *absence* as well as their presence. (See the accompanying box.)

Strategic Management as an Academic Discipline

Also for better and for worse, strategic management has become an academic discipline in its own right, like marketing and finance. The field has its own academic journals, its own "clubs," its own conferences. Its literature is vast and, since 1980, has been growing at an astonishing rate. There has been a general tendency to date that literature back to the mid-1960s, earlier perhaps to a 1951 book by William Newman, but the writings on military strategy go back much further: indeed, Sun Tzu wrote his *Art of War* in about the fourth century B.C. (Griffith, in Sun Tzu, 1971:ix).

For the most part, the teaching of strategic management has highlighted the rational and prescriptive side of the process, namely our

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STRATEGY ABSENCE AS VIRTUE
(from Inkpen and Choudhury, 1995:313–323)

- ... Strategy absence need not be associated with organizational failure. ... Deliberate building in of strategy absence may promote flexibility in an organization. ... Organizations with tight controls, high reliance on formalized procedures, and a passion for consistency may lose the ability to experiment and innovate.

- Management may use the absence of strategy to send unequivocal signals to both internal and external stakeholders of its preference not to engage in resource-consuming ceremony. ... For example, various articles have described Nucor's disdain for formal planning systems and the firm's reliance instead on a consistency in action at all levels in the organization. Nucor has no written strategic plan, no written objectives, and no mission statement. For Nucor, an absence of many of the supposed elements of strategy is symbolic of the no-frills, non-bureaucratic organization Nucor has worked hard to become.

- An absence of a rigid pattern of strategic decision making may ensure that "noise" is retained in organizational systems, without which strategy may become a specialized recipe that decreases flexibility and blocks learning and adaptation ....

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first three schools (design, planning, and positioning). Strategic management has commonly been portrayed as revolving around the discrete phases of formulation, implementation, and control, carried out in almost cascading steps. This bias is heavily reflected in practice, particularly in the work of corporate and governmental planning departments as well as of many consulting firms.

This book departs from this traditional view in its attempt to provide a more balanced survey of the field, with all of its contradictions and controversies. Significant space is given to the nonrational/nonprescriptive schools, which point to other ways of looking at strategic

management. Some of these schools have a less optimistic view about the possibility for formal strategic intervention. Where we become unbalanced somewhat is in our critiques of the different schools. The three prescriptive schools have so dominated the literature and practice that we find it appropriate to include rather extensive discussions that bring much of this conventional wisdom into question. Of course, we critique all ten schools, since each has its own weaknesses. But when people are seated on one side of a see-saw, it makes no sense to try to get them into balance by pulling from the center. Put differently, to maintain balance among our critiques of the ten schools would only help to perpetuate the unbalance that we believe currently exists in the literature and practice.

Pervasive strategic failure in many large corporations may well be attributed to the army of business school graduates who have been sent out with an incomplete tool kit. This book seeks to open up the range of perspectives by providing a more varied set of ideas for such students as well as practicing managers. As Hart has noted, "High performing firms appear capable of blending competing frames of reference in strategy making. They are simultaneously planful and incremental, directive and participative, controlling and empowering, visionary and detailed" (1991:121). Or, as F. Scott Fitzgerald put it, more bluntly: "The test of a first-rate intelligence is the ability to hold two opposed ideas in the mind at the same time and still retain the ability to function." To function as a strategist, of course, means not just to hold such opposing views, but as Spender (1992) has pointed out, to be able to synthesize them. We ask you, the reader, to hold ten such views!

The field of strategic management may itself be moving toward such synthesis. As we shall see, some of the newer work cuts across our schools. This may seem to make a bit of a mess of our framework. But our schools may, in fact, help us to see how this work draws important aspects of strategy formation together. We applaud such work, and cite it where we can. It suggests a certain coming of age of the field.

But synthesis cannot happen in general. It must ultimately take place in the specific mind of the beholder, namely you the reader. We

shall provide help where we can, but the task is up to those who deal with strategy in their jobs. We all know what a whole elephant is, yet we often have to describe it by its parts. That is in the nature of verbal description: words in linear order, chapters in a book.

So hang on—here we go!