

INTERACTION DYNAMICS OF STRATEGIC  
PLANNING WITHIN M-FORM BASED FIRMS

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by  
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## Declaration

I declare that the thesis hereby submitted is my own independent work and has not previously been submitted by me for a degree at another university.

A handwritten signature in blue ink, appearing to read 'Chatchai Thnarudee', written in a cursive style.

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CHATCHAI THNARUDEE

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March 2012

### **Conference proceedings and paper presentation acceptance**

During my Ph.D. study, my senior supervisor, Dr Paul Knott, and I developed three conference papers based on my Ph.D. thesis. These papers were accepted at the well recognized conferences as outlined below.

1. In 2008, my supervisor and I developed the paper entitled “*A Conceptual Framework for Strategic Planning in Complex Multi-business Corporations*” (Knott & Thnarudee, 2008). This paper was submitted to the 2008 Australia and New Zealand Academy of Management Conference (ANZAM conference). The paper was examined by double-blind review process and was accepted for publication under the 2008 ANZAM Conference. I presented this paper at the 2008 ANZAM conference that was held at the University of Auckland during December 2 – 5, 2008.
2. In 2009, my senior supervisor and I developed the paper entitled “*A practice view of strategic planning in a unit within a complex multi-business firm*” (Thnarudee & Knott, 2009). This paper was accepted for publication at the 2009 Strategic Management Society Conference (SMS Conference) that was held in Washington D.C., USA during October 11 – 14, 2009. This paper was also examined by double-blind review process. I also attended the 2009 SMS Conference and presented this paper in October 2009.
3. In 2011, my senior supervisor and I developed the paper entitled “*Interaction dynamics of strategic planning within M-form based firms: A practice view*” (Knott & Thnarudee, 2011). This paper was accepted for publication at the 2011 Strategic Management Society Conference (SMS Conference) that will be held in Miami F.L., USA during November 6 – 9, 2011. This paper was also examined by double-blind review process. In addition, this paper has been nominated for the Best Practice Implications Award.

## **INTERACTION DYNAMICS OF STRATEGIC PLANNING WITHIN M-FORM BASED FIRMS**

### **Abstract**

A crucial limitation of research on strategic planning is that it has always viewed strategic planning as a single process in a corporation. In practice, strategic planning in complex multi-business corporations has evolved into a network of multi-level and multi-unit strategic planning processes. This makes it challenging for managers and strategists to undertake the activities needed to run those strategic planning systems effectively. The interactions between strategy practitioners as they enact those planning processes play a crucial role in determining effectiveness of the planning process as a whole.

Therefore, this thesis is based on a conceptual framework that represents strategic planning as a network of collaboration amongst quasi-independent processes taking place across multiple levels and units. This thesis adopts an embedded design within two in-depth case studies and one pilot case study to examine the strategising activities, practices and interaction dynamics of strategic planning within the M-form based firms. The result articulates the dynamics of strategy practitioners' interactions in a series of four generic interaction patterns: (1) the Bilateral Scheme, (2) the Cohesive Facilitation Scheme, (3) the Ambassadorial Coordination Scheme, and (4) the Supervisory Driven Scheme. The result also sheds light on the extended roles of strategic planning within a multi-level and multi-unit environment, and on how different actors contribute to the vertical and horizontal aspects of strategic planning.

The findings of this research have implications for both theory and practice. This thesis mainly contributes to strategy as practice perspective, strategic planning literature, organisational theory, situated learning literature, sensemaking perspective on practice, power theory, and agency theory. Theoretically, this study introduces a new method for examining the practice of strategic planning based on studying strategic planning links between practitioners representing horizontally as well as vertically differentiated units. In doing so, I have represented strategic planning as a multi-unit as well as a multi-level process, and hence have been able to show how it operates as a network of collaborative relationships and activities. This extends the view of strategic planning prevailing in the literature, which portrays a largely hierarchical, vertically-based structure.

Practically, the results provide managers and practitioners with an illustration of how different practitioner roles and managerial levels contribute in distinctive ways to strategic planning from both horizontal and vertical perspectives. It is apparent from my investigation of the case study firms that their planning and decentralised decision-making mechanisms are linked together heterarchically as well as hierarchically.

**Key Words:** Strategic planning, strategy development process, interaction dynamics, multidivisional organisation, M-form, multi-level strategic planning, multi-unit strategic planning, network of strategic planning, vertical strategic planning, horizontal strategic planning, strategy-as-practice

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# **CHAPTER 1**

## **INTRODUCTION**

In this chapter, I present an overview of the thesis. The first section provides a background to the research to enable the framing of the research gap and research focus. Subsequently, I present the research questions that I derived from the literature review in Chapter 2, followed by an overview of the research methodology in section three. The fourth and fifth sections specify the research context, assumptions and limitations, followed by the research contributions and implications in section six. The last section provides an overall summary of the contents of the thesis. The structure of this chapter is presented as follows.

- 1.1 Research background
- 1.2 The research gap and research questions
- 1.3 The research methodology
- 1.4 The research assumptions
- 1.5 The research limitations
- 1.6 The research contributions and implications
- 1.7 Conclusion

### **1.1 RESEARCH BACKGROUND**

In strategy literature, the traditional strategy researchers assume that strategy is something organisations have and focus on what kind of processes can deliver that underlying strategy (Whittington, 1996). However, traditional strategy researchers have not probed deeply into what is happening inside organisational systems and processes (Whittington et al., 2004; Whittington, 2006; Whittington, 2007). In contrast, according to practical activities of strategy practitioners, strategy-as-practice research (Jarzabkowski, 2005; Whittington, 2006; Jarzabkowski et al., 2007; Johnson et al., 2007) takes a different perspective which is concerned with

what people perform in relation to strategy. The strategy-as-practice field has provided a significant accomplishment by including a concern for people, their performance and tools into strategy research. The strategy-as-practice perspective broadens strategy research about how strategy process occurs in practice and at the micro-level. The strategy-as-practice probes underneath firm-level processes to examine what actually happens inside (Whittington, 2007; Jarzabkowski & Whittington, 2008; Whittington & Jarzabkowski, 2008; Jarzabkowski & Spee, 2009).

From the strategy-as-practice perspective, strategising activities can happen in the form of formal or informal events (Whittington, 2006; Jarzabkowski, et al., 2007; Johnson, et al., 2007). One of the formal events is strategic planning which is typically the most common process that many organisations adopt to develop their strategies (Hodgkinson et al., 2006). In general, the empirical research on strategic planning has focally maintained its momentum to cover three main domains: (1) the effect of strategic planning on firm performance (Andersen, 2000; Delmar & Shane, 2003; Ebben & Johnson, 2005; Brews & Purohit, 2007), (2) the process of strategic planning in strategic decision making (Quinn, 1978; Chakravarthy, 1984; Lorange, 1996; Grant, 2003; Mankins & Steele, 2006; Breene et al., 2007; Brews & Purohit, 2007), and (3) the practical activities of strategy practitioners in strategic planning episodes (Jarzabkowski, 2003; Hodgkinson, et al., 2006; Whittington, 2006; Whittington et al., 2006; Paroutis & Pettigrew, 2007).

Moreover, from the thrust of strategy research towards a more micro-level activity focus, strategy scholars tend to follow the strategy-as-practice perspective in order to explore, analyse and understand the people's activities of managing and developing the strategy during the strategy development process including strategic planning process. This strategy as practice perspective has evolved in response to the limitations of process and performance studies, which do not investigate how managers and strategists undertake the activities needed to run their strategic planning system effectively. However, strategy-making and strategic planning processes have been greatly affected by complex organisational configuration. The

following paragraphs are discussed in more detail on the rationales of the impact of complex organisational configuration.

The diffusion of the M-form structure and the adoption of strategic business unit (SBU) have consistently driven the emergence of hierarchy of strategies: corporate level, strategic business unit level and functional level, to the organisational structure of multinational businesses until today (Chakravarthy & Henderson, 2007). The hierarchical view of strategy in M-form structure continues to dominate the locus of decision making across vertical linkages within organisation (Ghemawat, 2002). Even though, hierarchical arrangement is still central to the M-form structure, management theorists suggested that a considerable numbers of M-form based firms today have demonstrated the shift in organisational arrangement to increase decentralisation of strategic decision-making and to enhance horizontal linkages within organisation (Ruigrok et al., 1999; Ghemawat & Ghadar, 2006). The increase in horizontal networking within vertical structure has continuously made M-form based firms become 'differentiated network' (Anil & Vijay, 2000; Bruce, 2000; Morgan et al., 2001; Chakravarthy & Henderson, 2007) that can provide firms better differentiation and integration of strategies throughout the organisational networks (Black, 2000).

Moreover, these multidivisional forms began to be perceived as insufficient for firms to respond to new competitive conditions and environments driven by new innovation, technology and globalisation (Bartlett & Ghoshal, 1993). Consequently, the structural form began to diverge from the classic M-form. This greater degree of devolution and decentralisation created a need for more powerful horizontal integration and coordination processes to ensure that the corporate whole benefits from the specialised assets, resources and expertise developed in its decentralised operating units (Bartlett & Ghoshal, 1993). This situation also highlights that many large firms irrespective of mode of internalisation or localisation have continuously adopted a more complex M-form structure (Ruigrok, et al., 1999).

In particular, the theories related to organisational structure (Whittington et al., 1999; Friesen, 2005) have been promoted in the way that there is a need to manage the development and implementation of strategy as well as focusing on how to make strategic decision making faster through hierarchy and heterarchy (Birkinshaw et al., 1995; Birkinshaw & Morrison, 1995). There is also a need to focus on how to establish a adaptable design of organisation and learning across the organisation (Lave & Wenger, 1991; Wenger et al., 2002). However, the design of the organisation's configuration becomes a challenge as many the M-form based organisations currently expand their structure horizontally. Especially, the design of the organisation's configuration in a contemporary M-form based firm has currently been affected by the diffusion of horizontal structure growth in which its structure becomes a differentiated network or heterarchy (Robert & Julian, 1998; Bruce, 1999; Anil & Vijay, 2000; Anil & Vijay, 2000; Bruce, 2000; Bresman et al., 2010). In a heterarchy, decision-making and managerial capabilities are diffused throughout the organisation rather than concentrated at the corporate apex. In addition, the lateral or horizontal relationships exist between peripheries or subsidiaries, in terms of product, people, information and knowledge flows in a heterarchical structure (Birkinshaw, et al., 1995; Birkinshaw & Morrison, 1995).

Taking the views of hierarchy and heterarchy, strategic planning is inevitably affected by these two views of the organisation's configuration. The strategic planning becomes multi-level and multi-unit processes (vertical view and horizontal view). This leads to the greatest challenge for M-form based firm, which is to synthesise, align and synergise those complex multi-level strategic planning processes into the integrated processes and practices at the heart of their organisations (Chakravarthy & Lorange, 1991; Bartlett & Ghoshal, 1993; Wit & Meyer, 2005; Chakravarthy & Henderson, 2007). The vertical view and horizontal view of planning systems, that this thesis aims to explore and examine, consider this challenge and take it into account for examining strategic planning systems in the M-form based firms. Therefore, bringing all of these perspectives together, the main objective of the thesis is to form some deeper understanding of how strategy practitioners throughout the M-form based corporations collaborate with each other

to align and integrate multiple levels of strategies across corporations. This research aims to shed light on the interplay of strategy practices and praxis as practitioners enact strategic planning within a multi-level and multi-unit environment.

## **1.2 THE RESEARCH GAP AND RESEARCH QUESTIONS**

When corporations adopt a complex M-form, their strategic planning needs become more hierarchically complex since they expand into and across different organisational levels and units (Chakravarthy & Henderson, 2007). The impact of the M-form structure on strategic planning has also not been taken into account sufficiently for examining the contemporary strategic planning situation. In particular, the traditional view of strategic planning is limited to a single view of the multi-stage process taking place among corporate centre, divisions and business unit levels (Grant, 2003; Paroutis & Pettigrew, 2007; Ocasio & Joseph, 2008; Vilà & Canales, 2008). In the current M-form based firms, strategic planning has evolved from a single multi-stage process into a network of multi-level and multi-unit strategic planning processes (Birkinshaw & Morrison, 1995; Hedlund & Ridderstrale, 1995; Chakravarthy & Henderson, 2007). This makes it challenging for managers and strategists to undertake the activities needed to run those strategic planning systems effectively.

This complexity in turn stimulates a form of strategic planning that is more distributed, but at the same time integrated, in order that firms can respond to specific market or product needs adaptively and maintain strategic alignment across the organisation (Chakravarthy & Henderson, 2007). Taking this into account, I have based this thesis on a conceptual framework that represents strategic planning as a network of collaboration amongst quasi-independent processes taking place across multiple levels and units as elaborated in more detail in Section 3.2. This approach highlights the challenge of operating within a distributed planning environment, and follows other authors who have extended the traditional vertical model of strategic planning and recognised its integrative role (Ketokivi &

Castaner, 2004; Jarzabkowski & Balogun, 2009). I also follow cross-business-unit collaboration literature (Bowman & Helfat, 2001; Martin & Eisenhardt, 2010), horizontal mechanisms literature (Tushman & Nadler, 1978; Mintzberg, 1979; Galbraith et al., 2002), ‘mutual adjustment’ literature (Mintzberg, 1979), ‘inter-group coordination’ literature (Schein, 1980; Ambrosini, et al., 2007) in order to probe deeply into horizontal coordination across different organisational levels and units in relation to strategic planning.

This thesis set out to examine the reciprocal relationships between (1) strategising practices, (2) types of strategic planning links, (3) strategy practitioners, and (4) the emergence of strategising activities. The aim of this thesis is to explain and probe into the practices, processes and interaction dynamics of the network of multi-level and multi-unit strategic planning in the M-form based firms. The main research questions are:

- How do strategy practitioners within different levels and units in the M-form structure seek to integrate and align their strategies at each organisational level and unit?
- To what extent do different strategy practitioners involved in the network of multi-level and multi-unit strategic planning interact with each other and influence or change the characteristics of strategy formulation in the M-form based organisation?

### **1.3 THE RESEARCH METHODOLOGY**

Given limited theory to address the thesis’s research questions, I relied on inductive theory building using embedded design within multiple in-depth case study methodology (Eisenhardt, 1989; Yin, 2003; Eisenhardt & Graebner, 2007; Yin, 2009) in order to generate theory. This thesis also employed an embedded design, that is, multiple units of analysis, focusing on each firm at two levels: (1) different type of strategic planning link and (2) different actor positions illustrated in Figure

4. In addition, this thesis relies on the conceptual framework described in Section 3.2 for multi-level and multi-unit strategic planning to guide the analysis and interpretation. Specifically, an embedded design within multiple in-depth case study methodology (Yin, 2009) has inspired me to design a research strategy that can accommodate the requirement of external validity as elaborated in more detail in Section 3.4. I also used quantitative method for qualitative data to explore relationships between categorical variables to complement qualitative data and enhance accuracy for parsimony and generalisability during my data analysis (Langley, 1989). Detailed discussions on the case study methods used in this research follow in Chapter 3.

#### **1.4 THE RESEARCH ASSUMPTIONS**

The research for this thesis used the following assumptions:

- 1) This thesis followed the wider definition of strategic planning, strategy and strategising (see Section 2.2) that is based on aforementioned conventional view on strategic planning research and strategy-as-practice perspective. The strategic planning process in this thesis is viewed as a formalised form of planning practice, and as an institutionalised form of strategy development process, where strategy can be made emergently or deliberately.
- 2) I extended the traditional vertical model of strategic planning and recognised its integrative role. I have based this research on a conceptual framework that represents strategic planning as a network of collaboration amongst quasi-independent processes taking place across multiple levels and units (see Section 3.2).
- 3) The definitions of strategy practices, strategy praxis and strategy practitioners in this thesis (see Section 2.5.1) are based on definitions guided by the strategy-as-practice literature (Whittington, et al., 2004; Jarzabkowski, 2005; Whittington, 2006; Whittington, et al., 2006;

Jarzabkowski, et al., 2007; Jarzabkowski & Whittington, 2008; Jarzabkowski & Spee, 2009).

## **1.5 THE RESEARCH LIMITATIONS**

The following points set the limits or boundaries of this research, while Section 6.4 details its limitations and future direction on strategic planning research.

- 1) The scope of the strategy practitioner in this thesis covers only managerial levels (i.e. frontline management, middle management, intermediate-to-top management, and top management). The strategy practitioners at the working level (e.g. supervisor or team leader) are not part of the actor positions in this thesis.
- 2) The thesis's contribution to knowledge is generic to organisations that adopt complex M-form structure. Small and medium-size firms that do not adopt M-form structure are not part of the scope of this thesis.
- 3) I limit this study to examine only formal strategic planning processes according to the conceptual framework (in Section 3.2).
- 4) I do not study the cognitive thought of strategy practitioners regarding how strategy gets created. In addition, I do not study the content of strategy. However, my study goes further than other strategic planning studies in probing deeply into the interplay between actor position, type of strategic planning link, categories of strategising practice and interaction dynamics.
- 5) I acknowledge there may be more strategy as practice related theories than the main theoretical frameworks that I adopted in Sections 2.3 and 2.5. However, for the purpose of this thesis, I limit my investigation to these five strategy-as-practice and strategic planning related theoretical frameworks plus the organisational theory of the M-form, as they provide a very good overall coverage of the field of study. These theoretical frameworks are fairly well covered in the extant literature.
- 6) Due to the sensitivity of the topic of this thesis, no direct participation or observation of strategic planning meetings was made possible in all case

study organisations, my understanding of the strategic planning interactions and practices is derived primarily from the interview data, strategy related documentation, and feedback meetings.

## **1.6 THE RESEARCH CONTRIBUTIONS AND IMPLICATIONS**

The main contribution of this thesis is that it provides a direct answer to the primary research questions by integrating the findings of the case study research (Chapters 4 and 5) in Chapter 6. In summary, this thesis contributes to strategy research, notably strategy as practice, strategic planning literature, organisational theory, situated learning theory, sensemaking perspective on practice, power theory, and agency theory. It contributes to:

- The notion of a differentiated network of multi-level and multi-unit strategic planning in the M-form based firms, in which strategic planning has taken on additional and enhanced roles.
- Introducing vertical versus horizontal strategic planning perspectives.
- Developing theory regarding actors' interaction dynamics in multi-level and multi-unit strategic planning.
- The interplay between actor positions, categories of strategising practice, types of strategic planning links and interaction dynamics.

### *Extended roles of strategic planning*

Existing literature already takes into account how the roles of strategic planning have evolved beyond simply being a mechanism for formulating strategy to become a context for strategic decision making, a mechanism for coordination, a mechanism for integration, and a mechanism for control (Grant, 2003; Wooldridge et al., 2008; Jarzabkowski & Balogun, 2009). The interview data pointed to three additional or enhanced roles for strategic planning: (1) as a mechanism for integration and alignment through the M-form structure, (2) as a mechanism for

enabling horizontal mechanisms, and (3) as a mechanism for linking strategy formulation and strategy implementation.

#### *Vertical versus Horizontal strategic planning perspectives*

The case study M-form based organisations in this thesis continue to maintain their vertical organisational levels, from corporate centre to embedded functional level. At the same time, as they grow they expand their structure horizontally and hence have many units which are linked laterally through different types of relations. Given this, I have sought to establish how strategic planning has expanded horizontally, how it addresses decentralised decision making, and how it creates strategic integration and alignment across the organisation.

#### *Actors' interaction dynamics in strategic planning*

Having established the scope of practitioner roles in strategic planning vertically and horizontally, I examined the dynamics of interaction between different strategy practitioners at different organisational levels and units. By extracting interview data on these interactions, I brought out and categorised patterns in the way practitioners interact with each other as they undertake planning activity, into four main interaction schemes: (1) the Bilateral Scheme, (2) the Cohesive Facilitation Scheme, (3) the Ambassadorial Coordination Scheme, and (4) the Supervisory Driven Scheme. These four types of interaction collectively help practitioners develop shared strategic plans that achieve integration and alignment between organisational levels and units. The four interaction schemes each articulate a different aspect of the horizontal view of planning:

- Bilateral Scheme - two-sided interactions between strategy practitioners from two different organisational levels or units. A strategy practitioner initiates strategic ideas and works collaboratively with the others to come up with shared strategic plans between two organisational levels or units.
- Cohesive Facilitation Scheme - a focal individual initiates and facilitates strategic planning with a group of strategy practitioners to establish strategic integration and alignment between organisational units and develop collaborative strategic plans.
- Ambassadorial Coordination Scheme - a focal individual, with higher authority than others in the group but no direct line of command, coordinates with the others to control and lead planning exercises and forge joint interests between other practitioners.
- Supervisory Driven Scheme - a strategy practitioner in a supervisory role communicates and coordinates a top-down process with their staff with the purpose of communicating higher level strategies and objectives.

## **1.7 CONCLUSION**

The purposes of this thesis are to explore the experiences of different strategy practitioners across the M-form based firms in a network of multi-level and multi-unit strategic planning, and to examine their interactions and strategising activities in practice. In particular, as explained in Chapter 3, the main units of analysis of this thesis are the strategic planning link and actor position. Therefore, this thesis set out to examine the reciprocal relationships between strategising practices, types of strategic planning links, strategy practitioners, and the emergence of strategising activities, in order to explain and probe into the practices, processes and interaction dynamics of a network of multi-level and multi-unit strategic planning within the M-form based firms. In addition to this chapter, this thesis is organised into five more chapters as follows:

Chapter 2: Literature review: This chapter provides a comprehensive review of the literature related to previous theoretical and empirical studies of strategic planning and the M-form structure. The integrative views of the definition of strategic planning, theory of multidivisional organisation, and domain of strategic planning research are discussed. Theory and research on strategic planning, organisational theory, situated learning, sensemaking perspective on practice, power theory, and agency theory, taking a strategy as practice perspective is examined.

Chapter 3: Conceptual framework, research, and analysis method: The research objectives, research questions, and research design. This chapter shows how research objectives and research questions are developed. This chapter also presents the conceptual framework, research design, methodology and analysis framework of the thesis. It begins with the viewpoints of a conceptual framework for multi-level and multi-unit strategic planning that derived from literature and strategic planning in practice. Then, the methodologies, research strategy and analysis frameworks are presented. The justification of methodologies and framework follow, including the background of selected case studies.

Chapter 4: Case analysis by types of strategic planning links: This chapter presents the results of the study that probes deep into each type of strategic planning link. The aims of this chapter are to explore and identify the attributes and nature of different actor positions that interacted with each other in the multi-level and multi-unit strategic planning throughout the M-form based organisations. In this chapter, I made extensive use of NVivo 8.0 to condense a huge amount of data into specific nodes that enabled me to do individual case write-ups according to types of strategic planning links. In addition, I adopt the chi-square test for examining the relationships between defined coding categorical variables from qualitative analysis.

Chapter 5: Case analysis by interaction schemes: This chapter builds on the previous chapter as it presents the results of the study that probes deep into the relationships between interaction schemes, strategising practices, actor positions and types of strategic planning links. The aim of this chapter is to develop a model that can be used for managing multi-level and multi-unit strategic planning throughout the M-form based organisations. The understanding of how different actor positions participating in different types of strategic planning links essentially and intuitively adopt what kind of interaction schemes is also presented. It is important to highlight that the term ‘intuitively’ used throughout this thesis refers to the meaning that strategy practitioners do not predetermine or deliberate to adopt those activities or interaction patterns. Their actions are spontaneous. The activities and interaction patterns emerged from the data analysis. The chapter begins with discussion about the reciprocal relationships of the multi-level and multi-unit strategic planning activity model. Lastly, based on the model and a discussion of previous literature, theory for managing multi-level and multi-unit strategic planning throughout the M-form based organisations is suggested. In analysing the data and presenting the findings, this chapter follows the same sequence as Chapter 4 in relation to the interaction schemes.

Chapter 6: Conclusion and implications: This chapter provides a general conclusion to the thesis’s research questions and summarises its implications for theory and practice. This chapter also provides an overview of the contributions and conclusions of this thesis. The implications of these conclusions in relation to theory and practice are also presented. Finally, this chapter provides directions for future research.

## **CHAPTER 2**

### **LITERATURE REVIEW**

This chapter positions the study in the field of strategic management and strategy, notably strategic planning and multidivisional organisation schemas. The different views of the definition of strategic planning, theory of multidivisional organisation, and domain of strategic planning research are summarised. In addition, research on strategic planning, taking a strategy-as-practice perspective is examined. The theories adopted by a strategy-as-practice perspective that this thesis is drawn on are also presented.

#### **2.1 LITERATURE REVIEW METHODOLOGY**

The literature review consists of four main areas: (1) characteristics of strategic planning; (2) theory of multidivisional organisation; (3) domain of strategy research on strategic planning; and (4) theoretical frameworks related to the strategy-as-practice perspective and strategic planning. The first literature review area focuses on different views of the definition of strategic planning in the strategy research field as outlined in Section 2.2. The second literature review area, as discussed in Section 2.3, focuses on how the theory of multidivisional organisation advances and its structural change can shape strategic planning practices in a complex organisational structure. The third literature review area focuses on how strategic planning has been examined and researched. I summarise this third area into three domains of strategic planning research with the focus on the third domain: (1) the effect of strategic planning on firm performance; (2) the process of strategic planning in strategic decision-making; (3) the practical activities of strategy practitioners in strategic planning episodes. I review these three domains in Section 2.4. Lastly, the fourth area of literature review focuses on theories and empirical studies regarding practitioners' activities related to practices-in-use and to strategic planning in practice. I adopt the lens from five theoretical frameworks for this thesis as outlined in Section 2.4.

Articles and papers for inclusion in the literature review were first identified by conducting database searches using the key phrases ‘strategic planning’, ‘multidivisional organisation’, ‘strategy as practice’, and ‘strategic integration’; and key words ‘M-form’, and ‘s-a-p’. Next, I carried out database searches using the key phrases related to theoretical frameworks derived from the review of the first searches: ‘activity theory’, ‘situated learning’, ‘power theory’, ‘emergent’, ‘organisational theory’, ‘agency theory’, ‘lateral coordination’ and ‘heterarchy’. I used two databases for this purpose: ABI Inform Global (Proquest) – limiting the search to business, management, economics, humanities, and social sciences – and Google Scholar. All searches included full text and were limited to scholarly articles within the past 30 years only. Following a snowball style, I later combined articles from previous dates and sources that had not been determined in the initial search, reading articles cited as referring to apparatus within the papers initially identified.

I initially examined articles by reading the abstracts before inclusion in my bibliography. The process produced approximately 60 articles for detailed reading, but the bibliography increased over time as I determined more articles. As I comprehended the articles, I could combine and place the disintegrated contributions from a small number of researches in large categories that I progressively cultivated into three key domains of strategic planning research, and five main theoretical frameworks. I acknowledge there may be more than the five theoretical frameworks that I developed. However, for the purpose of this thesis, I limit my investigation to these five main theoretical frameworks as they provide a very good overall coverage of the field of study. These theoretical frameworks are fairly well covered in the extant literature.

## 2.2 WHAT IS STRATEGIC PLANNING?

In exploring the research on strategic planning, the strategic planning term needs to be understood and defined, as its connotation and application varies widely in both the academic literature and in business practice. Developing a consistent definition of strategic planning is vital for the efforts to examining its characteristics because organisations may involve in strategy development and planning without labelling these activities as such. While language and labels are important in organising, it is critical to differentiate the evolution of meanings and vocabularies from the development of practices (Quinn, 1978; Mintzberg, 1994). The following sections discuss different views of the definition of strategic planning. The definition of strategic planning adopted by this thesis is also presented.

The term ‘planning’ was first introduced as part of ‘long range planning’ in the 1950s and 1960s by which firms during production and manufacturing expansion era intended to plan for their future based on extrapolation of their past growth (Steiner, 1979; Ansoff, 1984; Ocasio & Joseph, 2008). Long range planning mainly focuses on the futurity of decisions spanning over multi-year horizon in which its goals are defined in the form of action agendas, budgets and operating unit’s plans. Long range planning was progressively attempting to rationalise extrapolation with social and political factors by incorporating environmental challenges from the past, new-product and market diversification into its forecasting process (Ansoff, 1979; Ansoff, 1984). However, the extrapolation in long range planning process normally constructs the prospects or goals that are not fully achieved in reality (Ansoff, 1984) due to the conditions of the high level of competitions and dynamics of business and industry environment (Porter, 1991).

Consequently, during the mid-1960s, management scholars introduced the term ‘strategic planning’ to address some drawbacks of long range planning (Berg, 1965; Ansoff, 1979; Mintzberg, 1994) by substituting extrapolation with strategy analysis techniques in order to balance futuristic scenarios against objectives to generate strategies (Ansoff, 1984, p. 18). The strategy analysis techniques involve

identification of future trends, threats, opportunities and new ideas, and analysis of competition and diversification which may change the organisational perceptions on historical trends (Ansoff, 1977; Porter, 1991). This characteristic has made strategic planning become essential when future trends and competitive environments are uncertain.

This view of strategic planning accords with perspective of advocates of strategy process research (Mintzberg & Waters, 1985; Quinn et al., 1988; Hart, 1992; Mintzberg & Lampel, 1999; Andersen, 2004) who share a common perspective in viewing strategic planning process as a formalised practice form of strategy making. For example, Andersen (2004)'s definition of strategic planning processes is a set of "organisational activities that systematically discuss mission and goals, explore the competitive environment, analyse strategic alternatives, and coordinate actions of implementation across the entire organisation" (p. 5). Particularly, this also accords with the view from advocates of learning school of thought in strategy formulation who argue that strategy could not be emerged by deliberate techniques or approach (Quinn, 1978; Quinn, et al., 1988; Mintzberg, 1994). According to Quinn (1978) and Mintzberg (1994), strategic planning is defined as a formalised practice to produce an articulated outcome in the form of an integrated structure of decisions, and concentrate on formalisation as the main condition that differentiates planning from other activities of strategy design or formulation.

This definition implies that strategic planning is a management practice and a form of planning practice developed for the purpose of intentional strategising (Whittington, 1996; Jarzabkowski, 2005). Specifically, in strategy-as-practice perspective (Whittington, et al., 2006; Jarzabkowski, et al., 2007), strategy and strategising are conceptualised differently. Jarzabkowski (2007) described the terms used for strategy and strategising in strategy as practice perspective as follows:

“Strategy is conceptualised as a situated, socially accomplished activity, while strategizing comprises those actions, interactions and negotiations of multiple actors and the situated practices that they draw upon in accomplishing that activity” (pp. 7-8).

Other strategy as practice scholars have posited that constituent activities are more integrated (Hodgkinson, et al., 2006). In a large-scale research of UK firms, Hodgkinson et al. (2006) found that executives continue to practise strategy workshops as part of formal strategic planning processes. Particularly, this has made strategy research scholars view strategic planning as a institutionalised and formalised form of strategy development, where strategy can be emergently or deliberately developed (Hodgkinson, et al., 2006). While some authors have illustrated strategic planning process as an annual ritual that provides very little in strategic thinking or change (Mintzberg, 1994), others find that strategic planning continues to be a widely used organisational practice (Rigby, 2003; Whittington & Cailluet, 2008). Essentially, strategy scholars have viewed and defined strategic planning process much more widely than before.

Therefore, in order to be able to understand strategic planning systems that evolve into more sophisticated ways, this thesis followed the wider definition of strategic planning, strategy and strategising that is based on aforementioned conventional view on strategic planning research and strategy-as-practice perspective. The strategic planning process in this thesis is viewed as a formalised form of planning practice, and as an institutionalised form of strategy development process, where strategy can be made emergently or deliberately. In the next section, I review the organisational theory of multidivisional structure that influences changes in strategic planning.

## **2.3 ORGANISATIONAL THEORY OF THE M-FORM AND STRATEGIC PLANNING**

### **2.3.1 Beyond the Classic M-form**

The conception of the multidivisional organisation structure or the M-form (Chandler, 1982) has been introduced to support large firms pursuing a strategy of diversification by organising the structure of the firms into different functions and units. Since then, the M-form structure has continued to be adopted by many medium and large companies which are in both modes of internationalisation and localisation (e.g. multinational enterprise and large local enterprise) (Chandler, 1982; Chandler, 1991; Bartlett & Ghoshal, 1993; Bartlett & Ghoshal, 1998; Greve, 2003).

The intentions of the firms adopting the M-form were to be more capable of detaching strategic from operational decision-making, allocating capital among organisational divisions, and monitoring divisional performance (Ghemawat, 2002). However, when large firms continued to expand their strategies of diversification along with the turbulent environment, the legacy M-form was itself becoming ineffective (Ghemawat, 2002). Consequently, the concept of a Strategic Business Unit (SBU) was promoted to organise the M-form based firm's businesses along strategic product lines, influenced more by external industry conditions than internal organisational factors (Chandler, 1982; Chandler, 1991; Ghemawat, 2002). The M-form firm contemporarily consisted of a set of strategic business units, each of the strategic business units assumed functional or divisional management responsibility for all circumstances dealing with a specific product line: production, operation, marketing, finance, research and development, and other responsibilities for a specific product line was decentralised within the corporation (Wit & Meyer, 2005). Accountability for day-to-day management and operation of these functions was devolved to pre-arranged divisional managers. Senior managers at the corporate level focused on long-term matters of strategy, such as diversification strategies based on overall technological or marketing capabilities, and monitoring of the product divisions' performance (Chandler,

1991) .The M-form firm was intended to rationalise and minimise the overload of information associated with the functional or divisional management structure of diversified firms (Wit & Meyer, 2005). By differentiating between the market- and product-specific information needed for management of operations and the corporate-wide information required to develop strategy, the M-form structure also could provide the formulation of corporate strategy that relied on management of the firm's capabilities and accumulated innovative thinking in new markets or product lines (Ghemawat, 2002).

The diffusion of the M-form structure and the adoption of SBUs have consistently driven the emergence of hierarchy of strategies: corporate level, strategic business unit level and functional level, to the organisational structure of multinational businesses until today (Chakravarthy & Henderson, 2007). The hierarchical view of strategy in M-form structure continues to dominate the locus of decision making across vertical linkages within organisation (Ghemawat, 2002). Even though, hierarchical arrangement is still central to the M-form structure, management theorists suggested that a considerable numbers of M-form based firms today have demonstrated the shift in organisational arrangement to increase decentralisation of strategic decision-making and to enhance horizontal linkages within organisation (Ruigrok, et al., 1999; Ghemawat & Ghadar, 2006). The increase in horizontal networking within vertical structure has continuously made M-form based firms become 'differentiated network' (Anil & Vijay, 2000; Bruce, 2000; Morgan, et al., 2001; Chakravarthy & Henderson, 2007) that can provide firms better differentiation and integration of strategies throughout the organisational networks (Black, 2000).

Particularly, these multidivisional forms began to be perceived as insufficient for firms to respond to new competitive conditions and environments driven by new innovation, technology and globalisation (Bartlett & Ghoshal, 1993). Consequently, the structural form began to diverge from the classic M-form. By decentralising information, assets and resources into distributed specialised business units, companies sought to form an environment that scarce assets and

resources could be cultivated and applied most appropriately (Bartlett & Ghoshal, 1993). This greater degree of devolution and decentralisation created a need for more powerful horizontal integration and coordination processes to ensure that the corporate whole benefits from the specialised assets, resources and expertise developed in its decentralised operating units (Bartlett & Ghoshal, 1993). This situation also highlights that many large firms irrespective of mode of internalisation or localisation have continuously adopted a more complex M-form structure (Ruigrok, et al., 1999).

### **2.3.2 Horizontal Mechanisms and Cross-unit Collaboration**

The organisation theory literature introduces horizontal linking mechanisms as an innovation for organisational design (Mintzberg, 1979; Schein, 1980; Brown, 1999; Bowman & Helfat, 2001; Ambrosini et al., 2007; Martin & Eisenhardt, 2010). According to Mintzberg (1979, p. 3), horizontal linking mechanisms in the form of ‘mutual adjustment’ are a means to achieve coordination of different organisational units by informal communication process, and are exercised along with a firm’s hierarchical management system to increase communication, coordination, decision making and interaction across organisational unit boundaries (Tushman & Nadler, 1978; Mintzberg, 1979; Galbraith, et al., 2002).

This mutual adjustment empowers the effectiveness of intergroup relations (Schein, 1980) and inter-team coordination activities (Ambrosini, et al., 2007). The mutual adjustment and inter-group coordination are the central part for encouraging horizontal linking coordination between different actors in various organisational levels, as they increase the efficiency of information and knowledge transfer to coordinate activities between individuals and groups (Mintzberg, 1979; Schein, 1980; Ambrosini, et al., 2007). Whereas vertical coordinating accounts focus an organisation on its strategic needs, horizontal linking mechanisms offer a more lateral way of arrangements and operations between organisational units (Galbraith, et al., 2002). Thus, horizontal linking mechanisms can enable to remove the barriers to cross-unit collaboration that are created by the firm’s hierarchical

reporting structure (Brown, 1999). Hence, firms typically seek to embed horizontal mechanisms as an apparatus for cross-unit collaboration at different hierarchical levels in the M-form, including between SBUs.

Cross-business-unit collaboration is a strategically important issue because it can be an important source of economic value for multi-business corporations (Bowman & Helfat, 2001) and is often justified as rationalisation for major corporate strategic actions (Martin & Eisenhardt, 2010). Strategy scholars have examined cross strategic business unit collaborations in multi-business organisations (Bowman & Helfat, 2001; Martin & Eisenhardt, 2010) and in many cases emphasised the role of middle managers in these coordination linkages (Balogun & Johnson, 2004). Martin and Eisenhardt (2010) posited that a business unit-centric process led by cross-unit teams of middle managers leads to better collaborations than a corporate-centric process because the cross-unit teams have both important resources regarding relevant information and collective authority. Ketokivi and Castañer (2004) showed that effective participation by middle managers in strategic planning process increases the ability to reach consensus on a decision because it reduces the negative effects of position bias. Balogun and Johnson (2004) demonstrated how negotiations between middle managers are formed and collective agreement is achieved without involvement of top management. This is consistent with the study of Bartlett and Ghoshal (1993) in which middle managers provided the champion for the integration process.

This portrayal of horizontal coordinating mechanisms and actions is in line with the heterarchy model of organisational structure (Hedlund, 1986; Hedlund & Ridderstrale, 1995). In this model, there can be a heterarchy of strategies rather than a hierarchy (Hedlund, 1986). Whereas in a hierarchy, every strategic decision-making node is linked to a parent node in a form of chain of command, in a heterarchy a decision making node can be linked to any of its neighbouring nodes without needing to go through some other node. Hence, vertical and lateral relationships exist between the corporate centre and peripheries, and between

peripheries, in terms of product, people and knowledge flows (Birkinshaw & Morrison, 1995; Chakravarthy & Henderson, 2007).

Bringing all of these horizontal coordination and cross-unit collaboration together, individuals both vertically and laterally coordinate works with each other throughout different levels of organisation. Particularly, this view can be applied with the situation where strategy practitioners coordinate in concert to formulate strategy. The coordination between strategy practitioners during formal strategic planning cycle would embed some forms of horizontal linking coordination and inter-team coordination within its traditional top-down strategic planning process. Therefore, the horizontal coordinating mechanisms provide a more integrative perspective to examine activities and interactions of strategy practitioners that occur within network of multi-level and multi-unit strategic planning processes.

### **2.3.3 Strategic Planning in a Multi-level and Multi-unit Environment**

Despite the above emphasis in the organisation theory literature on the importance of lateral relations and cross-unit collaboration, the horizontal mechanisms perspective has not yet been fully incorporated into research on strategic planning. The dominant view of strategic planning is still based on multiple stages at different organisational levels which are ultimately brought together into a coherent whole (Grant, 2003; Paroutis & Pettigrew, 2007; Ocasio & Joseph, 2008; Vilà & Canales, 2008). Although the literature acknowledges the role of corporate strategic planning in lateral coordination (Grant, 2003), recognition of the horizontal aspect has not extended to strategic planning processes becoming decentralised and distributed across multi-business firms.

In practice, business units and functions often adopt their own strategic planning at their respective levels tailored to their specific pressures and interests. These quasi-independent processes in turn need to be aligned with each other and with corporate strategic planning (Ghemawat, 2002). In this way, strategic planning has evolved from a single multi-stage process into a network of quasi-independent, decentralised strategic planning processes. If sufficiently well integrated, this network of processes helps a firm coordinate vertically and horizontally. It can also be seen as a means to achieve innovation that requires integration and coordination of strategies vertically and horizontally through the organisation. In this context it is worth noting that strategic planning has evolved beyond simply a mechanism for formulating strategy to become a context for strategic decision making, a mechanism for coordination, a mechanism for integration, and a mechanism for control (Grant, 2003; Wooldridge, et al., 2008; Jarzabkowski & Balogun, 2009)

In particular, the theories related to organisational structure (Whittington, et al., 1999; Friesen, 2005) have been promoted in the way that there is a need to manage the development and implementation of strategy as well as focusing on how to make strategic decision making faster through hierarchy and heterarchy (Birkinshaw, et al., 1995; Birkinshaw & Morrison, 1995). There is also a need to focus on how to establish a adaptable design of organisation and learning across the organisation (Lave & Wenger, 1991; Wenger, et al., 2002). However, the design of the organisation's configuration becomes a challenge as many the M-form based organisations currently expand their structure horizontally. Especially, the design of the organisation's configuration in a contemporary M-form based firm has currently been affected by the diffusion of horizontal structure growth in which its structure becomes a differentiated network or heterarchy (Robert & Julian, 1998; Bruce, 1999; Anil & Vijay, 2000; Anil & Vijay, 2000; Bruce, 2000; Bresman, et al., 2010). In a heterarchy, decision-making and managerial capabilities are diffused throughout the organisation rather than concentrated at the corporate apex. In addition, the lateral or horizontal relationships exist between peripheries or subsidiaries, in terms of product, people, information and knowledge flows in a heterarchical structure (Birkinshaw, et al., 1995; Birkinshaw & Morrison, 1995).

Taking the views of hierarchy and heterarchy, strategic planning is inevitably affected by these two views of the organisation's configuration. The strategic planning becomes multi-level and multi-unit processes (vertical view and horizontal view). The vertical view and horizontal view of planning systems, that this thesis aims to explore and examine, consider this challenge and take it into account for examining strategic planning systems in the M-form based firms. In Section 3.2, I demonstrate and derive a conceptual framework of a network of multi-level and multi-unit strategic planning processes to accommodate this challenge.

#### **2.4 DOMAINS OF STRATEGY RESEARCH ON STRATEGIC PLANNING**

As I mentioned earlier in Section 2.1, I have reviewed the literature regarding strategic planning research and found that the empirical research on strategic planning has focally maintained its momentum to cover three main domains: (1) the effect of strategic planning on firm performance, (2) the process of strategic planning in strategic decision making, and (3) the practical activities of strategy practitioners in strategic planning episodes.

The first domain has spawned many studies, but no rigorous and consistent findings. Evidence regarding the relationship between strategic planning and performance has been criticised as equivocal (Greenley, 1986; Boyd & Reuning-Elliott, 1998; Rudd et al., 2008). While there is empirical support for a positive association between strategic planning and performance (Andersen, 2000; Delmar & Shane, 2003; Ebben & Johnson, 2005; Brews & Purohit, 2007), there is, on the other hand, evidence suggesting that no such relationship exists (Shrader et al., 1984; Pearce et al., 1987). The strategic planning and organisational performance research has yielded inconsistent findings (Brews & Hunt, 1999).

The second domain has examined the process of strategy formulation. However, an ongoing debate in the literature entails the usefulness of deliberate strategic planning versus emergent strategy development (Ansoff, 1977; Mintzberg, 1990; Mintzberg & Lampel, 1999). Emergent strategy development scholars suggest that deliberate strategic planning is inflexible (Quinn, 1978; Mintzberg, 1994), whereas deliberate strategic planning advocates posit that emergent strategy development is without framework and structure, and hence direction (Steiner, 1983). Thus far, the debate within the field of strategic planning on how to balance the views of deliberateness and emergence for strategy development still persists (Wit & Meyer, 2005). Furthermore, many strategy researchers and practitioners suggest that strategic planning needs to integrate both deliberate and emergent perspectives (Quinn, 1978; Chakravarthy, 1984; Lorange, 1996; Grant, 2003; Mankins & Steele, 2006; Breene, et al., 2007; Brews & Purohit, 2007). This synthesis can deliver an effective strategy formulation process by allowing for interactions between the organisational levels and iterations among the process steps (Chakravarthy & Lorange, 1991). However, there has been less empirical investigation of the phenomenon of integration between deliberate and emergent perspectives.

The last domain of research on strategic planning is relatively new and considered as an emerging research domain on strategic planning. This emerging domain, through the lens of a strategy-as-practice perspective, has explored and probed into what is going on inside strategic planning episodes (Jarzabkowski, 2003; Hodgkinson, et al., 2006; Whittington, 2006; Whittington, et al., 2006; Paroutis & Pettigrew, 2007). It has been significantly concerned with the practical activities and tools necessary to make the strategic planning happen. This is because of the limitations of the first two areas, which do not investigate the details of how managers and strategists perform their works and strategising in order to run their strategic planning systems effectively.

Furthermore, a broad number of strategy scholars explore the impact of a hypercompetition on organisational structure, strategic decision-making and strategic change (Veliyath, 1996; Brown & Eisenhardt, 1997; Snyman & Drew, 2003). Essentially, firms in the hypercompetitive environment require organisational decentralisation, adaptive innovation and a responsive approach (Brown & Eisenhardt, 1997; Wit & Meyer, 2005) as key elements of competitive advantage. This situation inevitably affects how managers alter their management practice and strategy activities such as strategy-making and product development processes (Brown & Eisenhardt, 1997; Johnson et al., 2003). Middle managers and frontline managers, who are close to customers and understand customers 'needs comprehensively, become a key role in espousing decentralisation of strategic decisions (Westley, 1990; Floyd & Wooldridge, 1992; Whittington, et al., 1999; Wooldridge, et al., 2008). Simultaneously, this has made lower echelon managers at the periphery greatly involve in strategic planning rather than only upper echelon managers at the corporate centre do (Andersen, 2004).

#### **2.4.1 Strategic Planning and Firm Performance**

The question of how strategic planning contributes to performance has spawned many studies but no vigorous and consistent findings. The contribution of this area of research has been limited by the inconsistency of its measurement schemes, and a priori assumptions of strategic planning dimensions and factors. For example, Greenley (1986) conducted empirical study that has focused on the relationship of strategic planning to overall firm's performance in manufacturing companies. Five out of nine studies reviewed claimed a positive relationship and four did not. Pearce, Freeman and Robinson (1987) examined the link between formal strategic planning and financial performance using systematic critical review of 18 relevant empirical studies. These researchers suggested that, regardless of methodological approach, contradictory findings have emerged from these relevant empirical studies (Pearce, et al., 1987).

Furthermore, many strategic planning and performance literature use financial measures of a firm's performance for analysis, but these constructs could not capture another dimension of the firm's performance. Non-financial measures of performance, or those performance measures not directly contributing to financial performance, were inevitably proposed to be included (Greenley, 1986; Delmar & Shane, 2003). The non-financial performance variable was derived from morale and retention-based factors relating to involvement in the strategic planning process. Delmar and Shane (2003) introduced venture disbanding, the level of product development, and the level of venture organising activity as the non-financial performance variables. The use of these non-financial variables expanded the strategic thinking of the firm's executives to focus on not only financial performance but also non-financial performance goals. However, as Boyd and Reuning-Elliott (1998) noted, strategy researchers are still debating how to operationalise key strategy constructs such as performance, organisational environment, or the relatedness of diversification. There has been little consistency in its standardisation of measurement.

Prior approaches to measuring strategic planning and firm performance used inconsistent terminology, variables and data collection techniques, and had numerous methodological limitations (Greenley, 1986; Delmar & Shane, 2003). These limitations substantially reduced the ability to assess and integrate prior empirical studies, and to conclude the relationship between strategic planning and performance. Arguably, by viewing strategic planning as a single process in a corporation and not incorporating the complexity of organisation structure into the equation, this research domain has limited its ability to establish clear correlations between planning and performance in multi-business corporations. However, the relationship between strategic planning and firm performance is not the unit of analysis of this thesis.

## 2.4.2 Process of Strategic Planning

A survey on strategic planning conducted by *The McKinsey Quarterly* in 2006 (Dye & Sibony, 2007) found an enormous amount of dissatisfaction among executives. Many of them felt that their strategic planning needed to be improved. They raised significant concerns about the way their company executed the strategy, communicated it, aligned the organisation with it, and measured performance against it. The survey revealed the following key suggestions for improving their strategic planning: (1) improving their company's alignment with the strategic plan, (2) developing a method to monitor progress against the plan, (3) increasing involvement from all levels of company, and (4) improving efficiency of planning process. The literature I review below has attempted to address this dissatisfaction by establishing effective and adaptive strategic planning systems for entire corporations that synthesise deliberate and emergent perspectives. However, I argue that this synthesis becomes much more difficult if multi-level and multi-unit strategic planning processes are taken into account in the complex M-form structure (Chandler, 1982). This is because of the high level of coordination that is required to ensure strategy formation is effectively aligned between each level and unit.

Within the literature on the strategy process perspective, the efficacy of deliberate strategic planning (or design school) versus emergent strategy development (or learning school) is an ongoing debate (Wit & Meyer, 2005; Rudd et al., 2008). Brews and Hunt (1999) posited that lessons from both design and learning schools are needed for successful strategic planning. The design school takes the approach that comprehensible strategies are formulated and the internal condition of the organisation is used to harmonise the external environment (Mintzberg, 1990). On the contrary, the learning school is based on the concept of emergent process in which strategies must emerge in small steps as the organisation adapts or 'learns' (Mintzberg, 1990; Mintzberg & Lampel, 1999). By combining the process of the design school and the process of the learning school, a more productive result can be accomplished. Thus, intended strategy can be represented by deliberate specific

plans while emergent strategy can be represented by the inevitable incremental changes that allow the capability to adaptively realise and test part of such intended strategy. This view accords with Grant (2003)'s study of strategic planning in major oil firms in which strategic planning becomes the processes of 'planned emergence' (p. 513) in order to coordinate decentralised strategy formulation both in top-down and bottom-up initiatives, and to provide a context for strategic decision-making across multiple levels of organisation.

On the basis of the Boston Consulting Group's study of strategic planning process (Kachaner & Deimler, 2008), it shows that the leading companies are stretching time horizons of and executive engagement process within strategic planning. Kachaner and Deimler (2008) suggested that stretching time horizons of strategic planning (i.e. long, medium, and annual terms) involves different levels of executives on different timeframes in order to address different dimensions of critical strategic issues across various time horizons. Kachaner and Deimler (2008) stated the importance of executive engagement within different time horizons of strategic planning as follows:

“Strategic conversations should occur at different levels throughout the organisation, each with its corresponding format and resources. Involvement of people at multiple levels allows strategies to be better thought through, internalised, and implemented” (p. 43)

Similarly, a practical study, published by the *Harvard Business Review* in January 2006 (Mankins & Steele, 2006), argues that a number of companies have improved their strategic planning by replacing their calendar-driven and SBU-focused planning processes with 'continuous, decision-focused strategic planning' (pp 80 – 84). Mankins and Steele (2006) described the key notion of this continuously decision-oriented strategic planning is to devise strategic planning to be a continuous process by spanning their strategy dialogues throughout the year in which the integration of multiple levels of strategic decisions is the critical success factor. In addition, the nature of strategy dialogues of executives' discussions

during this new strategic planning model has changed from *'review and approve'* style to *'debate and decide'* style (Mankins & Steele, 2006, p. 78). This means that executives greatly discuss about critical strategic issues and thoroughly make strategic-decisions against resolutions of those strategic issues based on overall company's performance and value. This study also showed that the companies that adopt this new strategic planning model double numbers of critical strategic decisions each year comparing to the companies that still adopt the traditional strategic planning model.

Further, in strategy literature concerned with corporate strategic planning systems in multi-national companies, Grant (2003) conducted comparative case studies of the strategic planning systems of eight oil companies to explore the changing characteristics of their strategic planning processes. He found that multinational companies continue to have a formal strategic planning process, but with a shift in the nature of strategy work away from analysis and forecasting, and more towards communication, coordination and control. He suggested that strategic planning is now more about coordinating strategies as they develop from within the business, communicating adopted strategies, and monitoring and controlling their implementation. According to this research, the strategic planning process acts as a context for strategic decision making as well as for coordination of its decentralisation, and provides a mechanism for control (Grant, 2003). Arguably, however, these findings were not able to be developed to their full potential due to the focus of this research on studying the strategic planning system as a single process in a corporation.

Recent researches posit that strategic planning is not extinct, but that it has evolved in response to dynamic environmental conditions and to the changes in corporate agendas and directions. Ocasio and Joseph (2008) studied the history of corporate and strategic business unit planning under the administrations of six CEOs from 1940 onwards in order to understand the transformation of strategic planning at General Electric (GE). They examined how practices were shaped by changes in the leadership agendas, and firm's structure and strategy (Ocasio & Joseph, 2008).

They suggested that strategic planning systems have changed over time and depended on CEO agendas (Ocasio & Joseph, 2008). GE's history reveals how strategic planning practices can effectively be a shared responsibility between both corporate executives and strategic business unit managers. Their analysis additionally pointed that "characterising planning as either line or staff activities is a great over-simplification" (Ocasio & Joseph, 2008, p. 268). Ocasio & Joseph (2008) showed very interesting point regarding involvement of strategic planning staff and line managers as follows:

"Staff have always played a role in assisting the CEO in strategic planning, yet even under the eras of greatest staff influence on strategic planning... strategic planning directly involved line managers at multiple organisational levels. While strategic planning staff may play an important role, strategic planning cannot be exclusively a staff activity if it is to be consequential for strategic decision-making and organisational action" (p. 268)

Their findings posited that no single structure of strategic planning system can address all corporate orientations and agendas, and CEOs are the key person who could adapt the design of the planning system to meet the corporate vision (Ocasio & Joseph, 2008). This study gives an insight into the evolution of strategic planning in a complex M-form based firm.

Overall, the literature of strategic planning process evokes how strategic planning is organised and followed within an organisation. This area of research contributes to the knowledge of understanding how strategic planning process changes over time and how it adapts in order to respond to the hypercompetitive environment. However, the understanding of how strategy practitioners really perform their works in order to act on the process is not fully captured in this area of research. The attempt to understand how multiple actors are involved in the strategic planning process is also not completely addressed. In addition, strategy process research on strategic planning has not so far explicitly taken into account the

perspective that strategic planning becomes much more complex in the M-form based firms.

### **2.4.3 Strategy-as-practice Studies of Strategic Planning**

The last domain of research on strategic planning is relatively new and considered as an emerging research domain on strategic planning. This emerging domain, through the lens of a strategy-as-practice perspective, has explored and probed into what is going on inside strategic planning episodes (Jarzabkowski, 2003; Hodgkinson, et al., 2006; Whittington, 2006; Whittington, et al., 2006; Paroutis & Pettigrew, 2007). It has been particularly interested in the practical activities and tools necessary to make strategic planning happen. This perspective has evolved in response to the limitations of process and performance studies, which do not investigate how managers and strategists undertake the activities needed to run their strategic planning system effectively.

Jarzabkowski (2003) presented an empirical study of the micro-level strategic practices in three UK universities during strategy development processes, including formal strategic planning. Empirically, the findings from this study revealed that strategic planning cycle was adopted as “an integrative framework of direction setting, resource allocation and monitoring and control” (Jarzabkowski, 2003, p. 45) by top executive teams in the universities. Jarzabkowski (2003) also divulged the shared practices such as strategic planning cycle become distributors of the interactions and contradictions between different actors that can mediate strategic change. Furthermore, this researcher suggested that the strategic planning cycle is a compelling practice for providing a consistent interpretation of focused strategic activities (Jarzabkowski, 2003).

Hodgkinson, Whittington, Johnson, and Schwarz (2006) studied the role of strategy workshops in strategy development processes. They found that strategy workshops are a common practice in many organisations and that they are part of formal strategic planning processes. According to their findings, strategy workshops tend

to “play an important role in introducing a degree of emergence within a wider formal strategic planning framework” (Hodgkinson, et al., 2006, p, 488). They are the forums where such emergent strategy is contemplating, translating and formalising strategy that originates lower down the organisation (Hodgkinson, et al., 2006). The importance and changes in the role of strategy workshops as part of strategic planning process are reinforced by the study from Jarzabkowski and Seidl (2008) who found that strategy meetings instigated strategy to emerge from the confluence between particular participants, problems and solutions. Strategy meetings also provide an authority and influential structure for politically skilled executives to shape and influence over strategy-making (Jarzabkowski & Seidl, 2008).

This finding is consistent with study from Goldman (2007) who suggested that organisations should continue to organise strategic planning sessions on a regular basis. The strategic planning meetings should have a high degree of process regularity, with an emphasis on preparation: reviewing materials and thinking about specific questions that are provided in advance. As Goldman (2007) noted, the strategic thinking ability is enhanced by participation in strategic planning processes with three characteristics: (1) “having strategic planning sessions with management teams on a regular basis”, (2) “preparing for the planning sessions such as the required reading of materials that help focus people’s thinking”, and (3) “establishing the formal output of the planning process such as an overall plan, business-unit goals and tactical plans” (p. 77). Executives gain their proficiency in strategic thinking through strategic planning in the forms of strategy meetings, strategic planning exercises and sessions (Goldman, 2007).

The findings from literature above strongly reveal that strategic planning becomes part of organisational life. Strategy workshops and strategy away-days as strategic episodes (Whittington, 2006) grow to drive strategic planning processes for playing a key role in establishing a degree of emergence within formal strategic planning. This suggests that to understand how executives interact with each other within strategic episodes would give deep insight into what actually happens in strategic

planning. This thesis therefore adopts this notion to examine how strategy practitioners interact with each other in a series of strategic episodes within strategic planning.

Moreover, as multi-business corporations adopt the M-form structure, strategy scholars focus on the examination of actions and the interactions of strategy practitioners between the corporate centre and the business unit levels within the multi-business firm. Paroutis and Pettigrew (2007) exposed the interactions across strategy teams between central level and the business unit level, and explored how the interactions and behaviours of different strategy teams change over time. In addition, Paroutis and Pettigrew (2007) posited that the interactions between strategy teams at the central level and periphery level are significant for strategising (Paroutis & Pettigrew, 2007). From their findings, the micro-level activities of strategy teams evolved in conjunction with the strategy development process. The study also demonstrated that the adoption of different activities by strategy teams was closely linked with strategy development process (Paroutis & Pettigrew, 2007). This finding is consistent with perspective on the important role of middle managers in strategy development processes (Westley, 1990; Wooldridge & Floyd, 1990; Wooldridge, et al., 2008).

Vilà and Canales (2008) revealed that strategic planning is adopted as a collective mechanism for strategy-making within a multi-business firm (Vilà & Canales, 2008). Active participation of different managers across organisational levels especially middle managers in strategy making is the key apparatus for such collective mechanism. In the course of this collective process, top managers together with middle managers built a shared framework of strategy in order to internalise in the mind of all managers during strategic planning cycle (Vilà & Canales, 2008). This shared framework of strategy enabled other managers to translate the shared agreements into coherent action at their own interests and respective functions. These researchers strengthened the importance of strategic planning within M-form based firm and showed how managers situated in lower echelon especially middle managers play a key part in strategic planning processes.

The shift of strategic planning from planners to line managers has continued to impel line managers across the M-form based structure (Grant, 2003) to be fully responsible for and be part of the network of strategic planning processes. Furthermore, the empirical studies of relationships and interactions between people's activities across different levels and units of organisations, and strategising processes are indeed important to offer insights about how organisations can deliver competitive advantage over their rivals from their strategies and strategising activities. Moreover, the scope of strategy-as-practice research has been expanded to include not only top managers but also middle managers and other mid-level professionals whose activities and behaviours have important consequences for how strategy forms within organisations. Research focused on middle managers has added much to the understanding of strategy and change, and offers great promise for generating future insight (Wooldridge, et al., 2008). Particularly, Rouleau (2005) showed the importance of micro-practices study of the roles of middle managers. Rouleau (2005) determined four key micro-practices of middle managers for strategic change: translating the orientation, overcoding the strategy, disciplining the client, and justifying the change.

Especially, in 2008, articles published in Long Range Planning have demonstrated the attempt to examine what is going on inside strategic planning at the activity level. Ocasio and Joseph (2008) revealed the transformational phenomenon of the strategic planning at General Electric Company (GE) and described changes in the terms used to typify strategic planning activities as follows:

“The GE case further reveals that the conventional history of strategic planning conflates changes in the labels that describe planning and strategising with changes in strategic planning activities. The vocabularies used to characterise strategic planning activities evolve as practices evolve, with both changes in words or labels used to categorise key activities, and changes in the meaning of the words” (p. 269)

The strategic planning at General Electric Company has progressed into decentralisation of the planning activities that involved both strategic planning staff and line managers at different organisational levels (Ocasio & Joseph, 2008). The planning activities through the lens of activity theory suggest strategic planning is acting as a mechanism for managers to translate mutual agreements of objectives into coherent action (Vilà and Canales, 2008). Active participation from the strategic planning staff and line managers is the means of preparing them during strategic planning. While the planning staff continues to play a key role in strategic planning, particularly called as “strategic planning champions” by Nordqvist and Melin (2008), line managers at multiple levels of organisation are increasingly involved to participate in the planning meetings and business reviews which accords with studies from other scholars (Grant, 2003; Ocasio & Joseph, 2008; Vilà & Canales, 2008).

There is a growing attention to study different interests in various hierarchical positions in the organisation (Floyd & Lane, 2000; Mantere, 2008; Mantere & Vaara, 2008), predominantly between top managers and middle managers (Wooldridge & Floyd, 1990; Floyd & Wooldridge, 1992; Floyd & Wooldridge, 1997; Pappas & Wooldridge, 2007; Wooldridge, et al., 2008). These differences are a crucial part of strategic planning process that individual managers experience the planning activities differently. Middle managers become greater important within strategic planning for suggesting new strategies to top managers (Jarzabkowski & Balogun, 2009); therefore, active involvement from middle managers is important. Floyd & Wooldridge (1997) suggested that increasing integration of middle managers has been correlated with increased firm performance.

Nonetheless, performance improvement can occur from active participation in strategic planning activities even when mutual agreement between different levels of organisation does not achieve. (Wooldridge & Floyd, 1990). Active participation in strategic planning between top managers and middle managers can be accomplished by vertical and lateral interactions (Balogun & Johnson, 2005; Mantere, 2008), adaptive control systems (Floyd & Lane, 2000), and mutual adjustment that enables to increase communication (Mintzberg, 1979; Wooldridge, et al., 2008). However, there has been little fine-grained empirical study into the micro-activity level of different level actors throughout different organisational levels and units in multi-level and multi-unit strategic planning. This thesis is set out to address the gap that goes beyond top managers and middle managers.

These practice-based studies have shed light on the practical activities of strategy practitioners within strategic planning. However, like the process-based studies, they have studied strategic planning as a single strategic planning process for whole corporations. They have focused only on the activities taking place at the corporate level and the periphery. The broader analysis of planning activities within the complex M-form structure has yet to be explored. The following section derives five main theoretical frameworks designed to facilitate and address this issue using the lens of micro-strategy and strategising perspective on strategic planning.

## **2.5 THEORETICAL FRAMEWORKS AND BACKGROUND**

After reviewing the domain of strategic planning research, I have based this thesis on the lens of micro-strategy and strategising perspective (Johnson, et al., 2007), and on changes in the nature of strategic planning process. This approach can provide and probe the activities inside a strategic planning process in order to improve understanding of how firms carry out strategic planning activities in practice. An important limitation of strategic planning research to date is that it has always viewed strategic planning as a single process in a corporation. This is insufficient given the evolution of the complex multidivisional organisation structure or the M-form (Chandler, 1982) that many multi-business corporations currently adopt.

I gradually refined the literature into five main theoretical frameworks that are generally drawn upon by the strategy-as-practice perspective, strategic planning literature and organisational theory as discussed in the Section 2.2 – 2.4. The contributions of the five main theoretical frameworks from the viewpoint of this thesis are summarised in Table 1. In the sub-sections of Section 2.5, I also elaborate in more detail for each of the five main theoretical frameworks.

Table 1: Contribution of selected pieces of literature that are relevant for this thesis

Domain of Literature	Pieces of literature	In Section	Contribution to this study
Strategy-as-practice view	Jarzabkowski (2003), (2005), Jarzabkowski & Spee (2009), Jarzabkowski & Whittington (2008), Balogun, Gleadle, Balogun & Johnson (2005), Wooldridge, Schmid, & Floyd (2008), Whittington et al. (2004), Whittington et al. (2006), Whittington (2006a) (2006b) (2007), Whittington, & Jarzabkowski (2008)	2.5.1	Notion of relevance of praxis, practices and practitioners in strategic planning.
Situated learning	Lave & Wenger (1991), Engeström & Kerosuo (2007), Wenger (1999), Wenger et al. (2002)	2.5.2	The social nature of communities of practice that enables horizontal coordination between actors is a crucial to success of organisational alignment

Table 1: Contribution of selected pieces of literature that are relevant for this thesis (continued)

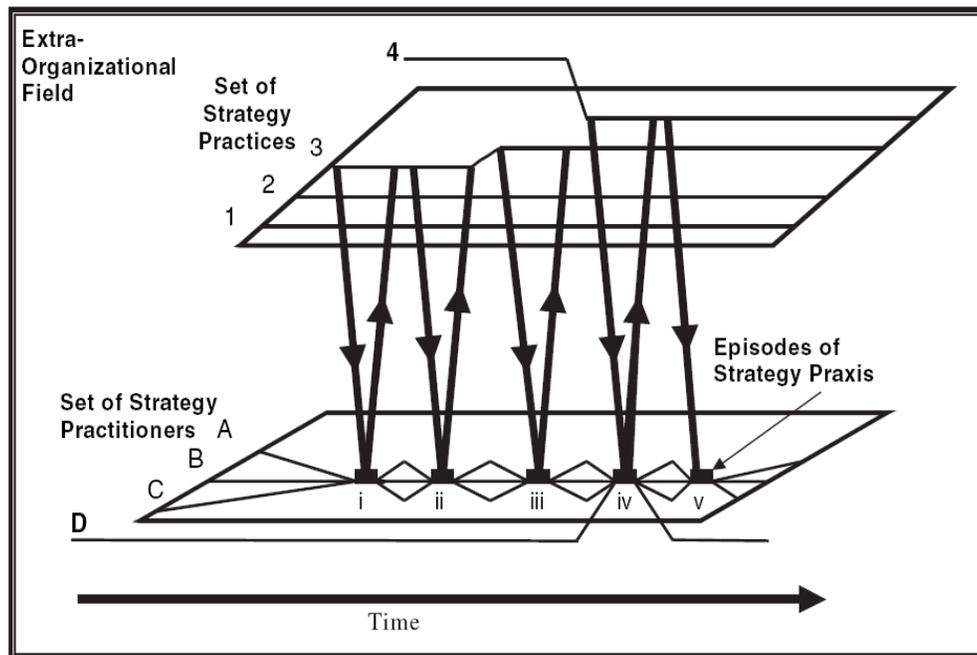
Domain of Literature	Pieces of literature	In Section	Contribution to this study
Sensemaking perspective on practice	Argote, McEvily, & Reagans (2003), Hodgkinson & Sparrow (2002), Balogun & Johnson (2004), (2005), Gioia & Chittipeddi (1991), Weick & Roberts (1993), Weick, Sutcliffe, & Obstfeld (2005)	2.5.3	Different sense making of strategic integration and alignment , and interactions between strategy practitioners can be captured through a sensemaking perspective
Power theory in strategic planning	Balogun and Johnson (2004), Floyd and Wooldridge (1997), Guth and Macmillan (1986), Narayanan and Fahey (1982), Westley (1990), Bower (1970), Burgelman (1983), Floyd and Lane (2000)	2.5.4	Strategic planning is an intrinsically political process in which the negotiation of self-interest is particularly likely to play out in the interactions between different organisational roles.
Agency theory	Allaire & Firsirotu (1990), Cooney (2007), Eisenhardt (1988), (1989), Mutch, Delbridge, & Ventresca (2006), Stevenson & Greenberg (2000).	2.5.5	Strategic planning is viewed as a contractual relationship in which this view provides the understanding of how principals and agents interact with each other during different types of strategic planning.

### **2.5.1 Strategy-as-practice View**

In strategy literature, the traditional strategy researchers assume that strategy is something organisations have and focus on what kind of processes can deliver that underlying strategy. In addition, from a traditional strategy research view, organisations have differentiation strategies, for example, diversification strategies and joint venture strategies; organisations also have strategic planning processes, decision processes and change processes in which this view assumes strategy as a assets of organisations. However, according to practical activities of strategy practitioners, strategy-as-practice research takes a different perspective which is concerned with what people do in relation to strategy and how this is influenced by and influences organisational and institutional context (Johnson, et al., 2007).

In addition, the strategy-as-practice field has provided a significant accomplishment by including a concern for people, tools and their performance into strategy research. The strategy-as-practice perspective broadens strategy research about how strategy process occurs in practice and at the micro-level. The strategy-as-practice probes underneath firm-level processes to examine what actually happens inside (Johnson, et al., 2007). Furthermore, the study of micro-level strategy is situated within the growing body of research upon ‘practice’, which focuses upon how people actually perform the ‘real work’ (Cook & Brown, 1999). Practice scholars investigate the way that actors interact with the social construct in the day-to-day activities that constitute practice. The practice concept has recently infiltrated the strategy research as strategy-as-practice, recommending understanding what and how strategists perform their activities seriously in practice (Whittington, 2007; Jarzabkowski & Whittington, 2008; Whittington & Jarzabkowski, 2008; Jarzabkowski & Spee, 2009).

Strategy-as-practice particularly focuses on the praxis, practices and practitioners of strategy as depicted in Figure 1 (Whittington, 2006; Jarzabkowski, et al., 2007). Overall, praxis refers to actual activity, what people actually perform in practice, the flow of activities which strategy is made (Whittington, 2006; Jarzabkowski, et al., 2007). Practices refers to shared routines of behaviour, including discourses, norms, traditions, procedures, concepts, technologies, artefacts, academic and consulting tools through which this strategy effort is made possible (Whittington, 2006; Jarzabkowski, et al., 2007). Practitioners are strategy's actors, the strategists who both perform activities and draw upon its practices (Whittington, 2006; Jarzabkowski, et al., 2007). Practitioners include both actors directly involved in establishing and making strategy; for example, most prominently managers and consultants, and those with indirect influence; for example, the policy-makers, the media, the gurus and the business schools who shape legitimate praxis and practices (Whittington, 2006; Jarzabkowski, et al., 2007).



**Figure 1:** A conceptual framework for analysing strategy-as-practice (In Whittington, R. (2006, p. 621), *Completing the Practice Turn in Strategy Research*. *Organisation Studies*, 27(5), 613-634.)

In addition, strategy-as-practice endeavours to explain how managerial actors perform the work of strategy, both through their social interactions with other actors and with recourse to the specific practices present within a context (Hendry & Seidl, 2003; Johnson, et al., 2003; Johnson et al., 2003). Furthermore, strategy-as-practice researchers have done a certain level of empirical study in corporate level and periphery level in order to understand how a group of strategies across organisational levels act and interact during the strategy process in complex organisational settings (Pettigrew, 1992; Paroutis & Pettigrew, 2007). This type of empirical study gives insight on the practice level study and probes into the strategising of actors between corporate level and SBU level, which is significant to this thesis which expands this finding to examine actors across different organisational levels and units. Tables 2 and 3 show the categories of practices that enable integrative effect (Andersen, 2004; Jarzabkowski & Balogun, 2009), and the categories of practices used by strategy teams during strategising in the multi-business firm (Paroutis & Pettigrew, 2007) respectively. It is also important to note that practice of translating is also captured from the roles of middle management literature (Balogun & Johnson, 2004; Rouleau, 2005).

According to Figure 1 (Whittington, 2006, p. 261), activities at praxis level are diverse and span to cover overall activities for strategy development, where strategies are made emergently or deliberately. Particularly, this thesis focuses on examining those specific activities at the praxis level that occur as part of formal strategic planning cycle. It is important to highlight that those activities are not pre-determined or programmed as part of the formal strategic planning cycle. I hereby label those activities that take place as part of formal strategic planning cycle as ‘strategic planning activities’ or ‘planning activities’. In sum, this thesis is set out to explore and probe deeply into praxis level of strategy practitioners across different organisational levels and units, and the interactions between practitioners that occur as part of institutionalised and formal strategic planning processes. This thesis aims to contribute to strategy as practice literature and strategic planning literature.

Table 2: The activities that enable integrative effect, from Jarzabkowski and Balogun (2009) and Andersen (2004)

Category of practices	Definition	Sample of activities comprising the practices
<b>Communicating</b>	The strategy practitioners informally and formally communicate strategic plans/ideas to others	<ul style="list-style-type: none"> <li>• Using adaptive listening to capture how much others understand strategic plans/ideas</li> <li>• Using formal/informal discussion to communicate strategic plans/ideas to others</li> <li>• Sharing strategic information with others</li> <li>• Using a top-down communication approach to pass on strategic plans/ideas to others</li> <li>• Providing feedback regarding strategic plans/ideas to others</li> </ul>
<b>Negotiating</b>	The strategy team jointly discusses strategic reports and ideas across organisational levels and functions in order to reach agreement together	<ul style="list-style-type: none"> <li>• Debating with others to produce an agreement upon courses of action</li> <li>• Bargaining for individual interests or collective advantages</li> </ul>

Table 3: The categories of practices used by the strategy team during strategising in the multi-business firm, developed by Paroutis and Pettigrew (2007)

Category of practices	Definition	Sample of activities comprising the practices
<b>Executing</b>	The strategy team undertakes day-to-day and routine activities	<ul style="list-style-type: none"> <li>• Preparing strategy documents/reports/ presentations</li> <li>• Developing the strategy knowledge base</li> </ul>
<b>Reflecting</b>	The strategy team reflects on and modifies past ways of conducting (or not conducting) strategy	<ul style="list-style-type: none"> <li>• Investing in personal development</li> <li>• Tweaking the strategy process and model</li> </ul>
<b>Initiating</b>	The strategy team initiates or shapes new ideas about changes in the context and process of strategy	<ul style="list-style-type: none"> <li>• Developing new strategic ideas</li> <li>• Starting new strategy initiatives/projects</li> </ul>
<b>Coordinating</b>	The strategy team leads and controls the activities of other teams or managers	<ul style="list-style-type: none"> <li>• Using common strategy model and method</li> <li>• Developing a common language around strategy</li> </ul>
<b>Supporting</b>	The strategy team provides strategy knowledge and resources to other teams or managers	<ul style="list-style-type: none"> <li>• Providing knowledge base and strategy toolkit support</li> <li>• Conducting complex strategic analysis</li> </ul>
<b>Collaborating</b>	The strategy team jointly develops strategic reports and ideas across organisational levels	<ul style="list-style-type: none"> <li>• Sharing strategy related resources and information</li> <li>• Working in cross-functional teams</li> </ul>
<b>Shaping context</b>	The strategy team changes the contextual conditions within which other teams strategise	<ul style="list-style-type: none"> <li>• Deciding on the standards of strategy related output</li> <li>• Building a network of relationships across the firm</li> </ul>

### **2.5.2 Situated Learning**

Situated learning entails learning through individual practice and social interaction (Lave & Wenger, 1991; Wenger, et al., 2002). In the situated learning, learning can be obtained by the form of ‘communities of practice’ which is defined as “groups of people who share a concern, a set of problems, or a passion about a topic, and who deepen their knowledge and expertise in this area by interacting on an ongoing basis” (Wenger et al., 2002, p. 4). This is a significant attribute as it means that communities of practice can be structured from members of diverse social or organisational categories (Wenger, 1999). The three fundamental elements in a community of practice are “domain of knowledge, which defines a set of issues; a community of people who care about this domain; and the shared practice that they are developing to be effective in their domain” (Wenger et al., 2002, p. 27).

Communities of practice have become an vital part of organisational structure in many organisations (McDermott & Archibald, 2010). These communities of practice undertake knowledge stewarding activities that were previously covered by formal organisational structures. In many organisations, there is a growing interest to support and sponsor communities of practice in order to gain a benefit from collaborative learning and shared knowledge that may lead to increase organisational performance (Wenger, 1999; Lesser & Storck, 2001). Communities of practice are thus perceived by many organisations as a means to encapsulating the tacit knowledge, or the knowledge that is very difficult to articulate (Wenger, 1999). In addition, prior literature on communities of practice also focuses on the factors that cultivate communities of practice to promote and support innovative learning (Retna & Ng, 2011). Retna and Ng (2011) posit that the main factors that nurture communities of practice to promote organisational learning and knowledge-sharing cultures are leadership, organisational culture and individual motivation to learn (p. 51). Their study also emphasised that high levels of collaboration among organisational members are the key value of informal communities of practice in promoting such innovative cultures (Retna & Ng, 2011).

Consistently, the mechanism of horizontal relationship in the form of ‘mutual adjustment’ (Mintzberg, 1979) is a very important part of the communities of practice (Johnson, et al., 2007) in which it plays a key role in being as a means to obtain shared knowledge between the members of the communities of practice (Johnson, et al., 2007). According to Wenger (1999), communities of practice can be both in the forms of informal and formal communities. In this view, strategic planning teams might be able to be treated as formal form of communities of practice which aims to develop and coordinate strategy (Johnson, et al., 2007) through horizontal mechanisms and vertical arrangements. Particularly, in the decentralised planning systems (Chandler, 1991; Bartlett & Ghoshal, 1993), there would be more than one strategic planning team as a form of community of practice taking place within organisation. However, there has been little fine-grained empirical study into the implication of communities of practice for strategic planning (Johnson, et al., 2007).

In sum, situated learning provides insight about horizontal relationships based on strategic planning teams as a form of communities of practice that encourage shared understanding and shared practice through the informal and formal coordination as part of network of multi-level and multi-unit strategic planning processes. This can also be applied to examine shared practice of and interactions between strategic planning members within each decentralised community of practice and across those communities of practice.

### 2.5.3 Sensemaking Perspective on Practice

Sensemaking refers to set of processes of interpretation and construction of meaning that individuals and groups translate and reflect on phenomena that they perceive (Brown et al., 2008, p. 1038). In this view, sensemaking in practice can be drawn to study macro-process orientation (how the processes occur over time and are constituted), and micro-level activity orientation of the interpretation of strategic discourse (Brown, 2000; Rouleau, 2005). Research on sensemaking has increasingly spawned to encapsulate deeper of micro-level activity orientation and narrative nature of managers' cognitions and activities (Gioia & Chittipeddi, 1991; Brown, 2000; Balogun & Johnson, 2004; Rouleau, 2005; Weick et al., 2005; Brown et al., 2008). Brown (2000) also described the importance of micro-level discourse through one of the features of sensemaking as follows:

“Sensemaking is constituted and revealed in our written and spoken descriptions of the world, with ‘sense’ occurring when individuals acts as if they share meanings they have jointly and consensually negotiated” (p. 46)

In the research on micro-level sensemaking, Rouleau (2005) was able to identify micro-practices of middle managers when they make sense through communication and interaction to interpret and sell strategic change. The micro-practices through communication and action in day-to-day routines has emerged from constituted sensemaking and sensegiving process (Rouleau, 2005). This view resonates with prior literature on practice turn in exploring and examining deeper into the activity level of managers participating through their ongoing daily activities (Jarzabkowski, et al., 2007; Johnson, et al., 2007; Jarzabkowski & Whittington, 2008; Jarzabkowski & Spee, 2009).

Gioia and Chittipeddi (1991) revealed the initiation process of strategic change is iterative and reciprocal interactions of the top managers upon sensemaking and sensegiving cycle. The patterns of cycle and activity for making sense are situated in the dialogues and actions that occur in the wording of those activities that are

preserved in social construct (Weick, et al., 2005) which accords with the study of processes of senior managers' sensemaking (Woldesenbet & Storey, 2010). Woldesenbet and Storey (2010) suggested that senior managers constructed very diverse sense-making patterns about the business environment and strategies depending on their perceptions on the degree of social construct or market.

Following these sensemaking sphere, this thesis investigates how the strategy practitioners across different organisational levels and units make sense of their strategic planning activities and their planning interactions with each other as part of formal strategic planning processes. This thesis also examines the inferences the strategy practitioners draw about the kind of collaboration required for achieving strategic integration and alignment. This is to provide better understanding of the strategising practice and interactions of strategy practitioners throughout hierarchical levels of organisation, and to understand how different strategy practitioners make sense of inconspicuous and their interests for strategising as part of formal strategic planning processes.

#### **2.5.4 Power Theory in Strategic Planning**

The literature on the role of power in organisation, strategic change and strategy-making (Ansoff, 1979; Pfeffer, 1991; Pfeffer, 1992; Hardy, 1996) provides insights into how people especially managers exercise power differently for strategic actions. Inevitably, the role of power continues to be renowned for its effect on the design of organisational structure, process of strategy-making in organisation (Ansoff, 1979, pp. 97 – 106), and strategic decision making (Eisenhardt & Zbaracki, 1992). This situation has also accorded with the perspective of power as a political process within organisation that might have an effect on how top managers and middle managers participate and negotiate with each other during strategy development process (Narayanan & Liam, 1982; Guth & MacMillan, 1986; Floyd & Wooldridge, 1992; Floyd & Wooldridge, 1997; Balogun & Johnson, 2004; Jarzabkowski & Balogun, 2009).

Moreover, a 'power school of strategy formation' (Mintzberg & Lampel, 1999) views strategy development as a political process or process of negotiation in which strategies are driven by bargaining and persuasion between different actors. The negotiation of self-interests and joint-interests between different organisational roles also occurs within formal strategic planning processes, and affects the interactions between different actors' roles (Jarzabkowski & Balogun, 2009). Thus, strategic planning becomes a political process in which different organisational roles have various self-interests and joint-interests that can directly influence the development of strategies within strategic planning process (Hardy, 1996; Mintzberg & Lampel, 1999).

In particular, top managers usually focus on establishing corporate strategy and use their power to control and influence middle and lower levels of managers to ensure alignment during strategic planning (Jarzabkowski & Balogun, 2009). Middle managers seek to use their power to influence strategic planning processes in accordance with their interests (Quinn, et al., 1988; Chakravarthy & Lorange, 1991), and to interpret the high-level strategy according to their own attentions (Floyd & Wooldridge, 1992; Wooldridge, et al., 2008). Even though, lower level managers such as frontline managers have relatively less hierarchical power, they seek to influence the strategic planning processes through different forms of coalition formation (Narayanan & Liam, 1982; Westley, 1990; Jarzabkowski & Balogun, 2009). The relative power in strategic planning produces different levels of agency roles, authority and influential structure (Westley, 1990). This also highlights that strategic planning serves as a political and influential mechanism that allows different organisational levels of managers to manipulate the development of strategies (Bower, 1970; Burgelman, 1983; Floyd & Lane, 2000; Jarzabkowski & Seidl, 2008).

Furthermore, the structural source of power in the forms of authority and responsibility influences actor positions performing in strategic planning and plays as a key mediation to arbitrate between varied purposes and interests (Blackler & McDonald, 2000). Structural perspectives on power argue that power is derived from where each person stands in the division of labour and the communication system of the organisation (Pfeffer, 1991; Pfeffer, 1992). This power situation also affects diffusion of power in multidivisional organisation structure or the M-form (Chandler, 1982) structure organisations. This means that structural source of power is also derived from where each person stands in the different organisational level and unit in the M-form structure (Pfeffer, 1991; Pfeffer, 1992). An individual can possess power by being in a position of authority and by being in a different organisational level and unit of the M-form structure (Pfeffer, 1991; Pfeffer, 1992). For example, senior managers make use of strategic planning as a mechanism for exercising and extending their power through the organisation (Langley, 1988). The structural perspectives on power could influence how strategy practitioners at different organisational levels and units interact with each other differently (Pfeffer, 1991; Pfeffer, 1992). This thesis is drawn on this perspective to examine the interplay between different strategy practitioners enacting within multi-level and multi-unit strategic planning in the M-form structure.

### **2.5.5 Agency Theory**

The central focus of the agency theory is the relationship between the principal and the agent (Eisenhardt, 1988; Eisenhardt, 1989; Stevenson & Greenberg, 2000). Principal refers to individual or group who can influence over and delegate work to another party (or called agent) (Eisenhardt, 1988). Contract is the term used by agency theory to describe such principal-agent relationship according to assumptions about actors' behaviours, organisational arrangement, and information dissemination between the principal and the agent (Eisenhardt, 1989). However, the principal and the agent typically have different assumptions depending on the conditions that each of them experiences. This situation is called principal-agent

problem or agency problem that creates an impediment to such relationship (Cooney, 2007).

The difficulties in the relationship between actors can be explained by the agency problem which is mostly found in employment relationships (Eisenhardt, 1988) and social relationships (Stevenson & Greenberg, 2000). In particular, due to the era of organisational devolution, the M-form based firms have widely promoted the delegation of strategic decision-making authority across different management level (Band, 1992) in order to increase level of responsiveness throughout organisation (Brown & Eisenhardt, 1997; Wit & Meyer, 2005). The relationships between different managers across different organisational levels become widely crucial to the decentralised strategic decision-making process (Band, 1992). This situation has even underlined the extensive distribution of agency problem across different management levels in which managers who assume dissimilar agency role seek to influence strategic decision-making and strategic planning processes differently (Allaire & Firsirotu, 1990).

Particularly, management scholars suggested that one of the key factors that contribute to the agency problem is the power asymmetry in favour of different agency role (Band, 1992; Lukes, 2002; Saam, 2007). For example, during formal strategic planning, managers can assume both principal role and agent role depending on to whom they interact. Different agency roles lead to difference in structural source of power (Pfeffer, 1991; Pfeffer, 1992; Lukes, 2002; Saam, 2007). Middle managers assume principal role (embedded with structural source of power) when they interact with their staff or frontline managers, whereas middle managers assume agent role when they interact with their supervisors or top managers. This situation creates the complexity of the principal-agent relationship between different managers during formal strategic planning processes (Allaire & Firsirotu, 1990). Therefore, this thesis is drawn on this agency theoretical perspective to examine the relationships between different managers, who assume different agency role and are situated across different organisational levels, during multi-level and multi-unit strategic planning processes.

## 2.6 GAPS IN THE LITERATURE

In addition to the specific gaps in the literature that I identified in each of the subsections of Sections 2.3 to 2.4, I comment here on some general gaps in past research on strategic planning, and my attempt to address these in this thesis.

- An important limitation of strategic planning research to date is that it has always viewed strategic planning as a single process in a corporation. This, I argue, is insufficient given the evolution of the complex multidivisional organisation structure or the M-form that many multi-business corporations currently adopt. Strategic planning needs become more hierarchically complex since they expand into and across different organisational levels and units. Consequently, multi-level and multi-unit strategic planning processes have evolved within multi-business corporations in order to bridge these multiple levels of decision-making and multiple dimensions of organisational structure. Hence, in Chapter 3, I derive a conceptual framework to view strategic planning as a network of multi-level and multi-unit strategic planning processes.
- Although the strategy-as-practice perspective and its related theoretical frameworks have probed into micro-level activities, there is no empirical study regarding the interaction dynamics within multi-level and multi-unit strategic planning in the M-form based organisations. Furthermore, the strategising practices have been examined only between corporate centre and periphery. No empirical study has been taking place to examine different organisational levels and units (e.g. between peripheries) in the M-form based firm. This thesis sets out to address this challenge.
- Although organisation theory literature already stresses the importance of lateral relations and of cross-unit collaboration, the view of horizontal mechanisms is not fully incorporated into existing strategy research on strategic planning. I have drawn on this view to examine horizontal coordination mechanisms within the network of multi-level and multi-unit strategic planning processes.

## 2.7 CONCLUSION

In this chapter, I presented a reflective review of the extant literature on changes in nature of strategic planning in the M-form based firms and strategy-as-practice related theoretical frameworks. To begin with, I described the methodology I used for carrying out this review. I next discussed the caveat that strategy scholars face when studying strategic planning. An overview of the domain of strategic planning research pointed out the gap in the literature that exists for studying strategic planning. Finally, I organised the extant literature pertaining to strategic planning and use into five major themes with a clear logical link in this chapter. The section on the five main theoretical frameworks contextualises the lens of micro-strategy and strategising perspective on strategic planning. From this I was able to derive the research questions for this thesis. In the next chapter, I develop a conceptual framework that views strategic planning as multi-level and multi-unit processes within multi-business corporations in order to bridge multiple levels of decision-making and multiple dimensions of organisational structure.

## **CHAPTER 3**

### **CONCEPTUAL FRAMEWORK, RESEARCH AND ANALYSIS METHOD**

This chapter presents the conceptual framework, research design, methodology and analysis framework of the thesis. It begins with the viewpoints of a conceptual framework for multi-level and multi-unit strategic planning that derived from literature and strategic planning in practice. The research objectives and research questions are also discussed. Then, the methodologies, research strategy and analysis frameworks are presented. The justification of methodologies and framework follow, including the background of selected case studies. The chapter concludes with the data collection process and data analysis method.

#### **3.1 OBJECTIVES AND RESEARCH QUESTIONS**

The purposes of this thesis are to explore the experiences of different strategy practitioners across the M-form based firms in the network of multi-level and multi-unit strategic planning, and to examine their interactions and strategising activities in practice. In particular, as explained in the next section, the main units of analysis of this thesis are the strategic planning link and the actor position. Therefore, this thesis set out to examine the reciprocal relationships between planning practices, types of strategic planning links, strategy practitioners, and the emergence of strategising activities, in order to explain and probe into the practices, processes and interaction patterns of the network of multi-level and multi-unit strategic planning within the M-form based firms.

In the literature review, I have described how different levels of strategy practitioners, who assume different management positions in the M-form structure, may have a significant role in strategic planning and how their activities nevertheless remain unexplored. In particular, their activities and interactions relating to practices of strategy lack empirical study. The impact of the M-form structure on strategic planning has also not been taken into account sufficiently for examining the contemporary strategic planning situation. In particular, the traditional view of strategic planning is limited to a single view of multi-stage process taking place among corporate centre, divisions and business unit levels. In the current M-form organisation, strategic planning has evolved from a single multi-stage process into a network of multi-level and multi-unit strategic planning processes according to the conceptual framework described in the next section. Furthermore, the relevance of practices was highlighted by a recent strategy-as-practice perspective, suggesting focusing on micro-level activities as discussed in Sections 2.5.1.

Therefore, this gap led to the following main research questions:

- How do strategy practitioners within different levels and units in the M-form structure seek to integrate and align their strategies at each organisational level and unit?
- To what extent do different strategy practitioners involved in the network of multi-level and multi-unit strategic planning interact with each other and influence or change the characteristics of strategy formulation in the M-form based organisation?

### 3.2 A CONCEPTUAL FRAMEWORK FOR MULTI-LEVEL AND MULTI-UNIT STRATEGIC PLANNING PROCESSES

The literature review presented in Chapter 2 shows that considerable numbers of existing strategy research on strategic planning assume a single corporate strategic planning process for an entire corporation. This perspective, I argue, has not integratively represented the current prevalence of strategic planning practices in M-form based firms. The needs for multi-level and multi-unit strategic planning were thoroughly discussed in Section 2.3. Thus, in this section, a conceptual framework is derived for multi-unit, multi-level planning as a new perspective to accommodate those needs. The conceptual framework is shown in Figure 2 that incorporates the multi-level and multi-unit perspective by representing the embedded strategic planning processes within embedded organisational units and linked with each other. The following paragraphs elaborate my rationale in detail.

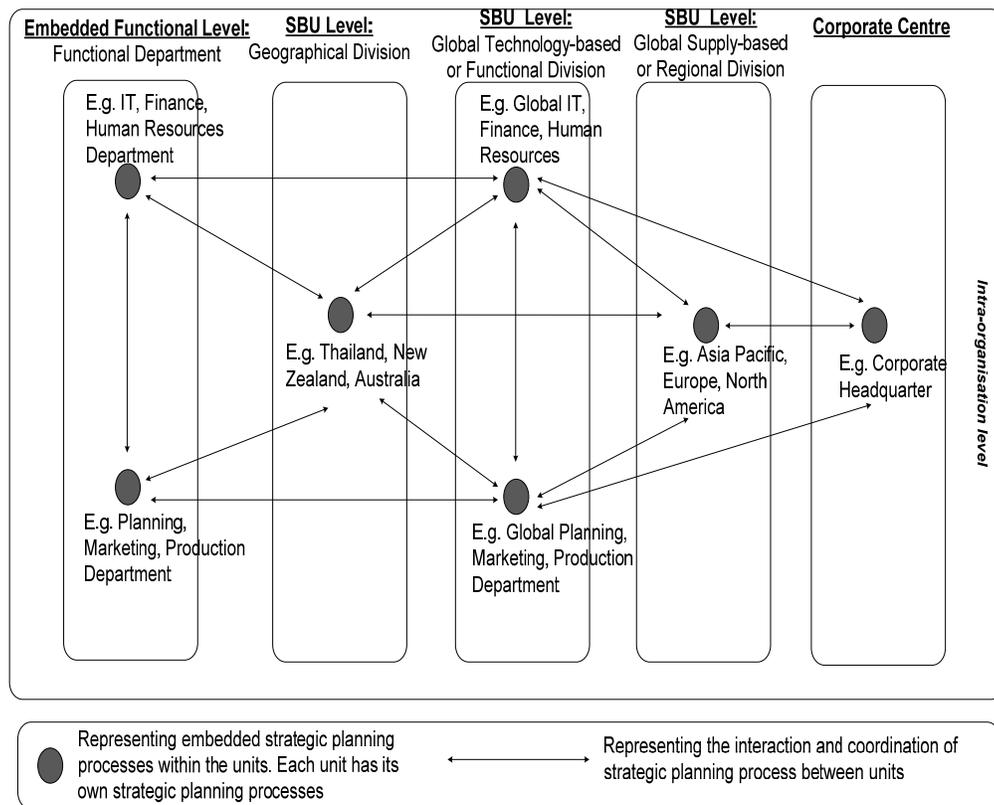


Figure 2: The multi-level and multi-unit institutionalised strategic planning processes

Inevitably, as I discussed in the organisational theory for the M-form and strategic planning section of Chapter 2 (Section 2.3), the structure of the M-form based firms has profoundly revamped its notion into hierarchical and heterarchical forms or the differentiated network (Anil & Vijay, 2000; Bruce, 2000; Morgan, et al., 2001; Chakravarthy & Henderson, 2007). The flows of resources, people, decision-making and knowledge become closely linked vertically and laterally. This situation also affects strategic planning activities and processes that each organisational unit needs to coordinate with each other in terms of decentralised planning efforts.

Therefore, I have drawn on this view and derived the conceptual framework that can address how the hierarchy of strategies requires different organisational levels and units of strategy processes in order to bridge the multiple levels and units of decision-making as conceptualised in Figure 2. Essentially, this conceptual framework represents strategic planning as a network of collaboration amongst quasi-independent processes taking place across multiple levels and units. It also shows how interaction among those strategy processes is essential to close the gaps between them. It represents how the hierarchy of strategic planning processes must play a key role for the M-form based firm to define their future directions, to coordinate strategy formulation, to craft strategies at different organisational levels and units, and to manage the major strategic changes during turbulent environments (Birkinshaw & Morrison, 1995; Hedlund & Ridderstrale, 1995; Grant, 2003; Chakravarthy & Henderson, 2007).

This approach highlights the challenge of operating within a distributed planning environment. It follows other authors who have extended the traditional vertical model of strategic planning and recognised its integrative role (Ketokivi & Castaner, 2004; Jarzabkowski & Balogun, 2009), but also draws on cross-unit collaboration and horizontal mechanisms literature as discussed above. In seeking insight into the full range of vertical and horizontal planning links, my approach is distinctive from that traditionally taken in strategic planning literature.

Furthermore, the conceptual framework suggests that the multi-level and multi-unit strategic planning processes are a decentralised network of strategic planning. It might not be more amenable to centralised control. In order to manage this network of multi-level and multi-unit strategic planning processes integratively and effectively; it is required to understand how the links between network nodes of strategic planning are integrated. The conceptual framework also allows me to examine strategic planning with a different perspective which is consistent to the strategy-as-practice perspective regarding activities and interactions between strategy practitioners. It is consequently essential to examine the strategic planning processes at the different organisational levels and units, particularly the linkage between strategic planning activities and processes, in order to understand how strategies at each level and unit are coordinated, integrated, aligned, synergised and formulated.

Consequently, this thesis is based on the perspective that the planning activities and processes are not viewed as self-contained planning within any organisational units but are profoundly related and linked with each other. In addition, the main units of analysis in this thesis are the links and actor positions interacted within the network of multi-level and multi-unit strategic planning processes. Within this framework, I examine linkages between organisational units that take place as part of strategic planning, which I refer to as strategic planning links. Strategic planning links have horizontal as well as vertical components and hence take account of decentralised decision making in the M-form based firms. Essentially, the notion of a strategic planning link that capture hierarchical and horizontal relations is based on the ‘mutual adjustment’ mechanisms (Mintzberg, 1979), ‘inter-group coordination’ (Schein, 1980; Ambrosini, et al., 2007), and cross-business-unit collaboration (Bowman & Helfat, 2001; Martin & Eisenhardt, 2010) (refer to Section 2.3.2). Particularly, it is practically possible for organisations to have as many numbers of strategic planning links that link between different organisational units. However, it is important to note that this thesis does not set out to examine all possible strategic planning links.

Below, I detail how I classify different types of planning link into five types of strategic planning links that can represent hierarchical and horizontal relations encapsulated within the multi-level and multi-unit strategic planning processes. The concept of a strategic planning link is also consistent with the perspective of a differentiated network which views organisations as composed of distributed resources linked through different types of relations (Nohria & Ghoshal, 1994). By introducing this new way to examine strategic planning, I hope to provide insight into how strategy practitioners collaborate across levels and units, and hence how they interact, coordinate, integrate and align their strategies. These five types cover strategic planning links within the firm (intra-firm) and between firms (inter-firm) as illustrated in Figure 3. The description of each type of strategic planning link is discussed below.

	<b>Intra-Organisations</b>		<b>Inter-Organisations</b>
	<b>Similar organisational level</b>	<b>Different organisational level</b>	
<b>Similar embedded organisational function</b>	1. Strategic planning link type 1	2. Strategic planning link type 2	5 Strategic planning link type 5
<b>Different organisational function</b>	Strategic planning link type 3	Strategic planning link type 4	

Figure 3: Types of strategic planning links incurred between organisational functions and levels

*Strategic Planning Link Type 1* indicates strategic planning activities linkage between practitioners who occupy a similar organisational level and belong to a similar organisational function. This would typically be a coordinative link and could, for example, take place between the embedded Finance Department in a Consumer Product SBU and the embedded Finance Department in a Real Estate Development SBU. Studying this type of link extends the scope of the strategic planning literature, because existing research does not examine horizontal planning linkages between comparable functional units.

*Strategic Planning Link Type 2* indicates strategic planning activities linkage between practitioners who occupy a different organisational level but belong to a similar organisational function. This is the 'vertical' type of link covered in conventional strategic planning literature. Planning activities characterised as link type 2 could take place between a corporate centre and SBU, or between a Corporate Finance function and an embedded Finance Department elsewhere in the organisation.

*Strategic Planning Link Type 3* indicates strategic planning activities linkage between practitioners who occupy a similar organisational level but belong to different organisational functions, for example a Marketing Department and a Project Management Department. This horizontal, coordinative link is distinct from the vertical linkages in traditional strategic planning literature, which does not examine horizontal planning linkages between different organisational functions.

*Strategic Planning Link Type 4* indicates strategic planning activities linkage between practitioners occupying a different organisational level and belonging to a different organisational function. An example of this type of link could be strategic planning taking place between an IT Department in the North America SBU and a Corporate Marketing Division in the Corporate Centre. This type of link lies largely outside the scope of classical planning literature, since it involves coordination across organisational units as well as between levels.

*Strategic Planning Link Type 5* indicates strategic planning activities linkage between practitioners who have similar functional roles in different organisations. An example of this type of link is interaction between Corporate Finance representatives in one company and Corporate Finance representatives in another company (e.g. banks, suppliers). This interaction can influence and form part of the strategic planning process in the focal company. This type of link extends the traditional view of strategic planning due to its inter-organisational aspect.

### **3.3 RESEARCH STRATEGY AND METHOD**

Practice turn in pragmatism in philosophy (Johnson, et al., 2007) has a strong influence on strategy as practice research. The pragmatist epistemology places against prevailing positivism and anti-positivism of scientific discovery (Powell, 2001). Positivism accentuates the objective and properties of a social reality (Wicks & Freeman, 1998). In contrast, anti-positivism underlines the important role of subjective individuals, the claim of truth is an interpretation and judgment of individual human beings (Morgan & Smircich, 1980; Burrell & Morgan, 1992). Subsequently, the pragmatism rejects both positivist and anti-positivist epistemologies as described by Powell (2001) as follows: “Pragmatism, on the other hand, rejects positivism, on grounds that no theory can satisfy its demands (objectivity, falsifiability, the crucial experiment, etc.); and rejects anti-positivism, because virtually any theory would satisfy them” (p. 884).

In the pragmatist view, truth is not a product of social reality or of propositions, “but rather a practical concern of human beings desiring an advance in understanding or scientific discovery” (Powell, 2011, p. 884). Essentially, pragmatism highlights the importance of the practice, knowledge as practical, and individuals as a centre of unit of analysis (Johnson, et al., 2007; Brandom, 2011). This pragmatist view is consistent with social theory that necessitates the basis that social reality is fundamentally entailed by practice (Feldman & Orlikowski, 2011). This ontological approach views everyday activity of individuals as an integral link to constitute the social world (Schatzki et al., 2001). Feldman and Orlikowski

(2011) described the importance of practice lens in understanding and connecting with social reality: “a focus on everyday activity is critical because practices are understood to be the primary building blocks of social reality” (p. 1241).

Bringing the pragmatism philosophy and social theory together provide the new perception for doing research on strategy at the micro-level as introduced by strategy as practice perspective (Jarzabkowski, et al., 2007; Johnson, et al., 2007). The strategy as practice perspective primarily entails social constructivist ontology in which individuals are involved in the construction of their own perceived socially constructed activities (Jarzabkowski, 2005; Jarzabkowski, et al., 2007). In order to step closer to actors and their strategy activities, qualitative data that capture micro-level activities are very vital to cultivate a better insight of what individuals actually do for strategy activities (Jarzabkowski, et al., 2007; Johnson, et al., 2007).

Consequently, qualitative research approach (Patton, 2002) comes to play a key role in strategy as practice research orientation (Whittington, 2006). In addition, qualitative research approach is often suggested when a different perspective is needed (Eisenhardt, 1989; Eisenhardt & Graebner, 2007). More importantly, the nature of dynamic and intense human interactions involved requires a qualitative research approach that can capture detailed features empirically (Patton, 2002). However, the role of quantification is specifically practical as a form of “counting to complement qualitative data” (Johnson, et al., 2007, p. 77) and as a tool to triangulate qualitative reasoning (Eisenhardt, 1989; Eisenhardt, 1989). Therefore, my research is mainly based on qualitative research methodology supported by quantitative counting of data (Langley, 1989).

One of the themes of qualitative research approach is case study research (Patton, 2002). Overall, the case study is a research strategy which concentrates on understanding the dynamics context within single settings (Eisenhardt, 1989; Eisenhardt & Graebner, 2007). The case study approach to qualitative analysis constitutes a specific way of collecting, organising, and analysing data (Yin, 2003;

Yin, 2009). The purpose is to gather comprehensive, systematic, and in-depth information about each case of interest (Patton, 2002). Case study research can involve either a single case or multiple cases, and numerous levels of analysis (Yin, 2003; Yin, 2009). Moreover, case study research can employ embedded design and multiple levels of analysis within a single study (Yin, 2003; Yin, 2009). It can be based on any mix of quantitative and qualitative evidence (Yin, 2003; Yin, 2009). Consequently, case study research can be used to accomplish various aims: to provide description, test theory, or generate theory (Eisenhardt, 1989; Yin, 2003; Eisenhardt & Graebner, 2007; Yin, 2009).

For the above reasons and given limited theory to address the thesis's research questions discussed in Chapter 2, in this thesis, I relied on inductive theory building using embedded design within multiple in-depth case study methodology (Eisenhardt, 1989; Yin, 2003; Eisenhardt & Graebner, 2007; Yin, 2009) in order to generate theory. The study also employed an embedded design, that is, multiple units of analysis, focusing on each firm at two levels according to the conceptual framework discussed earlier in Section 3.2: (1) different type of strategic planning link and (2) different actor positions. In addition, this thesis relies on the conceptual framework described in Section 3.2 for multi-level and multi-unit strategic planning to guide the analysis and interpretation.

Specifically, an embedded design within multiple in-depth case study methodology has inspired me to design a research strategy that can accommodate the requirement of external validity as elaborated in more detail in Section 3.4 of this chapter. As shown in Figure 4, the research strategy is organised based on two phases of analysis, pilot plus two main cases, (1) Pilot case and (2) Inductive analysis. The pilot case analysis focused on conducting a pilot case study that can provide some conceptual clarification for the research design (Gibbert et al., 2008) and obtain a coding structure that was guided by the conceptual framework and relating theories. The results from the pilot case are used for the construction of coding schemes (see Section 3.7.1 and Table 8 in more detail), and for providing

the opportunity to improve a case study protocol for primary case studies. Particularly, as discussed in Section 3.1 regarding the research objectives and questions, one of the thesis's objectives is to understand how strategy practitioners collaborate across levels and units, and hence how they coordinate, integrate and align their strategies. This pilot case study also intends to provide insight into how managers can ensure effective interaction among those strategy processes that closes any gaps between them.

Furthermore, as illustrated in Figure 4, the inductive analysis focused on conducting primary embedded design within two in-depth cases in which the context of analysis is a network of multi-level and multi-unit strategic planning. Two M-form based organisations are the primary cases of the study. The two main embedded units of analysis are type of strategic planning link and category of actor positions across different organisational levels and units. The purpose of the inductive analysis is to inductively determine emerging themes and develop theory. In Sections 3.5 and 3.6, I elaborate in more detail about the design and selection of the case studies in this thesis, and number of strategic planning links and actor positions from the selected primary case studies.

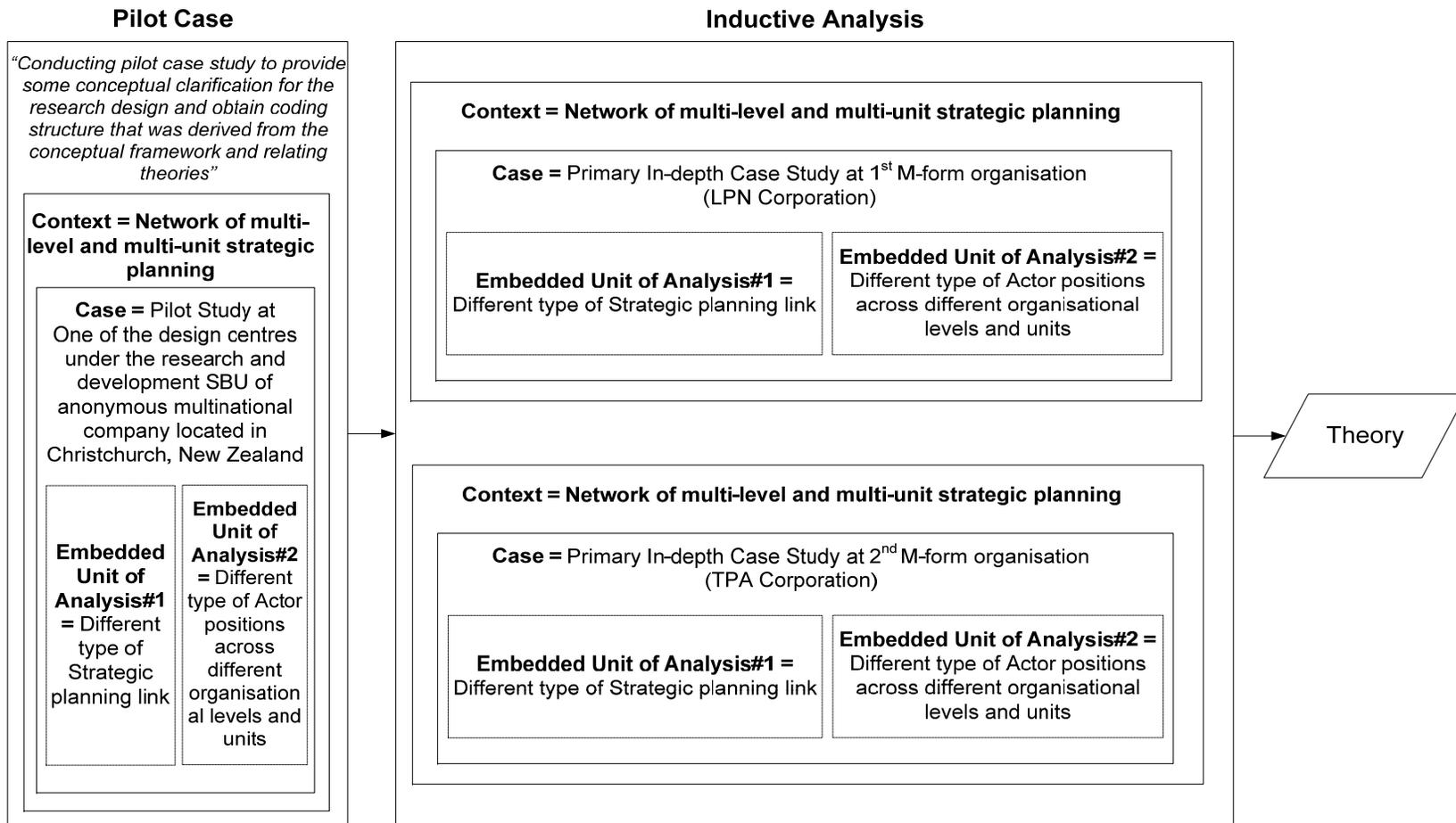


Figure 4: The research strategy with multiple embedded cases design

### **3.4 ADOPTION OF CASE STUDY RESEARCH METHOD**

As described in the previous section, this thesis adopted case study as a research method. Case study research has become conventional trend of management and strategy research as it can be adopted to generate, develop, and test theory (Eisenhardt & Graebner, 2007; Siggelkow, 2007; Weick, 2007). As Eisenhardt and Graebner (2007) highlighted the key reason for adopting case study as a research method as follows:

“A major reason for the popularity and relevance of theory building from case studies is that it is one of the best (if not the best) of the bridges from rich qualitative evidence to mainstream deductive research. Its emphasis on developing constructs, measures, and testable theoretical propositions makes inductive case research consistent with the emphasis on testable theory within mainstream deductive research” (p. 25)

Even though, case study research has become a powerful research methodology that can create managerially theory and knowledge (Leonard-Barton, 1990; Eisenhardt & Graebner, 2007), case study needs to be conducted with rigour in order to be able to claim knowledge from it (Dyer et al., 1991; Scandura & Williams, 2000; Gibbert, et al., 2008). Particularly, validity and reliability are the main methodological concerns that can affect the rigour of case study (Miles & Huberman, 1994; March et al., 2003; Daft & Lewin, 2008; Yin, 2009). Given this situation, case study scholars have commonly employed the four criteria (i.e. internal validity, construct validity, external validity, and reliability) to evaluate the rigour of case study research (Eisenhardt, 1989; Gibbert, et al., 2008; Yin, 2009). Therefore, throughout all the key stages of my case study – from research design, determination of case study sites, data gathering and data analysis, I also followed these four criteria to ensure the case study adopted in this thesis was conducted with rigour.

Internal validity “refers to the causal relationships between variables and results” (Gibbert, et al., 2008, p. 1466) and needs to be contemplated during data analysis phase (Yin, 2003). As highlighted by Gibbert, et al. (2008), it is essential that a researcher can offer “a plausible causal argument, logical reasoning that is powerful and compelling enough to defend the research conclusions” (p. 1466). Tactics that I used to enhance internal validity:

- Formulating a clear research framework: The research framework that I developed, based on the conceptual framework (Section 3.2) and research strategy (Section 3.3) in order to frame this thesis to examine how different actor positions participating in different types of strategic planning links interact with each other, is evidence of this.
- Pattern matching: I followed Gibbert, et al. (2008)’s advice by comparing “empirically observed patterns with either predicted ones or patterns established in previous studies” (p. 1466).
- Explanation building: It is an iterative process that begins with a theoretical statement that is repeatedly refined and revised until a final explanation is derived. This tactic only applies to limited areas of my research.
- Theory triangulation: I verified my findings by adopting multiple perspectives of five main theoretical frameworks (in Sections 2.3 and 2.5) and conceptual frameworks that I derived in Section 3.2.

Construct validity “refers to the quality of the conceptualisation or operationalisation of the relevant concept” (Gibbert, et al., 2008, p. 1466) and needs to be contemplated during the data collection phase (Yin, 2003). As underscored by Gibbert, et al. (2008), it is essential that a researcher can know “the extent to which a study investigates what it claims to investigate, that is, to the extent to which a procedure leads to an accurate observation of reality” (p. 1466). Steps to strengthen this criterion in this thesis include:

- The development of a well-considered set of measures: I carried out expert validation by getting experienced academic staff with industry experience to check on academic content, and practicality and applicability of the issues raised.
- Establishing a clear chain of events of evidence in progressing from the initial research questions to the final conclusions: The comprehensive case study protocol I introduced (see Section 3.6) ensured this condition was met.
- Using multiple sources of evidence: In this study, I triangulated the interview findings with other evidence obtained from a multiple of sources. These were particularly useful sources of data on the companies' strategic planning processes. In particular, the companies' documentary evidence and archival records related to the strategic planning processes were collected to compare with interview data. The document data consisted of both internal, confidential data and public data. These documents were graphs or texts concerning the strategies and strategic planning processes of the organisations, and annual reports of the organisations.
- Having key informants in the form of a series of feedback meetings to review draft case study write-ups: All senior managers of each selected case study organisation in this thesis attended the meetings and provided feedback and confirmation on their case write-ups. I conducted six feedback meetings in total for the selected case study organisations. Furthermore, the fact that I asked my participants what they did in very specific instances, within the context of very specific strategic episodes that were completed in the very recent past, asking them about actual events and eventualities, not things in general, lessened the likelihood that they would have strayed from giving responses as they honestly recalled them. In addition, I presented the analysis process, including samples of coding schemes and analytical procedures, to the key informants.
- Using the pilot case study as the research instrument: I utilised the pilot case study in order to test the conceptual and research framework, verify pre-coding structure, and to be able to find new codes where applicable.

- Illuminating the different stages of the data analysis process: I illuminated this by a careful explanation of each stage in conducting this research. The direct quotations were also included during the analysis phase in order to demonstrate the chain of evidence.

External validity or generalisability refers to the extent to which “a study’s findings are generalisable beyond the immediate case study” (Yin, 2003, p. 37). Specifically, case study research relies on analytical generalisation (Yin, 2003) which can be achieved by conducting and analysing either multiple case studies of different organisations (Eisenhardt, 1989), or different case studies within one organisation (a nested approach, e.g., Yin, 2009). Ways in which I enhanced external validity include:

- Using multiple embedded cases study design with (1) one pilot and two primary cross-case analyses at the company level, (2) five cross-case analyses of type of strategic planning link, and (3) four cross-case analyses of category of actor positions to provide a basis for analytical generalisation, and the provision of a clear rationale for the case study selection (see Figure 4 and Section 3.5).
- Using various theoretical frameworks during analysis process (see Sections 2.3 and 2.5).
- Adopting the statistical chi-square test for examining the relationships between coding categorical variables.

Reliability “refers to the absence of random error, enabling subsequent researchers to arrive at the same insights if they conduct the study along the same steps again” (Gibbert, et al., 2008, p. 1468). The transparency and replication are the key criteria for reliability. I enhanced reliability by ensuring total transparency throughout all the phases, having carefully documented and clarified my research procedures and case study protocol, and finally through replication by means of putting together a case study database that includes all the case study notes, documents, and narratives that allow for easy retrieval by others. I have used the software package

QSR NVivo version 8.0 as a case study database tool. This thesis was given permission to use real names for primary case study organisations in order to increase transparency.

### **3.5 SELECTION AND DESIGN OF CASE STUDIES**

In qualitative research, the sampling of the major units of analysis should be '*purposeful*' rather than probabilistic or random (Patton, 2002). Qualitative inquiry typically focuses in depth on relatively small samples, even single cases, selected purposefully (Patton, 2002). Given the small samples, the sample should be chosen thoughtfully and consciously to maximise the value of the information obtained in terms of the types of inferences that can be drawn for it (Patton, 2002). Furthermore, the logic of this purposeful sampling lies in selecting information-rich cases for study in depth (Patton, 2002). Information-rich cases are the information that researchers can learn significantly about issues of vital importance to the purpose of the inquiry (Patton, 2002). Therefore, the term '*purposeful sampling*' is often referred in qualitative research sample approaches.

For the above-mentioned reasons, this thesis adopted a multiple embedded case study approach undertaken within the complex M-form organisations (Chandler, 1982; Chandler, 1991) where organisational structure is multi-level and multi-functional. This thesis set out to conduct a multiple embedded case study approach within the M-form based firms, and to meet this criterion each M-form case study site has a number of mini-cases or embedded cases within it (Eisenhardt, 1989; Yin, 2003; Eisenhardt & Graebner, 2007; Yin, 2009). This multiple embedded case study design was to be able to probe deep into the type of strategic planning link instituted within the M-form based firms, and the type of actor positions. Furthermore, this research involved a great deal of intense human interactions and qualitative data generated by multiple sources of evidence. More importantly, the research needed to involve organisations that widely adopt strategic planning systems to cope with the dynamic environments. Therefore, this research involves organisations that have the following selection criteria:

- Characteristic of the M-form structure that adopts SBUs for its organisational configuration;
- Characteristic of strategic planning links embedded in the strategic planning systems;
- Characteristic of different actor positions across the M-form structure.

In particular, the case design is embedded allowing contextual data at strategic planning links and actor positions to be gathered about the wider organisation, whilst maintaining focus upon the primary units of analysis (Eisenhardt, 1989; Yin, 2003; Eisenhardt & Graebner, 2007; Yin, 2009).

As for the research strategy mentioned in Section 3.3, I proceeded with case selection based on purposeful sampling rational. I selected all of the cases, one in the pilot phase and two in the inductive analysis phase based on adopting the M-form based structure, widely adopting strategic planning systems throughout organisations, and having considerable numbers of strategic planning links. The settings are organisations that adopt the M-form structure in the telecommunication industry, real estate industry and technology promotion industry, which are attractive industries for several reasons. The knowledge-based industries such as telecommunications have instituted strategic planning in an attempt to deliver strategies that are effectively integrated across the corporation.

As for the technology promotion industry, it is involved in various kinds of innovation-based services and expertise in producing academic journals on technology and quality. This kind of knowledge-based industry typically has many opportunities for cross-unit collaboration, providing numerous potential strategic planning links. The real estate industry is an important component of the big socio-economic system and a dynamic industry in which the formation of new lateral relationships in the form of strategic planning link is likely to be frequent, permitting better empirical grounding. This combination of multiple industry segments should improve the robustness and generalisability of the results (Eisenhardt & Graebner, 2007).

Moreover, the access for the pilot study was granted to one of the design centres within the Research and Development (R&D) strategic business unit (SBU) of a multi-business corporation anonymously called ABC Corporation. The selected design centre is located in Christchurch, New Zealand. Furthermore, in order to establish comparability and generalisibility, I selected one M-form based organisation that has formed a dedicated corporate strategic planning department within the organisation, and another one that has not formed a dedicated planning department in the organisation. The access to the inductive analysis primary case study sites were granted by the L.P.N. Development Public Company Limited (in the real estate industry and without a dedicated corporate planning department), and Thailand-Japan Technology Promotion Association (in the technology promotion industry and with a dedicated corporate planning department). I use the terms LPN Corporation and TPA Corporation respectively to represent these two cases throughout this thesis. All three case study sites, ABC Corporation, LPN Corporation and TPA Corporation, fully comply with the selection criteria mentioned above and especially have strongly adopted the M-Form based structure in which they have instituted strategic planning in an attempt to deliver strategies that are effectively integrated across the corporation. More importantly, with two primary case study sites in this thesis, the comparisons across organisational contexts and within the same organisational context can be achieved.

With the permission of these two organisations, the names of these two case study sites are their real names, which has been associated with increased reliability of the research (Yin, 2003; Gibbert, et al., 2008). These two primary case study sites, LPN Corporation and TPA Corporation, have headquarters based in Bangkok, Thailand, in which they have institutional strategic planning in an attempt to deliver holistically integrated strategies (Chandler, 1982; Chandler, 1991; Bartlett & Ghoshal, 1993; Bartlett & Ghoshal, 1998; Wit & Meyer, 2005). These two corporations are well placed to be appropriate case study sites for this thesis in order to examine the integrative effects of the network of strategic planning which conforms to the conceptual framework.

At this stage, I chose to focus on two in-depth qualitative case studies to enable me to capture a multi-level perspective and be closer to the actions and interpretations of the participants involved, consistent with a strategy-as-practice perspective (Balogun et al., 2003; Johnson, et al., 2007; Jarzabkowski & Whittington, 2008; Whittington & Jarzabkowski, 2008; Jarzabkowski & Spee, 2009). Whilst two case studies might have their limitations for generating theory (Eisenhardt, 1989; Eisenhardt & Graebner, 2007), the careful study of a single case (or two case study sites in this thesis) can lead researchers to see new theoretical relationships and question old ones (Dyer, et al., 1991). The emphasis of the case study approach is to highlight a construct by showing its operation in an ongoing social context. The result is that the classic case study becomes a much more coherent, credible, and memorable story.

Particularly, the comparisons across embedded cases within the same and different organisational context can give me insights to generate theory (Balogun & Johnson, 2004; Jarzabkowski, 2005; Johnson, et al., 2007). Table 4 summarises each primary organisation's characteristics. However, Table 4 does not include all information from the pilot case study because I cannot reveal some information related to the pilot case study (ABC Corporation) due to a non-disclosure agreement. The details of each organisation's business characteristics are also discussed in the following section.

Table 4: The business characteristics of ABC Corporation, LPN Corporation and TPA Corporation

Company	Sales revenue in 2008 (\$million NZD)	Number of Employees and Contractors in 2008	Business Sector	Numbers of Hierarchy of SBUs or levels	Dedicated Planning Department
ABC Corporation	900	2,300	Technology business domain	N/A	N/A
LPN Corporation	500	1,450	Real Estate Development	5	No
TPA Corporation	100	650	Technology Management and Consultancy services	4	Yes

N/A = I cannot reveal this information due to non-disclosure agreement

### **3.5.1 Selection of Pilot Case Study Site – ABC Corporation**

The pilot case study is based on a case study of strategy-as-practice (Jarzabkowski, 2005; Johnson, et al., 2007) within the Research and Development (R&D) strategic business unit (SBU) of a multi-business corporation anonymously called ABC Corporation. ABC Corporation is a multinational corporation that operates in the technology business domain and has offices located in various countries. It has five strategic business units (SBU): Research and Development (R&D), Manufacturing, Marketing, Asia Pacific Sales, and US and Europe Sales. The organisational structure of ABC Corporation is based on the multidivisional organisation structure or the M-form (Chandler, 1982; Chandler, 1991). The total number of employees in the corporation was about 2,300 at the time of the study (in 2008). Each SBU consists of four to five operating units, which also form profit centres. The R&D SBU consists of four design centres. Each design centre has global responsibility for specific products based on their competencies and technological focuses.

During my pilot case study, it is important to note that the interview data suggests that ABC Corporation operates strategic planning processes at corporate and periphery levels as a mechanism for coordinating strategy formulation. This corresponds with Grant's research in strategic planning in major oil companies (Grant, 2003). At the same time, it is clear from interviews with the managing director of the design centre that, in his experience of undertaking planning activity within the unit and at corporate level, there is wide diversity in how these units and levels apply strategic planning practices. A corporate-level 'business steering committee' meets at six-monthly intervals to define high-level product strategy and direction. This, I believe, represents an episode of formal strategic planning as defined by (Hodgkinson, et al., 2006). This phenomenon supports my conceptual framework introduced in this thesis in Section 3.2, that the conceptual framework represents strategic planning as a network of collaboration amongst quasi-independent processes taking place across multiple levels and units.

### **3.5.2 Selection of First Primary Site – LPN Corporation**

The first primary case study site, LPN Corporation, is a listed company in the Stock Exchange of Thailand and recently won the Forbes 200 Best Under a Billion \$2008 award. LPN Corporation and its subsidiaries are engaged in the real estate development business with the objective of selling and leasing office buildings and residential buildings in the central business district of Bangkok Metropolis and Greater Bangkok (Thailand). Most LPN Corporation projects that have been developed included high-rise buildings and large-scale buildings. Since the economic crisis in 1997, LPN Corporation has adjusted its business policy and strategy to focus on developing condominiums for those in the upper-mid to lower-mid range as its main target group (Focus Strategy), including the creation of differentiation of goods and services (Differentiation Strategy).

Moreover, LPN Corporation has developed condominiums under LPN Design that focuses on utility for urban living, which is different from products found in general. LPN Corporation has also developed a style of management of the community that focuses on the quality of life of its residents. This strategy has created confidence and loyalty among LPN Corporation's customers. In addition, LPN Corporation has adopted a strategy of low cost management as a strong point to gain an advantage among competitors and bring success to the company. This has made LPN Corporation a market leader holding a market share in 2008 of approximately 31% for condominiums that were registered in the Bangkok Metropolis.

Furthermore, the total number of employees in the corporation was about 715 at the time this research was conducted (2009) and its latest consolidated sales revenue in 2008 was about \$500 million New Zealand dollars. In addition, the organisational structure of LPN Corporation is based on the M-form (Chandler, 1982; Chandler, 1991). The LPN Corporation has five main organisational levels according to the conceptual framework and the M-form structure: (1) Corporate centre, (2) Corporate-based functional level, (3) Profit centre-based SBU, (4) Embedded competency-base level, and (5) Embedded functional level. Figure 5 represents LPN Corporation's organisational structure at the time of this research.

## LPN Corporation Organisation Chart (as at January 1, 2009)

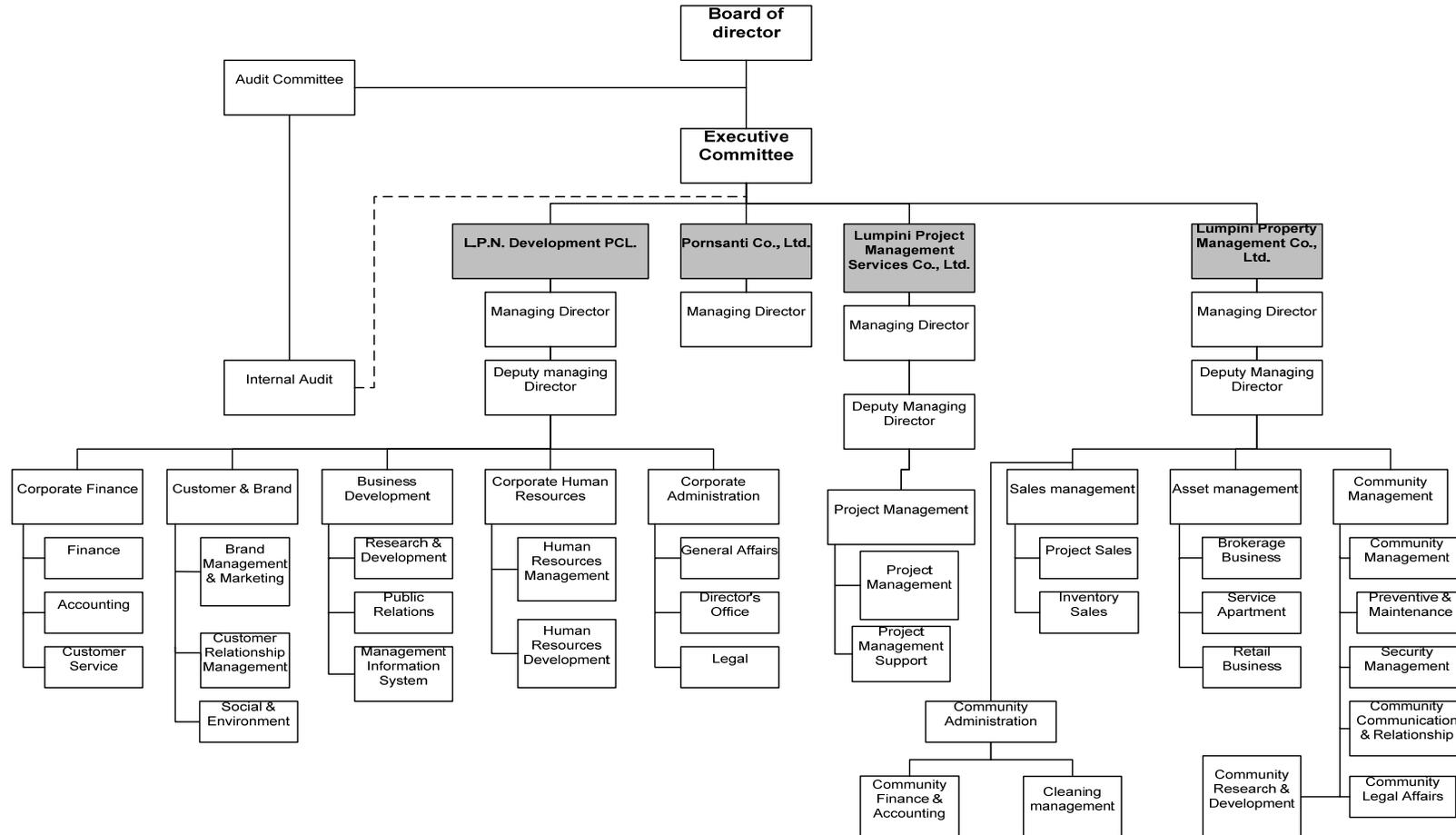


Figure 5: LPN Corporation's organisational structure at the time the research was conducted (2009)

LPN's corporate centre consists of a group of corporate-level executives and the board of directors, plus a Corporate Affairs unit which houses the corporate finance and corporate human resources functions. It has four profit centre-based subsidiaries or SBUs: (1) Project Management Services, (2) Property Management, (3) Non-Condominium Development, and (4) Townhouse focused SBU. Competency-based units (e.g. Community Management unit) are embedded in the profit centre-based SBUs, and in turn the embedded functional level (e.g. Project Development Department, Cost Control Department, Community Communication & Relationship Department, Sales Management Department, etc.) is embedded in the competency-based units. The detail of each level is discussed in the following paragraphs.

At the corporate-based functional level, the Corporate Finance function consists of three embedded functions or departments: Finance Department, Accounting Department, and Customer Service Department. The Corporate Human Resource function consists of two embedded functions or departments: Human Resource Management Department and Human Resource Development Department.

At the profit centre-based SBU one of the profit centre-based SBUs, under the name of L.P.N. Development Company, is engaged in real estate development with emphasis on residential condominiums and this profit centre focuses on providing all the management support to the other subsidiaries or profit centres. This profit centre consists of four functional units: Customer and Brand unit, Business Development unit, Corporate Administration unit, and Internal Audit Office. The Customer and Brand unit consists of three embedded functions or departments: Branding and Marketing Department, Customer Relationship Management Department, Social & Environment Department. The Business Development unit consists of three embedded functions or departments: Research & Development Department, Management Information System Department, and Public Relations Department. The Corporate Administration unit consists of three embedded functions or departments: General Affairs Department, Director's Office, and Legal Department.

The Project Management Services SBU or Lumpini Project Management Services Company is a subsidiary engaged in the consultation business, engineering management business, marketing, sales and all types of construction. The Project Management Services SBU consists of two functional units: Project Management unit, and Project Management Support unit. The Project Management unit consists of one embedded function or department, which is the Project Management Department. The Project Management Support unit consists of six embedded functions or departments: Standards and Quality Control Department, Cost Control Department, Project Development Department, Project Coordination and Environment Department, Technical Support Department, and Project Services Department.

The Property Management SBU or Lumpini Property Management Company is a subsidiary engaged in condominium management services and this company focuses on sales management, community management and leased assets. The Property Management SBU consists of seven functional units: (1) Community Management unit, (2) Community Management Support unit, (3) Community Administration unit, (4) Preventive and Maintenance Management unit, (5) Community Research & Development unit, (6) Asset Management unit, and (7) Sales Management unit. In common, each functional unit consists of several embedded departments as shown in Figure 5.

The Non-Condominium Development SBU or Pornsanti Company is a subsidiary company engaged in the real estate development business of types other than residential condominiums. The Townhouse focused SBU or Grand Unity Development Company is a joint venture company engaged in condominium and townhouse development focusing on development of projects that have slowed construction due to the economic crisis.

### **3.5.3 Selection of Second Primary Site – TPA Corporation**

As for the second main case study site, TPA Corporation's businesses are involved in various kinds of innovation-based services such as the arrangement of courses on technology, management seminars and training, calibration and environmental analysis services, web based development, school of language and culture offering Japanese, Thai, English, and Chinese courses, and expertise in producing academic journals on technology and quality. The total number of employees in the corporation was about 300 at the time of this research (2009) and its latest consolidated sales revenue in 2008 was about \$100 million New Zealand dollars. Each SBU has responsibility for specific products and services based on their competencies and market focuses.

In addition, the organisational structure of TPA Corporation is based on the M-form (Chandler, 1982; Chandler, 1991). The TPA Corporation has four main organisational levels according to the conceptual framework and the M-form structure: (1) Corporate centre level, (2) Corporate-based functional level, (3) Competency-based level, and (4) Embedded functional level. Figure 6 represents TPA Corporation's organisational structure at the time this research was conducted.

TPA's Corporate Centre consists of a group of corporate-level executives and the board of directors, plus corporate-level functional units, namely Corporate Affairs and Corporate Human Resources. It has three competency-based units or SBUs: (1) School of Language, Education, & Publishing, (2) Industrial Promotion, Knowledge Management, & Consultancy, and (3) Calibration Services, and Environment Analysis. The embedded functional level is embedded in the competency-based SBUs. The detail of each level is discussed in the following paragraphs.

At the corporate-based functional level, the Corporate Affairs Division consists of four embedded functions or departments: Corporate Planning Department, Corporate Finance and Accounting Department, Corporate Human Resource Department, and General Affairs Department. The Corporate Marketing and Membership Division consists of two embedded functions or departments: Corporate Web-based Business & Technology Development Department, and Marketing Department.

As for the competency-based SBU level, Business Unit I consists of three embedded functions or departments: School of Language & Culture Department, Education & Publishing Business Department, and TPA Publishing Business Department. Business Unit II consists of four embedded functions or departments: Education & Training Department, Industrial Promotion & Development Department, Knowledge Management & Development Department, and Consultancy & Diagnosis Department. Business Unit III consists of one embedded function or department which is Calibration Service & Environment Analysis Department.

## TPA Corporation Organisation Chart (as at November 1, 2009)

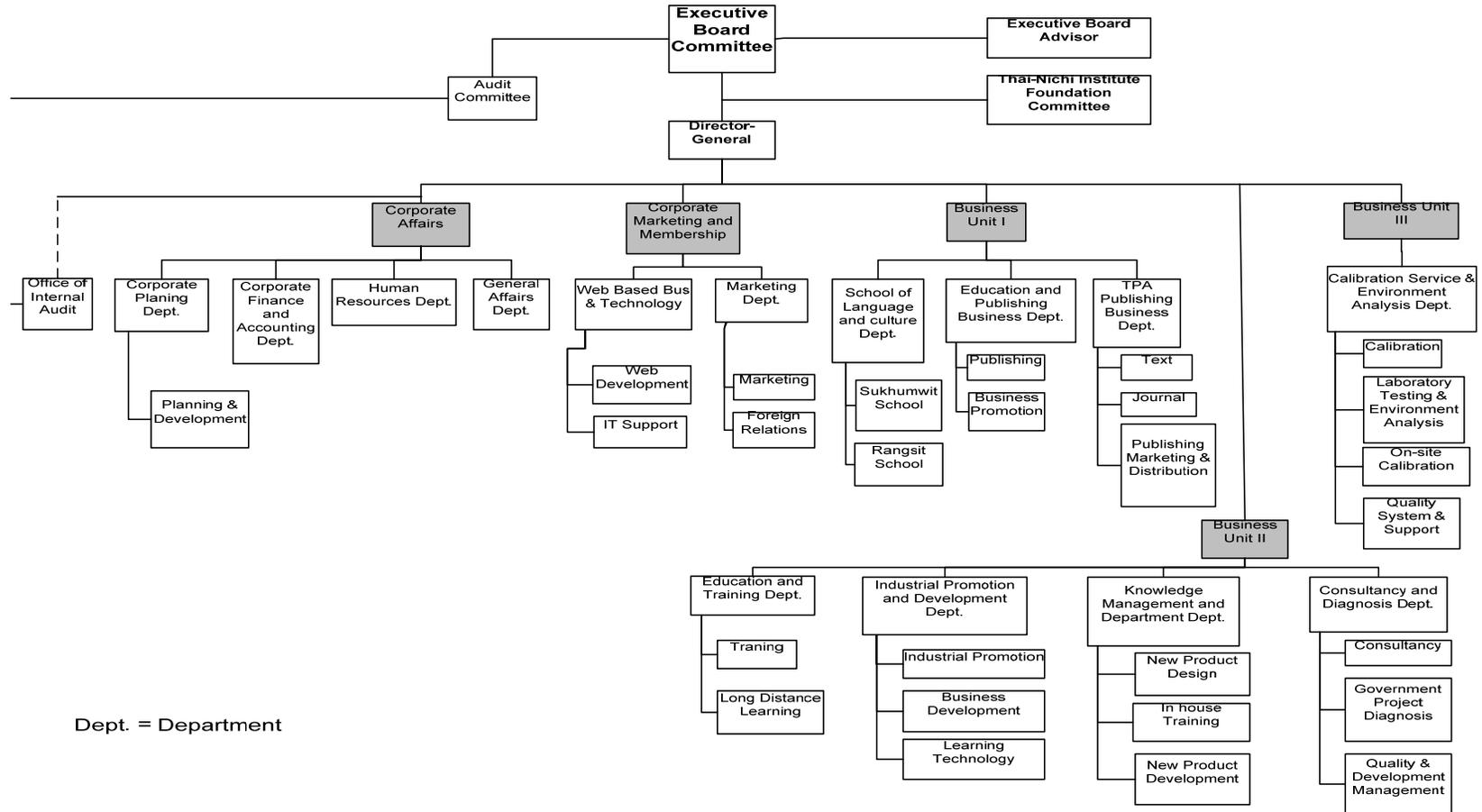


Figure 6: TPA Corporation’s organisational structure at the time the research was conducted (2009)

### **3.5.4 Different Characteristics of the Two Main Cases**

Overall, the organisational structure of the two main cases, LPN Corporation and TPA Corporation, follows the M-form structure. As discussed in Sections 3.5.2 and 3.5.3, the two main cases – one with and one without a formal planning department – operate within different industries. TPA Corporation has a formal planning department within their organisational structure, whereas LPN does not have a formal planning department.

Strategic planning processes at both LPN Corporation and TPA Corporation become institutionalised practices. In addition, both corporations adopt the Balanced Scorecard technique to develop their strategy map and Key Performance Indicators (KPIs) and to translate corporate strategies into lower organisational levels' strategies (Kaplan & Norton, 2001) .The Balanced Scorecard and SWOT analysis (Strengths, Weaknesses, Opportunities and Threats) are the key strategy tools which become institutionalised practices, being drawn from strategy practitioners across organisations in both main cases.

In particular, a formal planning department at TPA Corporation is responsible for administering the overall strategic planning cycle and process and fostering communication with top management and other department heads. However, at LPN Corporation, one of the executive directors assumes the role of Chief Strategy Officer to facilitate strategic planning exercises at the top management level for assessing the capability and direction of LPN Corporation as a whole. The Chief Strategy Officer simply communicates to all functions to follow the company's strategic planning cycle and to submit their divisional and departmental strategic plans including budgeting plans through their lines of command. There is no formal department assigned to administer the overall strategic planning process at LPN Corporation. Nonetheless, the strategic planning cycles at both LPN Corporation and TPA Corporation become institutionalised practices.

I discuss in more detail the attributes of the two main cases in terms of type of strategic planning links and category of actor positions across different organisational levels and units (two main embedded units of analysis in this thesis) in the next section (Section 3.6). I also present the analytical findings in terms of practical-level activities of strategy practitioners that purport to be on different organisational contexts in sub-sections of Chapter 4 (Sections 4.2.1, 4.3.1, 4.4.1, 4.5.1 and 4.6.1).

### **3.6 DATA COLLECTION**

This research utilised multiple data collection techniques: (1) interviews, (2) documentary evidence and archival records, and (3) focus groups in the form of feedback meetings to gather qualitative data. The use of multiple data collection techniques provides the ability to establish high quality research in terms of construct validity based on multiple sources of evidence (Yin, 2003).

The primary data production method was semi-structured interviews which offer me flexibility in probing emergence and determining when it is proper to explore specific subjects in greater depth. Interviews, varying from open-ended to more structured, are one of data collection techniques in qualitative research, with the aim of obtaining the thoughts, ideas and experiences of the respondents (Bryman, 1995; Rubin & Rubin, 1995). A semi-structured interview can be identified as an interview method whose objective is to acquire descriptions of the reality of the interviewee with respect to translating the meaning of the portrayed circumstances or phenomena (Kvale, 1999). Furthermore, the pattern of interviews was essentially based on the interview pattern strategy of entrance, activity, intimacy and exit time (Cavana et al., 2001).

I firstly contacted top executives of each case study organisation. The positions of top executives of each case study organisation are listed below:

- Pilot case: Managing Director of Design Centre under the R&D SBU of anonymous IT & Telecommunication multinational company (called ABC Corporation in this thesis)
- 1<sup>st</sup> Primary case: Chief Executive Officer and Chief Strategy Officer of LPN Corporation
- 2<sup>nd</sup> Primary case: President and Head of Corporate Planning Department of TPA Corporation.

The series of face-to-face meetings prior to the start of actual research were organised in order to enlighten decision makers of those corporations about participating in this research. After that, interviews were arranged with the strategy practitioners at different organisational levels and functions: top managers, intermediate to top managers, middle managers, and frontline managers. These include corporate-level executives, Managing Director, Deputy Managing Director, Assistant Managing Director, Head of SBUs, Head of Functions, Head of Departments, Head of the Corporate Planning Group, and managers with responsibility for involvement in administration and support of the strategic planning processes.

The interviews were carried out at the premises of the case study organisations, regularly in meeting rooms or seldom at the offices of the interviewees. I informed the interviewees that they did not need to prepare to know any right answers but to relate the experiences and practices of their own work. The semi-structured interviews conducted in this research lasted between one and one and half hours per interview. The interviewees were asked questions on how they had been involved in different strategic episodes (in the form of network of multi-level and multi-unit strategic planning processes) during the annual strategic planning cycle conducted in 2008, as well as on the interactions, activities and practices that they adopted. (Examples of common questions are: *How many planning sessions did*

*you attend during the 2008 strategic planning cycle?; How were the strategic planning exercises organised? Concerning the M-form structure and strategic planning link, I asked questions such as: How is your organisation structured?; To what extent are you involved with other organisational units and/or levels in order to discuss strategic plans? Concerning the interactions, activities and practices, I asked questions such as: How and what did you do when participating in that strategic planning?; What and how did you interact and participate in planning exercises?; What are your responsibilities in strategic planning?; and What are the key subjects being discussed during the strategic planning?* The detailed interview protocol is in Appendix A.

As for the pilot case study, the empirical material used in this pilot case study amounts to five face-to-face interviews across different functional units or departments within one of the design centres under the R&D SBU: one senior executive, managing director, and four middle managers, marketing manager, engineering and development manager, customer support manager and HR manager. All interviews were audiotaped and transcribed. Detailed notes were taken by hand during the interviews. The semi-structured interviews lasted between one to one and a half hours. To facilitate comparability, all respondents were asked to elaborate on strategy practices within their design centre during the last strategic planning exercise, which was conducted in October and November 2007. In addition, to understand a multiplicity of strategising, all respondents were asked to explain how they were involved with the strategic planning activities of other organisational levels and units over the same period. The elements of the strategy process that they participated and led were also discussed. The aims of the strategic planning process instituted at this design centre are to develop vision, mission, values and strategic programmes of the design centre.

As for the two primary cases of LPN Corporation and TPA Corporation, I conducted a series of interviews between April and June 2009, and between December 2009 and February 2010. With permission from the executives of both corporations, all interviews were audiotaped and transcribed mostly in the form of the Thai language. Detailed notes were taken by hand during the interviews. I then

used a transcribing service to write out verbatim all the electronic Thai interview records. After that, I carefully, line by line, evaluated for meaning. Thematic coding was the basis for identifying meaning and recording themes in the transcripts. At this point, I translated the meaning and themes into English. Each transcript, meaning and theme is identified by a unique source code which will maintain the anonymity of the interviewees. The transcription of the total interviews of management across case organisations resulted in 514 pages of text (with 1.5 line spacing and 12 font size). The lengths of individual interviews varied from five to twenty pages. Furthermore, the software package QSR NVivo version 8.0 was used, as it is already recognised for its use in qualitative analysis. All coding and translated themes were entered into the NVivo computer software, which had been set up with an appropriate recording and grouping structure prior to the data collection and evolved over time during data analysis process. Overall, the research process was managed through the use of NVivo's array of tools which facilitated the conceptualisation and verification.

The interviews covered the following areas:

- the corporate strategic planning process, including the annual planning cycle, individuals involved, methodologies employed, and the content and role of meetings and documents;
- the strategic planning processes in different organisational levels and units including corporate centre, strategic business units, divisional and departmental levels;
- the strategic planning processes linked between different organisational levels and units;
- the structure and role of the corporate strategic planning department and strategy practitioners throughout organisations;
- the different strategic planning practices across different levels and functions of the organisations;
- the activities and interactions of strategy practitioners across organisations.

The total number of interviewees for primary case study sites, LPN Corporation and TPA Corporation, was thirty-eight and sixteen respectively, consisting of managers at different levels of the organisations (top managers, intermediate to top managers, middle managers, and frontline managers – as different types of actor positions). In terms of strategic planning links as embedded cases, I treat each strategic planning link that each of interviewees participate in as a separate link. Specifically, when I gather data from participants across organisational levels and units, I treat their responses as independent observations. This is because the practices and praxis that the interviewees draw upon and use are different even though they participate in the same strategic planning link. This approach also offers to increase the sample size for performing statistical tests between categorical variables (Langley, 1999) as discussed in Section 3.7. It also helps that the conditions for validity of the tests that I use in this thesis have been met as discussed in Section 3.4. Therefore, the total number of four hundred and sixty-eight strategic planning links for the LPN Corporation was captured, consisting of all types of strategic planning links (type 1 to 5), whereas one hundred and fifty-six links were captured for the TPA Corporation.

Table 5 and Table 6 show the numbers of interviewees and types of strategic planning links for each primary case study site. Figures 7 and 8 represent the hierarchy of SBUs and sample of strategic planning links between organisational units at LPN Corporation and TPA Corporation respectively.

Table 5: The interviews at LPN Corporation and TPA Corporation

Company	Type of business	Type of Organisational Level	Management Level (Number of Participants)
LPN Corporation	Real Estate Development	Corporate centre level	• Top manager (4)
		Corporate-level functional unit	• Middle manager (2) • Frontline manager (2)
		Profit centre-based SBU	• Intermediate to top manager (3)
		Competency-based unit	• Middle manager (5)
		Embedded functional or departmental unit	• Frontline manager (22)
Total number of interviewees at LPN Corporation			38
TPA Corporation	Innovation-based consulting and education services	Corporate centre level	• Top manager (1)
		Corporate-level functional unit	• Middle manager (2) • Frontline manager (1)
		Dedicated corporate strategic planning unit	• Middle manager (1)
		Competency-based unit	• Intermediate to top manager (3)
		Embedded functional or departmental unit	• Frontline manager (8)
Total number of interviewees at TPA Corporation			16
Total number of interviewees at both organisations			54

Table 6: Type of strategic planning link at LPN Corporation and TPA Corporation

Type of Strategic Planning Link (embedded cases in organisational context)	Number of strategic planning link studies	
	LPN Corporation	TPA Corporation
Type 1	72	10
Type 2	197	71
Type 3	108	22
Type 4	67	52
Type 5	24	1
Total	468	156

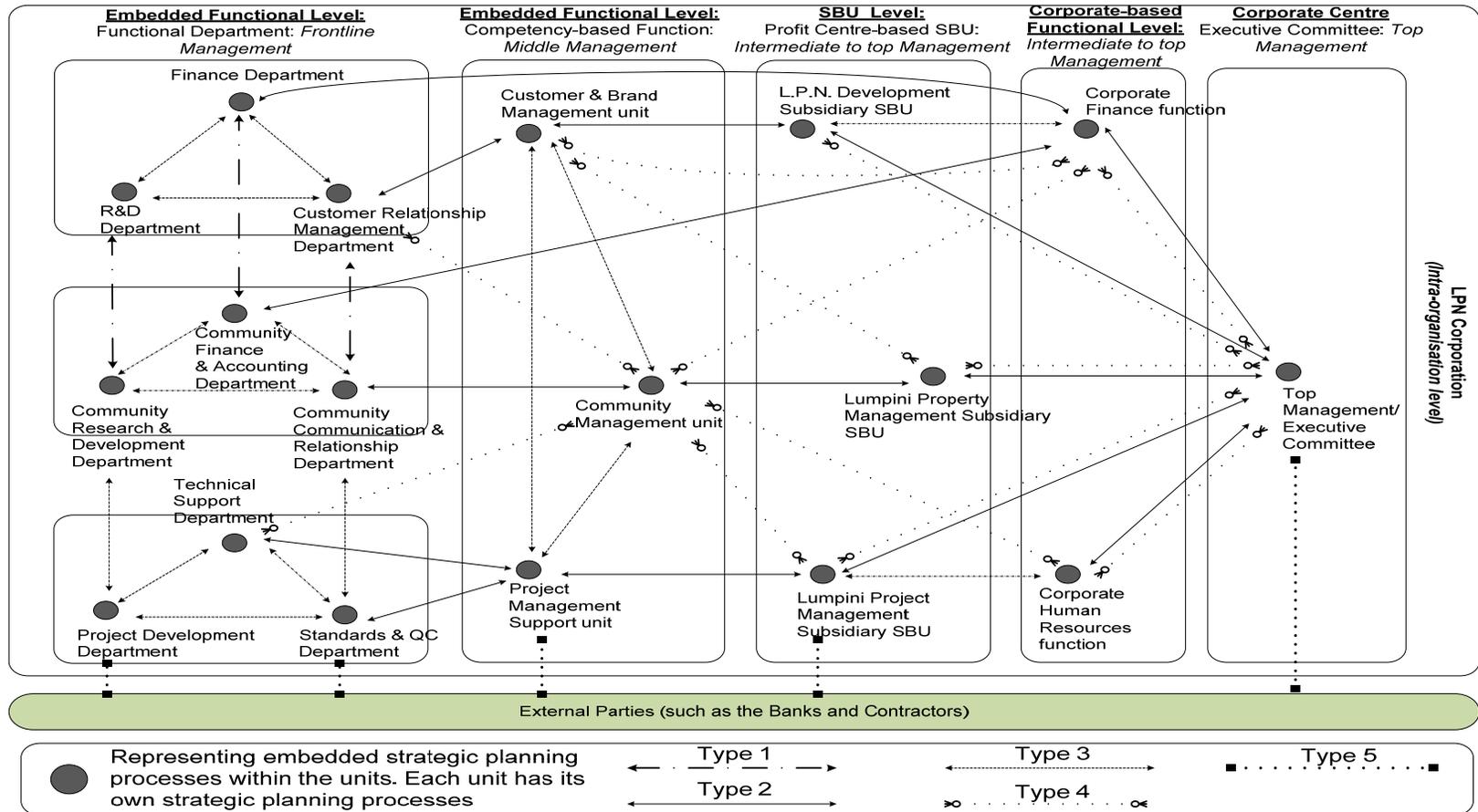


Figure 7: Conceptualised network of multi-level and multi-unit strategic planning at LPN Corporation (without a dedicated strategic planning department)

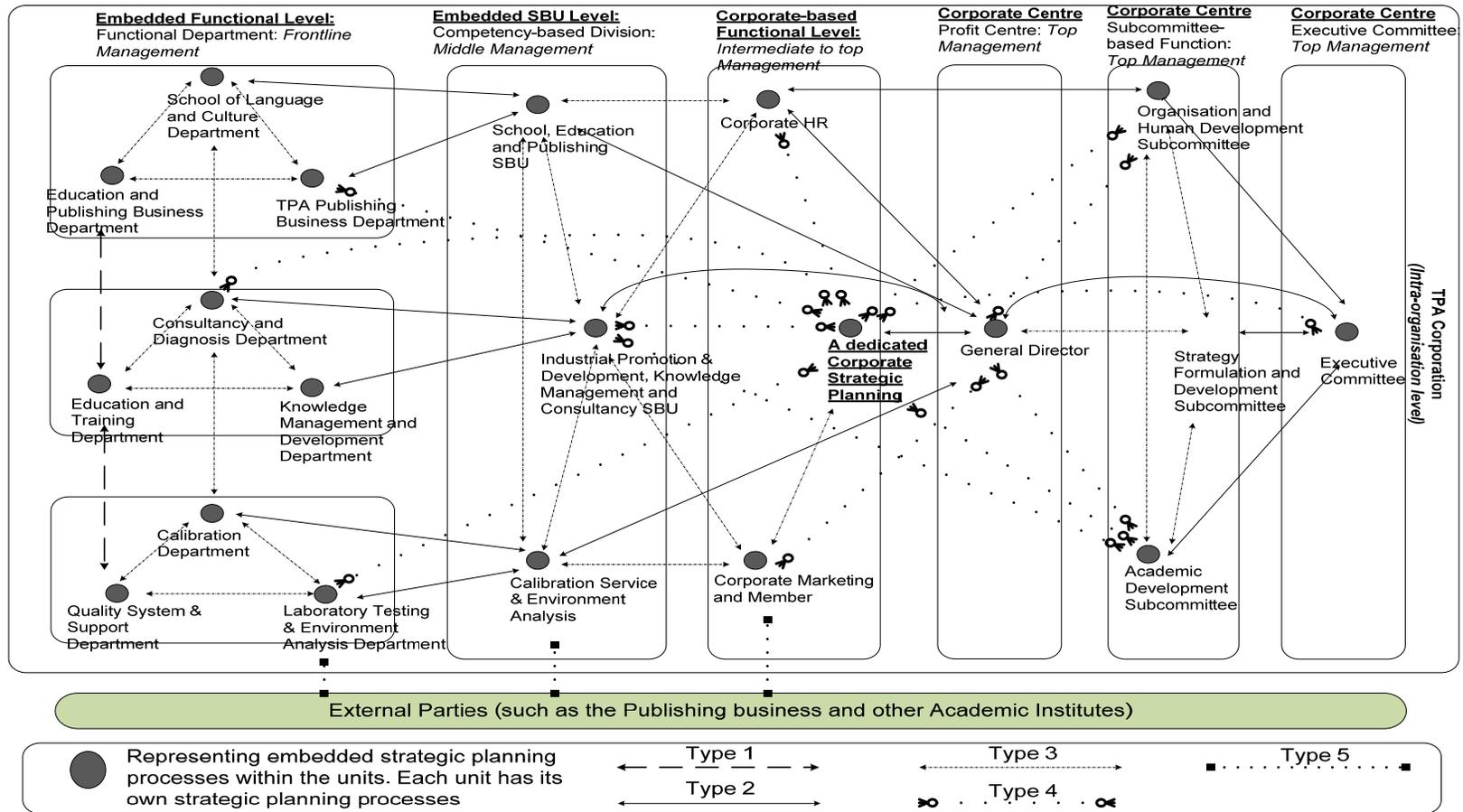


Figure 8: Conceptualised network of multi-level and multi-unit strategic planning at TPA Corporation (with a dedicated strategic planning department)

Moreover, interview data were supplemented with information from the case studies such as company reports and documents, and extant literature. These were predominantly useful sources of data on the companies' strategic planning processes. Especially, the companies' documentary evidence and archival records related to the strategic planning processes were collected as the secondary data sources. The documentary evidence and archival records data were used as evidence guidelines for comparing and analysing the qualitative data gathered from other data collection techniques. The document data consisted of both internal data, confidential data and public data. These documents were diagrams or texts relating to the strategic planning processes and strategies of the organisations, and annual reports of the organisations. In particular, the documents concerning the strategic planning processes of the organisations became important for this study. The total number of the documentary data used in this thesis is about thirty-five documents. Documents are in nature written texts; they endure and give background insight. They also corroborate and augment evidence from other data sources. Analysis of secondary data (Miles & Huberman, 1994) was undertaken to identify the varying characteristics of strategic planning processes within the selected case study sites.

In addition to the interviews, I organised the feedback meetings that were organised for the management and for the interviewees. I conducted four feedback meetings for LPN Corporation and two feedback meetings for TPA Corporation. The feedback meetings were used as a reconciliation and reconfirmation process in order to validate data accuracy and to reflect on the participants' perceptions. More importantly, to increase construct validity and internal validity (Yin, 2003; Gibbert, et al., 2008), I sought feedback on interim findings from the participants, and incorporated this into the analysis. In these meetings, I presented the overall findings of the interviews in order to obtain feedback and verify interview data, as well as making some suggestions for the organisations to improve their strategic planning. Furthermore, the feedback meetings were conducted by hosting the series of seminars at the locations of those case study organisations. I presented information regarding strategic planning practices and processes that each case

study organisation adopts, the type of strategic planning links existing at the organisations, analysis method, and preliminary emerging themes.

### **3.7 DATA ANALYSIS METHOD**

Overall, I adopted an inductive approach to the data (Miles & Huberman, 1994; Cavana, et al., 2001) including within-case and cross-case analysis in order to develop emergent themes, which I followed by iterative references to the theoretical frameworks in order to interpret my findings and develop labels for particular themes that evolved (Eisenhardt, 1989; Suddaby, 2006). Strategy as practice perspective, agency theory, power theory, organisation theory and the insights of establishing strategic integration and alignment, are the key theoretical frameworks (in Chapter 2) that I referred to and used as a theoretical lens during the data analysis phase. The approach of using quantitative method for qualitative data is also adopted. I will elaborate on the detailed procedures to analyse data qualitatively and quantitatively in the following sections.

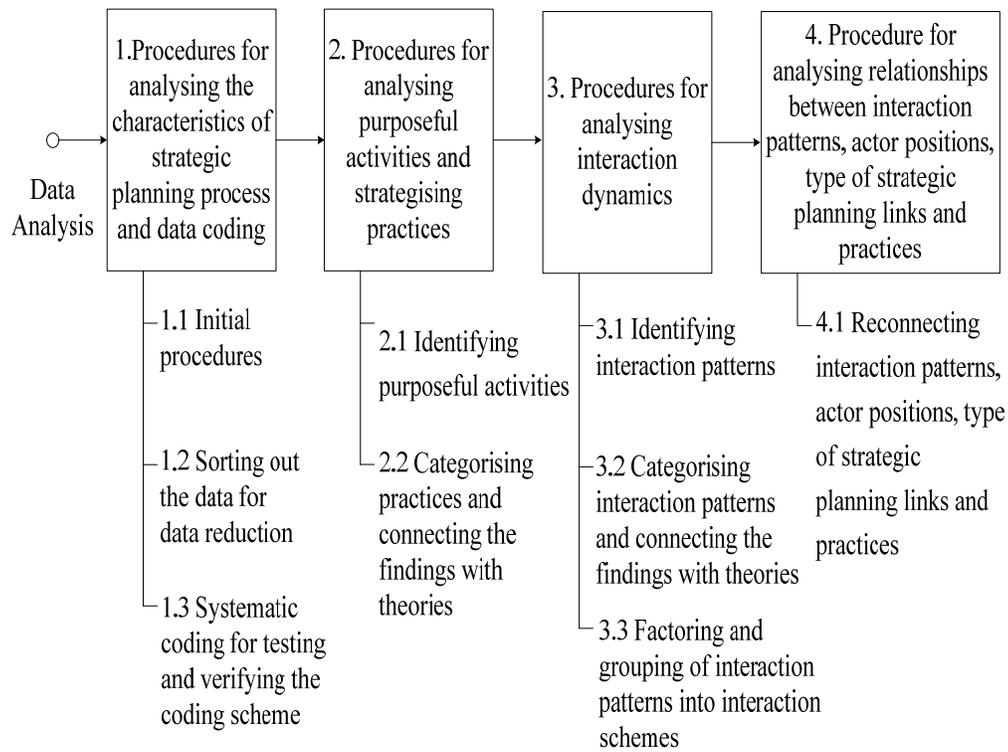
The procedure of analysing the data is a process of de-contextualisation and re-contextualisation (Tesch, 1990). The process normally begins with a huge amount of information, which is reduced to patterns, categories or themes (Tesch, 1990). Through a particular schema, the data is interpreted and analysed. In the phase of de-contextualisation process, I attempt to contemplate and grasp into the fine-grained views of the data, subsequently the findings of which are, by re-contextualisation process, developed to a higher level, where a larger illustration emerges (Tesch, 1990; Rubin & Rubin, 1995).

In this thesis, the analysis process followed the portrayed steps. The process consisted of numerous phases that began with an overview of the data, through the general organisation-level, different types of strategy practitioners, and different types of strategic planning link analysis that enhanced my initial understanding of the data. Through a sample, I investigated the detailed information provided by the data, with the objective of testing the data and finding ways of reducing the data. Identifying strategising activities, categories of practices and interactions were followed by separate courses of interpretation for all of them. Consequently, the findings concerning these elements were brought together and differences at the level of types of strategic planning links, actor positions and organisations were analysed.

The unit of analysis in the data analysis process is initially the individual account and strategic planning link; as the analysis proceeds to the level of organisation and actor positions, the unit of analysis also changes to that level. Qualitative data analysis is a continuous, iterative activity where the documentation of the process is very important (Miles & Huberman, 1994).

When deconstructed into coded units for analysis, qualitative data sets may thus be as high volume as (or potentially higher volume than) any panel data set that might be collected for econometric analysis (Bryman, 1995). Statistical analysis provides one way to reduce this volume into representative patterns that can illustrate associations and relationships between different elements of a qualitative data set (Miles & Huberman, 1994). In addition, three categories of theory evaluation: accuracy, parsimony and generalisability, act as a way of categorising the strengths and weaknesses of different process methodologies for analysing qualitative data (Langley, 1999). The quantification strategy, which reduces data into coded events, has the strengths of parsimony and relative generalisability, whilst being weaker in accuracy. At some level, all analysis must make theoretically or empirically-informed choices about what is significant and what is background; what to include and what to exclude from the story being told. In this thesis, I use quantitative method for qualitative data to explore relationships between categorical variables to

enhance accuracy for parsimony and generalisability. I also develop grounded codes that are then attributed numerical values in order to conduct statistical analysis that will emerge patterns in much the same way that qualitative analysis attempts to emerge patterns from data in a grounded way. I also tried to elaborate the various stages of the analysis process by a careful description of each stage I went through in conducting this research as illustrated in Figure 9. I outline the steps of the analysis process including the method used in detail in Table 7.



**Figure 9:** Overview of analysis process and steps

Table 7 presents the phases of the analysis process in conjunction with Figure 9. In the table, the first column describes the phase of the analysis process. The second column to fourth column portray the objective, method and tactics used, and output respectively according to each phase of the data analysis process. My data analysis technique is predominantly based on Miles and Huberman (1994)'s qualitative data analysis method. I iteratively followed the three key activities of data analysis which are 'data reduction', 'data display', and 'conclusion drawing and verification' (Miles & Huberman, 1994, pp. 10 – 12). According to Miles and Huberman (1994), they explained that “[d]ata reduction refers to the process of selecting, focusing, simplifying, abstracting, and transforming the data that appear in written-up field notes or transcriptions” (p. 10), whereas data display refers to the process of “an organised, compressed assembly of information that permits conclusion drawing and action” (p. 11). Thus, I mainly reduced and transformed the qualitative data through summary and data coding. Creation of charts and diagrams was the technique that I used for assembling and organising data as part of data display activity. During my activities of data reduction and data display, I repeatedly validated my initial understanding with my field notes from both case study sites, and the identified theoretical frameworks as part of conclusion drawing and verification activity. This tactic is consistent with suggestions from Miles and Huberman (1994):

“Conclusions are also verified as the analyst proceeds. Verification may be as brief as a fleeting second thought crossing the analyst’s mind during writing, with a short excursion back to the field notes, or it may be thorough and elaborate, with lengthy argumentation and review among colleagues to develop ‘intersubjective consensus’, or with extensive efforts to replicate a finding in another data set” (p. 11)

These three concurrent activities happen iteratively and interactively in a form of cyclical process that provide researchers to be able to see the emerging themes and to draw and verify conclusions (Miles & Huberman, 1994). The following sections elaborate in more detail the analytical methods, tactics and procedures of each step.

Table 7: The analysis process and procedure

Analysis process phase	Objective	Methods of data analysis, tactics for discovering meaning	Output
1. Procedures for analysing the characteristics of the strategic planning process and data coding			
1.1 Initial procedures	<ul style="list-style-type: none"> <li>• Initial understanding</li> <li>• Testing the data</li> </ul>	<ul style="list-style-type: none"> <li>• Within-site analysis (firm analyses): Content analysis</li> <li>• Selecting a sample</li> <li>• Open coding</li> </ul>	<ul style="list-style-type: none"> <li>• Confidence in proceeding with the analysis</li> <li>• Coding defined</li> </ul>
1.2 Organising the data	<ul style="list-style-type: none"> <li>• Data reduction</li> <li>• Data display</li> </ul>	<ul style="list-style-type: none"> <li>• Examining the data by pinpointing and distinguishing chunks of material with relevant content</li> </ul>	<ul style="list-style-type: none"> <li>• A bulk of quotations that reflect purposeful activities and practices (this is to prepare for a further and deeper analysis)</li> </ul>
1.3 Systematic coding	<ul style="list-style-type: none"> <li>• Data reduction using data coding</li> <li>• Testing / verifying the coding scheme</li> </ul>	<ul style="list-style-type: none"> <li>• Connecting the defined coding with the conceptual framework and extant theories</li> <li>• Coding the entire data</li> </ul>	<ul style="list-style-type: none"> <li>• All the data coded</li> </ul>

Table 7: The analysis process and procedure (continued)

Analysis process phase	Objective	Methods of data analysis, tactics for discovering meaning	Output
2. Procedures for analysing purposeful activities and categories of strategising practice			
2.1 Identifying purposeful activities	<ul style="list-style-type: none"> <li>• Data display</li> </ul>	<ul style="list-style-type: none"> <li>• Discovering purposeful activities and practices, (data-driven content analysis)</li> </ul>	<ul style="list-style-type: none"> <li>• A list of purposeful activities</li> </ul>
2.2 Categorising practices and connecting the findings with extant theories	<ul style="list-style-type: none"> <li>• Data display</li> <li>• Conclusion drawing</li> </ul>	<ul style="list-style-type: none"> <li>• Categorising the practices with a theory-driven framework</li> <li>• Counting</li> <li>• Subsuming particulars into the general</li> <li>• Discussing the findings with previous literature and extant theoretical frameworks adopted by this thesis</li> <li>• Cross-site analysis (firm analyses)</li> </ul>	<ul style="list-style-type: none"> <li>• Strategising practices in eleven categories, categorised by their nature</li> <li>• Practices as arenas for strategic activities</li> <li>• Understanding of the theoretical effects that are related to extant theoretical frameworks adopted by this thesis</li> </ul>

Table 7: The analysis process and procedure (continued)

Analysis process phase	Objective	Methods of data analysis, tactics for discovering meaning	Output
3. Procedures for analysing interaction dynamics (or social interactive contexts)			
3.1 Identifying interaction patterns	<ul style="list-style-type: none"> <li>• Data display</li> </ul>	<ul style="list-style-type: none"> <li>• Content analysis (noting themes)</li> </ul>	<ul style="list-style-type: none"> <li>• A list of interaction patterns</li> </ul>
3.2 Categorising interaction patterns and connecting the findings with extant theories	<ul style="list-style-type: none"> <li>• Data reduction</li> <li>• Conclusion drawing</li> </ul>	<ul style="list-style-type: none"> <li>• Cross-case analysis, categorising, clustering the themes, counting, noting patterns</li> <li>• Discussing the findings with previous literature</li> </ul>	<ul style="list-style-type: none"> <li>• Categories of interaction patterns</li> <li>• A coding scheme for the interaction patterns</li> </ul>
3.3 Factoring and grouping of interaction patterns into interaction schemes	<ul style="list-style-type: none"> <li>• Data reduction</li> <li>• Conclusion drawing</li> </ul>	<ul style="list-style-type: none"> <li>• Cross-case analysis, categorising, clustering the themes, counting, noting patterns, factoring</li> </ul>	<ul style="list-style-type: none"> <li>• Categories of interaction schemes</li> <li>• A coding scheme for the interaction schemes</li> </ul>

Table 7: The analysis process and procedure (continued)

Analysis process phase	Objective	Methods of data analysis, tactics for discovering meaning	Output
4. Procedure for analysing relationships between interaction patterns, actor positions, types of strategic planning links and categories of strategising practice			
4.1 Reconnecting actor positions, type of strategic planning links and practices	Relationship testing	<ul style="list-style-type: none"> <li>• Counting</li> <li>• Statistical test</li> </ul>	Statistical test and description of how the different kinds of actor positions are related to types of strategic planning links and practices
4.2 Reconnecting interaction patterns, actor positions, type of strategic planning links and practices	Relationship testing	<ul style="list-style-type: none"> <li>• Counting</li> <li>• Statistical test</li> </ul>	Statistical test and description of how the different interaction patterns are related to different kinds of actor positions, types of strategic planning links and practices

### **3.7.1 Procedures for Analysing the Characteristics of the Strategic Planning Process and Data Coding**

The analysis process initially started with a number of case studies that I performed for the companies including the pilot case study. The interviews with top managers, intermediate to top managers, middle managers, and frontline managers as well as the company reports and documents provided a preliminary understanding of the data. I was writing up my own interview notes to take the place of this initial step. At this stage, I used my own interpretation to realise the meaning of the data. The interpretation is a central part in data analysis process of qualitative research in which it involves the researchers' intuition to discover the meaning of the data (Miles & Huberman 1994). Hence, there are no fixed rules and procedures of interpretation (Alvesson & Sköldbberg, 2009). However, during my iterative interpretation for realising data, I chose to validate my interpretation of the data with the identified theoretical frameworks (refer to Chapter 2) that can improve external validity (Gibbert, et al., 2008).

Furthermore, interpretation does not happen only after the interviews while I attempted to comprehend the meaning of the data. It can occur at various stage in the research process such as during the interviews (Alvesson & Sköldbberg, 2000). The observations and attempt to visualise and draw diagrams of the empirical phenomena during the interviews are the tactics that I used as part of my iterative interpretation process. This process provides me a capability to pinpoint, concentrate, simplify and transform raw data to be subsumed in a larger pattern as part of 'data reduction' activity and 'data display' activity (Miles & Huberman 1994, pp. 10 – 11)

In the pilot case study phase (refer to Section 3.3 and Figure 4), I then started operating with a sample to ensure that the data would match the purpose of this study, and to determine an appropriate procedure for coding the entire data based on and invited by the conceptual framework as described in Section 3.2 and by the theoretical frameworks as discussed in Sections 2.3 and 2.5. I read the whole interview thoroughly and made notes about those parts that seemed relevant for my study. About half of total numbers of coding schemes emerged from the pilot case study. I also repeated this whole process iteratively with the primary case study sites in order to refine and finalise entire coding schemes. In taking notes, I used NVivo data analysis software (NVivo version8) and searched for relevant issues. This application software allows the refinement of coding during the data collection-analysis leading to theoretical writing and model development. Although my analysis does not follow the exact guidelines of the grounded theory methodology, I would argue that the research process draws on certain aspects of this methodology. While reading the interviews along with the conceptual framework that I have and with the theoretical framework that I adopted, I made comparisons and asked questions: *How does the interviewee describe his or her activities in strategic planning in relation to type of strategic planning link?; How does he or she reflect the practices in his or her activities in relation to type of strategic planning link, and to his or her role?; How can his or her activities be explained by extant literature?* The open coding function in NVivo assisted me in making the first interpretation of the adequacy of the data.

This iterative process resulted in three fundamental coding categories that help me capture ‘characteristics of actor positions’, ‘characteristics of strategic planning’ ‘streams of practice’ and ‘interaction dynamics’: indexing codes, nature codes and connecting codes as outlined in the Table 8 .Each of these code types addresses a different need of practice data. Indexing codes help to categorise the data, in order to give context and provide some fundamental information about who is involved in strategic planning and what type of strategic planning link is under discussion. Indexing codes are descriptive codes, which allow me to catalogue and classify the type of strategic planning link and actors involved in the process. The remaining

two groups of codes are more flexible and provide information for ‘how’ and ‘why’ questions. These capture the nature and movement of practices and interaction dynamics. Nature codes help me understand the strategising practices, strategic planning characteristics and factors affected by strategic planning. Connection codes are codes abstracted from the data in order to help me probe into the relationships and interactive contexts within strategic planning practices. This involves significantly more judgement than the index codes but consequently is also more meaningful. All of these categories and their subcategories are explained more in depth below. It should be noted that throughout the analytic process, a conscious decision was made to only apply the codes to data when a value could clearly be established and assigned appropriately. If there was doubt about the applicability of any of the codes, they were treated as ‘missing values’ and left blank.

Table 8: The coding schemes

Coding name	Definition	Subcategories
Indexing coding		
Episode	A discrete view of sequencing episodes and the events related to strategic planning episodes.	<ul style="list-style-type: none"> <li>• Strategic planning episodes at corporate centre</li> <li>• Strategic planning episodes at divisional level</li> <li>• Strategic planning episodes at departmental level</li> <li>• Strategic planning episodes at functional level</li> </ul>
Individual strategy practitioner	Individual strategy practitioner is defined as all individuals involved in the planning processes.	
Functional role	The role of individual strategy practitioner(s) involved. Possibilities: project management, human resources, finance, community management, business development, sales management, marketing, or other. Again, all applicable roles are featured.	
Agency role	The role of individual strategy practitioner(s) as defined in agency theory (principal role and agent role).	

Table 8: The coding schemes (continued)

Coding name	Definition	Subcategories
Indexing coding (continued)		
Group actor	Group actor is defined as all internal organisations or groups that are involved in the event. This could be either: Group of top managers, Group of intermediate to top managers, Group of middle managers, or Group of frontline managers.	
External actor	External actor is defined as all external organisations, groups or agencies that are involved in the event. This includes the banks, contractors and suppliers.	
Hierarchy	At which level the strategic planning processes occurs. There are five levels in the hierarchy: (1) Corporate centre, (2) Corporate-based functional level, (3) Profit centre-based SBU, (4) Embedded competency-base level, and (5) Embedded functional level.	<ul style="list-style-type: none"> <li>• Corporate centre</li> <li>• Corporate-level function</li> <li>• Profit centre-based SBU</li> <li>• Competency-based function</li> <li>• Embedded function</li> </ul>

Table 8: The coding schemes (continued)

Coding name	Definition	Subcategories
Indexing coding (continued)		
Actor positions	The different actor positions are classified into four main categories: Top managers, Intermediate to top managers, middle managers and frontline managers. Top managers include C-level executives and board of director. Intermediate to top managers include head of divisional SBU. Middle managers include head of competency based SBU. Frontline managers include head of department and function.	<ul style="list-style-type: none"> <li>• Top Management</li> <li>• Intermediate to top management</li> <li>• Middle management</li> <li>• Frontline management</li> </ul>
Mode of planning	In agency theory literature, strategic planning process can be viewed as a contractual relationship in which five planning modes (Allaire & Firsirotu, 1990) could be possibly defined: (1) Leader-driven planning, (2) Culture-driven planning, (3) Line-driven planning, (4) Numbers-driven planning, and (5) Staff-driven planning.	
Types of strategic planning links	At which strategic planning link occurs. There are five types of strategic planning link in network of multi-level and multi-unit strategic planning processes: Type 1, Type 2, Type 3, Type 4 and Type 5. Definition of each type of strategic planning link can be found in Section 3.2.	

Table 8: The coding schemes (continued)

Coding name	Definition	Subcategories
Nature coding		
Strategising practices	Category of strategising practices that strategy practitioners adopted in strategic planning exercises.	<ul style="list-style-type: none"> <li>• Collaborating</li> <li>• Communicating</li> <li>• Coordinating</li> <li>• Facilitating</li> <li>• Initiating</li> <li>• Integrating</li> <li>• Negotiating</li> <li>• Reviewing</li> <li>• Shaping context</li> <li>• Supporting</li> <li>• Translating</li> </ul>
Power effect	Types of power that affect strategy practitioners during strategic planning exercises (e.g. structural source of power)	
Integration and alignment effect	Types of integration and alignment that affect strategic planning.	<ul style="list-style-type: none"> <li>• Integrative effects through the different categories of practice: collaboration, communication, coordination and negotiation.</li> </ul>
Type of strategic planning	Types of strategic planning exercises that are related to multi-level and multi-unit strategic planning.	<ul style="list-style-type: none"> <li>• In-unit strategic planning</li> <li>• Cross-unit strategic planning</li> </ul>
Mode of strategic planning	Mode of strategic planning that captures either deliberate approach, emergent approach or planned-emergent approach.	

Table 8: The coding schemes (continued)

Coding name	Definition	Subcategories
Nature coding (continued)		
Resource involvement	Types of human resources that leading strategy practitioners bring into strategic planning exercise.	<ul style="list-style-type: none"> <li>• Direct subordinates</li> <li>• Staff up to certain senior level</li> <li>• All staff</li> </ul>
Type of communities of practice	This code is derived from theory of situated learning to capture two types of social character of communities of practice: horizontal and hierarchical relationships between actors.	
Type of planning sense being shared	This code is derived from theory of sensemaking to capture how individual strategy practitioners share common activities and plans through joint negotiation, agreement, disagreement, or asymmetric power relationships.	

Table 8: The coding schemes (continued)

Coding name	Definition	Subcategories
Connection coding		
Relationships	Any relational strategic planning processes that happen between which codes of hierarchy and within codes such as between Corporate centre level and Corporate-level function, between Profit centre-based SBU, Competency-based function, between Competency-based function and Embedded functional level, and between Embedded functions themselves.	

Table 8: The coding schemes (continued)

Coding name	Definition	Subcategories	
Connection coding (continued)			
Interaction Patterns	This code was inductively identified in the later stage of data analysis. This code is used for capturing the interaction dynamics between actors.	<ul style="list-style-type: none"> <li>• Bottom-up Bilateral</li> <li>• Top-down Driven Bilateral</li> <li>• Planning Coordinated Bilateral</li> <li>• Planning Supportive Bilateral</li> <li>• Bottom-up Communicative</li> <li>• Bottom-up Driven Coordination</li> </ul>	<ul style="list-style-type: none"> <li>• Planning Coordination Derivative</li> <li>• Bottom-up Driven Cohesive</li> <li>• Bottom-up Dominant Cohesive</li> <li>• Top-down Cohesive Facilitation</li> <li>• Top-bottom-up Driven Cohesive</li> <li>• Top-down Communicative</li> <li>• Top-down Communicative Coordination</li> </ul>
Interaction Schemes	This code was inductively identified in the later stage of data analysis as part of factoring and grouping process.	<ul style="list-style-type: none"> <li>• Bilateral Scheme</li> <li>• Ambassadorial Coordination Scheme</li> <li>• Cohesive Facilitation Scheme</li> <li>• Supervisory Driven Scheme</li> </ul>	

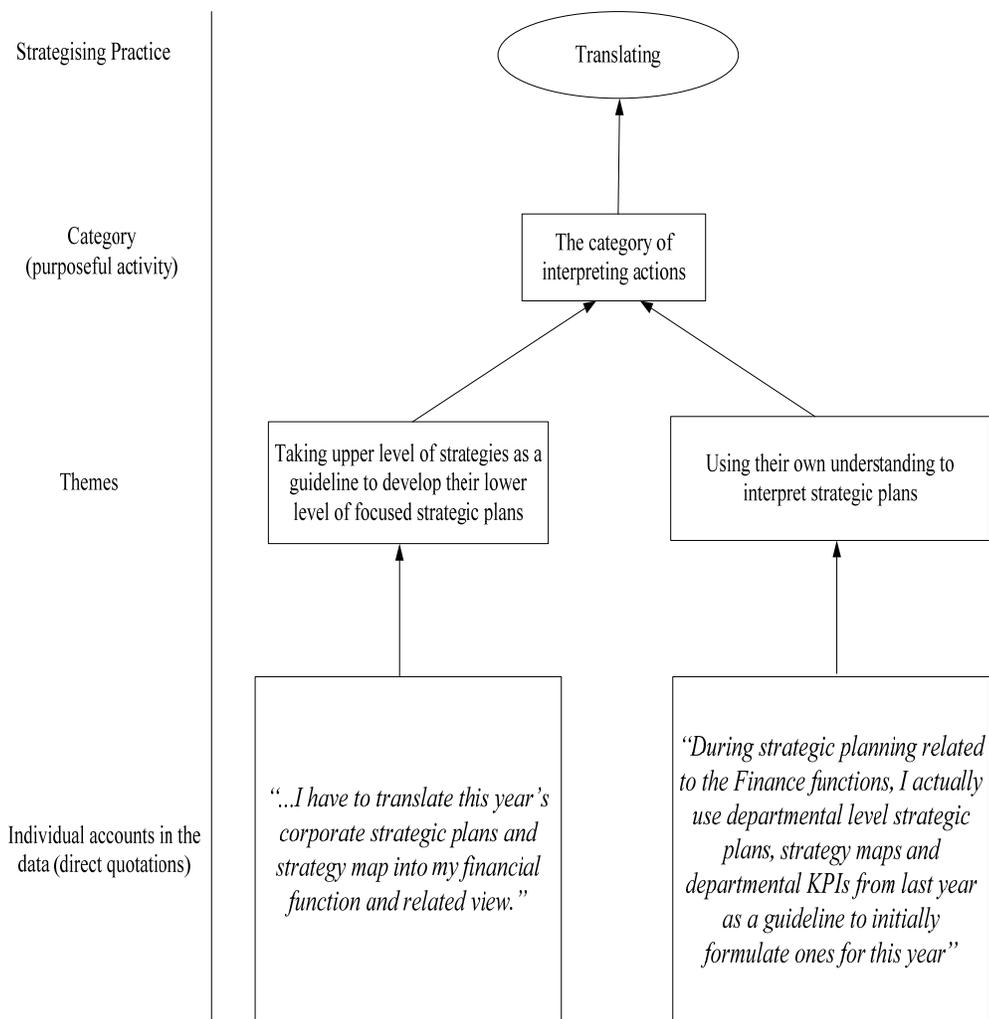
### **3.7.2 Procedures for Analysing Purposeful Activities and Categories of Strategising Practice**

The previous process of locating, distinguishing and coding produced a list of purposeful activities that emerged in relation to those that were derived from the literature. I then proceeded to conduct data categorisation (Miles & Huberman, 1994; Alvesson & Sköldbberg, 2000) in which the analysis of the nature and attribute of purposeful activities and category of practice was a theory-driven procedure. I categorised the purposeful activities and the categories of practice using the theoretical framework presented earlier in Chapter 2.

Initially, I analysed the data and noted down my interpretations of the data derived from the previous step (in Section 3.7.1) such as purposeful activities of the interviewees. I attempted to identify repeated ideas behind those patterned coding data as part of my effort to categorise data. The word and phase counts are the tactic that I also used for determining those repeated ideas within a large amount of data (Schwandt, 2001). According to Miles and Huberman (1994), data categorisation refers to the tactic for organising data into classes and categories. I then used the techniques of ‘nothing patterns and themes’, ‘seeing plausibility’, ‘clustering’, and ‘subsuming particulars into the general’ (Miles & Huberman, 1994, p. 246 – 256) to generate meaning, to identify emerging themes, and to determine classes and categories. The detailed steps that I used are outlined below.

- I read all the interviews, documentary material and field-notes in conjunction with the patterned coding data word-by-word and line-by-line.
- I asked myself constantly regarding what class and category the data can be placed that make sense and reflect interviewees’ behaviours.
- In parallel, I validated those emerging classes and categories with the theoretical frameworks identified in Chapter 2.
- I made my interpretative notes of these classes and categories and attempted to understand and determine what further information goes under them.

To increase the reliability of the data analysis, I reiterated all the procedures from the beginning after some time. I went through the interviews all over again, and consequently assessed my previous interpretations. The interpretations remained unchanged except for some minor adjustments. Subsequently, I continued to categorise the themes and categories that is consistent with the procedures of data categorisation and theme analysis by Miles and Huberman (1994). Similar to the earlier step, the data categorisation was an iterative process in which I was able to group the purposeful activities. After several categorisation rounds, in the matter of time (about six to seven weeks), I became confident with the categories.



**Figure 10:** The process of identifying themes, categorising them and subsuming particulars into the general

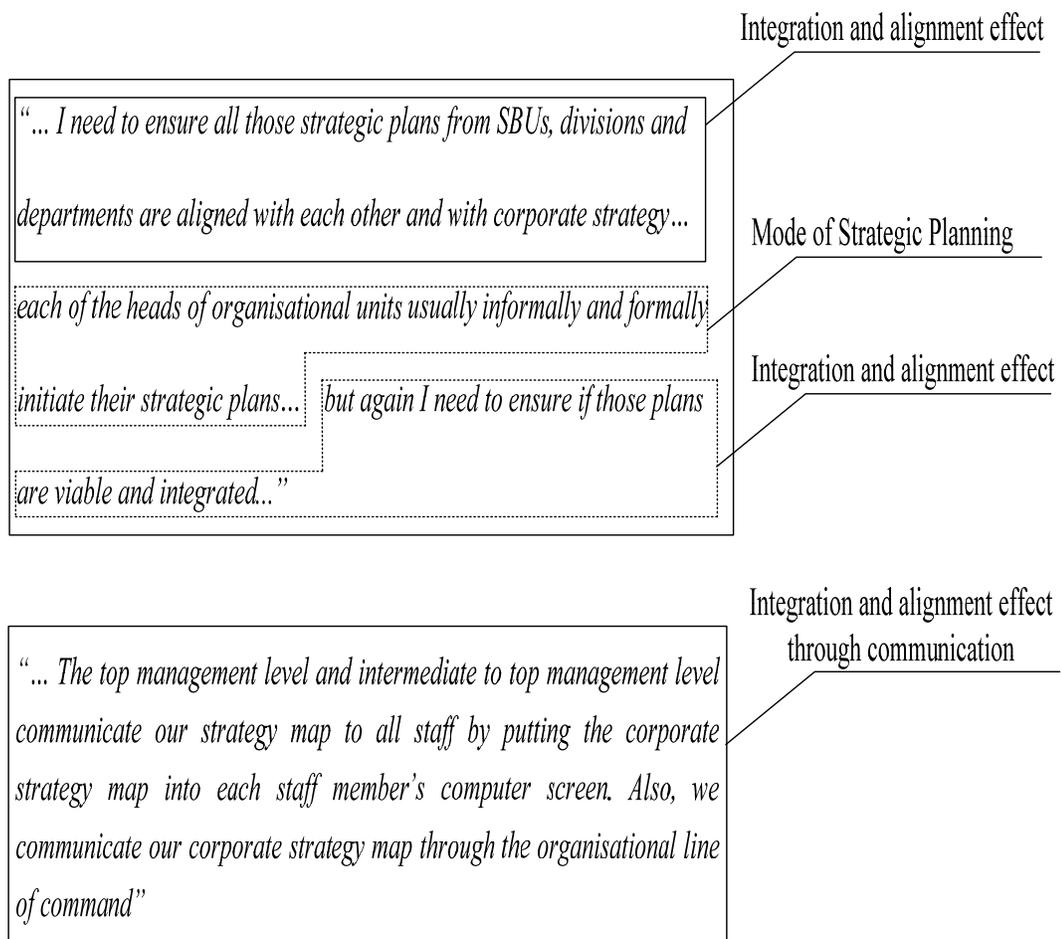
In the process of ‘subsuming particulars into the general’ (Miles & Huberman, 1994, pp. 255 – 256), I proceeded to subsume categories to strategising practice. This procedure refers to “a process of moving to higher levels of abstraction” (Miles & Huberman, 1994, pp. 250). I iteratively followed a procedure that was described earlier in the previous paragraphs to cluster and subsume the emerging strategising practice. Through my clustering and subsuming iterations, this process eventually provided me to realise the ‘saturation’ of strategising practice where “new data do not add to the meaning of the general category” (Miles & Huberman, 1994, pp. 256).

Moreover, Corbin and Strauss (2008) suggested that, researchers should continually make use of theories and extant literature to verify their interpretative categories. Literature was referred to inspire my theoretical sensitivity (Corbin & Strauss, 2008) and to present conceptions and relationships for the emerging categories (Miles & Huberman, 1994). Thus, during and after the emergence of general categories, I validated the strategising practice that have emerged in this study with the extant literature and the identified theoretical frameworks. I then began to group category of purposeful activities into strategising practice as illustrated in Figure 10. The process of validating with extant literature fortified my data analysis procedures and provided me the confidence with the strategising practice.

In addition, I used counting technique to understand which data is ‘important’ or ‘recurrent’ (Miles & Huberman, 1994, p. 253) in order to identify category and to generate meaning. Counting technique provides researchers the ability to realise number of times that emerging themes happen, and to comprehend how emerging themes consistently occur in a certain way (Miles & Huberman, 1994, p. 253). In this research, counting was utilised in various phases during the data analysis process. It provides the ability to quantify qualitative data for conducting statistical tests, which is outlined in detail in Section 3.7.4. In particular, in this phase, it was of interest to count the number of different strategising practices. As a result of this

iterative process, I had eleven strategising practices. The output of this phase, strategising practices, is reported in Chapter 4.

I also probed into the understanding of connection between the theoretical effects that are related to the extant theoretical frameworks and strategy practitioners' activities during strategic planning exercises. The example of analysing one of theoretical effects, integration and alignment effect can be found in the quotes below.



### **3.7.3 Procedures for Analysing Interaction Dynamics**

The use of strategising practices in strategic planning has often been associated with social interactive processes (Jarzabkowski, et al., 2007). Strategising practices and social interaction are closely related. In this phase of the analysis process, I connected the smaller pieces with each other, on the road towards a big picture, where interaction dynamics (or social interactive contexts), and strategising practices were connected and analysed accordingly. The aim of this phase was to detect possible patterns in the links between certain interactions and certain kinds of strategising practices.

I followed the iterative process for categorising, clustering the themes, counting, and noting patterns in light of previous literature as described in the previous sections. Specifically, I looked for capturing interaction dynamics where strategy practitioners interact with each other during strategic planning. The emerging themes for interaction dynamics were related to types of strategic planning links. I then matched strategising practices with the interaction dynamics in relation to types of strategic planning links. The interaction patterns were derived based on the interactions between strategy practitioners adopting strategising practices in each type of strategy planning link. The thirteen interaction patterns were derived and coded. Consequently, I proceeded to conduct clustering for those thirteen interaction patterns and grouped them into four main interaction schemes based on qualitative analysis. This process was to provide the ability to quantify qualitative data for conducting statistical tests, which is outlined in detail in the following section. The output of this phase is reported in Chapters 4 and 5.

#### **3.7.4 Procedure for Analysing Relationships between Interaction patterns, Actor Positions, Types of Strategic Planning Links and Categories of Strategising Practice**

At the later stage of analysis, there were considerable numbers of coding categorical variables derived from the previous analytical process. This gave me the ability to examine the relationships between variables using statistical tools. The main objective of the statistical analysis was to understand how interaction patterns, actor positions, types of strategic planning links and strategising practices were related to each other. The understanding of how different actor positions participating in different types of strategic planning links essentially adopt what kind of interaction schemes, was also the goal of the statistical analysis.

I draw upon the principle for quantifying qualitative data in which a rigorous set of decision rules for coding qualitative data must be applied, so that statistical measures are being consistently applied across events (Langley, 1999). Specifically, each code is a categorical variable so that a chi-square test for independence and Fisher's Exact test are appropriate statistical tools to determine whether each pair of coding variables is related to each other. The output of this phase is reported in Chapters 4 and 5.

## **CHAPTER 4**

### **CASE ANALYSIS BY TYPES OF STRATEGIC PLANNING LINKS**

This chapter presents the results of the study that probes deep into each type of strategic planning link defined in chapter three. The aims of this chapter are to explore and identify the attributes and nature of different actor positions that interact with each other in the multi-level and multi-unit strategic planning throughout the M-form based organisations. In addition, the structure of this chapter is organised based on the overall analysis of emergence of categories of strategising practice, and in-depth analysis of each type of strategic planning link.

The chapter begins with the overall presentation of emergence of categories of strategising practice adopted by different actor positions throughout multi-level and multi-unit strategic planning in the two M-form based firms. After that, the findings of relationships between strategising practices and each type of strategic planning link are presented. The qualitative and quantitative findings of interaction patterns and strategising practices adopted by different actor positions in each type of strategic planning are also presented in the light of theoretical frameworks. Lastly, based on the findings of interaction dynamics and a review of previous literature, four main interaction schemes are suggested.

#### **4.1 EMERGENCE OF CATEGORIES OF STRATEGISING PRACTICE**

At this stage, I present the findings of a sample of 624 individual studies of strategic planning links captured from both organisations (N = 468 for LPN Corporation and N = 156 for TPA Corporation). The main reason for viewing the data as a large sample is to attempt to capture the emergence of strategising practices within multi-level and multi-unit strategic planning from the two case study sites. By reviewing the findings in the light of previous literature, the strategising practices were encapsulated as shown in Table 9. The absolute

frequencies of strategising practices and sample quotes extracted from the interviews are also presented in Table 9 in order to give a clearer understanding of how strategising practices emerged.

As shown in Figure 11, in an overall view across all types of strategic planning link, the practices of *collaborating*, *communicating*, *coordinating*, *facilitating*, *initiating*, *integrating*, *negotiating*, *reviewing*, *shaping context*, *supporting* and *translating* are the key practices adopted by strategy practitioners throughout multi-level and multi-unit strategic planning. The micro-level practice of *collaborating*, *communicating*, *coordinating*, *initiating*, *negotiating*, *shaping context*, *supporting*, and *translating* already existed in prior literature (Andersen, 2004; Rouleau, 2005; Paroutis & Pettigrew, 2007; Jarzabkowski & Balogun, 2009). The micro-level practice of *facilitating*, *integrating* and *reviewing* emerged from the data in this thesis. It is essential to highlight that practice of *reviewing* captured by this thesis is a micro-level activity to describe macro-level of evaluation and control step in conventional strategic planning process. There is no micro-level empirical study on that step regarding how strategy practitioners perform that practice of *reviewing*.

It is also important to note that only one occurrence of the practice of *supporting* was captured from the two primary cases. However, I decided to include this practice of *supporting* during my data analysis. This is because this practice is one of the dominant practices that strategy practitioners adopt from prior literature. According to Paroutis and Pettigrew (2007), strategy practitioners adopt the practice of *supporting* to provide strategy knowledge and resources to other strategy practitioners, or to assist them in utilising the firm's strategy toolkit. This is consistent with the data that I captured from the case study of TPA Corporation which has a dedicated strategic planning department. Specifically, regarding Section 3.5, I claimed purposive sampling in this thesis based on having one firm with, and one without, a dedicated strategic planning department. Therefore, I analysed data that purports to be on the different organisational contexts in the Sections 4.2.1, 4.3.1, 4.4.1, 4.5.1 and 4.6.1. I also discussed in detail why there were so few occurrences of this phenomenon in Section 6.2.3.

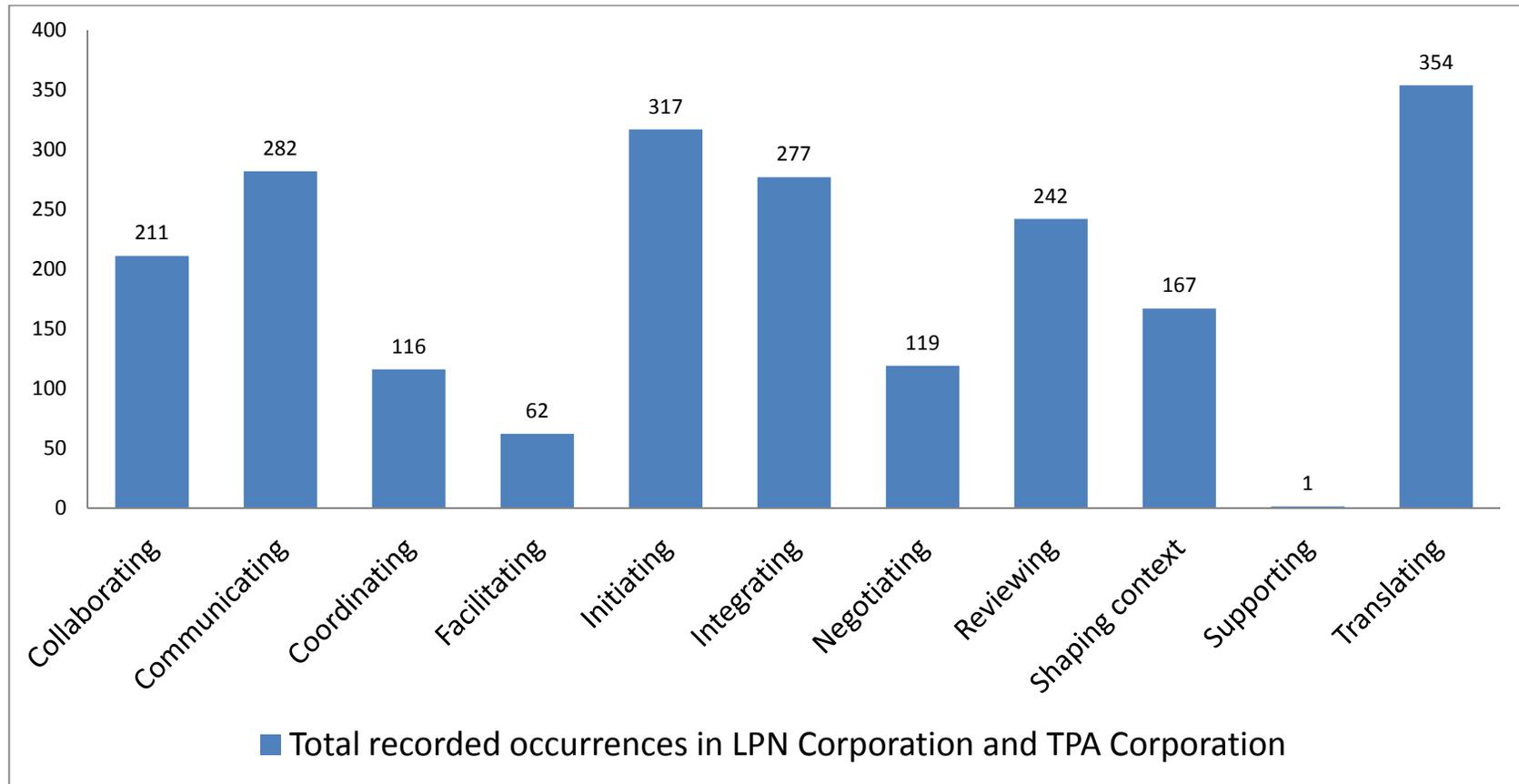


Figure 11: Total recorded occurrences in LPN Corporation and TPA Corporation

Table 9: The categories of strategising practice

Category of strategising practice	Definition	Sample of activities comprising the practice	Source	Samples of extracts from the interviews	Frequency count from both organisations
<b>Initiating</b>	The strategy practitioners initiate or shape new ideas about changes in the context and process of strategy	<ul style="list-style-type: none"> <li>• Developing new strategic ideas</li> <li>• Starting new strategy initiatives/projects</li> </ul>	Paroutis & Pettigrew (2007)	<p><i>“This year, safety in project management and development is one of our key strategies. ... I took that view and initiated a safety plan which needs to be shared and agreed with the Project Management Department”</i></p> <p>(Departmental Manager of Technical Support Department, Lumpini Project Management Services subsidiary, LPN Corporation)</p>	317

Table 9: The categories of strategising practice (continued)

Category of strategising practice	Definition	Sample of activities comprising the practice	Source	Samples of extracts from the interviews	Frequency count from both organisations
<b>Coordinating</b>	The strategy practitioners lead and control the activities of other teams or managers	<ul style="list-style-type: none"> <li>• Using common strategy model and method</li> <li>• Developing a common language around strategy</li> </ul>	Paroutis & Pettigrew (2007)	<i>“I am responsible for the strategic plans that are related to overall cost control of the project management... I need to coordinate with all project managers to ensure that they understand the plans”</i> (Departmental Manager of Cost Control Department, Lumpini Project Management Services subsidiary, LPN Corporation)	116

Table 9: The categories of strategising practice (continued)

Category of strategising practice	Definition	Sample of activities comprising the practice	Source	Samples of extracts from the interviews	Frequency count from both organisations
<b>Supporting</b>	The strategy practitioners provide strategy knowledge and resources to other teams or managers without being directly involved in debate (i.e. during joint meetings)	<ul style="list-style-type: none"> <li>• Providing knowledge base and strategy toolkit support</li> <li>• Conducting complex strategic analysis</li> </ul>	Paroutis & Pettigrew (2007)	<i>“I asked Corporate Planning Department to help me and my team to conduct strategic analysis”</i> (Manager of School of Language and Culture Department, Business Unit 1, TPA Corporation)	1

Table 9: The categories of strategising practice (continued)

Category of strategising practice	Definition	Sample of activities comprising the practice	Source	Samples of extracts from the interviews	Frequency count from both organisations
<b>Collaborating</b>	The strategy practitioners jointly develop strategic reports and ideas across organisational levels (involve active exchange of ideas and debate during face-to-face interaction between strategy practitioners)	<ul style="list-style-type: none"> <li>• Sharing strategy related resources and information</li> <li>• Working in cross-functional teams</li> </ul>	Paroutis & Pettigrew (2007)	<p><i>“Marketing strategy can’t be developed alone without supports from other departments ... we have to work together in order to develop a holistic view of corporate marketing strategy”</i></p> <p>(Corporate Marketing Departmental Manager of Lumpini Property Management subsidiary, LPN Corporation)</p>	211

Table 9: The categories of strategising practice (continued)

Category of strategising practice	Definition	Sample of activities comprising the practice	Source	Samples of extracts from the interviews	Frequency count from both organisations
<b>Shaping context</b>	The strategy practitioners change the contextual conditions within which other practitioners strategise	<ul style="list-style-type: none"> <li>• Deciding on the standards of strategy related output</li> <li>• Building a network of relationships across the firm</li> </ul>	Paroutis & Pettigrew (2007)	<p><i>"... I have a series of meetings with all departments in project support division to discuss overall project management strategy... As I oversee overall project management strategy, I try to outline the structure of project management strategy that other related departments need to follow."</i></p> <p>(Project Manager of the Lumpini Property Management subsidiary, LPN Corporation)</p>	167

Table 9: The categories of strategising practice (continued)

Category of strategising practice	Definition	Sample of activities comprising the practice	Source	Samples of extracts from the interviews	Frequency count from both organisations
<b>Communicating</b>	The strategy practitioners informally and formally communicate strategic plans/ideas to others	<ul style="list-style-type: none"> <li>• Using adaptive listening to capture how much others understand strategic plans/ideas</li> <li>• Using formal/informal discussion to communicate strategic plans/ideas to others</li> <li>• Sharing strategic information to others</li> <li>• Using top-down communication approach to pass on strategic plans/ideas to others</li> <li>• Providing feedback regarding strategic plans/ideas to others</li> </ul>	Jarzabkowski & Balogun (2009); Andersen (2004)	<p><i>"...This year, other executive directors and I focus on how to deal with the financial crisis... That is why we call our strategy map our Crisis Strategy... We learnt from our past experience that we need to manage our cash flow carefully. So, we really focus on efficient cash flow and liquidity management to cope with this crisis... We'll try to communicate this message to our staff throughout the organisation"</i></p> <p>(Executive Director and Chief Strategy Officer of LPN Corporation)</p>	282

Table 9: The categories of strategising practice (continued)

Category of strategising practice	Definition	Sample of activities comprising the practice	Source	Samples of extracts from the interviews	Frequency count from both organisations
<b>Negotiating</b>	The strategy practitioners jointly discuss strategic reports and ideas across organisational levels and functions in order to reach agreement	<ul style="list-style-type: none"> <li>• Debating with others to produce an agreement upon courses of action</li> <li>• Bargaining for individual interests or collective advantages</li> </ul>	Jarzabkowski & Balogun (2009); Andersen (2004)	<p><i>“...I have been guided by the corporate strategy map in order to come up with my departmental strategic plans... I also need to discuss with my supervisor further amendments to the departmental strategic plans... the discussion can assist us to reach a consensus on the plans”</i> (Corporate Finance Manager of LPN Corporation)</p>	119

Table 9: The categories of strategising practice (continued)

Category of strategising practice	Definition	Sample of activities comprising the practice	Source	Samples of extracts from the interviews	Frequency count from both organisations
<b>Facilitating</b>	The strategy practitioners arrange the way to involve others in order to develop strategic plans	<ul style="list-style-type: none"> <li>• Suggesting a lot of ideas for developing strategic plans by many people at the same time</li> <li>• Handing over accountability to develop strategic plans to their subordinates</li> </ul>	Emerging from this thesis	<i>“I personally organise a series of strategic planning meetings with my departmental managers... I ask them to think how to support the corporate strategy map and also to analyse SWOT.”</i> (Deputy Managing Director of the Corporate Finance, LPN Corporation)	62

Table 9: The categories of strategising practice (continued)

Category of strategising practice	Definition	Sample of activities comprising the practice	Source	Samples of extracts from the interviews	Frequency count from both organisations
<b>Integrating</b>	The strategy practitioners combine ideas related to strategic plans from others	<ul style="list-style-type: none"> <li>• Putting together the strategic ideas from others</li> <li>• Collecting strategic ideas from others and producing combined plans</li> </ul>	Emerging from this thesis	<i>“I look after overall financial management and help our staff with anything that they might not be aware of. For example, I need to follow upon any financial and accounting regulations that might impact on our business and share that information to our staff both in Finance Division and Project Management Division. (Executive Director and CFO of LPN Corporation)</i>	277

Table 9: The categories of strategising practice (continued)

Category of strategising practice	Definition	Sample of activities comprising the practice	Source	Samples of extracts from the interviews	Frequency count from both organisations
<b>Reviewing</b>	The strategy practitioners collect and review strategic plans from others and the strategy practitioners monitor and adjust strategic decision making regularly	<ul style="list-style-type: none"> <li>• Gathering strategic plans for others</li> <li>• Reviewing strategic plans collecting from others</li> <li>• Conducting regular meetings with other strategy practitioners</li> <li>• Performing informal discussion for tracking performance</li> </ul>	Emerging from this thesis	<i>“I assigned each departmental manager and building manager the task of thinking about their departmental KPIs. After that, they sent them to me for review and I have to present them to Ex-Com and Managing Director.” (Deputy Managing Director, Community Management Division of Lumpini Property Management subsidiary, LPN Corporation)</i>	242

Table 9: The categories of strategising practice (continued)

Category of strategising practice	Definition	Sample of activities comprising the practice	Source	Samples of extracts from the interviews	Frequency count from both organisations
<b>Translating</b>	The strategy practitioners take strategic plans from upper level and interpret them by using their own understanding	<ul style="list-style-type: none"> <li>• Taking upper level of strategies as a guideline to develop their lower level of focused strategic plans</li> <li>• Using their own understanding to interpret strategic plans</li> </ul>	Rouleau (2005)	<p><i>“During strategic planning related to the Finance functions, I actually use departmental level strategic plans, strategy maps and departmental KPIs from last year as a guideline to initially formulate ones for this year. In addition, I have to translate this year’s corporate strategic plans and strategy map into a Financial related view.”</i> (Corporate Finance Manager of LPN Corporation)</p>	354

## **4.2 STRATEGIC PLANNING LINK TYPE 1 ANALYSIS**

Strategic planning link type 1 represents the strategic planning activities linkage between organisational units that are situated at a similar organisational level and have a similar organisational function. Primarily, the organisational units, which interact within this strategic planning link type 1, mutually shared common interests due to their similar functions and responsibilities. From both case study organisations, a cross-unit strategic planning exercise particularly for strategic planning link type 1 was usually undertaken by the frontline management level and middle management level. The strategy practitioners, who organised cross-unit strategic planning exercises for strategic planning link type 1, essentially shared common functional objectives.

The number of studies of strategic planning link type 1 for LPN Corporation and TPA Corporation was 72 and 10 links respectively. Considerable numbers of strategic planning link type 1 existed between organisational units as shown in Table 10. Primarily, strategic planning link type 1 occurred at frontline management level or departmental level. For example, project managers in the Project Management Department informally and formally have planning exercises with the departmental manager in Cost Control Department. I also consider strategic planning links taking place between project managers, as the embedded unit within Project Management department, as strategic planning link type 1. The strategic planning link type 1 also occurred at middle management level or divisional level, for example between Community Administration division and Community Management division in LPN Corporation.

Table 10: Sample of strategic planning link type 1 by organisational units and levels

<b>Organisational Structure Type</b>	<b>Organisational Unit</b>	<b>Organisational Unit</b>
Embedded departmental unit	Research & Development Department	Community Research & Development Department
	Customer Relationship Management Department	Brand Management & Marketing Department
	Community Communication & Relationship Department	Public Relations Department
	Community Communication & Relationship Department	Customer Relationship Management Department
	Project Sales Management Department	Inventory Sales Management Department
	Inventory Sales Management Department	Brokerage Business Department
	Legal Department	Community Legal Affairs Department
Competency-based unit	Project Management unit	Project Management Support unit
	Asset Management unit	Sales Management unit
	Community Management unit	Community Management Support unit

#### **4.2.1 Strategising Practices in Strategic Planning Link Type 1 in relation to Different Organisational Contexts**

In the high-level view, as shown in Figure 12, the strategising practices of *collaborating*, *communicating*, *facilitating*, *initiating*, *integrating*, *reviewing* and *translating* were the dominant practices adopted by strategy practitioners in strategic planning link type 1 at both LPN Corporation and TPA Corporation. At a glance, strategy practitioners at LPN Corporation adopted a slightly higher level of the practices of *collaborating*, *facilitating*, *integrating* and *reviewing* than those at TPA Corporation did. Nevertheless, strategy practitioners at TPA Corporation adopted a slightly higher level of the practices of *communicating*, *initiating* and *translating* than those at LPN Corporation did.

However, I proceeded to perform a statistical test based on a chi-square test of independence to examine the relationship between strategic planning link type 1 and organisational contexts. Specifically, each coding variable examined in this thesis was a categorical variable so that a chi-square test for independence and Fisher's Exact test are appropriate statistical tools to determine whether each pair of coding variables are related to each other.

A chi-square test of independence's result suggested that there was no statistically significant difference between the prevalence of strategising practices adopted by strategy practitioners at both LPN Corporation and TPA Corporation in the strategic planning link type 1. This means that strategy practitioners at both organisations regardless of the prevalence of a corporate planning department equally tended to adopt the same degree of all practices in strategic planning link type 1. The interview data showed that the planning department did not have a strong influence on the planning process in the strategic planning link type 1. Specifically, the strategy practitioners who assumed roles of frontline management level and middle management level are the key actor positions participating in the strategic planning link type 1. They interacted with each other without involvement from the planning department. The details of absolute frequencies of practices

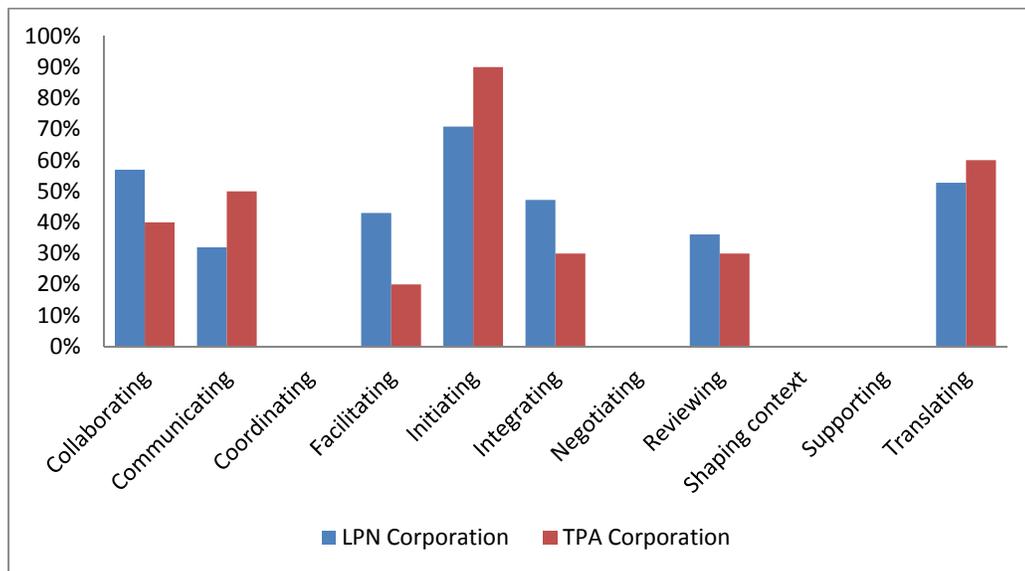
adopted in strategic planning link type 1 for statistical test can be found in Table 11.

Even though, there was no statistically significant difference between the prevalence of strategising practices adopted by strategy practitioners at both companies in the strategic planning link type 1, strategy practitioners at LPN Corporation tended to intuitively adopt a slightly higher degree of practices of *collaborating, facilitating, integrating* and *reviewing* than strategy practitioners intuitively adopted at TPA Corporation in strategic planning link type 1. The strategy practitioners at LPN Corporation, which does not have a corporate planning department, intuitively utilised those practices with one another in order to encourage strategic integration between organisational units. Below is the sample of narrative of collaboration effort elaborated by one of frontline management at LPN Corporation.

*“... Our corporate strategy cannot be treated alone without support from the project management strategy... We [project managers] have to put together our project management strategy to support our corporate level strategy... We collaboratively plan our project management strategy together”* (Project Manager of Project Management Department, Lumpini Project Management Services subsidiary, LPN Corporation)

In contrast, in this strategic planning link type 1, strategy practitioners at TPA Corporation tended to intuitively adopt a slightly higher degree of the practices of *communicating, initiating* and *translating* than strategy practitioners intuitively adopted at LPN Corporation for strategic integration. Below is the sample of narrative elaborated by one of the frontline management at TPA Corporation.

*“... Communication is a key for success... Of course, we have to share departmental strategies between the managers of the School of Language and Culture Department... That is where we can start building up our co-plans”* (Departmental Manager, Education and Publishing Business Department, School, Education and Publishing SBU, TPA Corporation)



<b>Statistically Significant Differences (Chi-Square Test)*</b>	
<b>Strategising Practices in Strategic Planning Link Type 1</b>	<b>LPN Corporation vs. TPA Corporation</b>
Collaborating	NS
Communicating	NS
Coordinating	–
Facilitating	NS
Initiating	NS
Integrating	NS
Negotiating	–
Reviewing	NS
Shaping context	–
Supporting	–
Translating	NS

\* $p < .05$ ; \*\* $p < .01$ ; NS = Not Significant ;  $N = 72$  for LPN Corporation and  $N = 10$  for TPA Corporation; ‘–’ = No data able to be computed;

Figure 12: Percentage frequencies of practices adopted in strategic planning link type 1 for all actor positions in relation to different organisational contexts

Table 11: Absolute frequencies of strategising practices in strategic planning link type 1 by actor positions and organisations

Strategic Planning Link Type 1		Collaborating	Communicating	Coordinating	Facilitating	Initiating	Integrating	Negotiating	Reviewing	Shaping context	Supporting	Translating	Number of Studies
LPN Corporation													
	Frontline management	35	21	0	20	40	22	0	16	0	0	33	57
	Middle management	6	2	0	10	10	11	0	9	0	0	5	14
	Intermediate to top management	0	0	0	1	1	1	0	1	0	0	0	1
	Top management	0	0	0	0	0	0	0	0	0	0	0	0
TPA Corporation													
	Frontline management	3	4	0	1	7	1	0	1	0	0	6	8
	Middle management	1	1	0	1	2	2	0	2	0	0	0	2
	Intermediate to top management	0	0	0	0	0	0	0	0	0	0	0	0
	Top management	0	0	0	0	0	0	0	0	0	0	0	0

I then probed into how different actor positions adopted different strategising practices in strategic planning link type 1. The interview data suggested that frontline management and middle management were the key actor positions participating in strategic planning link type 1. I continued to perform a chi-square test of independence to examine the differences between frontline managers and middle managers adopting strategising practices. Differences in actor positions between frontline management and middle management were significantly related to differences in prevalence of the practices of *facilitating*, *integrating*, *reviewing* and *translating* ( $\chi^2(1, N = 81) = 7.135, p < .01$ ,  $\chi^2(1, N = 81) = 10.939, p < .01$ ,  $\chi^2(1, N = 81) = 10.30, p < .01$ , and  $\chi^2(1, N = 81) = 4.277, p < .05$ ). Strategy

practitioners in middle management roles were significantly more likely to adopt the practices of *facilitating*, *integrating* and *reviewing* than those who assumed the role of frontline management, whereas the strategy practitioners who assumed the role of frontline management were significantly more likely to adopt the practice of *translating* than those who assumed the role of middle management.

Furthermore, as evident in Figure 13, the strategy practitioners at both organisations assuming actor positions as frontline management and middle management play key roles in *initiating*, *translating* and *collaborating* between strategy practitioners who assumed similar actor positions in order to develop quasi-shared strategic plans at different organisational levels. In addition, departmental managers or frontline managers regularly adopted the practice of *communicating* with their supervisors who assumed actor positions at middle management level in order to give comments and ideas, and to inform their supervisors for review and approval of their initiated functional strategic plans. The departmental managers also adopted *reviewing*, *integrating*, and *facilitating* practices with their subordinates in order to consolidate departmental plans at departmental level. One of the strategy practitioners at frontline management level elaborated on his dominant practices in strategic planning link type 1.

*“This year, safety in project management and development is one of our key strategies. ... I took that view and initiated a safety plan which needs to be shared and agreed with Project Management Department. ... I met with the Project Managers and finalised the plan...”* (Departmental Manager of Technical Support Department, Lumpini Project Management Services subsidiary, LPN Corporation)

Furthermore, the middle management level adopted the practices of *reviewing*, *facilitating*, *collaborating* and *integrating* in order to collaboratively validate the co-strategic plans and shared strategic plans initiated by frontline management level, and to establish strategic integration and alignment between departmental and division levels. In parallel, the middle management level adopted the practices

of *translating* and *collaborating* in order to develop quasi-shared strategic plans between divisional levels. One of strategy practitioners at middle management level elaborated on his dominant practices in strategic planning link type 1.

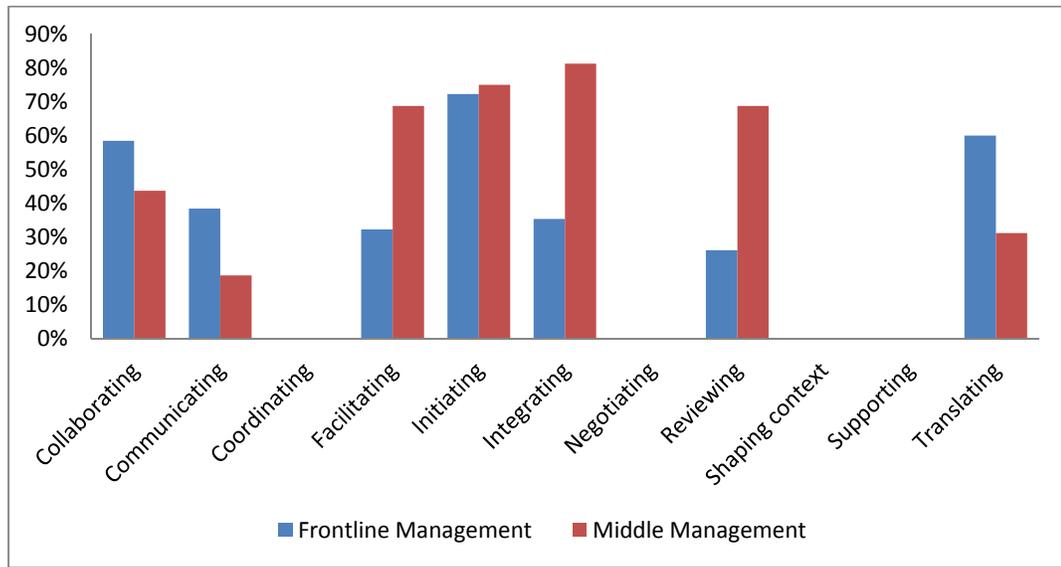
“... I discussed project management strategy with my project managers and the other departmental managers [mainly from embedded departments in the Project Support Unit which do not have a line of command with this middle manager] ... Many detailed project management strategic plans and KPIs were also discussed in our planning meeting... I encourage my project managers and other departmental managers to comment and to think about how to achieve corporate strategy together... so that we can gain the benefit of synergy...” (SBU Deputy Managing Director, Project Management Division of Lumpini Project Management Services subsidiary, LPN Corporation)

With my opportunity to gain a close understanding of the phenomena in this study, it is interpretively expected that middle management roles involve the practices of *facilitating*, *integrating* and *reviewing* in order to assimilate co-strategic plans from frontline management roles. My findings agree that middle management roles involve translating in order to take a plan from corporate management and translate it into a meaningful form for their units. This finding is consistent with study of middle management role literature (Floyd & Wooldridge, 1997; Balogun & Johnson, 2004). However, there is less empirical study regarding frontline management roles involved in strategic planning. As discussed in the above findings, the frontline management roles involve *collaborating*, *communicating*, and *initiating* in order to come up with co-strategic plans and feed the plans to middle management roles. The collaboration between organisational units seems necessary at a strategic level to reach an understanding of the interests of other units and to drive a common understanding of the corporate direction within the unit itself. In addition to the findings from the cases of LPN Corporation and TPA Corporation, the interview data from the pilot case also suggests that the engineering manager of the design centre at ABC Corporation also elaborates on

this collaboration in order to develop quasi-shared strategic plans across organisational units in strategic planning link type 1:

*“We [Engineering Department] work with other design centres. We are now developing products in conjunction with other design centres. So one of our strategies is to look at how this works and to optimise it”* (Engineering Manager of the Design Centre, ABC Corporation)

Furthermore, the practice of *translating* was intuitively adopted by frontline management roles at a statistically higher rate than by middle management roles. This would be because frontline management roles require more effort in order to translate upper level plans into meaningful form for their departmental units.



<b>Statistically Significant Differences (Chi-Square Test)*</b>	
<b>Strategising Practices in Strategic Planning Link Type 1</b>	<b>Frontline Managers vs. Middle Managers (combined data from both organisations)</b>
Collaborating	NS
Communicating	NS
Coordinating	—
Facilitating	**
Initiating	NS
Integrating	**
Negotiating	—
Reviewing	**
Shaping context	—
Supporting	—
Translating	*

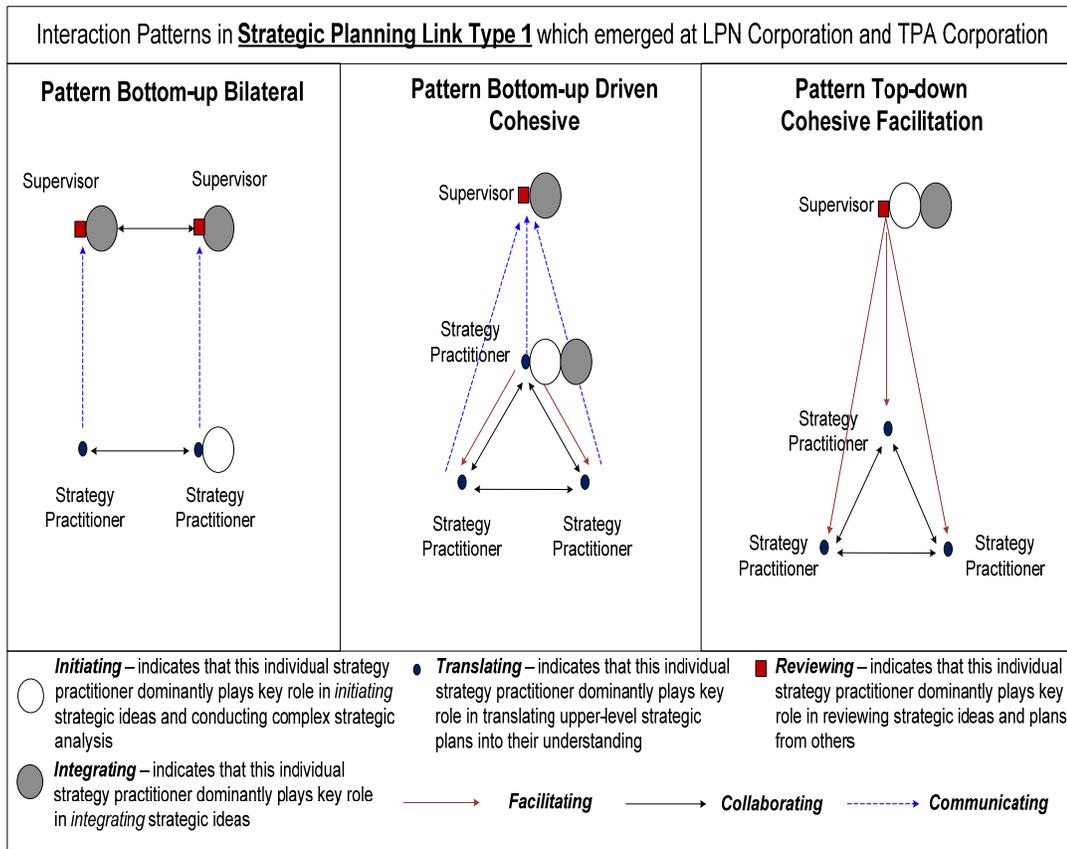
\* $p < .05$ ; \*\* $p < .01$ ; NS = Not Significant ;  $N = 65$  for frontline management and  $N = 16$  for middle management; ‘—’ = No data able to be computed;

Figure 13: Percentage frequencies of practices adopted in strategic planning link type 1 for frontline management and middle management positions (combined data from both organisations)

#### **4.2.2 Interaction Patterns in Strategic Planning Link Type 1 in relation to Different Organisational Contexts**

In the previous section, I revealed that strategy practitioners interacted with each other by adopting different strategising practices during different strategic planning exercises. Therefore, I continued to explore the relationship between the use of strategising practices and its interaction patterns among the strategy practitioners within the planning processes. To characterise the interaction patterns surrounding strategic planning link type 1, I principally identified the interaction between strategy practitioners and supervisors. By examining the hierarchical and lateral links between those practitioners in the processes, most incidences of strategic planning relationship could be mapped onto one or more of three interaction patterns as shown in Figure 14. Figure 14 shows the interaction patterns, number, and frequencies which emerged within strategic planning link type 1 at LPN Corporation and TPA Corporation.

In addition, those interaction patterns are not mutually exclusive and can be adopted by the same strategy practitioners in different strategic episodes or different strategic planning exercises. For example, one strategy practitioner could adopt Pattern Bottom-up Bilateral with one organisational unit in a specific strategic episode and could adopt Pattern Top-down Driven Cohesive in the other strategic episode or with the other organisational units. The data presented here suggested that different interaction patterns might correspond to different sets of strategising practices. Moreover, the interaction patterns embedded in the strategic planning link type 1 seemed to have their own interaction dynamics related to the different actor positions and agency effect. In the discussion that follows, I provide the feature of each interaction pattern embedded in the link type 1 and some examples of qualitative evidence obtained from the interviews.



Interaction patterns emerged in strategic planning link type 1	Number and frequency of interaction patterns emerged by organisation			
	LPN Corporation		TPA Corporation	
	<i>N</i>	%	<i>N</i>	%
Pattern Bottom-up Bilateral	25	35%	8	80%
Pattern Bottom-up Driven Cohesive	13	18%	-	-
Pattern Top-down Cohesive Facilitation	34	47%	2	20%

Figure 14: The interaction patterns in strategic planning link type 1

The full description of each interaction pattern in this strategic planning link type 1 is outlined below.

### Pattern Bottom-up Bilateral

This interaction pattern applies to the relationship in which a strategy practitioner initiates strategic ideas and works together with the other strategy practitioners in order to collaboratively come up with co-strategic plans or shared plans between two organisational units. Those plans are communicated to each practitioner's supervisor, and these supervisors also collaborate with each other to review and integrate the plans. The strategising practices of *collaborating*, *communicating*, *initiating*, *integrating*, *reviewing* and *translating* were the dominant practices in this pattern. In addition, this pattern also expresses the attempt to collaborate for strategic integration at the lower level of organisation. The sample of narrative of the interaction pattern elaborated by one of frontline management is outlined below.

*"... We [project managers] have the same goals [project management goals] and we do not compete with each other. But, we mutually plan things and share information with each other before submitting those project management strategic plans to our supervisors..."* (Project Manager of Project Management Department, Lumpini Project Management Services subsidiary, LPN Corporation)

### Pattern Bottom-up Driven Cohesive

This interaction pattern applies to the relationship in which a group of strategy practitioners, facilitated and initiated by one of the practitioners, collaboratively develops co-strategic plans and shared plans between multiple organisational units. Those plans are communicated to, integrated and reviewed by the supervisor of this group. The strategising practices of *collaborating*, *communicating*, *initiating*, *integrating*, *facilitating*, *reviewing* and *translating* are the dominant practices. This pattern expresses the attempt to collaborate for strategic integration at the lower level of organisation. The sample of evidence elaborated by one of frontline management is outlined below.

*“This year, safety in project management and development is one of our key strategies. ... I took that view and initiated a safety plan which needs to be shared and agreed with the Project Management Department. ... I met with the Project Managers [about 5 project managers] and finalised the plan...”*  
(Departmental Manager of Technical Support Department, Lumpini Project Management Services subsidiary, LPN Corporation)

#### Pattern Top-down Cohesive Facilitation

This interaction pattern applies to the relationship in which a group of strategy practitioners, facilitated and initiated by a supervisor of this group, collaboratively develops co-strategic plans and shared plans between organisational units. The practitioners' supervisor dominantly plays a key role in integrating and reviewing those plans for strategic alignment and integration. The strategising practices of *collaborating, initiating, integrating, facilitating, reviewing* and *translating* are the dominant practices. In addition, this pattern expresses the attempt to establish strategic integration through collaboration and facilitation at the lower level of organisation. The sample of evidence elaborated by one of middle management is outlined below.

*“... I discussed project management strategy with my project managers and other departmental managers in our project support group [unit]... Many detailed project management strategic plans and KPIs were also discussed in our planning meeting... I encourage my project managers and the other managers to comment and to think about how to achieve corporate strategy together... so that we can gain the benefit of synergy...”* (SBU Deputy Managing Director, Project Management Division of Lumpini Project Management Services subsidiary, LPN Corporation)

The emergence of interaction patterns in the strategic planning link type 1 revealed that, during the strategic planning interactions, the development of co-strategic plans and co-KPIs was the focal point. The interview data suggested that those organisational units participating in this strategic planning link type 1 had focused on the common and shared functional interests and attempted to establish synergy between those units. One of the frontline managers elaborated on this point.

*“...The Project Managers and I need to think as a team to achieve our [shared] divisional strategy... Even though we are in different departments, we have to work closely and we have to be successful together”*  
(Departmental Manager of Project Services Department, Lumpini Project Management Services subsidiary, LPN Corporation)

This behaviour supported the viewpoint of agency theory that the actor positions who assume the same agency role collaboratively interacted within the strategic planning link type 1 without direct influence from the hierarchy of power. The agents act autonomously in their own interests but collectively attempt to achieve the shared objectives. Even though, in the Pattern Top-down Cohesive Facilitation, the supervisor assuming the principal role played a key role in the strategic planning exercise, the supervisor did not use the hierarchy of power in order to make his or her staff conform to the supervisor’s expectation. Rather, the supervisor assumed the role of facilitator and attempted to enable others to collaboratively come up with co-strategic plans and co-KPIs. The sample of evidence elaborated by one of middle management was outlined below.

*“... The point is not to control... I believe we cannot get the best out of it when I try to control or interfere with what they [direct subordinates and other departmental managers in other units] think.... I try to encourage them and facilitate their thoughts to come up with better strategies. This way we can gain the benefit of collaborative thinking....”* (SBU Deputy Managing Director, Project Management Division of Lumpini Project Management Services subsidiary, LPN Corporation)

As per my understanding from data interpretation, the interaction patterns in strategic planning link type 1 simply act as a mechanism that tends to create synergy between organisational units that have the same function and share the same goals. The collaborative development of co-strategic plans and co-KPIs, taking place in strategic planning link type 1 acted as a decentralised mechanism for horizontal process in which the strategy practitioners collaboratively formulated plans in order to create synergy. The horizontal view of strategic planning captured by the interaction patterns in this strategic planning link type 1 also provided the ability to strengthen strategic integration and alignment throughout organisations. In parallel, the collaborative development of co-strategic plans in strategic planning link type 1 also acted as a decentralised mechanism for bottom-up process in which the plans were eventually fed back into the upper line of command for review and approval as demonstrated in the interaction patterns. Strategy practitioners collaboratively formulated plans. The link type 1 is not deliberately created by anyone but the strategy practitioners happen to involve with each other because they have co-plans.

The intermediate to top management and top management levels were not highly involved in or part of the strategic planning link type 1. The interview data suggested that strategic planning link type 1 tended to occur at the functional and divisional levels in the M-form based organisations. The higher levels of organisations were designed to deal with broader strategic focus and highly influenced by division of labour.

### **4.3 STRATEGIC PLANNING LINK TYPE 2 ANALYSIS**

Strategic planning link type 2 represents the strategic planning activities linkage between organisational units that are situated at a different organisational level but have a similar organisational function. This strategic planning link type 2 also represents conventional strategic planning activities in existing strategic planning literature. Primarily, the organisational units, which interact within this strategic planning link type 2, shared common interests due to their similar functions but different levels within the organisational hierarchy. From both case study organisations, strategic planning exercises between different organisational levels in this strategic planning link type 2 usually took place at all managerial levels.

The number of studies of strategic planning link type 2 for LPN Corporation and TPA Corporation was 197 and 71 links respectively. Considerable numbers of strategic planning link type 2 existed between organisational levels as shown in Table 12. Mainly, strategic planning link type 2 occurred in all organisational levels. For example, the corporate executive committee has formal and informal planning exercises with profit centre-based SBUs. The other examples were between profit centre-based SBU and division, or between corporate-based SBU and department, or between division and department.

Table 12: Sample of strategic planning link type 2 by organisational units and levels

<b>Organisational Structure Type</b>	<b>Organisational Unit</b>	<b>Organisational Unit</b>
Corporate Headquarter and Profit Centre-based SBU level	Corporate Executive Committee	L.P.N. Development Subsidiary
	Corporate Executive Committee	Lumpini Project Management Services Subsidiary
Corporate Committee and Corporate-based functional level	Corporate Executive Committee	Corporate Revenues & Finance unit
	Corporate Executive Committee	Customer & Brand Management unit
Profit Centre-based SBU and Competency-based unit	L.P.N. Development Subsidiary	Business Development unit
	Lumpini Project Management Services Subsidiary	Project Management Support unit
	Lumpini Property Management Subsidiary	Community Management unit
Corporate-based functional level and Departmental level	Corporate Revenues & Finance unit	Accounting Department
	Customer & Brand Management unit	Brand Management & Marketing Department
Competency-based unit and Departmental level	Project Management unit	Project Management Department
	Project Management Support unit	Standards & QC Department
	Community Management unit	Community Management Department

#### 4.3.1 Strategising Practices in Strategic Planning Link Type 2 in relation to Different Organisational Contexts

In the high-level view, the strategising practices of *communicating*, *coordinating*, *initiating*, *integrating*, *negotiating*, *reviewing*, *shaping context* and *translating* were the dominant practices adopted by strategy practitioners in strategic planning link type 2 at both LPN Corporation and TPA Corporation as shown in Figure 15. I continued to perform a chi-square test of independence to examine the differences between organisational contexts and adoption of strategising practices. As shown in Figure 15, differences in organisational contexts were significantly related to differences in prevalence of practice of *communicating*, *coordinating*, *integrating*, *reviewing* and *shaping context* ( $\chi^2(1, N = 268) = 6.251, p < .05$ ,  $\chi^2(1, N = 268) = 7.413, p < .01$ ,  $\chi^2(1, N = 268) = 6.037, p < .05$ ,  $\chi^2(1, N = 268) = 4.396, p < .05$ ,  $\chi^2(1, N = 268) = 4.080, p < .05$ ).

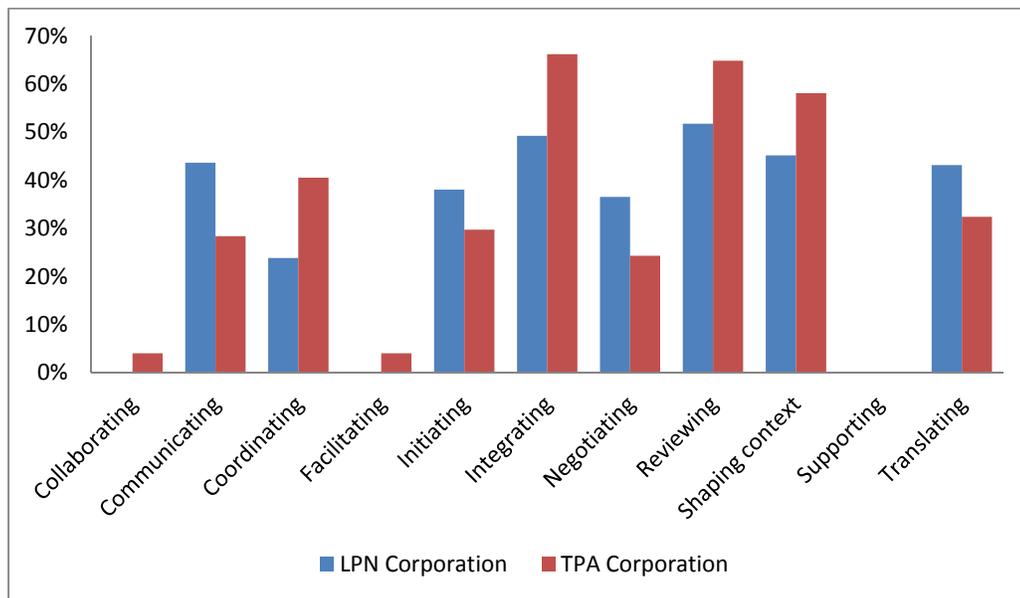
The strategy practitioners at LPN Corporation were significantly more likely to adopt the practice of *communicating* than those at TPA Corporation, whereas the strategy practitioners at TPA Corporation were significantly more likely to adopt the practices of *coordinating*, *integrating*, *reviewing* and *shaping context* than those at LPN Corporation. The details of absolute frequencies of practices adopted in strategic planning link type 2 for statistical test can be found in Table 13.

I then probed deeper into a qualitative interpretation of the data. I found that the corporate planning department at TPA Corporation has influence on other strategy practitioners in adopting the practices of *coordinating*, *integrating*, *reviewing* and *shaping context* for creating strategic integration and alignment. The narrative below outlines the corporate planning manager at TPA Corporation placing the emphasis on adopting the practices of *coordinating* and *integrating*.

*“... I need to ensure all those strategic plans from SBUs, divisions and departments are aligned with each other and with corporate strategy... I discuss those plans with them [each of the heads of organisational units] informally and formally... They usually initiate their strategic plans but again I need to ensure if those plans are viable and integrated...and many times I need to challenge them to adjust their plans to be more aggressive...”* (Corporate Department Manager of Corporate Planning Department, TPA Corporation)

However, as LPN Corporation has no dedicated planning department, the strategy practitioners at LPN adopt the practice of *communicating* as an integrative mechanism. The narrative below outlines one of middle managers at LPN Corporation giving the emphasis on adopting the practice of *communicating*.

*“I communicate the corporate strategy map to my direct subordinates and staff. I aim to empower my staff to come up with their own thoughts for supporting corporate strategy”* (Assistant Managing Director, Sales Management Division of Lumpini Property Management subsidiary, LPN Corporation)



<b>Statistically Significant Differences (Chi-Square Test)*</b>	
<b>Strategising Practices in Strategic Planning Link Type 2</b>	<b>LPN Corporation vs. TPA Corporation</b>
Collaborating	NS <sup>F</sup>
Communicating	*
Coordinating	**
Facilitating	NS <sup>F</sup>
Initiating	NS
Integrating	*
Negotiating	NS
Reviewing	*
Shaping context	*
Supporting	–
Translating	NS

\* $p < .05$ ; \*\* $p < .01$ ; NS = Not Significant ;  $N = 197$  for LPN Corporation and  $N = 74$  for TPA Corporation; ‘–’ = No data able to be computed;

Figure 15: Percentage frequencies of practices adopted in strategic planning link type 2 for all actor positions in relation to different organisational contexts

Table 13: Absolute frequencies of strategising practices in strategic planning link type 2 by actor positions and organisations

Strategic Planning Link Type 2		Collaborating	Communicating	Coordinating	Facilitating	Initiating	Integrating	Negotiating	Reviewing	Shaping context	Supporting	Translating	Number of Studies
LPN Corporation													
	Frontline management	0	23	5	0	50	8	48	8	9	0	55	64
	Middle management	0	34	13	0	16	34	16	36	30	0	19	61
	Intermediate to top management	0	25	12	0	9	32	8	34	29	0	11	48
	Top management	0	4	17	0	0	23	0	24	21	0	0	24
TPA Corporation													
	Frontline management	1	10	6	0	14	13	14	12	11	0	18	31
	Middle management	0	6	7	2	3	16	1	16	13	0	1	18
	Intermediate to top management	0	2	6	0	3	8	3	8	7	0	3	11
	Top management	0	1	10	0	0	10	0	11	11	0	0	11

I then probed into how different actor positions adopted different strategising practices in strategic planning link type 2. The interview data suggested that actors in all management positions participated in strategic planning link type 2. I continued to perform a chi-square test of independence to examine the differences between various actor positions adopting strategising practices. As shown in Figure 16, differences in actor positions between frontline management and middle management were significantly related to differences in prevalence of the practices of *communicating*, *coordinating*, *initiating*, *integrating*, *negotiating*, *reviewing*, *shaping context* and *translating* ( $\chi^2(1, N = 174) = 4.711, p < .05$ ,  $\chi^2(1, N = 174) = 5.710, p < .05$ ,  $\chi^2(1, N = 174) = 31.566, p < .01$ ,  $\chi^2(1, N = 174) = 30.831, p < .01$ ,

$\chi^2 (1, N = 174) = 32.454, p < .01, \chi^2 (1, N = 174) = 36.223, p < .01, \chi^2 (1, N = 174) = 21.231, p < .01$  and  $\chi^2 (1, N = 174) = 46.712, p < .01$ ). Differences in actor positions between frontline management and intermediate to top management were significantly related to differences in prevalence of the practices of *coordinating, initiating, integrating, negotiating, reviewing, shaping context* and *translating* ( $\chi^2 (1, N = 154) = 8.388, p < .01, \chi^2 (1, N = 154) = 29.913, p < .01, \chi^2 (1, N = 154) = 33.278, p < .01, \chi^2 (1, N = 154) = 31.723, p < .01, \chi^2 (1, N = 154) = 37.271, p < .01, \chi^2 (1, N = 154) = 24.615, p < .01$  and  $\chi^2 (1, N = 154) = 40.877, p < .01$ ). Differences in actor positions between frontline management and top management were significantly related to differences in prevalence of the practices of *communicating, coordinating, initiating, integrating, negotiating, reviewing, shaping context* and *translating* ( $\chi^2 (1, N = 130) = 5.027, p < .05, \chi^2 (1, N = 130) = 53.737, p < .01, \chi^2 (1, N = 130) = 45.622, p < .01, \chi^2 (1, N = 130) = 55.505, p < .01, \chi^2 (1, N = 130) = 42.915, p < .01, \chi^2 (1, N = 130) = 65.996, p < .01, \chi^2 (1, N = 130) = 53.399, p < .01$  and  $\chi^2 (1, N = 130) = 62.005, p < .01$ ).

Differences in actor positions between middle management and top management were significantly related to differences in prevalence of the practices of *communicating, coordinating, initiating, integrating, negotiating, reviewing, shaping context* and *translating* ( $\chi^2 (1, N = 114) = 13.412, p < .01, \chi^2 (1, N = 114) = 26.886, p < .01, \chi^2 (1, N = 114) = 10.101, p < .01, \chi^2 (1, N = 114) = 11.769, p < .01, \chi^2 (1, N = 114) = 8.852, p < .01, \chi^2 (1, N = 114) = 15.674, p < .01, \chi^2 (1, N = 114) = 14.751, p < .01$  and  $\chi^2 (1, N = 114) = 10.746, p < .01$ ). Differences in actor positions between intermediate to top management and top management were significantly related to differences in prevalence of the practices of *communicating, coordinating, initiating, integrating, negotiating, reviewing, shaping context* and *translating*. However, there was no statistically significant difference between the prevalence of strategising practices adopted by middle management and intermediate to top management in the strategic planning link type 2.

Specifically, frontline managers and top managers were the key actor positions that statistically dominate the differences in adopting strategising practices within strategic planning link type 2. The strategy practitioners who assumed the role of frontline management were significantly more likely to adopt the practices of *initiating*, *negotiating* and *translating* than those who assumed the other roles. However, the strategy practitioners who assumed the role of top management were significantly more likely to adopt the practices of *coordinating*, *integrating*, *reviewing* and *shaping context* than those who assumed the other roles.

It is expected that the top management attempted to establish strategic integration and alignment via a top-down approach to lower organisational levels. The practices that top management adopted are the key strategising practices for making strategic alignment throughout organisations. On the other hand, the frontline management attempted to respond to higher-level management's needs and to translate those needs according to their own units' focuses.

The interview data also suggested that the strategy practitioners in top management positions played key roles in *coordinating*, *integrating*, *reviewing* and *shaping context* between strategy practitioners who assumed actor positions as intermediate to top management and middle management. The top management attempted to establish strategic integration and alignment based on a top-down approach to lower organisational levels. The managing director of the design centre at ABC Corporation described the need to establish alignment of strategic planning among different organisational levels in order to align with corporate objectives and respond to market needs:

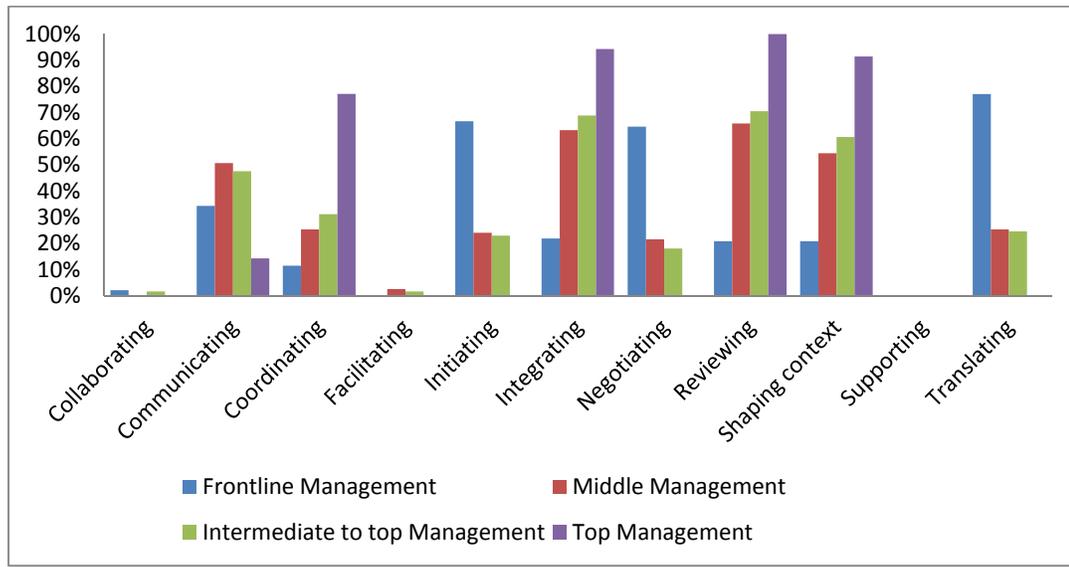
*"I need to understand what the corporate strategic direction is so that I can feed that to our strategic planning here in [this design centre]. Also, influencing corporate strategic direction, so I've been heavily involved in influencing the drive towards focusing more on the business segment with appropriate solutions"* (Managing Director of Design Centre, ABC Corporation)

In parallel, intermediate to top management and middle management also adopted the practices of *communicating*, *integrating*, *reviewing* and *shaping context* to help top management establish strategic integration and alignment down into the frontline management level and via the organisational hierarchy.

*“... We [the top management level and intermediate to top management level] communicate our strategy map to all staff by putting the corporate strategy map into each staff member’s computer screen. Also, we communicate our corporate strategy map through the organisational line of command”* (Executive Director and Chief Financial Officer of LPN Corporation)

On the contrary, frontline management adopted the practices of *initiating*, *negotiating* and *translating* to ensure their functional strategic plans could be aligned and integrated with strategic plans from higher organisational levels. The interview data also suggested that frontline management played a key role in initiating their own quasi-independent strategic plans. Specifically, the practice of *negotiating* became a key practice in establishing a common understanding between supervisors and practitioners. The narrative below outlines this behaviour.

*“... I was guided by the corporate strategy map in order to come up with my own departmental plans and KPIs... I need to sit down and discuss them with my supervisor... So, we discuss and try to finalise the finance strategic plans that can support corporate strategy... We [my supervisor and I] always debate those [strategic] issues thoroughly... I don’t just try to follow my supervisor’s thought but need to ensure what should be right for my department”* (Corporate Finance Manager of LPN Development Subsidiary)



Statistically Significant Differences (Chi-Squared Tests)*						
Strategising Practice	Frontline vs Middle	Frontline vs Intermediate to top	Frontline vs Top	Middle vs Intermediate to top	Middle vs Top	Intermediate to top vs Top
Collaborating	—	NS	—	—	—	—
Communicating	*	NS	*	NS	**	**
Coordinating	*	**	**	NS	**	**
Facilitating	—	—	—	NS	—	—
Initiating	**	**	**	NS	**	** <sup>F</sup>
Integrating	**	**	**	NS	**	**
Negotiating	**	**	**	NS	**	** <sup>F</sup>
Reviewing	**	**	**	NS	**	**
Shaping context	**	**	**	NS	**	**
Supporting	—	—	—	—	—	—
Translating	**	**	**	NS	**	**

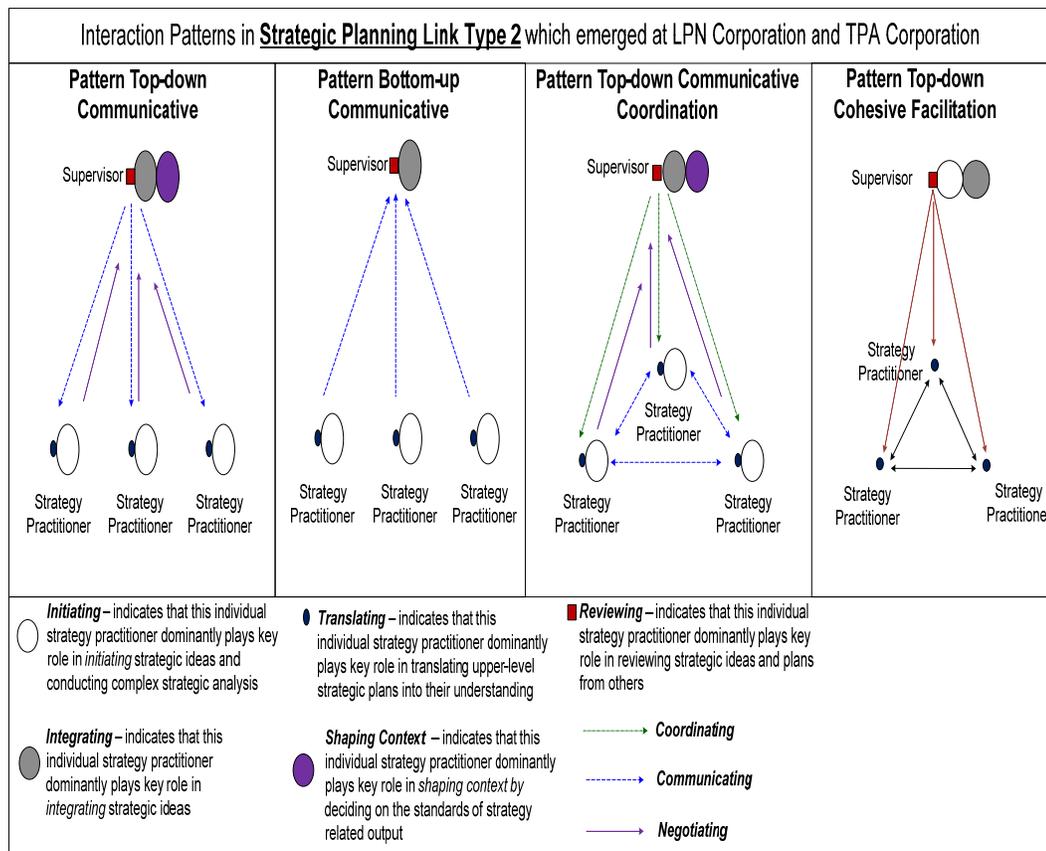
\* $p < .05$ ; \*\* $p < .01$ ; NS = Not Significant ;  $N = 95$  for frontline management,  $N = 79$  for middle management,  $N = 59$  for intermediate to top management and  $N = 35$  for top management; ‘—’ = No data able to be computed; F = Fisher’s Exact Test

Figure 16: Percentage frequencies of practices adopted in strategic planning link type 2 for all actor positions (combined data from both organisations)

#### **4.3.2 Interaction Patterns in Strategic Planning Link Type 2 in relation to Different Organisational Contexts**

I continued to explore the relationship between the use of strategising practices and its interaction patterns among the strategy practitioners within the planning processes. I used a similar approach to principally identify the interaction between strategy practitioners and supervisors. By examining the hierarchical links between those practitioners in the process, most incidences of strategic planning relationship could be mapped onto one or more of four interaction patterns as shown in Figure 17. Figure 17 shows the interaction patterns, number, and frequencies which emerged within strategic planning link type 2 at LPN Corporation and TPA Corporation.

Those interaction patterns are not mutually exclusive and can be adopted by the same strategy practitioners in different strategic episodes or different planning exercises. For example, one strategy practitioner could adopt Pattern Bottom-up Communicative with one organisational unit in a specific strategic episode and can adopt Pattern Top-down Communicative in another strategic episode or with the other organisational units. The data presented here suggested that different interaction patterns might correspond to different sets of strategising practices. Moreover, the interaction patterns embedded in the strategic planning link type 2 seemed to have their own dynamics of agency and power issues related to the different actor positions.



Interaction patterns emerged in strategic planning link type 2	Absolute Frequency of Interaction Patterns Emerged			
	LPN Corporation		TPA Corporation	
	<i>N</i>	%	<i>N</i>	%
Pattern Top-down Communicative	91	46%	20	27%
Pattern Bottom-up Communicative	26	13%	7	9%
Pattern Top-down Communicative Coordination	80	41%	40	54%
Pattern Top-down Cohesive Facilitation	-	-	4	5%

**Figure 17:** The interaction patterns in strategic planning link type 2

The full description of each interaction pattern in this strategic planning link type 2 is outlined below.

### Pattern Top-down Communicative

This interaction pattern applies to the relationship in which a supervisor of strategy practitioners communicates higher level strategies and objectives to his or her subordinates. Each strategy practitioner individually translates those strategies and initiates their strategic plans and ideas to respond to the higher level of strategies and objectives. Negotiation led by strategy practitioners to reach agreement is also adopted to establish strategic integration and alignment. After that, the supervisor reviews and integrates the lower level plans. The strategising practices of *communicating, initiating, integrating, negotiating, shaping context, reviewing* and *translating* are the dominant practices in this pattern. The sample of narrative of the interaction pattern elaborated by one of the middle management is outlined below.

*“I communicate the corporate strategy map to my direct subordinates and staff. I aim to empower my staff to come up with their own thoughts for supporting corporate strategy”* (Assistant Managing Director, Sales Management Division of Lumpini Property Management subsidiary, LPN Corporation)

### Pattern Bottom-up Communicative

This interaction pattern applies to the relationship in which individual strategy practitioners initiate their strategic plans and ideas along with attempting to translate the higher level of strategies and objectives for supporting those high-level strategies and objectives. After that, the supervisor of those strategy practitioners reviews and integrates the lower level plans. The strategising practices of *communicating*, *initiating*, *integrating*, *reviewing* and *translating* are the dominant practices in this pattern. A sample narrative of the interaction pattern elaborated by one of the frontline managers is outlined below.

*“... I know what my department needs to do for the company and to serve the corporate strategy map... So, I come up with ideas about my departmental plans and try to sell my ideas to my supervisor”* (Community Research & Development Department, Lumpini Property Management subsidiary, LPN Corporation)

### Pattern Top-down Communicative Coordination

This interaction pattern applies to the relationship in which a supervisor of strategy practitioners coordinates and controls the activities of his or her subordinates by defining the standards of strategy related output. Each strategy practitioner individually translates those strategies and initiates their strategic plans and ideas to respond to the higher level of strategies and objectives conforming to the standards of strategy related output. Negotiation led by strategy practitioners to reach agreement is also adopted to establish strategic integration and alignment. The communication as integrative mechanism to address *shaping context* practice is also adopted between strategy practitioners. After that, the supervisor reviews and integrates those lower level plans. The strategising practices of *communicating*, *coordinating*, *initiating*, *integrating*, *negotiating*, *shaping context*, *reviewing* and *translating* are the dominant practices in this pattern. It is important to note that the fundamental difference between this Pattern and Top-down Communicative is that

this pattern has the practice of *coordinating* embedded, whereas the other one does not have. The sample of narrative of the interaction pattern elaborated by one of the middle management was outlined below.

*“... As I involve many levels of my staff [in strategic planning], I need to develop and define strategy documents as a guideline for my staff to capture their ideas... I lead the [strategic planning] meetings by using the strategy documents to influence them to think about strategy and to debate the pros and cons and what our final divisional strategic plans should be”*  
(Deputy Managing Director, Asset Management Division of Lumpini Property Management subsidiary, LPN Corporation)

#### Pattern Top-down Cohesive Facilitation

This interaction pattern was captured earlier in the strategic planning link type 1. Similarly, this interaction pattern applies to the relationship that a group of strategy practitioners, facilitated and initiated by a supervisor of this group, encourages collaborative discussion among his or her subordinates in order to develop specific organisational strategic plans. The practitioners' supervisor dominantly plays a key role in integrating and reviewing those plans for strategic alignment and integration. The strategising practices of *collaborating*, *initiating*, *integrating*, *facilitating*, *reviewing* and *translating* are the dominant practices. In addition, this pattern expresses the attempt to establish strategic integration through collaboration and facilitation at a lower level of organisation.

*“...what I usually do in the planning exercise with my subordinates is that I try to guide and encourage my subordinates to [collectively] think about how we can help achieve corporate KPIs... I see my role as a facilitator... They are the ones who experience the real work every day so I believe in their ideas about what can be improved... but then again I need to ensure it is valid, doable and can fit our corporate objectives”* (Departmental

Manager, Finance and Accounting Department, Corporate Affairs Division, TPA Corporation)

The emergence of interaction patterns in strategic planning link type 2 revealed that, during the strategic planning interactions, the development of quasi-independent plans and KPIs were the main focal point. The interview data suggested that those organisational units participating in this strategic planning link type 2 focused on their own specific organisational units' goals and attempted to support a higher level of strategy. The corporate finance manager of LPN Corporation emphasised this point as elaborated below.

*“... I was guided by the corporate strategy map in order to come up with my own departmental plans and KPIs...”* (Corporate Finance Manager of LPN Development Subsidiary)

Even though strategic planning link type 2 represents conventional practices of strategic planning, the findings from the interaction patterns showed that the devolution of strategy becomes more vertically decentralised than indicated in the literature in order to support responsiveness to the changing needs of different organisational units. In sum, 268 examples of strategic planning link type 2 out of a total of 624 examples of the studies from LPN Corporation and TPA Corporation (43%) are the evidence of this situation (refer to Figure 6 in Section 3.6). Specifically, the form of vertical coordination was dominated by the practices of *communicating*, *coordinating* and *shaping context* as illustrated in Table 13.

#### **4.4 STRATEGIC PLANNING LINK TYPE 3 ANALYSIS**

Strategic planning link type 3 indicates the strategic planning activities linkage between organisational units that are situated at a similar organisational level but have a different organisational function. Primarily, the organisational units, which interact within this strategic planning link type 3, did not mutually share common interests due to their different functions and responsibilities. However, the essence of this strategic planning link type 3 is high interdependence between organisational units so that organisational units have incentives to forge common goals, develop cross-organisational plans, and harmonise their activities.

Focusing on higher strategic goals such as corporate strategy was a powerful influence that encouraged those organisational units that are related within this strategic planning link type 3, to collaboratively translate their specific interests into shared interests. From both case study organisations, a cross-unit strategic planning exercise particularly for strategic planning link type 3 was usually undertaken at all managerial levels. The number of studies of strategic planning link type 3 for LPN Corporation and TPA Corporation was 108 and 22 links respectively. Considerable numbers of strategic planning link type 3 existed between organisational levels as shown in Table 14. Mainly, strategic planning link type 3 occurred in all organisational levels.

Table 14: Sample of strategic planning link type 3 by organisational units and levels

<b>Organisational Structure Type</b>	<b>Organisational Unit</b>	<b>Organisational Unit</b>
Embedded Departmental level	Marketing Department	R&D Department
	Marketing Department	Project Sales Management Department
	Social & Environment Department	Community Management Department
	Finance Department	R&D Department
	Community Management Department	Community Legal Affairs Department
	Security Management Department	Community Legal Affairs Department
	Community Legal Affairs Department	Community Communication & Relationship Department
Competency-based functional level	Community Management unit	Asset Management unit
	Community Management Division	Sales Management Division
	Project Management Division	Business Development Division
Profit Centre-based SBU level	L.P.N. Development Subsidiary	Lumpini Project Management Services Subsidiary
	L.P.N. Development Subsidiary	Lumpini Property Management Subsidiary
	Lumpini Project Management Services Subsidiary	Lumpini Property Management Subsidiary
Corporate-based functional level	Corporate Revenues & Finance SBU	Customer & Brand Management SBU
Corporate Headquarter level	Chief Finance Officer	Chief Marketing Officer

#### 4.4.1 Practices in Strategic Planning Link Type 3 in relation to Different Organisational Contexts

In the high-level view, the strategising practices of *collaborating*, *communicating*, *facilitating*, *initiating*, *integrating*, *reviewing* and *translating* were the practices adopted by strategy practitioners in strategic planning link type 3 at both LPN Corporation and TPA Corporation as shown in Figure 18. I continued to perform a chi-square test of independence to examine the differences between organisational contexts and adoption of strategising practices. As shown in Figure 18, differences in organisational contexts were significantly related to differences in prevalence of practice of *collaborating*, *communicating* and *initiating* ( $\chi^2(1, N = 130) = 15.583, p < .01$ ,  $\chi^2(1, N = 130) = 17.228, p < .01$ ,  $\chi^2(1, N = 130) = 6.072, p < .05$ ). The details of absolute frequencies of practices adopted in strategic planning link type 3 for statistical test can be found in Table 15.

The strategy practitioners at LPN Corporation were significantly more likely to adopt the practice of *collaborating* than those at TPA Corporation, whereas the strategy practitioners at TPA Corporation were significantly more likely to adopt the practices of *communicating* and *initiating* than those at LPN Corporation.

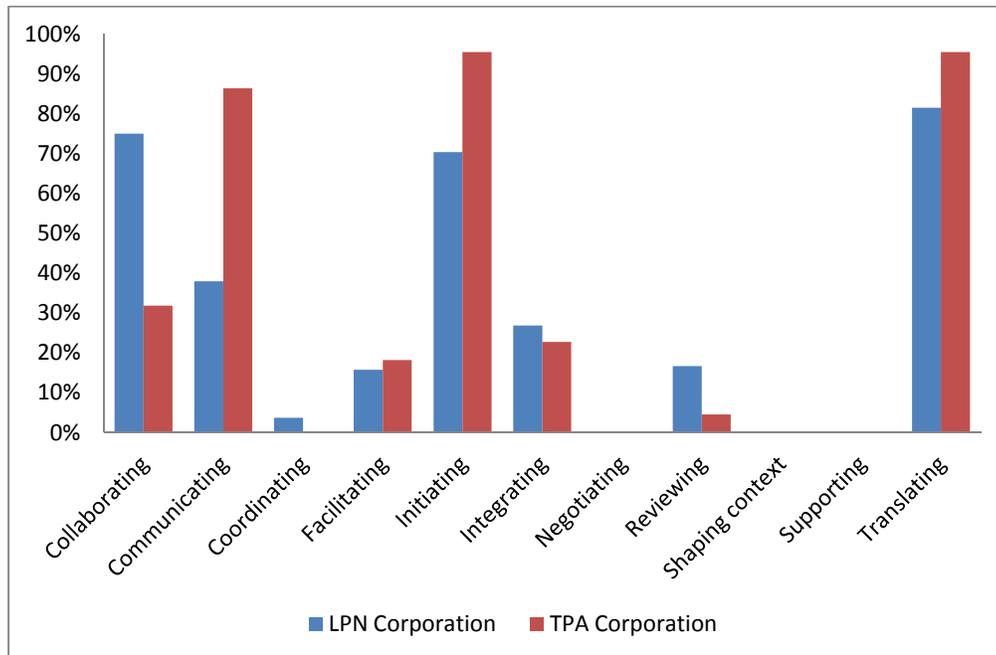
In addition, from the interview data, the corporate planning department at TPA Corporation also interacted with other organisational units within the strategic planning link type 3 and had influence on other strategy practitioners in adopting the practices of *communicating*, *initiating* and *translating* as an integrative mechanism for strategic integration and alignment. The narrative below outlines this effect at TPA Corporation.

*“... I need to talk to the other departmental heads, especially the corporate strategic planning manager about what I plan to do and what I expect from the other departments... What I found is that having dialogue with others can also make me understand better what I should do for them...so that we can achieve our departmental and corporate KPIs”* (Departmental

Manager, Finance and Accounting Department, Corporate Affairs Division,  
TPA Corporation)

On the contrary, as LPN Corporation has no dedicated planning department, the strategy practitioners between different organisational units within strategic planning link type 3 adopt the practices of *collaborating*, *initiating* and *translating* as dominant practices for integrative mechanism for strategic integration and alignment. The narrative below outlines this behaviour.

*“... We have to understand the other departments’ needs.... [have to] collaboratively plan things together... Otherwise, we cannot achieve corporate level strategy...”* (Departmental Manager, Community Management Department, LPN Corporation)



<b>Statistically Significant Differences (Chi-Square Test)*</b>	
<b>Strategising Practices in Strategic Planning Link Type 3</b>	<b>LPN Corporation vs. TPA Corporation</b>
Collaborating	**
Communicating	**
Coordinating	NS
Facilitating	NS
Initiating	*
Integrating	NS
Negotiating	–
Reviewing	NS
Shaping context	–
Supporting	–
Translating	NS

\* $p < .05$ ; \*\* $p < .01$ ; NS = Not Significant ;  $N = 108$  for LPN Corporation and  $N = 22$  for TPA Corporation; ‘–’ = No data able to be computed;

Figure 18: Percentage frequencies of practices adopted in strategic planning link type 3 for all actor positions in relation to different organisational contexts

Table 15: Absolute frequencies of strategising practices in strategic planning link type 3 by actor positions and organisations

Strategic Planning Link Type 3		Collaborating	Communicating	Coordinating	Facilitating	Initiating	Integrating	Negotiating	Reviewing	Shaping context	Supporting	Translating	Number of Studies
LPN Corporation													
	Frontline management	50	23	0	10	55	10	0	0	0	0	66	67
	Middle management	14	9	1	2	13	4	0	4	0	0	12	17
	Intermediate to top management	12	4	1	2	5	8	0	9	0	0	7	16
	Top management	5	5	2	3	3	7	0	5	0	0	3	8
TPA Corporation													
	Frontline management	6	19	0	4	20	4	0	0	0	0	20	20
	Middle management	1	0	0	0	1	1	0	1	0	0	1	2
	Intermediate to top management	0	0	0	0	0	0	0	0	0	0	0	0
	Top management	0	0	0	0	0	0	0	0	0	0	0	0

I then probed deeper into how different actor positions adopted different strategising practices in strategic planning link type 3. The interview data suggested that frontline management were the key actor positions participating in strategic planning link type 3. I continued to perform a chi-square test of independence and Fisher's Exact test to examine the differences between various actor positions adopting strategising practices. As shown in Figure 19, differences in actor positions between frontline management and middle management were significantly related to differences in prevalence of the practices of *reviewing* and *translating*. Differences in actor positions between frontline management and intermediate to top management were significantly related to differences in

prevalence of the practices of *initiating*, *integrating*, *reviewing* and *translating*. Differences in actor positions between frontline management and top management were significantly related to differences in prevalence of the practices of *coordinating*, *initiating*, *integrating*, *reviewing* and *translating*. Differences in actor positions between middle management and intermediate to top management were significantly related to differences in prevalence of the practice of *initiating* ( $\chi^2(1, N = 35) = 6.302, p < .05$ ). Differences in actor positions between middle management and top management were significantly related to differences in prevalence of the practice of *integrating*. However, there was no statistically significant difference between the prevalence of strategising practices adopted by intermediate to top management and top management the strategic planning link type 3.

The strategy practitioners who assumed the roles of top management and intermediate to top management were significantly more likely to adopt the practices of *integrating* and *reviewing* than those who assumed the other roles. However, the strategy practitioners who assumed the role of frontline management and middle management were significantly more likely to adopt the practices of *initiating* and *translating* than those who assumed the other roles. Specifically, the strategy practitioners who assumed the role of top management were more likely to adopt the practice of *coordinating* than those who assumed the other roles.

Furthermore, as evidenced in Figure 19, the strategy practitioners at both organisations assuming all actor positions played a key role in *collaborating* between strategy practitioners who assumed similar actor positions in order to develop cross-organisational strategic plans. Specifically, the strategy practitioners who assumed actor positions as frontline management and middle management played key roles in *collaborating*, *initiating* and *translating* between strategy practitioners who assumed similar actor positions in order to develop cross-functional or divisional strategic plans. The narrative below outlines this behaviour.

*“... It is not possible for my departmental strategy to be stand-alone... I definitely need to have cross-departmental plans with, for example, Community R&D Department, and incorporate those plans into my departmental strategy... We need to collaboratively plan together and sit down to understand what each of the parties wants in order to develop cross-departmental plans... We work as one team and I really found that this [collaborative] way is very effective and we should promote cross-functional collaboration throughout our corporation” (Departmental Manager, Community Management Department, LPN Corporation)*

In addition to the findings from the cases of LPN Corporation and TPA Corporation, the interview data from the pilot case also suggests that different organisational units at ABC Corporation determine quasi-independently strategic plans and strategies that respond to local market needs and, at the same time, address corporate objectives. This requires interaction among different organisational levels and units to ensure the alignment and integration of strategic plans and strategies across the corporation. The engineering manager of the design centre at ABC Corporation elaborates on this collaboration:

*“We [this design centre] have a formal way to do that [strategic planning]. From a marketing point of view as the overview of where we want to go, I think we meet every six months. Collaboration on the individual projects happens daily. There is the weekly conference call between the design centres. We convene the steering committee monthly as well, where we talk with the other design centres. So, we tell them what we do and we discuss priorities. So, it is a way of updating people and also the way of getting everybody reported so everybody understands what we are doing and why we are doing it and the way of making decisions. If we don't do that we have lots of conflicting decisions because people have different priorities and interests”.... “We try to make sure that all marketing groups elsewhere talk to our marketing group [in this design centre] and then that goes down to*

*engineering. Otherwise, the project management group here can prioritise works”* (Engineering Manager of the design centre, ABC Corporation)

Although I studied only one design centre during the pilot case study with ABC Corporation, I found some evidence of active collaboration among units in the corporation, specifically with other design centres:

*“We work with other design centres. We are now developing products in conjunction with other design centres. So one of our strategies is to look at how this works and to optimise it”* (Engineering Manager of the Design Centre, ABC Corporation)

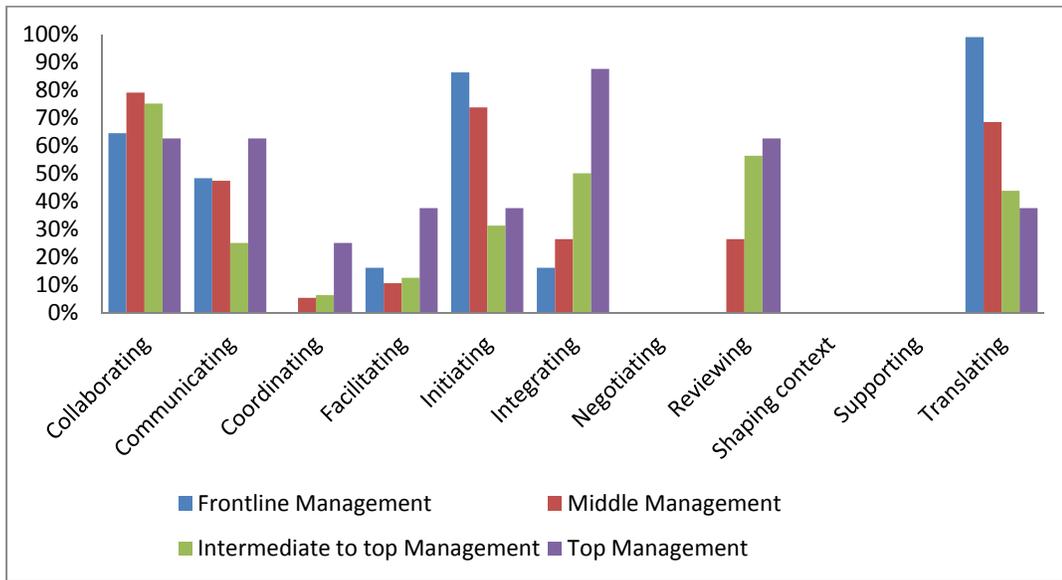
Specifically, frontline managers regularly adopted the practice of *communicating* with their supervisors, who assumed actor positions at middle management level in order to give comments and ideas, and to inform their supervisors for review and approval on their initiated cross-functional strategic plans. The narrative below outlines this behaviour.

*“... I talk to my supervisor to gain his approval... I show him my departmental strategy including cross-functional plans that I together develop with my counterparts... We usually discuss how the plans can be achieved and can support corporate and divisional level strategies...”*  
(Departmental Manager, Community R&D Department, LPN Corporation)

In addition, all managerial levels adopted *collaborating* practices at relatively the same level. The collaboration effort is required at all organisational levels in order to establish strategic integration and alignment based on this strategic planning link type 3. Furthermore, the upper level management i.e. intermediate to top management and top management adopted the practices of *communicating*, *reviewing* and *integrating* to a higher degree than frontline management and middle management did. The upper level of management played a key role in motivating

strategic integration and alignment from this strategic planning link type 3. Moreover, in this strategic planning link type 3, the developments of cross-functional and divisional strategic plans were mainly the focal point. This is because those organisational units in this strategic planning link type 3 did not mutually share common interests but attempted to establish synergy between those units due to the high interdependence effect. The collaborative development of cross functional strategic plans taking place in strategic planning link type 3 acted as a decentralised mechanism for horizontal process and bottom-up process in which the cross-organisational unit plans were eventually fed back into the upper line of command for review and approval. One of strategy practitioners as frontline management level elaborated on this characteristic.

*“... I discuss with the manager of the community management department [during strategic planning] how to make things better between our departments. We need to support each other and to ensure what we are planning to do can support the corporate strategy map... As I am responsible for R&D within Community Management Division, I proactively sent off some plans that should address my departmental needs and community management’s... Then again, we [with Community Management Department] need to work closely in order to make those plans happen...”* (Departmental Manager, Community R&D Department, LPN Corporation)



Statistically Significant Differences (Chi-Squared Tests)*						
Strategising Practice	Frontline vs Middle	Frontline vs Intermediate to top	Frontline vs Top	Middle vs Intermediate to top	Middle vs Top	Intermediate to top vs Top
Collaborating	NS	NS	NS <sup>F</sup>	NS <sup>F</sup>	NS <sup>F</sup>	NS <sup>F</sup>
Communicating	NS	NS	NS <sup>F</sup>	NS	NS <sup>F</sup>	NS <sup>F</sup>
Coordinating	–	NS <sup>F</sup>	** <sup>F</sup>	NS <sup>F</sup>	NS <sup>F</sup>	NS <sup>F</sup>
Facilitating	NS	NS <sup>F</sup>	NS <sup>F</sup>	NS <sup>F</sup>	NS <sup>F</sup>	NS <sup>F</sup>
Initiating	NS	** <sup>F</sup>	** <sup>F</sup>	*	NS <sup>F</sup>	NS <sup>F</sup>
Integrating	NS	** <sup>F</sup>	** <sup>F</sup>	NS	** <sup>F</sup>	NS <sup>F</sup>
Negotiating	–	–	–	–	–	–
Reviewing	** <sup>F</sup>	** <sup>F</sup>	** <sup>F</sup>	NS	NS <sup>F</sup>	NS <sup>F</sup>
Shaping context	–	–	–	–	–	–
Supporting	–	–	–	–	–	–
Translating	** <sup>F</sup>	** <sup>F</sup>	** <sup>F</sup>	NS	NS <sup>F</sup>	NS <sup>F</sup>

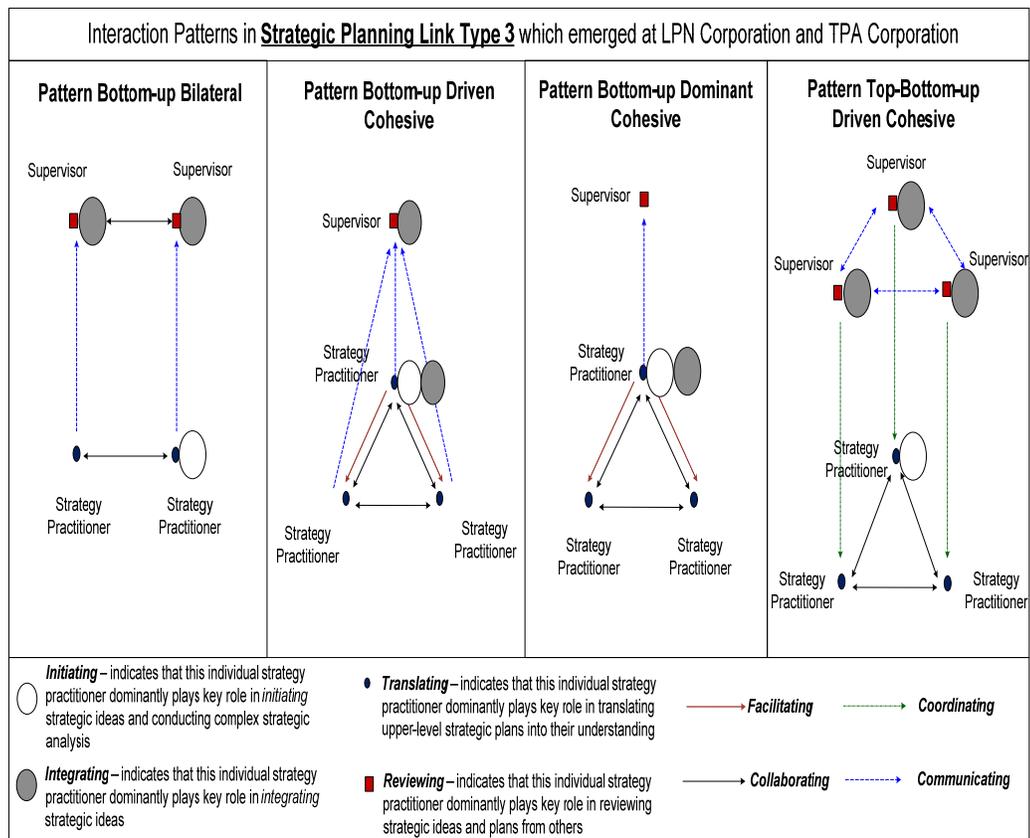
\* $p < .05$ ; \*\* $p < .01$ ; NS = Not Significant ;  $N = 87$  for frontline management,  $N = 19$  for middle management,  $N = 16$  for intermediate to top management and  $N = 8$  for top management; ‘–’ = No data able to be computed; F = Fisher’s Exact Test

Figure 19: Percentage frequencies of practices adopted in strategic planning link type 3 for all actor positions (combined data from both organisations)

#### **4.4.2 Interaction Patterns in Strategic Planning Link Type 3 in relation to Different Organisational Contexts**

I continued to explore the relationship between the use of strategising practices and its interaction patterns among the strategy practitioners within the planning processes. I used a similar approach to principally identify the interaction between strategy practitioners and supervisors. By examining the hierarchical links between those practitioners in the process, most incidences of strategic planning relationship could be mapped onto one or more of four interaction patterns as shown in Figure 20. Figure 20 shows the interaction patterns, number, and frequencies which emerged within strategic planning link type 3 at LPN Corporation and TPA Corporation.

In addition, those interaction patterns are not mutually exclusive and can be adopted by the same strategy practitioners in different strategic episodes or different planning exercises. For example, one strategy practitioner could adopt Pattern Bottom-up Bilateral with one organisational unit in a specific strategic episode and can adopt Pattern Top-bottom-up Driven Cohesive in another strategic episode or with the other organisational units. The data presented here suggested that different interaction patterns may correspond to different sets of strategising practices. Moreover, the interaction patterns embedded in the strategic planning link type 3 seemed to have their own dynamics of agency and power issues related to the different actor positions. In the discussion, I provided some examples of the kinds of agency and power related issues raised by the patterns, based on qualitative evidence obtained from interviews.



Interaction patterns emerged in strategic planning link type 3	Number and frequency of interaction patterns emerged by organisation			
	LPN Corporation		TPA Corporation	
	<i>N</i>	%	<i>N</i>	%
Pattern Bottom-up Bilateral	72	67%	13	59%
Pattern Bottom-up Driven Cohesive	-	-	6	27%
Pattern Bottom-up Dominant Cohesive	28	26%	3	14%
Pattern Top-Bottom-up Driven Cohesive	8	7%	-	-

**Figure 20:** The interaction patterns in strategic planning link type 3

The full description of each interaction pattern in this strategic planning link type 3 is outlined below.

## Pattern Bottom-up Bilateral

This interaction pattern was captured earlier in the strategic planning link type 1. Similarly, this interaction pattern applies to the relationship in which a strategy practitioner initiates strategic ideas and works together with the other strategy practitioner in order to collaboratively come up with cross-organisational strategic plans between two organisational units. Those plans are communicated to each practitioner's supervisor and the supervisors of those practitioners also collaborate with each other to review and integrate the plans. In addition, the strategising practices of *collaborating*, *communicating*, *initiating*, *integrating*, *reviewing* and *translating* are the dominant practices in this pattern. In addition, this pattern also expresses the attempt to collaborate for strategic integration at the lower level of organisation. The sample of narrative of the interaction pattern elaborated by one of frontline management is outlined below.

*“... I discuss with the manager of the Community Management Department [during strategic planning] how to make things better between our departments. We need to support each other and to ensure what we are planning to do can support the corporate strategy map... As I am responsible for R&D within Community Management Division, I proactively sent off some plans that should address my departmental needs and Community Management's... Then again, we [with Community Management Department] need to work closely in order to make those plans happen... After that, I pass these plans to my supervisor for review and approval” (Departmental Manager, Community Research & Development Department, LPN Corporation)*

## Pattern Bottom-up Driven Cohesive

This interaction pattern was captured earlier in the strategic planning link type 1. Similarly, this interaction pattern applies to the relationship in which a group of strategy practitioners, facilitated and initiated by one of the practitioners, collaboratively develops cross-organisational strategic plans between organisational units. Those plans are communicated to, integrated and reviewed by the supervisor of this group. The strategising practices of *collaborating*, *communicating*, *initiating*, *integrating*, *facilitating*, *reviewing* and *translating* are the dominant practices. In addition, this pattern expresses the attempt to collaborate for strategic integration at the lower level of organisation. The sample of evidence elaborated by one of frontline management is outlined below.

*“... Within our business unit, we have about three departments that are responsible for providing training services to our customers... Even though we classify our customers based on market segmentations and their needs, we still need to streamline our ways of thinking about how to have a holistic view of training strategy... I have tried to bring in the departmental heads [who are responsible for training plans] and discuss what should be overall training plans... We cannot just separately do what we want to do... we need to collaborate... Our BU Director is also keen to shape our plans and helps us to ensure our plans are aligned with corporate objectives”*  
(Departmental Manager, Education and Training Department, Business Unit II, TPA Corporation)

## Pattern Bottom-up Dominant Cohesive

This interaction is a variance of the Pattern Bottom-up Driven Cohesive. The strategising practices embedded in these interaction patterns are similar to the practices in the Pattern Bottom-up Driven Cohesive. The strategising practices of *collaborating, communicating, initiating, integrating, facilitating, reviewing* and *translating* are the dominant practices. The main difference is that one of the practitioners assumes the roles of initiator and integrator. Specifically, this interaction pattern applies to the relationship that a group of strategy practitioners, facilitated and initiated by one of the practitioners, collaboratively develops cross-organisational strategic plans between organisational units. Those plans are communicated to and reviewed by the dominating practitioner's supervisor.

*"... We [LPN Corporation] need to move beyond CRM so that we establish what we call a Customer Experience Management plan (or CEM plan)... I am fully responsible for this plan but it does not mean that I work alone. There are about seven departments that are required to help support this CEM plan... During our planning exercise, I, as a CEM champion, see my role as that of a facilitator, enabling other people to work in the way that suits them best...and I try to encourage collaborative thinking among those departments... After the planning exercise, I send the CEM plan to my supervisor for approval"* (Departmental Manager, Customer Relationship Management Department, LPN Corporation)

## Pattern Top-Bottom-up Driven Cohesive

This interaction pattern applies to the relationship in which a group of strategy practitioners, led by one of the practitioners, collaboratively develop cross-organisational strategic plans between organisational units. The strategising practices of *collaborating*, *communicating*, *coordinating*, *initiating*, *integrating*, *reviewing* and *translating* are the dominant practices. Specifically, the practitioners' supervisors dominantly play a key role in *coordinating*, *integrating* and *reviewing* those plans for establishing strategic alignment and integration. The communication, as an integrative mechanism to establish common understandings, is also adopted between supervisors.

*"... One of the corporate KPIs is overall sales volume target... We have experienced for years that if we [sales management division, asset management division and customer & brand management division] try to achieve the KPI separately, we always end up with a lot of complaints to each other... So, we have tried to talk with each other more often and to push our collaborative ideas to the departmental heads... we are trying to guide our departmental managers to collaboratively come up with better cross departmental plans so that we are able to achieve the corporate KPI... They [departmental managers] also need to be more collaborative"*  
(SBU Assistant Managing Director, Sales Management Division of Lumpini Property Management Subsidiary, LPN Corporation)

The emergence of interaction patterns in the strategic planning link type 3 revealed that, during the strategic planning interactions, the development of cross-organisational strategic plans and KPIs were the main focal point. In addition, the strategy practitioners participating in this strategic planning link type 3 attempted to gain better understandings from each other so that they can develop their own strategic plans for their organisational units. The interview data suggested that those organisational units in this strategic planning link type 3 have focused on how to create synergy between interdependent organisational units.

*“... It is not possible for my departmental strategy to be stand-alone... I definitely need to have cross-departmental plans with, for example, Community R&D Department, and incorporate those plans into my departmental strategy... We need to collaboratively plan together and sit down to understand what each of the parties wants in order to develop cross-departmental plans...”* (Departmental Manager, Community Management Department, LPN Corporation)

In addition, in the Pattern Bottom-up interactions (i.e. Pattern Bottom-up Bilateral, Pattern Bottom-up Driven cohesive, and Pattern Bottom-up Dominant Cohesive), strategy practitioners assuming the agent role attempted to collaborate and facilitate with the other strategy practitioners assuming the same agent role in order to come up with cross-organisational strategic plans. This behaviour supported the viewpoint of agency theory that the actor positions who assume the same agency role collaboratively interacted within the strategic planning link type 3 without direct influence from the hierarchy of power. However, in the Pattern Top-bottom-up Driven Cohesive, a group of supervisors assuming the principal role adopted the practice of *coordinating* in order to influence the strategy practitioners assuming agent role to collaboratively come up with cross-organisational strategic plans.

As per my understanding from data interpretation, the collaborative development of cross-organisational strategic plans and cross-organisational KPIs taking place in strategic planning link type 3 acted as a decentralised mechanism for horizontal process in which the plans are formulated in order to solve silo-thinking that is found in the vertical view of strategic planning. The horizontal view of strategic planning captured by the interaction patterns in this strategic planning link type 3 also provides the ability to strengthen strategic integration and alignment throughout organisations. In parallel, the collaborative development of cross-organisational strategic plans in strategic planning link type 3 also acted as a decentralised mechanism for bottom-up process in which the plans were eventually fed back into the upper line of command for review and approval. The narrative below outlines this behaviour.

*“... I talk to my supervisor to gain his approval... I show him my departmental strategy including cross-functional plans that I together develop with my counterparts... We usually discuss how the plans can be achieved and can support corporate and divisional level strategies...”*  
(Departmental Manager, Community R&D Department, LPN Corporation)

#### **4.5 STRATEGIC PLANNING LINK TYPE 4 ANALYSIS**

Strategic planning link type 4 represents the strategic planning activities linkage between organisational units that are situated at different organisational levels and have different organisational functions. The strategic planning link type 4 shares the same main characteristics as strategic planning link type 3. Primarily, the organisational units, which interact within this strategic planning link type 4, did not mutually share common interests due to their different functions and responsibilities. However, the level of interdependence between organisational units in strategic planning link type 4 is high. Unlike the characteristics captured in strategic planning link type 3, one organisational unit in this category has higher formal authority than others in which the higher formal authority unit attempts to promote his or her organisational unit's objectives in order to have support from other strategy practitioners. At the same time, the higher formal authority unit attempts to make other units aware of, and incorporate the strategic plans of the higher formal authority unit into their strategic plans. In parallel, the higher formal authority practitioner attempts to forge cross-organisational goals and harmonise other practitioners' activities in order to create strategic integration.

Focusing on higher strategic goals such as corporate strategy is also a powerful influential to encourage those different organisation units that are related within this strategic planning link type 4, to collaboratively translate their specific interests into shared interests. From both case study organisations, a cross-unit strategic planning exercise particularly for strategic planning link type 4 was usually taking place at all managerial levels. The number of studies of strategic planning link type 4 for LPN Corporation and TPA Corporation was 67 and 52

links respectively. Table 16 shows the sample of organisational units in this strategic planning link type 4.

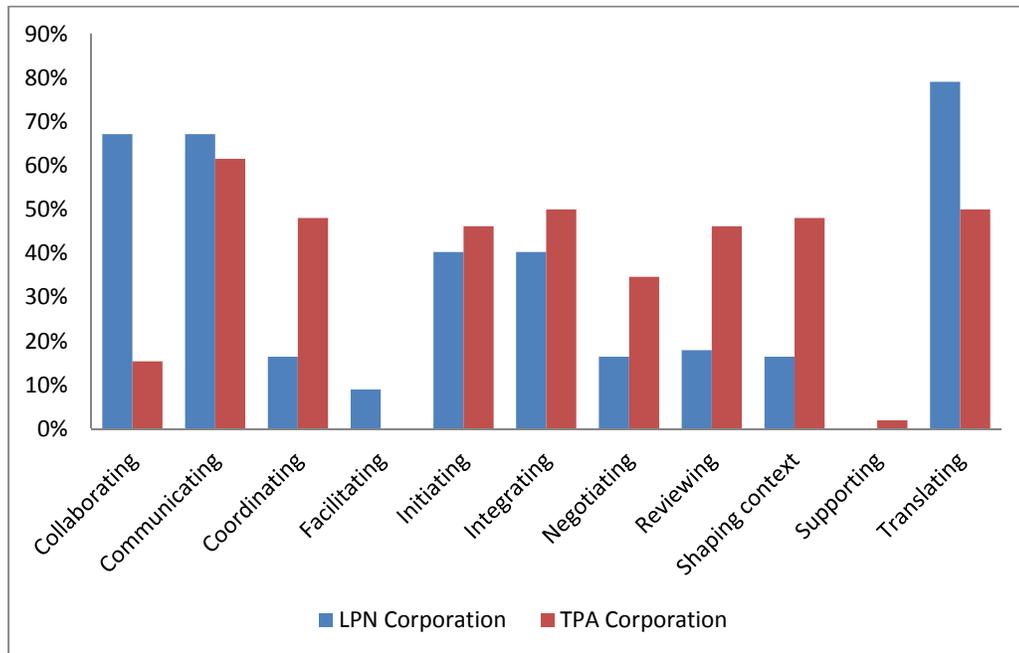
Table 16: Sample of strategic planning link type 4 by organisational units and levels

<b>Organisational Structure Type</b>	<b>Organisational Unit</b>	<b>Organisational Unit</b>
Profit Centre-based SBU and Competency-based unit	L.P.N. Development Subsidiary	Project Management unit
	Lumpini Project Management Services Subsidiary	Community Management unit
	Lumpini Project Management Services Subsidiary	Sales Management Division
	Lumpini Project Management Services Subsidiary	Community Management Support Division
	Lumpini Project Management Services Subsidiary	Asset Management unit
Corporate-based functional unit and Embedded departmental level	Corporate Revenues & Finance unit	Brokerage Business Department
	Customer & Brand Management unit	Community Management Department
	Customer & Brand Management unit	Community Communication & Relationship Department
Competency-based unit and Embedded departmental level	Sales Management unit	Customer Service Department
	Community Management unit	Brokerage Business Department
	Community Management unit	Security Management Department
	Asset Management unit	Inventory Sales Management Department

#### 4.5.1 Strategising Practices in Strategic Planning Link Type 4 in relation to Different Organisational Contexts

In the high-level view, the strategising practices of *collaborating*, *communicating*, *coordinating*, *initiating*, *integrating*, *negotiating*, *reviewing*, *shaping context* and *translating* were the dominant practices adopted by strategy practitioners in strategic planning link type 4 at both LPN Corporation and TPA Corporation as shown in Figure 21. I continued to perform a chi-square test of independence to examine the differences between organisational contexts and adoption of strategising practices. As shown in Figure 21, differences in organisational contexts were significantly related to differences in prevalence of practice of *collaborating*, *coordinating*, *facilitating*, *negotiating*, *reviewing*, *shaping context* and *translating* ( $\chi^2(1, N = 119) = 31.778, p < .01$ ,  $\chi^2(1, N = 119) = 13.907, p < .01$ ,  $\chi^2(1, N = 119) = 4.904, p < .05$ ,  $\chi^2(1, N = 119) = 5.260, p < .05$ ,  $\chi^2(1, N = 119) = 11.068, p < .01$ ,  $\chi^2(1, N = 119) = 13.907, p < .01$  and  $\chi^2(1, N = 119) = 11.114, p < .01$ ).

The strategy practitioners at LPN Corporation were significantly more likely to adopt the practices of *collaborating*, *facilitating*, and *translating* than those at TPA Corporation. However, the strategy practitioners at TPA Corporation were significantly more likely to adopt the practices of *coordinating*, *negotiating*, *reviewing* and *shaping context* than those at LPN Corporation. The details of absolute frequencies of practices adopted in strategic planning link type 4 for statistical test can be found in Table 17.



<b>Statistically Significant Differences (Chi-Square Test)*</b>	
<b>Strategising Practices in Strategic Planning Link Type 4</b>	<b>LPN Corporation vs. TPA Corporation</b>
Collaborating	**
Communicating	NS
Coordinating	**
Facilitating	*
Initiating	NS
Integrating	NS
Negotiating	*
Reviewing	**
Shaping context	**
Supporting	NS
Translating	**

\* $p < .05$ ; \*\* $p < .01$ ; NS = Not Significant ;  $N = 67$  for LPN Corporation and  $N = 52$  for TPA Corporation; ‘-’ = No data able to be computed;

**Figure 21:** Percentage frequencies of practices adopted in strategic planning link type 4 for all actor positions in relation to different organisational contexts

Table 17: Absolute frequencies of strategising practices in strategic planning link type 4 by actor positions and organisations

Strategic Planning Link Type 4		Collaborating	Communicating	Coordinating	Facilitating	Initiating	Integrating	Negotiating	Reviewing	Shaping context	Supporting	Translating	Number of Studies
LPN Corporation													
	Frontline management	20	16	0	0	10	0	7	0	0	0	21	22
	Middle management	16	15	6	4	10	12	1	2	6	0	21	24
	Intermediate to top management	9	8	2	2	4	9	3	7	2	0	8	15
	Top management	0	6	3	0	3	6	0	3	3	0	3	6
TPA Corporation													
	Frontline management	5	8	0	0	7	0	6	0	0	0	9	9
	Middle management	3	4	1	0	7	2	4	1	1	0	7	8
	Intermediate to top management	0	20	24	0	10	24	8	23	24	1	10	35
	Top management	0	0	0	0	0	0	0	0	0	0	0	0

I then probed deeper into how different actor positions adopted different strategising practices in strategic planning link type 4. The interview data suggested that frontline management, middle management and intermediate to top management were the key actor positions participating in strategic planning link type 4. I continued to perform a chi-square test of independence and Fisher's Exact test to examine the differences between various actor positions adopting strategising practices. As shown in Figure 22, differences in actor positions between frontline management and middle management were significantly related to differences in prevalence of the practices of *coordinating*, *integrating* ( $\chi^2(1, N = 63) = 16.449, p < .01$ ), *negotiating* ( $\chi^2(1, N = 63) = 5.010, p < .05$ ) and *shaping context*. Differences in actor positions between frontline management and

intermediate to top management were significantly related to differences in prevalence of the practices of *collaborating*, *coordinating*, *initiating*, *integrating*, *reviewing*, *shaping context*, and *translating* ( $\chi^2(1, N = 81) = 31.527, p < .01$ ,  $\chi^2(1, N = 81) = 24.468, p < .01$ ,  $\chi^2(1, N = 81) = 5.329, p < .05$ ,  $\chi^2(1, N = 81) = 35.306, p < .01$ ,  $\chi^2(1, N = 81) = 30.297, p < .01$ ,  $\chi^2(1, N = 81) = 24.468, p < .01$ , and  $\chi^2(1, N = 81) = 30.026, p < .01$ ). Differences in actor positions between frontline management and top management were significantly related to differences in prevalence of the practices of *collaborating*, *coordinating*, *integrating*, *reviewing*, *shaping context*, and *translating*. Differences in actor positions between middle management and intermediate to top management were significantly related to differences in prevalence of the practices of *collaborating*, *coordinating*, *integrating*, *reviewing*, *shaping context*, and *translating* ( $\chi^2(1, N = 81) = 14.261, p < .01$ ,  $\chi^2(1, N = 81) = 7.322, p < .05$ ,  $\chi^2(1, N = 81) = 4.820, p < .05$ ,  $\chi^2(1, N = 81) = 23.668, p < .01$ ,  $\chi^2(1, N = 81) = 7.322, p < .05$ , and  $\chi^2(1, N = 81) = 23.706, p < .01$ ). Differences in actor positions between middle management and top management were significantly related to differences in prevalence of the practices of *collaborating*, *integrating*, *reviewing* and *translating*. However, there was no statistically significant difference between the prevalence of strategising practices adopted by intermediate to top management and top management in the strategic planning link type 4.

The strategy practitioners who assumed the roles of frontline management and middle management were significantly more likely to adopt the practices of *collaborating* and *translating* than those who assumed the other roles. However, the strategy practitioners who assumed the roles of intermediate to top management and top management were significantly more likely to adopt the practices of *coordinating*, *integrating*, *reviewing*, *shaping context* than those who assumed the other roles. Specifically, the strategy practitioners who assumed the role of frontline management were significantly more likely to adopt the practice of *negotiating* than those who assumed the other roles. Furthermore, the strategy practitioners at both organisations assuming the actor positions as the intermediate to top management and top management adopted those dominant practices in order

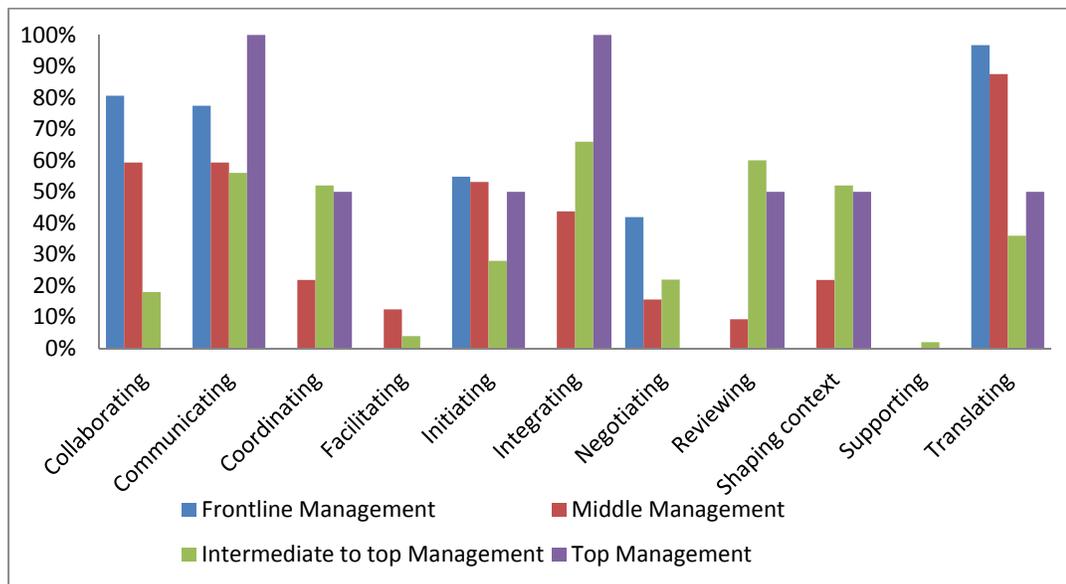
to influence frontline management and middle management to support their objectives and to develop cross-organisational strategic plans. The narrative below outlines this situation.

*“... I discuss with the departmental head of Research and Development Department [during cross functional planning] because I need to understand what happens in the market and customers’ behaviours, for example, how big is the room? Which kind of design do customers look for?”* (Deputy Managing Director, Project Management Division of Lumpini Project Management Services subsidiary, LPN Corporation)

Specifically, the strategy practitioners assuming actor positions as frontline management and middle management adopted the practices of *collaborating*, *negotiating* and *translating* in order to address the intermediate to top management and top management’s needs.

In addition, all managerial levels adopted *communicating* practice at relatively the same level in order to establish strategic integration and alignment within this strategic planning link type 4. Upper level of management played a key role in coordinating strategic integration and alignment with other managers. Moreover, in this strategic planning link type 4, the developments of cross-functional and divisional strategic plans were the main focal point. This is because those organisational units in this strategic planning link type 4 did not mutually share common interests but attempted to establish synergy between those units due to the effect of high interdependence. The collaborative development of cross functional strategic plans taking place in strategic planning link type 4, acted as a decentralised mechanism for horizontal process and bottom-up process in which the cross-organisational unit plans were eventually fed back into the upper line of command for review and approval. One of the strategy practitioners at frontline management level elaborated on this characteristic.

*“... It is my job to provide R&D information [e.g. survey results of customer expectation of location selection], and recommend how we should position LPN in the market to Deputy Managing Director of Project Management Division... During our [planning] meeting, we discuss and determine the project management strategy”* (Departmental Manager, Corporate R&D Department, LPN Corporation)



Statistically Significant Differences (Chi-Squared Tests)*						
Strategising Practice	Frontline vs Middle	Frontline vs Intermediate to top	Frontline vs Top	Middle vs Intermediate to top	Middle vs Top	Intermediate to top vs Top
Collaborating	NS	**	** <sup>F</sup>	**	* <sup>F</sup>	NS <sup>F</sup>
Communicating	NS	NS	NS <sup>F</sup>	NS	NS <sup>F</sup>	NS <sup>F</sup>
Coordinating	* <sup>F</sup>	**	** <sup>F</sup>	*	NS <sup>F</sup>	NS <sup>F</sup>
Facilitating	NS <sup>F</sup>	NS <sup>F</sup>	—	NS <sup>F</sup>	NS <sup>F</sup>	NS <sup>F</sup>
Initiating	NS	*	NS <sup>F</sup>	NS	NS <sup>F</sup>	NS <sup>F</sup>
Integrating	**	**	** <sup>F</sup>	*	* <sup>F</sup>	NS <sup>F</sup>
Negotiating	*	NS	NS <sup>F</sup>	NS	NS <sup>F</sup>	NS <sup>F</sup>
Reviewing	NS <sup>F</sup>	**	** <sup>F</sup>	**	* <sup>F</sup>	NS <sup>F</sup>
Shaping context	* <sup>F</sup>	**	** <sup>F</sup>	*	NS <sup>F</sup>	NS <sup>F</sup>
Supporting	—	NS <sup>F</sup>	—	NS <sup>F</sup>	—	NS <sup>F</sup>
Translating	NS <sup>F</sup>	**	** <sup>F</sup>	**	* <sup>F</sup>	NS <sup>F</sup>

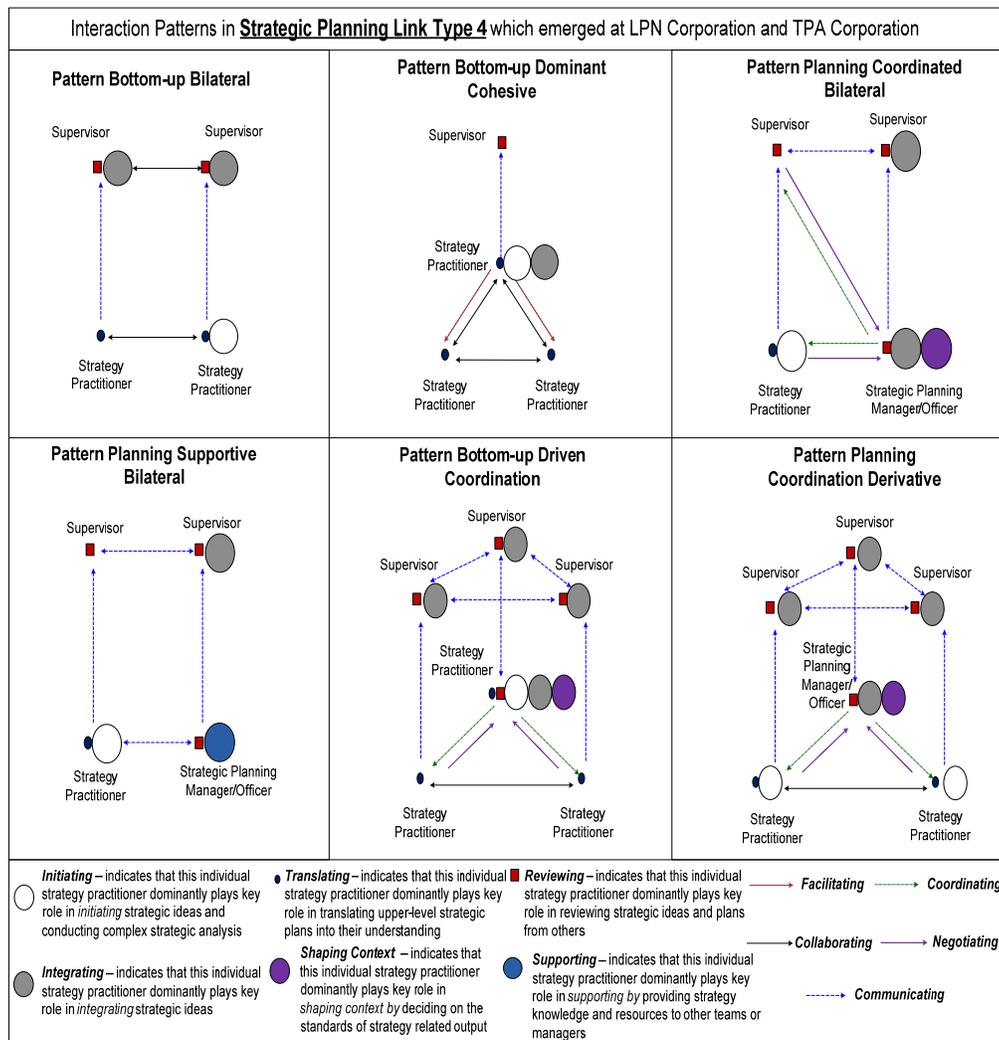
\* $p < .05$ ; \*\* $p < .01$ ; NS = Not Significant ;  $N = 31$  for frontline management,  $N = 32$  for middle management,  $N = 50$  for intermediate to top management and  $N = 6$  for top management; ‘—’ = No data able to be computed; F = Fisher’s Exact Test

Figure 22: Percentage frequencies of practices adopted in strategic planning link type 4 for all actor positions (combined data from both organisations)

#### **4.5.2 Interaction Patterns in Strategic Planning Link Type 4 in relation to Different Organisational Contexts**

I continued to explore the relationship between the use of strategising practices and its interaction patterns among the strategy practitioners within the planning processes. I used a similar approach to principally identify the interaction between strategy practitioners and supervisors. By examining the hierarchical links between those practitioners in the process, most incidences of strategic planning relationship could be mapped onto one or more of seven interaction patterns as shown in Figure 23. Figure 23 shows the interaction patterns, number, and frequencies which emerged within strategic planning link type 4 at LPN Corporation and TPA Corporation.

In addition, those interaction patterns are not mutually exclusive and can be adopted by the same strategy practitioners in different strategic episodes or in a different planning exercise. For example, one strategy practitioner could adopt Pattern Bottom-up Driven Coordination with one organisational unit in a specific strategic episode and can adopt Pattern Planning Coordination Derivative in another strategic episode or with the other organisational units. The data presented here suggested that different interaction patterns might correspond to different sets of strategising practices. Moreover, the interaction patterns embedded in the strategic planning link type 4 seemed to have their own dynamics of agency and power issues related to the different actor positions. In the discussion, I provided some examples of the kinds of agency and power related issues raised by the patterns, based on qualitative evidence obtained from interviews.



Interaction patterns emerged in strategic planning link type 4	Number and frequency of interaction patterns emerged by organisation			
	LPN Corporation		TPA Corporation	
	<i>N</i>	%	<i>N</i>	%
Pattern Bottom-up Bilateral	25	37%	5	7%
Pattern Bottom-up Dominant Cohesive	13	19%	-	-
Pattern Planning Coordinated Bilateral	-	-	24	36%
Pattern Planning Supportive Bilateral	-	-	2	3%
Pattern Bottom-up Driven Coordination	29	43%	5	7%
Pattern Planning Coordination Derivative	-	-	16	24%

**Figure 23:** The interaction patterns in strategic planning link type 4

The full description of each interaction pattern in this strategic planning link type 4 is outlined below.

#### Pattern Bottom-up Bilateral

This interaction pattern was captured earlier in the strategic planning link types 1 and 3. The main difference is that one of the strategy practitioners has higher authority than the other. Similar to characteristics captured in strategic planning link type 3, this interaction pattern applies to the relationship in which a strategy practitioner initiates strategic ideas and works together with the other strategy practitioner in order to collaboratively come up with cross-organisational strategic plans between two organisational units. Those plans are communicated to each practitioner's supervisor and the supervisors of those practitioners also collaborate with each other to review and integrate the plans. In addition, the strategising practices of *collaborating*, *communicating*, *initiating*, *integrating*, *reviewing* and *translating* are the dominant practices in this pattern. This pattern also expresses the attempt to collaborate for strategic integration at the lower level of organisation. The sample of narrative of the interaction pattern elaborated by one of frontline management is outlined below.

*"... I discuss with the departmental head of Research and Development Department [during cross functional planning] because I need to understand what happens in the market and customers' behaviours, for example, how big is the room? Which kind of design do customers look for?"* (Deputy Managing Director, Project Management Division of Lumpini Project Management Services subsidiary, LPN Corporation)

### Pattern Bottom-up Dominant Cohesive

This interaction pattern was captured earlier in the strategic planning link type 3. The main difference is that one of the strategy practitioners has higher authority than the other. The strategising practices of *collaborating, communicating, initiating, integrating, facilitating, reviewing* and *translating* are the dominant practices. A practitioner who has higher authority assumes the roles of initiator and integrator. Specifically, this interaction pattern applies to the relationship in which a group of strategy practitioners, facilitated and initiated by one of the practitioners who has higher authority, attempt to collaboratively develop cross-organisational strategic plans between organisational units. The dominating strategy practitioner in the group also attempts to promote his or her organisational unit's objectives in order to have support from other strategy practitioners. Those plans are communicated to and reviewed by an initiated practitioner's supervisor.

*"... I organise a series of meetings and invite departmental heads to participate... I facilitate the meetings and try to encourage them to think about how their departments can help achieve corporate HR strategy and to build HR mindset into their functions... We normally have KPIs related to Corporate HR KPIs embedded within those departments."* (Deputy Managing Director, Corporate Human Resources Department of LPN Corporation)

### Pattern Planning Coordinated Bilateral

This interaction pattern applies to the relationship in which a strategic planning manager and/or officer assume a key role in *coordinating, integrating, shaping context* and *reviewing* with another strategy practitioner from a different organisational unit. The strategic planning manager and officer attempt to establish strategic integration and alignment at all organisational levels and units by adopting a series of bilateral planning exercises with different organisational units. The other practitioner initiates and develops strategic plans based on his or her organisational

unit's perspective. The strategy practitioner and his or her supervisor also adopt the practice of *negotiating* in order to establish mutual understanding with the planning department. The communication, as an integrative mechanism to establish common understandings, is also adopted between supervisors for final approval. The strategising practices of *communicating*, *coordinating*, *initiating*, *integrating*, *negotiating*, *reviewing*, *shaping context* and *translating* are the dominant practices in this pattern.

*"... I submitted my departmental plans to the Corporate Planning Department and we discuss the plans with each other... I might get some comments [from the Corporate Planning Department] about how I can adjust my plans to fit corporate KPIs or to increase some items in my departmental KPIs... However, I need to explain to them [Corporate Planning Department] why I can or can't do it..."* (Departmental Manager, School of Language and Culture Department, Business Unit I, TPA Corporation)

#### Pattern Planning Supportive Bilateral

This interaction pattern applies to the relationship in which a strategic planning manager and officer play a key role in adopting the practice of *supporting*. This is to provide strategy knowledge and resources to other strategy practitioners who mainly initiate strategic ideas. Those plans are communicated to each practitioner's supervisor and the supervisors of those practitioners also communicate with each other to review and integrate the plans. The strategising practices of *communicating*, *initiating*, *integrating*, *reviewing*, *supporting* and *translating* are the dominant practices in this pattern.

*"... I sometimes get support from Corporate Planning Department about how to run a strategic planning exercise and how to do strategy analysis for particular projects..."* (Departmental Manager, School of Language and Culture Department, Business Unit I, TPA Corporation)

## Pattern Bottom-up Driven Coordination

This interaction pattern applies to the relationship in which one of the strategy practitioners, who has higher authority within the group, translates and forges joint interests between other practitioners, and coordinates the activities of other practitioners. The dominating strategy practitioner adopts the practices of *coordinating, initiating, integrating, shaping context, reviewing* and *translating*. The other practitioners collaboratively develop strategic plans and cross-organisational strategic plans to address strategic integration and alignment. The communication as integrative mechanism to establish common understandings is also adopted between practitioners and supervisors for reporting, as well as between supervisors themselves for final approval.

*“...My supervisor and I can’t just come up with any pricing strategy... It is required to have information from other related departments.... So, my supervisor [Assistant Managing Director of Sales Management Division] is the one who initiates and tries to lead and coordinate with all related departmental heads [e.g. sales management department, marketing department, research and development department, community research and development department] to discuss sales management strategy, especially pricing strategy, so that we can have competitive pricing over our competitors...”* (Departmental Manager, Sales Management Department, Sales Management Division of Lumpini Property Management subsidiary, LPN Corporation)

## Pattern Planning Coordination Derivative

This interaction is a variance of the Pattern Bottom-up Driven Coordination. The main difference is the role of dominating strategy practitioner who is a representative from the planning department within the organisation. The strategic planning manager or officer who interacts within this pattern has relatively higher power in the sense of job-based authority and responsibility for the planning exercise. The strategic planning manager or officer adopts the practices of *coordinating, integrating, reviewing* and *shaping context* in order to influence the other practitioners to initiate and think about strategic plans within their organisational units and about cross-organisational strategic plans between organisational units. The strategic planning manager or officer also attempts to establish strategic integration and alignment at all organisational levels and units by adopting this interaction pattern. The communication as integrative mechanism to establish common understandings is also adopted between practitioners and supervisors for reporting, as well as between supervisors themselves for final approval.

*“... I cannot just let HR Department and MIS Department to come up with the strategic HR plan and related IT plans... I am accountable to review and integrate cross-functional strategic plans... During the planning exercises [with HR and MIS Departments in this specific episode], I emphasise corporate strategic plans that we need to achieve, and show them some [strategy] tools that can guide them to think and analyse information for producing better plans” (Corporate Strategic Planning Manager, TPA Corporation)*

The emergence of interaction patterns in the strategic planning link type 4 revealed that, during the strategic planning interactions, the development of cross-organisational strategic plans and divisional strategic plans were the main focal point. In addition, the upper level strategy practitioners participating in this strategic planning link type 4 attempt to influence other practitioners to support their objectives by incorporating them into the other unit's strategic plans. The interview data suggested that those organisational units in this strategic planning link type 4 have focused on how to create synergy between interdependent organisational units. The narrative below outlines this behaviour.

*“...My supervisor and I can't just come up with any pricing strategy... It is required to have information from other related departments.... So, my supervisor [Assistant Managing Director of Sales Management Division] is the one who initiates and tries to lead and coordinate with all related departmental heads [e.g. Sales Management Department, Marketing Department, Research and Development Department, Community Research and Development Department] to discuss sales management strategy especially pricing strategy so that we can have competitive pricing over our competitors...”* (Departmental Manager, Sales Management Department, Sales Management Division of Lumpini Property Management subsidiary, LPN Corporation)

Even though the structural power has influence on all interaction patterns which emerged in this strategic planning link type 4, the collaborative development of cross-organisational strategic plans taking place in strategic planning link type 4 still acted as a decentralised mechanism for the horizontal process. The cross-organisational strategic plans are formulated in order to mitigate silo thinking that is found in the vertical view of strategic planning. Similar to strategic planning link type 3, the horizontal view of strategic planning captured by the interaction patterns in this strategic planning link type 4 also provides the ability to strengthen strategic integration and alignment throughout organisations. In parallel, the collaborative development of cross-organisational strategic plans in strategic planning link type 4

also acted as a decentralised mechanism for the bottom-up process in which the plans were eventually fed back into the upper line of command for review and approval. One of the strategy practitioners at frontline management level elaborated on this characteristic.

*“... It is my job to provide R&D information [e.g. survey results of customer expectation of location selection], and recommend how we should position LPN in the market, to Deputy Managing Director of Project Management Division... During our [planning] meeting, we discuss and determine the project management strategy”* (Departmental Manager, Corporate R&D Department, LPN Corporation)

#### **4.6 STRATEGIC PLANNING LINK TYPE 5 ANALYSIS**

Strategic planning link type 5 represents the strategic planning activities linkage between inter-organisations. Primarily, the organisational units, which interact within this strategic planning link type 5, mutually share common interests and one party attempts to support the other party. In both case study organisations, an inter-organisational strategic planning exercise particularly for strategic planning link type 5 usually took place at the frontline management level. The strategy practitioners, who organised inter-organisational strategic planning exercises for strategic planning link type 5, essentially share common functional objectives.

The number of studies of strategic planning link type 5 for LPN Corporation and TPA Corporation was 24 and 1 links respectively. Moderate numbers of strategic planning link type 5 existed between organisational units as shown in Table 18. Strategic planning link type 5 mainly occurred at frontline management level and middle management level. For example, project managers in the project management department informally and formally have planning exercises with representatives from their suppliers and contractors.

Table 18: Sample of strategic planning link type 5 by organisational units and levels

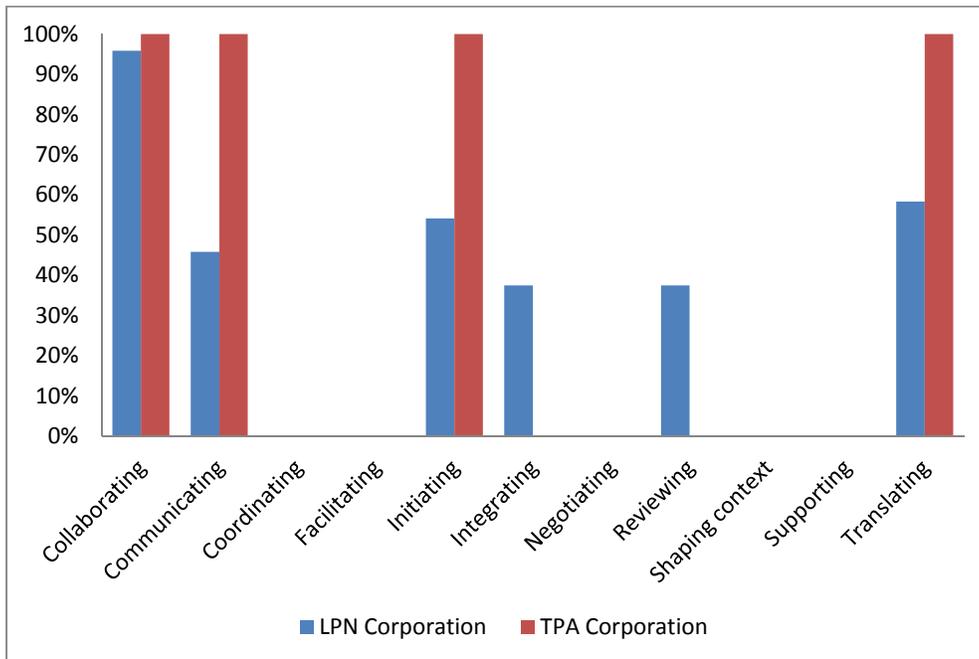
<b>Organisational Structure Type</b>	<b>Organisational Unit</b>	<b>Inter-Organisational Unit</b>
Corporate-based functional level and Embedded departmental level	Corporate Revenues & Finance unit	The Banks
Competency-based unit and Embedded departmental level	Project Management Division	Suppliers and Contractors
	Project Management Department	Suppliers and Contractors
	Standards & QC Department	Suppliers and Contractors
	Finance Department	The Banks

#### **4.6.1 Strategising Practices in Strategic Planning Link Type 5 in relation to Different Organisational Contexts**

In the high level view, as shown in Figure 24, the strategising practices of *collaborating, communicating, initiating, integrating, reviewing* and *translating* were the dominant practices adopted by strategy practitioners in strategic planning link type 5 at both LPN Corporation and TPA Corporation. I proceeded to perform a statistical test based on a Fisher's Exact test to examine the relationship between strategic planning link type 5 and organisational contexts. The Fisher's Exact test is appropriate for the small sample that I had in the strategic planning link type 5. The test result suggested that there was no statistical difference between the prevalence of strategising practices adopted by strategy practitioners at both LPN Corporation and TPA Corporation in the strategic planning link type 5. This means that strategy practitioners at both organisations regardless of the prevalence of a corporate

planning department equally tended to adopt the same degree of all practices in strategic planning link type 5.

Even though there was only one study for strategic planning link type 5 found at TPA Corporation, the interview data showed that the planning department did not have a strong influence on the planning process in the strategic planning link type 5. Specifically, the strategy practitioners who assumed the role of frontline management level are the key actor positions participating in the strategic planning link type 5. They interacted with an external party without involvement from the planning department. The details of absolute frequencies of practices adopted in strategic planning link type 5 for statistical test can be found in Table 19.



Statistically Significant Differences (Fisher's Exact Test)*	
Strategising Practices in Strategic Planning Link Type 5	LPN Corporation vs. TPA Corporation
Collaborating	NS <sup>F</sup>
Communicating	NS <sup>F</sup>
Coordinating	–
Facilitating	–
Initiating	NS <sup>F</sup>
Integrating	NS <sup>F</sup>
Negotiating	–
Reviewing	NS <sup>F</sup>
Shaping context	–
Supporting	–
Translating	NS <sup>F</sup>

\* $p < .05$ ; \*\* $p < .01$ ; NS = Not Significant ;  $N = 24$  for LPN Corporation and  $N = 1$  for TPA Corporation; '–' = No data able to be computed; F = Fisher's Exact Test

Figure 24: Percentage frequencies of practices adopted in strategic planning link type 5 for all actor positions in relation to different organisational contexts

Table 19: Absolute frequencies of strategising practices in strategic planning link type 5 by actor positions and organisations

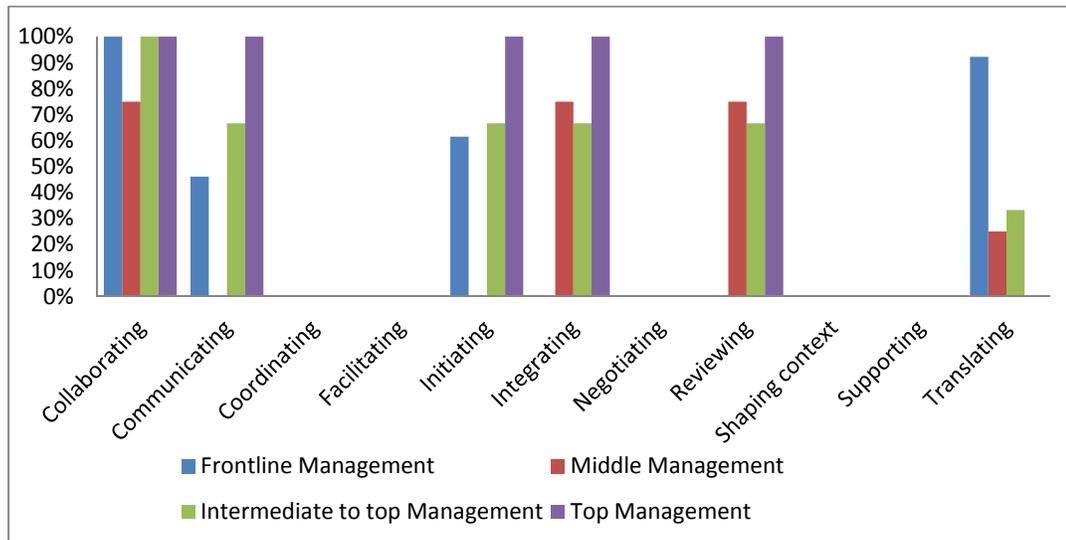
Strategic Planning Link Type 5		Collaborating	Communicating	Coordinating	Facilitating	Initiating	Integrating	Negotiating	Reviewing	Shaping context	Supporting	Translating	Number of Studies
LPN Corporation													
	Frontline management	12	5	0	0	7	0	0	0	0	0	11	12
	Middle management	3	0	0	0	0	3	0	3	0	0	1	4
	Intermediate to top management	6	4	0	0	4	4	0	4	0	0	2	6
	Top management	2	2	0	0	2	2	0	2	0	0	0	2
TPA Corporation													
	Frontline management	1	1	0	0	1	0	0	0	0	0	1	1
	Middle management	0	0	0	0	0	0	0	0	0	0	0	0
	Intermediate to top management	0	0	0	0	0	0	0	0	0	0	0	0
	Top management	0	0	0	0	0	0	0	0	0	0	0	0

I then probed deeper into how different actor positions adopted different strategising practices in strategic planning link type 5. The interview data suggested that frontline management and middle management were the key actor positions participating in strategic planning link type 5. Due to the small sampling size in the strategic planning link type 5, I continued to perform a Fisher's exact test to examine the differences between various actor positions adopting strategising practices. As shown in Figure 25, differences in actor positions between frontline management and middle management were significantly related to differences in prevalence of the practices of *integrating*, *reviewing* and *translating*. Differences in actor positions between frontline management and

intermediate to top management were significantly related to differences in prevalence of the practices of *integrating*, *reviewing* and *translating*. Differences in actor positions between frontline management and top management were significantly related to differences in prevalence of the practices of *integrating*, *reviewing* and *translating*. The strategy practitioners who assumed the role of top management were significantly more likely to adopt the practices of *integrating* and *reviewing* than those who assumed the other roles. However, the strategy practitioners who assumed the role of frontline management were significantly more likely to adopt the practice of *translating* than those who assumed the other roles.

Furthermore, as evident in Figure 25, the strategy practitioners at both organisations assumed all actor positions, adopting the practices of *collaborating* and *communicating* with external parties in order to develop quasi-shared strategic plans at different organisational levels. For example, the corporate finance division interacts with the banks in order to develop co-organisational financial strategic plans together. Specifically, the banks have increasingly shown their interest in LPN Corporation's corporate affairs especially during financial crisis conditions. Therefore, the banks become a key player in terms of a high level of interest and power (Johnson, et al., 2003) in which the increase of interest of the banks makes LPN Corporation's corporate finance division actively involve them in strategic planning. This situation underlines the perception of strategic planning as the key mediation for involving strategic alliance into the company's strategic planning in order for the company to be able to adapt for dynamic changes. Chief Financial Officer of LPN Corporation explained the strategic planning involvement with the banks as captured in the strategic planning link type 5's characteristic.

*“...My staff and I [throughout the Corporate Finance Division] need to manage the communication between our company and the banks. We met with them [strategic planning episode] and advised them how we strategically select locations, products and brands for each project... We need to listen to what they think and assure them that our projects can result in a profit. I always emphasise to my staff to proactively communicate with the banks... This is the must-do thing, not just wait for them to ask us.”* (Executive Director and Chief Financial Officer of LPN Corporation)



Statistically Significant Differences (Chi-Squared Tests)*						
Strategising Practice	Frontline vs Middle	Frontline vs Intermediate to top	Frontline vs Top	Middle vs Intermediate to top	Middle vs Top	Intermediate to top vs Top
Collaborating	NS <sup>F</sup>	–	–	NS <sup>F</sup>	NS <sup>F</sup>	–
Communicating	NS <sup>F</sup>	NS <sup>F</sup>	NS <sup>F</sup>	NS <sup>F</sup>	NS <sup>F</sup>	NS <sup>F</sup>
Coordinating	–	–	–	–	–	–
Facilitating	–	–	–	–	–	–
Initiating	NS <sup>F</sup>	NS <sup>F</sup>	NS <sup>F</sup>	NS <sup>F</sup>	NS <sup>F</sup>	NS <sup>F</sup>
Integrating	** <sup>F</sup>	** <sup>F</sup>	* <sup>F</sup>	NS <sup>F</sup>	NS <sup>F</sup>	NS <sup>F</sup>
Negotiating	–	–	–	–	–	–
Reviewing	** <sup>F</sup>	** <sup>F</sup>	* <sup>F</sup>	NS <sup>F</sup>	NS <sup>F</sup>	NS <sup>F</sup>
Shaping context	–	–	–	–	–	–
Supporting	–	–	–	–	–	–
Translating	** <sup>F</sup>	* <sup>F</sup>	* <sup>F</sup>	NS <sup>F</sup>	NS <sup>F</sup>	NS <sup>F</sup>

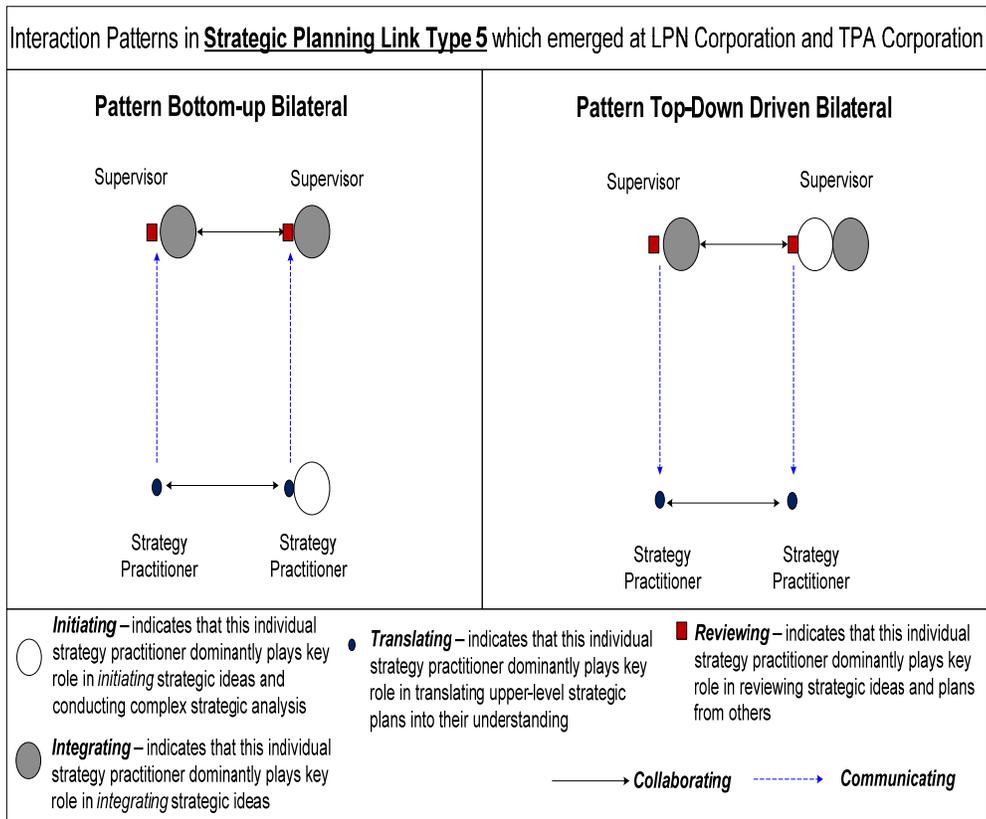
\* $p < .05$ ; \*\* $p < .01$ ; NS = Not Significant ;  $N = 13$  for frontline management,  $N = 4$  for middle management,  $N = 6$  for intermediate to top management and  $N = 2$  for top management; ‘–’ = No data able to be computed; F = Fisher’s Exact Test

Figure 25: Percentage frequencies of practices adopted in strategic planning link type 5 for all actor positions (combined data from both organisations)

#### **4.6.2 Interaction Patterns in Strategic Planning Link Type 5 in relation to Different Organisational Contexts**

I continued to explore the relationship between the use of strategising practices and its interaction patterns among the strategy practitioners within the planning processes. I used a similar approach to principally identify the interaction between strategy practitioners and supervisors. By examining the hierarchical links between those practitioners in the process, most incidences of strategic planning relationship could be mapped onto one or more of two interaction patterns as shown in Figure 26. Figure 26 shows the interaction patterns, number, and frequencies which emerged within strategic planning link type 5 at LPN Corporation and TPA Corporation.

In addition, those interaction patterns are not mutually exclusive and can be adopted by the same strategy practitioners in different strategic episodes or a different planning exercise. For example, one strategy practitioner could adopt Pattern Bottom-up Bilateral with one external party in a specific strategic episode and can adopt Pattern Top-down Driven Bilateral in another strategic episode or with the other external parties. The data presented here suggested that different interaction patterns may correspond to different sets of strategising practices. Moreover, the interaction patterns embedded in the strategic planning link type 5 seem to have their own dynamics of agency and power issues related to the different actor positions. In the discussion, I provided some examples of the kinds of agency and power related issues raised by the patterns, based on qualitative evidence obtained from interviews.



Interaction patterns emerged in strategic planning link type 5	Number and frequency of interaction patterns emerged by organisation			
	LPN Corporation		TPA Corporation	
	<i>N</i>	%	<i>N</i>	%
Pattern Bottom-up Bilateral	11	92%	13	100%
Pattern Top-Down Driven Bilateral	1	8%	-	-

Figure 26: The interaction patterns in strategic planning link type 5

The full description of each interaction pattern in this strategic planning link type 5 is outlined below.

### Pattern Bottom-up Bilateral

This interaction pattern was captured earlier in the strategic planning link types 1, 3 and 4. Similarly, this interaction pattern applies to the relationship in which a strategy practitioner initiates strategic ideas and has the other external strategy practitioner collaboratively come up with co-organisational strategic plans for creating strategic integration between two organisations. Those plans are communicated to each practitioner's supervisor and the supervisors of those practitioners also collaborate with each other to review and integrate the plans. In addition, the strategising practices of *collaborating*, *communicating*, *initiating*, *integrating*, *reviewing* and *translating* are the dominant practices in this pattern. Furthermore, this pattern also expresses the attempt to collaborate for strategic integration at the lower level of organisation. The sample of narrative of the interaction pattern elaborated by one of frontline management is outlined below.

*“... We cannot just work by ourselves. One of our project management strategies is to have good strategic alliances... So, each project manager works closely with the suppliers and contracts. ... We normally sit down, discuss and develop plans together... Involving our strategic alliances to understand what we want to achieve is really effective and it has been already proven that we can complete our projects faster and cheaper than our competitors...”* (Project Manager of Project Management Department, Lumpini Project Management Services subsidiary)

## Pattern Top-Down Driven Bilateral

This interaction pattern is moderately similar to the Pattern Bottom-up Bilateral. The main difference is that supervisors of different organisations play the key roles in *initiating*, *collaborating* and *communicating* co-organisational strategic plans within this interaction pattern for creating strategic integration between two organisations. The supervisors also attempt to communicate the co-organisational strategic plans to their subordinates in order to promote collaboration at the lower level of organisations. In addition, the strategising practices of *collaborating*, *communicating*, *initiating*, *integrating*, *reviewing* and *translating* are the dominant practices in this pattern. The sample of narrative of the interaction pattern elaborated by one of frontline management is outlined below.

*“...We [Corporate Finance Division] need to formulate [corporate financial] strategies in terms of reject rate and liquidity management... I sat down and discussed with manager[s] from the banks how to reduce the reject rate. I therefore agreed with the banks to set the criteria and conditions to monitor the financial performance of our potential co-owners. I also agreed with the banks to set up the total suite of banking services in our condominium. For instance, the banks will provide ATM and pre-credit check and post-finance to our potential co-owners. Especially, the banks will allow a mortgage to the potential co-owner before the completion of paper work... I then asked my finance manager to follow up what I discussed with the banks and to make it happen...”* (Executive Director and Chief Financial Officer of LPN Corporation)

The emergence of interaction patterns in the strategic planning link type 5 revealed that, during the strategic planning interactions, the development of shared inter-organisational strategic plans were mainly the focal point. The interview data suggested that those organisational units in this strategic planning link type 5 have focused on the common and shared functional interests and attempted to establish synergy between inter-organisational units. Furthermore, the collaborative development of shared inter-organisational strategic plans taking place in strategic planning link type 5 acted as a decentralised mechanism for the horizontal process and bottom-up process in which the plans were eventually fed back into the upper line of command for review and approval. On the contrary, top management level was not highly involved in or part of the strategic planning link type 5. I found that strategic planning link type 5 tended to occur at the functional and divisional levels in the M-form based organisations. This characteristic also supported the diffusion of decentralised and quasi-independent strategic planning at the lower level of organisations in order to respond and adapt quickly to external changes.

#### 4.7 ANALYSIS OF INTERACTION SCHEMES ACROSS ORGANISATIONAL CONTEXTS

The analysis of interaction patterns in each type of strategic planning links has formed thirteen interaction patterns in total across the multi-level and multi-unit strategic planning. Some of the interaction patterns occurred in more than one type of strategic planning link. I continued to explore the commonality and differences across those thirteen interaction patterns in relation to strategising practices and type of strategic planning link. Table 20 is the summary data that I used for analysis. I found that these thirteen interaction patterns can be grouped together because they are associated with and dominated by some dominant practices, type of strategic planning link, and nature of strategy practitioners involved.

Firstly, I proceeded to separate the interaction patterns – that have bilateral characteristics of two-sided interactions between strategy practitioners from two different organisational levels or units – out from the rest of the interaction patterns. I was able to group five patterns: Pattern Bottom-up Bilateral, Pattern Top-down Driven Bilateral, Pattern Planning Supportive Bilateral, Pattern Planning Coordinated Bilateral, and Pattern Bottom-up Communicative together and called this group the “Bilateral Scheme”. The main characteristic of the Bilateral Scheme is that a strategy practitioner initiates strategic ideas and works collaboratively with the others to come up with shared strategic plans between two organisational levels or units. The practices of *collaborating*, *translating*, *initiating* and *communicating* are the dominant practices embedded in the Bilateral Scheme.

I continued to probe into the rest of the interaction patterns eight patterns, three of which have the practice of *facilitating* as a dominant practice which is not embedded in the other interaction patterns. The three patterns are Pattern Bottom-up Driven Cohesive, Pattern Bottom-up Dominant Cohesive, and Pattern Top-down Cohesive Facilitation. I then grouped these three patterns together and called this group the “Cohesive Facilitation Scheme”. The main characteristic of this scheme is that a focal individual initiates and facilitates strategic planning with a group of strategy practitioners to establish strategic integration and alignment between organisational units and develop collaborative strategic plans. The focal individual adopts the practice of *facilitating* as their dominant practice.

After that, I proceeded to examine the remaining five interaction patterns in more detail, whether they can be grouped together or not. However, after my careful analysis, I found that the two remain interaction patterns – Pattern Bottom-up Driven Coordination and Pattern Planning Coordination Derivative – are intuitively and solely adopted by strategy practitioners participating in strategic planning link type 4 (see Section 4.5.2 and Figure 23 in more detail). Furthermore, these two interaction patterns have the practices of *coordinating*, *collaborating*, *communicating* and *translating* as dominant practices. More importantly, the degree of practice of *collaborating* is relatively high and adopted together with the other dominant practices in these two interaction patterns, whereas the last three interaction patterns – Pattern Top-bottom-up Driven Cohesive, Pattern Top-down Communicative, and Pattern Top-down Communicative Coordination – do not have this attribute. These last three interaction patterns have the practices of *shaping context*, *reviewing*, *integrating* and *communicating* as dominant practices.

Consequently, I decided to group Pattern Bottom-up Driven Coordination and Pattern Planning Coordination Derivative together and called it the “Ambassadorial Coordination Scheme”. The main characteristic of this scheme is a focal individual, with higher authority than others in the group but no direct line of command, who coordinates with the others to control and lead planning exercises and forge joint interests between other practitioners. Lastly, I grouped the last three interaction

patterns together (Pattern Top-bottom-up Driven Cohesive, Pattern Top-down Communicative, and Pattern Top-down Communicative Coordination) and called it the “Supervisory Driven Scheme”. The main characteristic of this scheme is that a strategy practitioner in a supervisory role communicates and coordinates a top-down process with their staff with the purpose of communicating higher level strategies and objectives.

In summary, I was able to group those thirteen interaction patterns into four main interaction schemes based on strategising activities, nature of strategy practitioners involved, and type of strategic planning link. The four main interaction schemes are (1) Bilateral Scheme, (2) Ambassadorial Coordination Scheme, (3) Cohesive Facilitation Scheme, and (4) Supervisory Driven Scheme. Figures 27, 28, 29 and 30 show the four main schemes of interaction patterns in multi-level and multi-unit strategic planning.

Table 20: Absolute frequencies of practices by interaction patterns

Schemes of Interaction Patterns	In which type of strategic planning link	Collaborating	Communicating	Coordinating	Facilitating	Initiating	Integrating	Negotiating	Reviewing	Shaping context	Supporting	Translating	Numbers of Studies
Pattern Bottom-up Bilateral	1,3,4 and 5	126	79	0	0	118	18	0	18	0	0	133	160
Pattern Top-Down Driven Bilateral	5	13	6	0	0	6	6	0	6	0	0	7	13
Pattern Planning Coordinated Bilateral	4	0	9	11	0	12	11	12	11	11	0	12	24
Pattern Planning Supportive Bilateral	4	0	2	0	0	1	0	0	1	0	1	1	2
Pattern Bottom-up Communicative	2	0	17	0	0	17	16	0	16	0	0	17	33
Pattern Bottom-up Driven Coordination	4	11	31	14	0	15	21	13	7	14	0	27	34
Pattern Planning Coordination Derivative	4	2	12	11	0	4	11	4	11	11	0	4	16

Table 20: Absolute frequencies of practices by interaction patterns (continued)

Schemes of Interaction Patterns	In which type of strategic planning link	Collaborating	Communicating	Coordinating	Facilitating	Initiating	Integrating	Negotiating	Reviewing	Shaping context	Supporting	Translating	Numbers of Studies
Pattern Bottom-up Driven Cohesive	1 and 3	13	13	0	8	14	11	0	1	0	0	15	19
Pattern Bottom-up Dominant Cohesive	3 and 4	35	22	0	24	26	24	0	7	0	0	36	44
Pattern Top-down Cohesive Facilitation	1 and 2	9	0	0	30	25	30	0	29	0	0	9	40
Pattern Top-Bottom-up Driven Cohesive	3	2	3	4	0	4	3	0	4	0	0	4	8
Pattern Top-down Communicative	2	0	63	0	0	40	51	48	55	55	0	48	111
Pattern Top-down Communicative Coordination	2	0	25	76	0	35	75	42	76	76	0	41	120

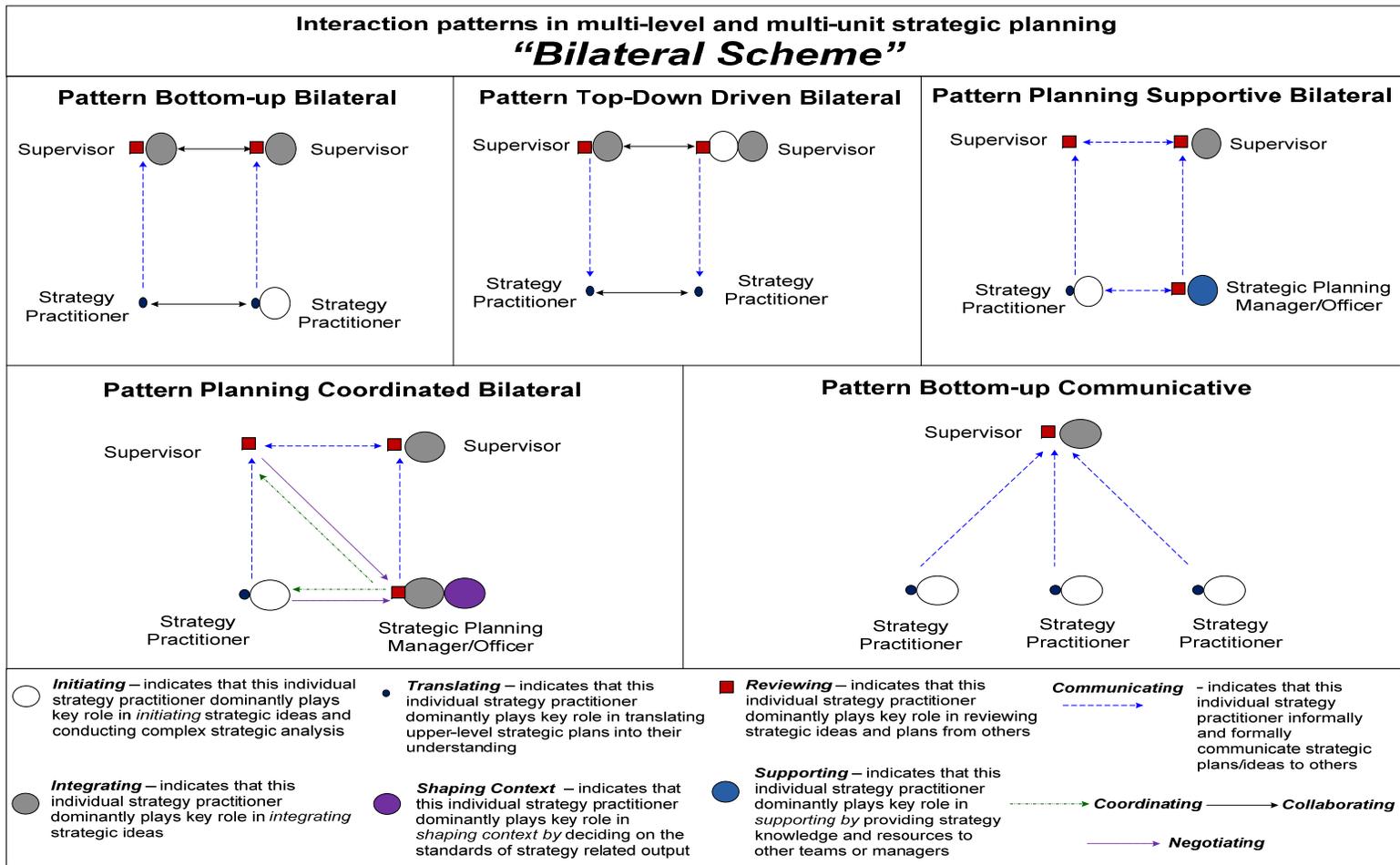


Figure 27: The Bilateral Scheme of interaction patterns in multi-level and multi-unit strategic planning

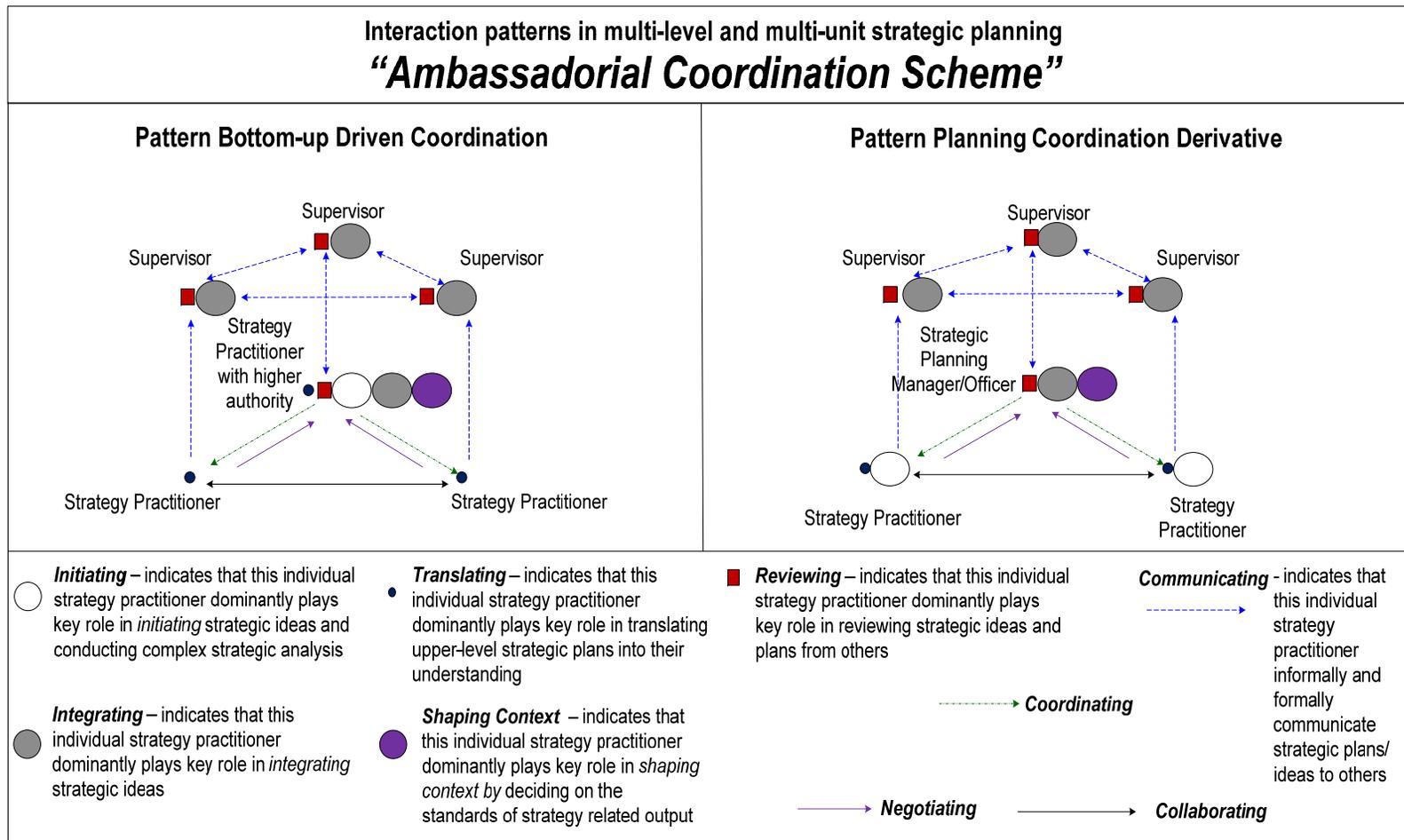
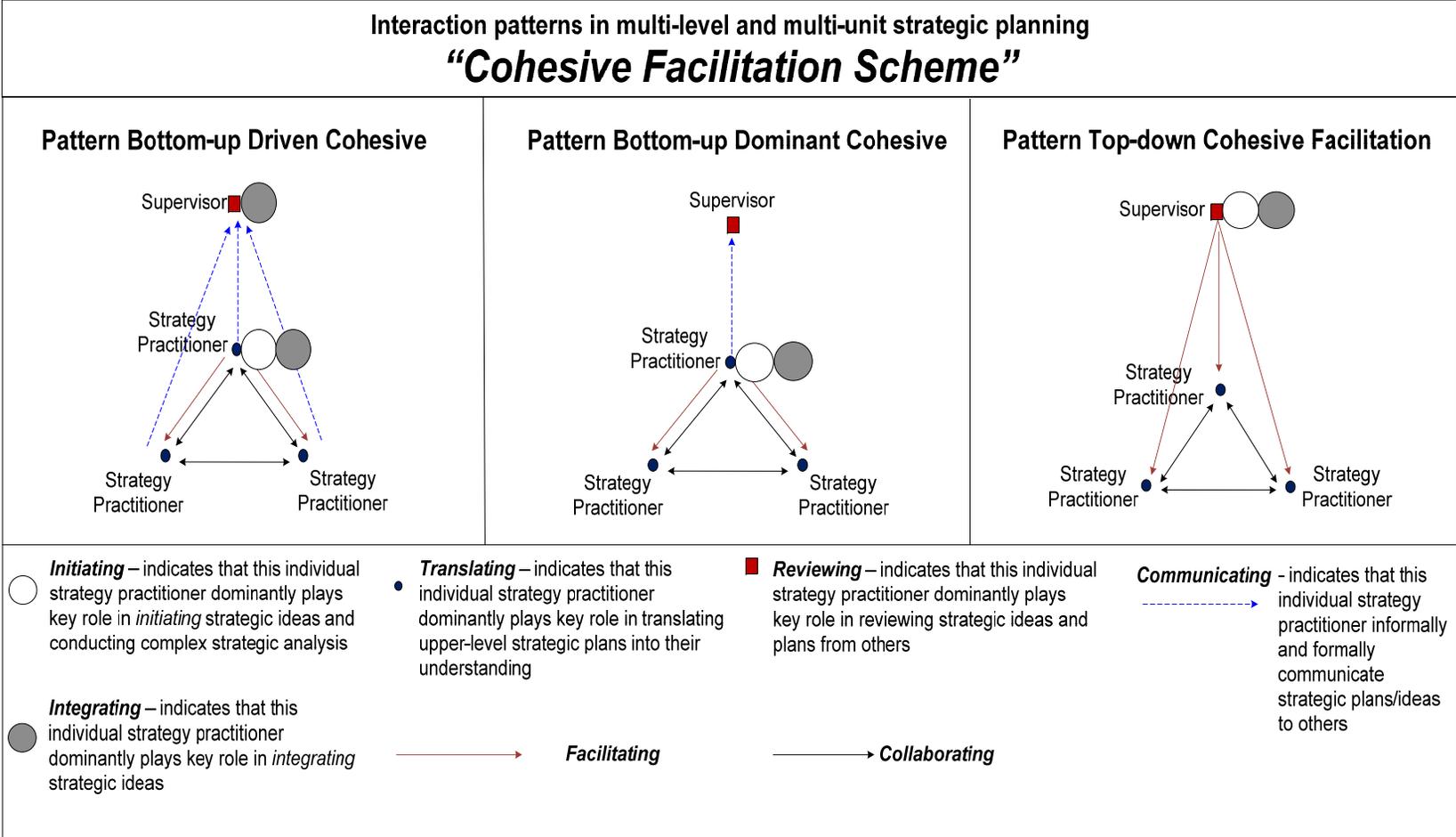


Figure 28: The Ambassadorial Coordination Scheme of interaction patterns in multi-level and multi-unit strategic planning



**Figure 29:** The Cohesive Facilitation Scheme of interaction patterns in multi-level and multi-unit strategic planning

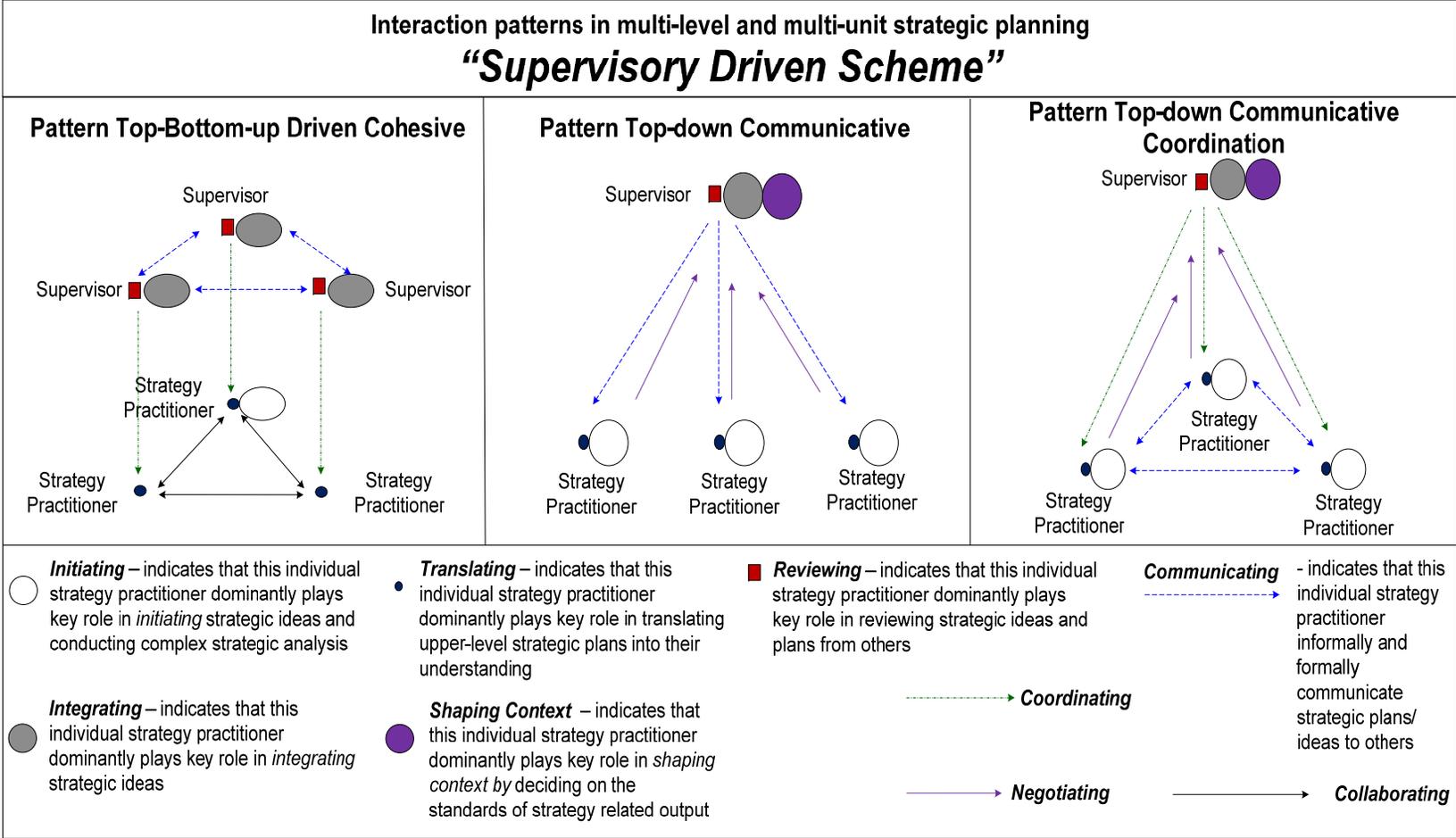


Figure 30: The Supervisory Driven Scheme of interaction patterns in multi-level and multi-unit strategic planning

After grouping those thirteen interaction patterns into four main interaction schemes, I then re-examined the relationship between the four key pattern schemes and strategising practices. This is to validate if different pattern schemes encompass different strategising practices due to distinct grouping characteristics. At this stage, it is important to re-emphasise that only one occurrence of practice of *supporting* was captured from both primary cases. Given this, I therefore do not include the practice of *supporting* in the four main interaction schemes as there seems to be no empirical generality for the practice of *supporting* within the cases. I discuss in detail why there were so few occurrences of this phenomenon in Section 6.2.3.

As illustrated in Figure 31 and Table 21, I found that there was a statistically significant relationship between the type of interaction schemes and strategising practices (significant at  $p < .01$ ). This means that each interaction scheme is independent of one another based on strategising practices. The follow-up post hoc tests including Fisher's Exact test were conducted in order to examine relationships between interaction schemes and strategising practices in more detail. I found that the results from follow-up post hoc tests are consistent with the results when I grouped those four main interaction schemes in the first place.

Furthermore, the practice of *collaborating* occurs widely in the Bilateral Scheme and the Cohesive Facilitation Scheme (59.9% and 55.3% respectively), whereas it occurs much less in the supervisory driven scheme (0.8%). The practice of *communicating* occurs extensively in the Ambassadorial Coordination Scheme (88%). It also occurs significantly across the rest of the interaction schemes. The practices of *coordinating* and *shaping context* occur widely in the Ambassadorial Coordination Scheme and the Supervisory Driven Scheme, whereas they occur much less in the other two interaction schemes. The practice of *facilitating* occurs only in the Cohesive Facilitation Scheme. The practice of *initiating* has a high occurrence in the Bilateral Scheme and the Cohesive Facilitation Scheme (66.4% and 63.1% respectively). The practice of *integrating* occurs widely in the Ambassadorial Coordination Scheme and the Cohesive Facilitation Scheme (64%

and 63.1% respectively). The practice of *negotiating* occurs relatively often in the Ambassadorial Coordination Scheme and the Supervisory Driven Scheme (36% and 37.7% respectively). The practice of *reviewing* has a high occurrence in the Supervisory Driven Scheme (56.5%). The practice of *translating* significantly occurs in the Bilateral Scheme and the Ambassadorial Coordination Scheme (73.3% and 64% respectively).

In summary, the practices of *collaborating*, *translating*, *initiating* and *communicating* are the dominant practices embedded in the Bilateral Scheme (59.9%, 73.3%, 66.4% and 48.7% of numbers of studies respectively). The practices of *facilitating*, *initiating*, *integrating*, *translating* and *collaborating* are the dominant practices embedded in the Cohesive Facilitation Scheme (60.2%, 63.1%, 63.1%, 58.3% and 55.3% of numbers of studies respectively). The practices of *communicating*, *coordinating*, *integrating*, *shaping context* and *translating* are the dominant practices embedded in the Ambassadorial Coordination Scheme (88%, 50%, 64%, 50% and 64% of numbers of studies respectively). The practices of *shaping context*, *reviewing* and *integrating* are the dominant practices embedded in the Supervisory Driven Scheme (54.8%, 56.5% and 54% of numbers of studies respectively).

From these aforementioned findings, it is suggested that the grouping of four interaction schemes could qualitatively and quantitatively represent the thirteen interaction patterns which emerged. In the next chapter, I continued to examine a reciprocal relationship of the pattern schemes in relation to strategising practices, actor positions and types of strategic planning links in multi-level and multi-unit strategic planning taking place at both organisations in more detail. The statistical tests for examining the relations between those components were also carried out.

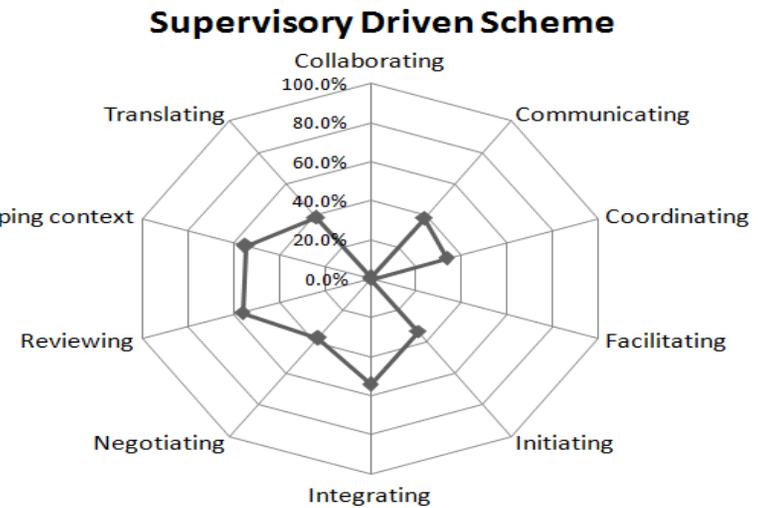
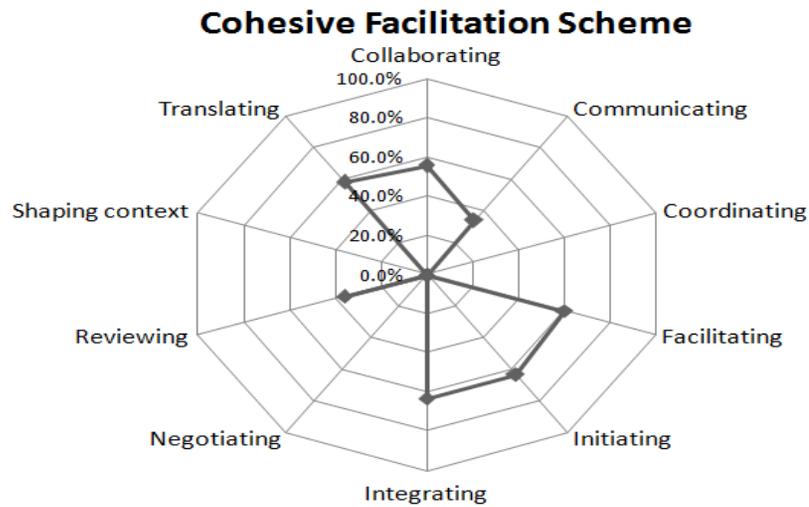
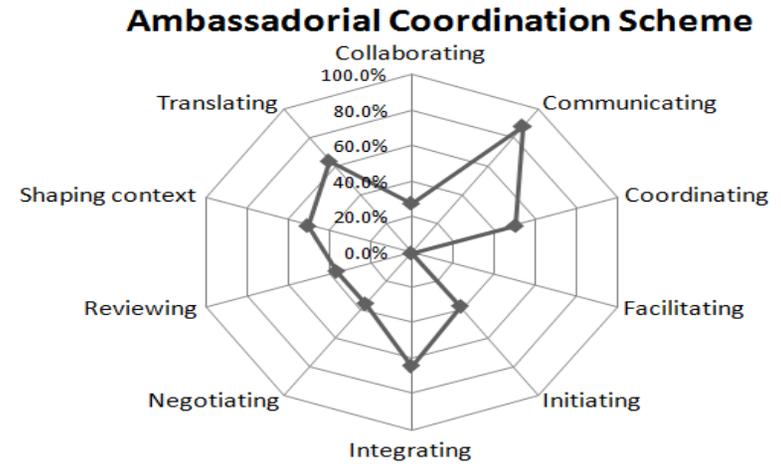
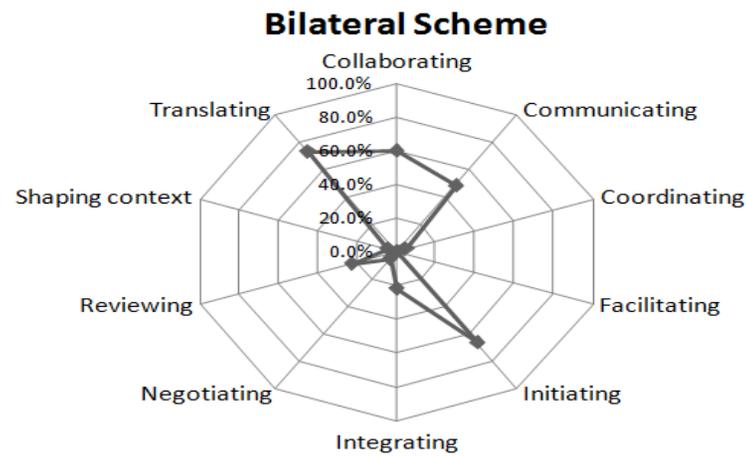


Figure 31: Spider diagram of percentage of frequencies of practices by pattern schemes

**Table 21:** Absolute frequencies and percentage of frequencies of practice by pattern schemes and statistically significant differences

Schemes of Interaction Patterns	Collaborating	Communicating	Coordinating	Facilitating	Initiating	Integrating	Negotiating	Reviewing	Shaping context	Translating	Numbers of Studies
Bilateral Scheme	139 (59.9%)	113 (48.7%)	11 (4.7%)	0 (0.0%)	154 (66.4%)	51 (22.0%)	12 (5.2%)	52 (22.4%)	11 (4.7%)	170 (73.3%)	232
Ambassadorial Coordination Scheme	14 (28.0%)	44 (88.0%)	25 (50.0%)	0 (0.0%)	19 (38.0%)	32 (64.0%)	18 (36.0%)	18 (36.0%)	25 (50.0%)	32 (64.0%)	50
Cohesive Facilitation Scheme	57 (55.3%)	35 (34.0%)	0 (0.0%)	62 (60.2%)	65 (63.1%)	65 (63.1%)	0 (0.0%)	37 (35.9%)	0 (0.0%)	60 (58.3%)	103
Supervisory Driven Scheme	2 (0.8%)	91 (38.1%)	80 (33.5%)	0 (0.0%)	79 (33.1%)	129 (54.0%)	90 (37.7%)	135 (56.5%)	131 (54.8%)	93 (38.9%)	239

**Table 21:** Absolute frequencies and percentage of frequencies of practice by pattern schemes and statistically significant differences (continued)

<b>Statistically Significant Differences (Chi-Square Test)*</b>						
Strategising practice	Bilateral vs. Ambassadorial Coordination	Bilateral vs. Cohesive Facilitation	Bilateral vs. Supervisory Driven	Ambassadorial Coordination vs. Cohesive Facilitation	Ambassadorial Coordination vs. Supervisory Driven	Cohesive Facilitation vs. Supervisory Driven
Collaborating	**	NS	**	**	** <sup>F</sup>	**
Communicating	**	*	*	**	**	NS
Coordinating	**	* <sup>F</sup>	**	**	*	**
Facilitating	—	**	—	**	—	**
Initiating	**	NS	**	**	NS	**
Integrating	**	**	**	NS	NS	NS
Negotiating	**	* <sup>F</sup>	**	**	NS	**
Reviewing	*	*	**	NS	*	**
Shaping context	**	* <sup>F</sup>	**	**	NS	**
Translating	NS	**	**	NS	**	**

\* $p < .05$ ; \*\* $p < .01$ ; NS = Not Significant ;  $N = 232, 50, 103$  and  $239$  for Bilateral, Ambassadorial Coordination, Cohesive Facilitation, and Supervisory Driven Schemes respectively (combined data from LPN and TPA cases) ; ‘—’ = No data able to be computed; F = Fisher’s Exact test due to expected cell frequencies too small for chi-squared test)

## 4.8 CONCLUSION

In this chapter, I presented the results of the study that probes deep into each type of strategic planning link defined in Chapter three. I began to analyse an emergence of strategising practices adopted by different actor positions throughout multi-level and multi-unit strategic planning in the two M-form based firms. After that, I analysed and presented the findings of relationships between strategising practices and each type of strategic planning link. I proceeded to capture the emergence of thirteen interaction patterns that actor positions intuitively adopt during strategic planning exercises in relation to their strategising practices. I moved to perform qualitative and quantitative analysis to understand the relationship between interaction patterns and strategising practices adopted by different actor positions in each type of strategic planning. Lastly, I continued to group those thirteen interaction patterns into four main interaction schemes in terms of common interactive characteristics and strategising practices adopted: (1) Bilateral Scheme, (2) Ambassadorial Coordination Scheme, (3) Cohesive Facilitation Scheme, and (4) Supervisory Driven Scheme.

In the next chapter, I probe deeper into the relationships between interaction schemes, strategising practices, actor positions and types of strategic planning links in order to understand interaction dynamics in the multi-level and multi-unit planning environment.

## **CHAPTER 5**

### **CASE ANALYSIS BY INTERACTION SCHEMES**

This chapter builds on the previous chapter as it presents the results of the study that deeply examines the relationships between interaction schemes, strategising practices, actor positions and types of strategic planning links. The aims of this chapter are to explore relationships between four main interaction schemes, strategising practices, actor positions and types of strategic planning links, in order to understand interaction dynamics in the multi-level and multi-unit planning environment. The understanding of how different actor positions participating in different types of strategic planning links essentially and intuitively adopt which kind of interaction schemes is also presented. The chapter begins with discussion about the reciprocal relationships of the multi-level and multi-unit strategic planning activity. After that, the qualitative and quantitative findings of the relationships between interaction schemes, strategising practices, actor positions and types of strategic planning links are presented.

#### **5.1 THE DEVELOPMENT OF MULTI-LEVEL AND MULTI-UNIT STRATEGIC PLANNING ACTIVITY MODEL**

I continued to present the findings by viewing the data as a large sample captured from both primary case study organisations, and then by describing the relationships between interaction schemes, strategising practices, actor positions and types of strategic planning links based on qualitative and quantitative analysis. According to the findings from Chapter 4 regarding the relationships between interaction schemes, strategising practices, actor positions and types of strategic planning links, these four components seem necessary to be able to establish reciprocal relationships. Actor positions participate and enact differently in each type of strategic planning link. In parallel, interaction schemes are bonded with different sets of strategising practices. Therefore, I was able to derive reciprocal relationships of the multi-level and multi-unit strategic planning activity model as

shown in Figure 32. The main feature of this conceptual relationship is to offer a new perspective for understanding how different actor positions interact with each other in multi-level and multi-unit strategic planning. The different actor positions interacting with each other in the different types of strategic planning links tended to intuitively adopt different interaction schemes.

Even though I have primarily adopted a qualitative approach to derive the reciprocal relationships, at this stage of analysis, I continued to use the quantitative method to investigate the relationships between the components in the model. Specifically, in order to examine the reciprocal relationships between each component in the model effectively, I viewed the actor positions and types of strategic planning links as independent parameters that can affect the adoption of interaction schemes and strategising practices in multi-level and multi-unit strategic planning. This is because, from the interview data, the actor positions were to participate independently in different types of strategic planning links depending on the level of interdependency between the actor positions themselves. The findings that I present in the following sections can help strategy researchers and practitioners understand how strategy practitioners at different organisational levels interact with each other in multi-level and multi-unit strategic planning.

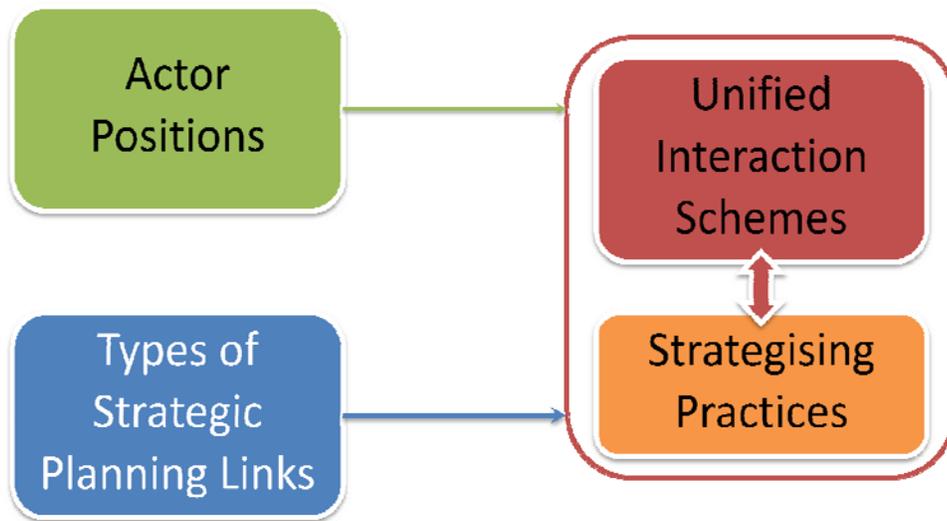


Figure 32: Conceptual summary of reciprocal relationships of the multi-level and multi-unit strategic planning activity model

## **5.2 INTERACTION SCHEMES ANALYSIS BY ACTOR POSITIONS AND TYPES OF STRATEGIC PLANNING LINKS**

I structured this finding section to show how different actor positions participating in each type of strategic planning link intuitively adopted different interaction schemes in the multi-level and multi-unit strategic planning based on the reciprocal relationships in Figure 32. In other words, the presentation of the findings was based on interaction schemes intuitively adopted by various actor positions within each type of strategic planning link. This structure provided a better understanding of how relationships between the four components in Figure 32 work and gave a better comprehensible view for statistical analysis. The last part in this section summarises the findings according to the relationships between actor positions, types of strategic planning links and interaction schemes.

### **5.2.1 Interaction Schemes Adopted in Strategic Planning Link Type 1**

As shown in Figure 33, the frontline managers and middle managers were the key actor positions participating in strategic planning link type 1. Primarily, they intuitively adopted two interaction schemes, the Bilateral Scheme and the Cohesive Facilitation Scheme within the strategic planning link type 1. The Bilateral Scheme and the Cohesive Facilitation Scheme accounted for 40% and 60% respectively of the total interaction schemes adopted in this planning link.

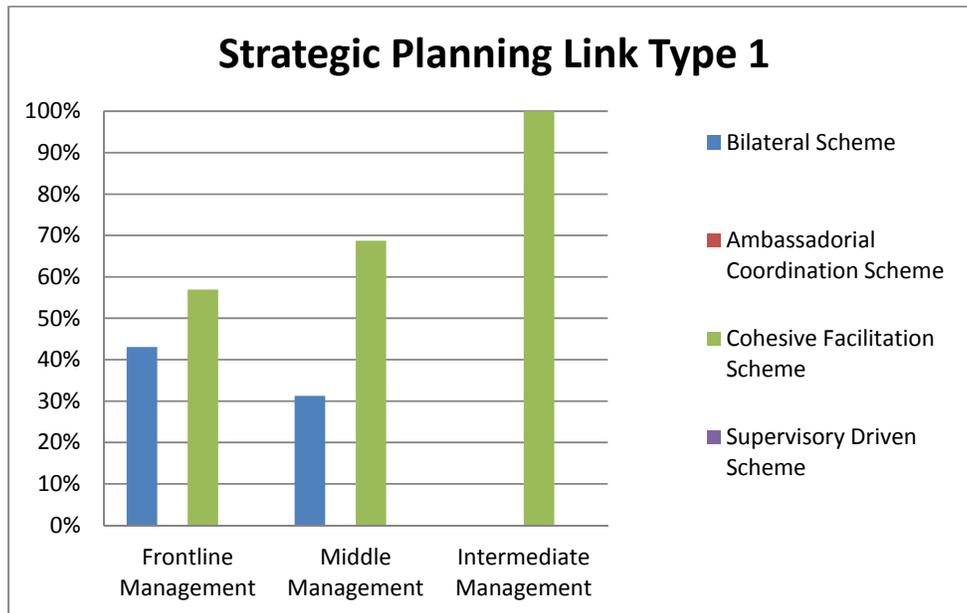
I proceeded to perform a statistical test based on a chi-square test of independence to examine the relationship between actor positions and interaction schemes adopted in strategic planning link type 1. The result of a chi-square test of independence suggested that there was no statistically significant difference between actor positions and prevalence of the Bilateral Scheme and the Cohesive Facilitation Scheme in strategic planning link type 1. The frontline managers and middle managers interact with each other by intuitively adopting the Bilateral Scheme and the Cohesive Facilitation Scheme to the same degree. According to the interview data, the strategy practitioners assuming actor positions as frontline management and middle management tended to intuitively adopt the Bilateral Scheme and the Cohesive Facilitation Scheme with each other within strategic planning link type 1. Nonetheless, the intermediate to top management was rarely involved in strategic planning link type 1, whereas the top management was not involved at all due to the nature of strategic planning link type 1.

Due to the nature of the strategic planning link type 1, strategy practitioners, at similar embedded units and similar organisational levels, mutually shared common interests. The interview data from both LPN Corporation and TPA Corporation suggested similar characteristics as found in the analysis in Section 4.2. Specifically, the lateral relationships between organisational units exist in this strategic planning link type 1. Therefore, the interaction schemes intuitively adopted in this link type 1, the Bilateral Scheme and the Cohesive Facilitation Scheme, acted as horizontal coordination in order to enhance strategic integration

across organisational units that shared the same functional responsibilities. The samples of narrative of the horizontal coordination in the planning link type 1 elaborated by frontline managers are outlined below.

*“... We [project managers] have the same goals [project management goals] and we do not compete with each other. But, we mutually plan things and share information with each other ...”* (Project Manager of Project Management Department, Lumpini Project Management Services subsidiary, LPN Corporation)

*“...My department cannot manage all projects within budget... Project Management Department is the one which directly works with the projects... However, my responsibility is to define the measurement system to control cost... we [with Project Management Department] need to come up with co-plans to make that happen...”* (Departmental Manager of Cost Control Department, Lumpini Project Management Services subsidiary, LPN Corporation)



Absolute number of actor positions participating in strategic planning link type 1	Bilateral Scheme	Ambassadorial Coordination Scheme	Cohesive Facilitation Scheme	Supervisory Driven Scheme
Frontline Management	28	–	37	–
Middle Management	5	–	11	–
Intermediate to top Management	–	–	1	–

Statistically Significant Differences (Chi-Square Test) (NS = Not Statistically Significant)	Bilateral vs. Cohesive Facilitation
Frontline Management vs. Middle Management	NS
Frontline Management vs. Intermediate to top Management	NS
Middle Management vs. Intermediate to top Management	NS

**Figure 33:** Interaction schemes adopted by actor positions in strategic planning link type 1 from both case study sites

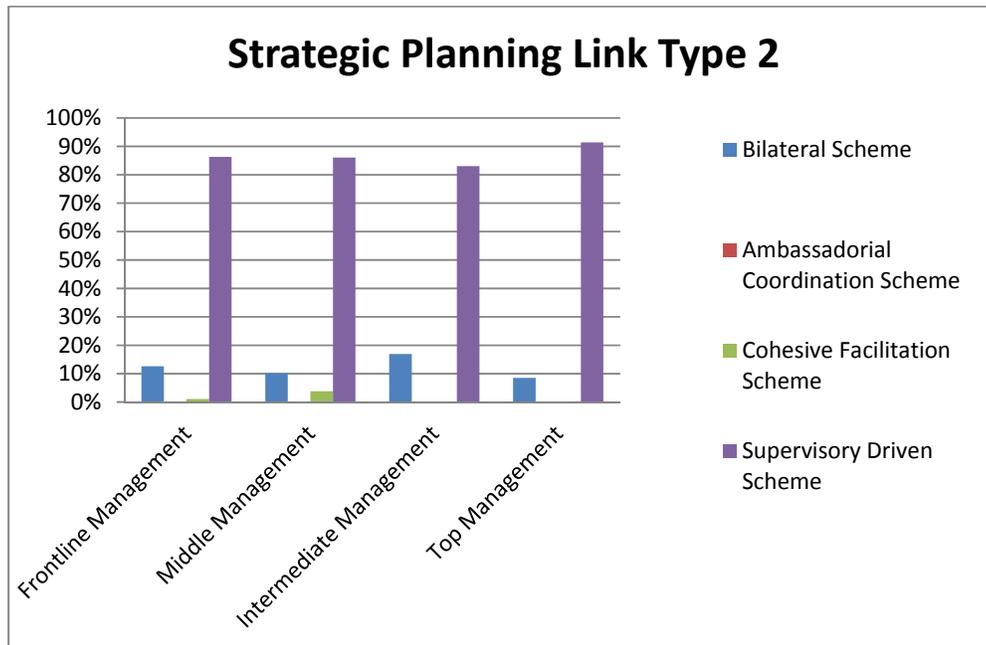
### **5.2.2 Interaction Schemes Adopted in Strategic Planning Link Type 2**

As shown in Figure 34, all management levels were the key actor positions participating in strategic planning link type 2. Primarily, all management levels intuitively adopted the Supervisory Driven Scheme. Specifically, the Supervisory Driven Scheme accounted for 86% of total interaction schemes adopted in this planning link. This finding supported the nature of the top-down approach to strategic planning found in traditional strategic planning practices. However, the Bilateral Scheme was intuitively adopted by 12% of actors in this planning link. This finding also supported the nature of the bottom-up approach to strategic planning found in conventional strategic planning practices. The combination of adopting top-down and bottom-up approaches found in this thesis supported the planned-emergent approach to strategic planning (Grant, 2003). Furthermore, the Supervisory Driven Scheme acted as a vertical view of strategic planning in order to enable strategic integration and alignment across different organisational levels.

I proceeded to perform a statistical test based on a chi-square test of independence to examine the relationship between actor positions and interaction schemes intuitively adopted in strategic planning link type 2. The result of a chi-square test of independence suggested that there was no statistical difference between actor positions in strategic planning link type 2 and prevalence of all schemes. This means that all actor positions tended to intuitively adopt the same degree across interaction schemes. Specifically, the strategy practitioners assuming any actor positions tended to intuitively adopt the Supervisory Driven Scheme and the Bilateral Scheme within strategic planning link type 2.

The interview data from both LPN Corporation and TPA Corporation suggested similar characteristics for strategic planning link type 2. With the nature of the strategic planning link type 2, strategy practitioners, at different organisational levels but similar functions, shared common interests due to their similar functions but to a different degree in terms of organisational hierarchy. The interaction schemes adopted in this link type 2, the Supervisory Driven Scheme and the Bilateral Scheme, acted as vertical coordination in order to enhance strategic integration across organisational levels that shared the same functional responsibilities. This vertical coordination view represents top-down and bottom up approaches to strategic planning found in conventional strategic planning. The sample of narrative of the vertical coordination in the planning link type 2 elaborated by frontline managers is outlined below.

*“...I try to figure out which components of corporate strategy are related to marketing and use those to come up with corporate marketing plans...I need to talk to my supervisor to finalise those plans...Usually, we are discussing quite a lot in order to reach an agreement with each other...”*  
(Marketing Manager of LPN Development Subsidiary, LPN Corporation)



Absolute number of actor positions participating in strategic planning link type 2	Bilateral Scheme	Ambassadorial Coordination Scheme	Cohesive Facilitation Scheme	Supervisory Driven Scheme
Frontline Management	12	–	1	82
Middle Management	8	–	3	68
Intermediate to top Management	10	–	–	49
Top Management	3	–	–	32

Statistically Significant Differences (Chi-Square Test) (NS = Not Statistically Significant)	Bilateral vs. Cohesive Facilitation	Bilateral vs. Supervisory Driven	Cohesive Facilitation vs. Supervisory Driven
Frontline Management vs. Middle Management	NS	NS	NS
Frontline Management vs. Intermediate to top Management	NS	NS	NS
Middle Management vs. Intermediate to top Management	NS	NS	NS

Figure 34: Interaction schemes adopted by actor positions in strategic planning link type 2 from both case study sites

### **5.2.3 Interaction Schemes Adopted in Strategic Planning Link Type 3**

As shown in Figure 35, all management levels were the key actor positions participating in strategic planning link type 3. All management levels primarily and intuitively adopted the Bilateral Scheme and the Cohesive Facilitation Scheme. Specifically, the Bilateral Scheme and the Cohesive Facilitation Scheme accounted for 65% and 28% respectively of total interaction schemes adopted in this planning link. I proceeded to perform a statistical test based on a chi-square test of independence to examine the relationship between actor positions and interaction schemes adopted in strategic planning link type 3. The result of chi-square test suggested that differences in actor positions were significantly related to differences in prevalence of interaction schemes.

The frontline management level and middle management level tended to intuitively adopt the Bilateral Scheme in strategic planning link type 3. The intermediate to top management level tended to intuitively adopt the Bilateral Scheme and the Cohesive Facilitation Scheme in strategic planning link type 3. The top management level tended to intuitively adopt the Cohesive Facilitation Scheme in strategic planning link type 3.

Due to the nature of the strategic planning link type 3, strategy practitioners, at different functions but similar organisational level, did not mutually share common interests due to their different functions and responsibilities. However, the essence of this strategic planning link type 3 is high interdependence between organisational units so that organisational units have incentives to forge common goals, develop cross-organisational plans, and harmonise their activities. The interview data from both LPN Corporation and TPA Corporation suggested similar characteristics as found in the analysis in Section 4.4. Similar to the findings in strategic planning link type 1, the lateral relationships between organisational units exist in this strategic planning link type 3. Therefore, the interaction schemes intuitively adopted in this link type 3, the Bilateral Scheme and the Cohesive Facilitation Scheme, also acted as horizontal coordination in order to enhance

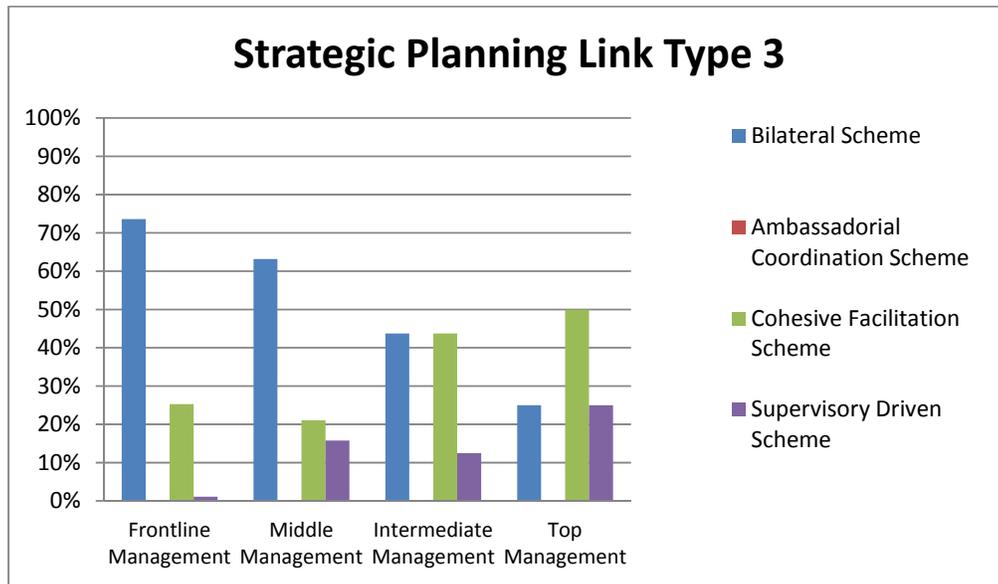
strategic integration across organisational units. The sample of narrative of the horizontal coordination in the planning link type 3 elaborated by intermediate to top management level is outlined below.

*“...We [intermediate to top management level and up] have used the approach of having sort of a council and working group [from different organisational units] to focus on procurement strategy...The chair of this working group is selected [by intermediate to top management level and up] and comes from frontline management level... The role of the chair of the working group is to be able to create synergy and collaboration... He or she has to have the ability to facilitate and encourage people to come up with integrated strategy...”* (SBU Director of School, Education and Publishing SBU, TPA Corporation)

The findings from Section 4.4 particularly suggested that, in both case study sites, the strategy practitioners collectively work with each other as outlined in the Bilateral Scheme in order to formulate cross-unit strategic plans. In addition, the decentralised bilateral patterns of strategic planning have been more prevalent in the M-form organisations regardless of whether or not they have a dedicated corporate planning department. The following narratives demonstrated this situation.

*“... We need to sit down and plan our industrial promotion strategy with Web and Technology Development Department... Our website as a promotional channel is growing very fast to attract business...and it becomes really important... Without them [Web and Technology Development Department], we cannot have good plans to promote our TPA's industrial promotion activities...”* (Departmental Manager of Industrial Promotion and Development Department, TPA Corporation)

*“...My department cannot manage all projects within budget... Project Management Department is the one which directly works with the projects... However, my responsibility is to define the measurement system to control cost... we [with Project Management Department] need to come up with co-plans to make that happen...”* (Departmental Manager of Cost Control Department, Lumpini Project Management Services subsidiary, LPN Corporation)



Absolute number of actor positions participating in strategic planning link type 3	Bilateral Scheme	Ambassadorial Coordination Scheme	Cohesive Facilitation Scheme	Supervisory Driven Scheme
Frontline Management	64	–	22	1
Middle Management	12	–	4	3
Intermediate to top Management	7	–	7	2
Top Management	2	–	4	2

Statistically Significant Differences (Chi-Square Test)*	Bilateral vs. Cohesive Facilitation	Bilateral vs. Supervisory Driven	Cohesive Facilitation vs. Supervisory Driven
Frontline vs. Middle	NS	*	*
Frontline vs. Intermediate to top management	NS	*	NS
Frontline vs. Top management	NS	**	NS
Middle vs. Intermediate to top management	NS	NS	NS
Middle vs. Top management	NS	NS	NS
Intermediate to top management vs. Top management	NS	NS	NS

\* $p < .05$ ; \*\* $p < .01$ ; NS = Not Significant

Figure 35: Interaction schemes adopted by actor positions in strategic planning link type 3 from both case study sites

#### **5.2.4 Interaction Schemes Adopted in Strategic Planning Link Type 4**

As shown in Figure 36, the frontline management, middle management and intermediate to top management levels were the key actor positions participating in strategic planning link type 4. Primarily, all management levels intuitively adopted the Bilateral Scheme and the Ambassadorial Coordination Scheme. Specifically, the Bilateral Scheme and the Ambassadorial Coordination Scheme accounted for 47% and 42% respectively of the total interaction schemes adopted in this planning link.

I proceeded to perform a statistical test based on a chi-square test of independence to examine the relationship between actor positions and interaction schemes intuitively adopted in strategic planning link type 4. Results of a chi-square test of independence suggested that there was no statistical difference between actor positions in strategic planning link type 4 and prevalence of interaction schemes. This means that all actor positions tended to intuitively adopt the same degree across interaction schemes. Particularly, the Bilateral Scheme and the Ambassadorial Coordination Scheme within strategic planning link type 4 were the primary schemes intuitively adopted by the strategy practitioners assuming the roles of frontline management, middle management and intermediate to top management levels.

Even though the Bilateral Scheme and the Ambassadorial Coordination Scheme were intuitively adopted by both case study organisations in this planning link, the notion of interaction schemes naturally adopted by different actor positions at each case study organisation was slightly different. In the Bilateral Scheme, the Corporate Planning Department at TPA Corporation plays a key role in intuitively adopting the scheme in order to encourage strategic integration and alignment between other organisational functions. The following narratives demonstrate bilateral interaction between the corporate planning manager and corporate HR manager that attempt to establish strategic integration and alignment.

*“... I need to ensure all those strategic plans from SBUs, divisions and departments are aligned with each other and with corporate strategy... I discuss those plans with them [each of the heads of organisational units] informally and formally... They usually initiate their strategic plans but then again I need to ensure if those plans are viable and integrated...and many times I need to challenge them to adjust their plans to be more aggressive...”* (Corporate Department Manager of Corporate Planning Department, TPA Corporation)

*“... We initiated our Corporate HR plans... We have the Corporate Planning Department to help review it and to ensure our plans fit with corporate strategy... Most of the times, we [Corporate HR] were challenged by the Corporate Planning Department to revise our plans so that we could both agree...”* (Corporate Departmental Manager of Corporate HR, TPA Corporation)

*“...I need to have Corporate Planning review my financial strategic plans before having my supervisor approve the plans... I usually got questions [from Corporate Planning] about how my plans support other strategies and how to make my plans succeed on time and within budget...”* (Departmental Manager of Finance and Accounting Department, TPA Corporation)

In contrast, at LPN Corporation, no corporate planning department existed to coordinate with other units for encouraging strategic integration and alignment. However, the organisational units that have higher formal authority attempted to interact with other units in order to promote their organisational unit's objectives, and make other units aware of and incorporate the strategic plans of the higher formal authority unit into their strategic plans. The actor positions at the higher formal authority units play a key role in coordinating with other practitioners at other organisational units by intuitively adopting the Bilateral Scheme in order to enhance strategic integration and alignment between organisational functions. The following narratives demonstrate bilateral interaction between the corporate finance manager and other managers that attempt to establish strategic integration and alignment.

*“...Although, we [Corporate Finance Department] come up with good corporate financial strategy, if the Project Management cannot complete the projects on time and within budget....and Sales Management Department cannot sell our projects... or even Customer Service Department cannot control the reject rate...I don't think we can have good corporate financial strategy and can achieve it...That's why I have to have discussions with those departments [one on one] to come up with better plans [cross-unit plans] that we all see how to create synergy around those plans...and we use co-KPIs approach to divide what percentage that each of us can contribute to the corporate financial KPIs...All departments need to be part of this and to make this happen...”* (Corporate Finance Manager of LPN Development Subsidiary, LPN Corporation)

In the Ambassadorial Coordination Scheme intuitively adopted in the planning link type 4, the strategy practitioners, who occupy a more senior position, including in the planning department, acted as coordinator, integrator and reviewer to encourage strategic integration and alignment throughout corporations. The following narratives demonstrate the interactions between strategy practitioners in the

Ambassadorial Coordination Scheme that attempt to establish strategic integration and alignment at LPN Corporation and TPA Corporation.

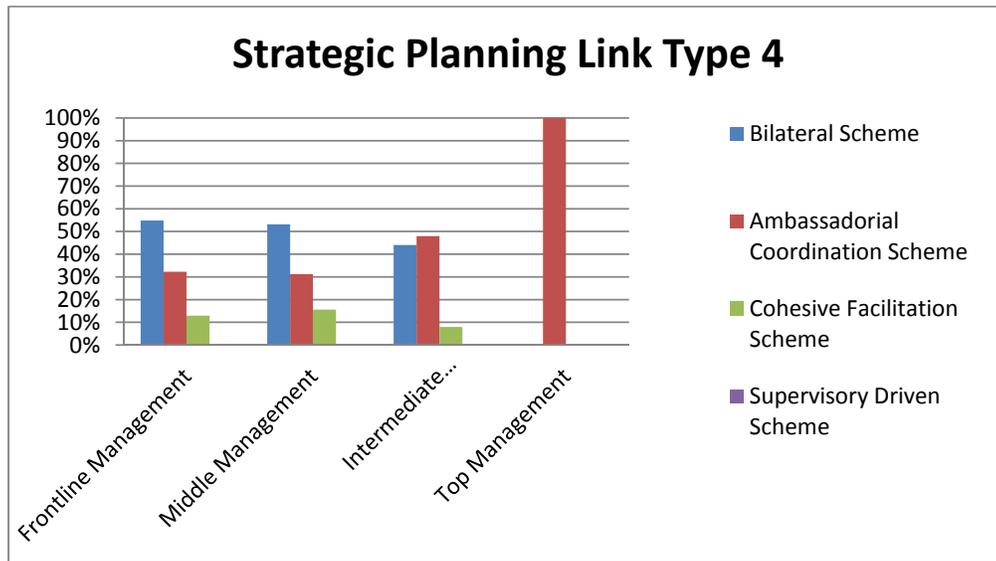
*“... Our Assistant Managing Director, Sales Management Division is the one who coordinates with R&D Department and Marketing Department in order to come up with sales and pricing strategy...We try to have better strategy than our competitors...”* (Project Sales Manager, Lumpini Property Management subsidiary, LPN Corporation)

*“...Our Assistant Managing Director, Asset Management Division is the one who coordinates with the Project Sales Management Department and Inventory Sales Management Department in order to define cross-strategic plans between Asset Management Division and Sales Management Division...”* (Brokerage Business Departmental Manager, Lumpini Property Management subsidiary, LPN Corporation)

*“...Corporate Planning Department is responsible for leading and organising strategic planning meetings and each of us [director and manager levels within the SBU] need to present our proposed plans...Our plans are often reviewed and challenged by the Corporate Planning Department...”* (SBU Director of School, Education and Publishing SBU, TPA Corporation)

Due to the nature of the strategic planning link type 4, the organisational units, which interact within this planning link, did not mutually share common interests due to their different functions and responsibilities. However, as mentioned above, the organisational units that have higher formal authority attempted to coordinate with other organisational units for promoting their own units' strategic plans and for agreeing on cross-strategic plans. This is because the level of interdependence between the organisational units in strategic planning link type 4 is high. The interview data from both LPN Corporation and TPA Corporation suggested that the lateral relationships between organisational units exist in this strategic planning

link type 4 but influenced by the structural source of power (from higher formal authority unit) .Therefore, the interaction schemes intuitively adopted in this link type 4, the Bilateral Scheme and the Ambassadorial Coordination Scheme, acted as the synthesis between horizontal coordination and vertical coordination in order to enhance strategic integration across organisational units.



Absolute number of actor positions participating in strategic planning link type 4	Bilateral Scheme	Ambassadorial Coordination Scheme	Cohesive Facilitation Scheme	Supervisory Driven Scheme
Frontline Management	17	10	4	–
Middle Management	17	10	5	–
Intermediate to top Management	22	24	4	–
Top Management	–	6	–	–

Statistically Significant Differences (Chi-Square Test) (NS = Not Statistically Significant)	Bilateral vs. Ambassadorial Coordination	Bilateral vs. Cohesive Facilitation	Ambassadorial Coordination vs. Cohesive Facilitation
Frontline vs. Middle	NS	NS	NS
Frontline vs. Intermediate to top management	NS	NS	NS
Frontline vs. Top management	NS	NS	NS
Middle vs. Intermediate to top management	NS	NS	NS
Middle vs. Top management	NS	NS	NS
Intermediate to top management vs. Top management	NS	NS	NS

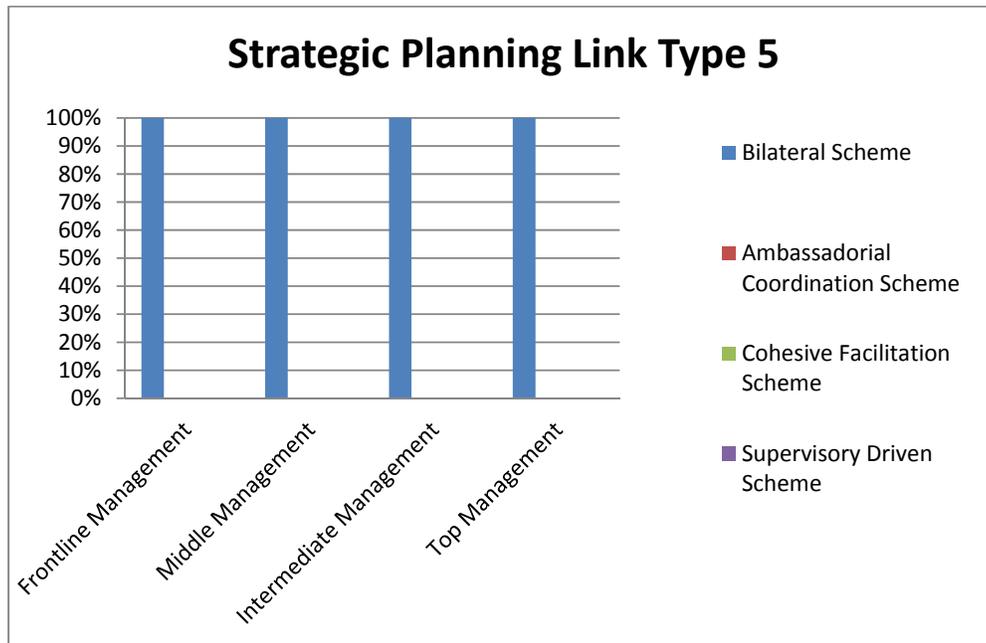
**Figure 36:** Interaction schemes adopted by actor positions in strategic planning link type 4 from both case study sites

### 5.2.5 Interaction Schemes Adopted in Strategic Planning Link Type 5

As shown in Figure 37, the frontline management, middle management and intermediate to top management levels were the key actor positions participating in strategic planning link type 5. Primarily, all management levels intuitively adopted only the Bilateral Scheme in this planning link. Nonetheless, the top management was rarely involved in strategic planning link type 5.

Due to the nature of the strategic planning link type 5, the inter-organisational units, which interact within this planning link, mutually shared common interests. The interview data from both LPN Corporation and TPA Corporation suggested similar characteristics as found in the analysis in Section 4.6. Specifically, the external organisational units attempted to support the objectives' of organisational units at LPN Corporation and TPA Corporation. In addition, the lateral relationships between inter-organisational units exist in this strategic planning link type 5. Similar to the findings in strategic planning link types 1 and 3, the interaction scheme intuitively adopted in this link type 5, the Bilateral Scheme acted as horizontal coordination in order to enhance strategic integration across inter-organisational units that mutually shared common goals. The samples of narrative of the horizontal coordination in the planning link type 5 elaborated by frontline managers are outlined below.

*“... We cannot just work by ourselves. One of our project management strategies is to have good strategic alliances... So, each project manager works closely with the suppliers and contractors. ... We normally sit down, discuss and develop plans together... Involving our strategic alliances to understand what we want to achieve is really effective and it has been already proven that we can complete our projects faster and cheaper than our competitors...”* (Project Manager of Project Management Department, Lumpini Project Management Services subsidiary)



Absolute number of actor positions participating in strategic planning link type 5	Bilateral Scheme	Ambassadorial Coordination Scheme	Cohesive Facilitation Scheme	Supervisory Driven Scheme
Frontline Management	13	–	–	–
Middle Management	4	–	–	–
Intermediate to top Management	6	–	–	–
Top Management	2	–	–	–

**Figure 37:** Interaction schemes adopted by actor positions in strategic planning link type 5 from both case study sites

### **5.2.6 Summary of Interaction Schemes Adopted by Actor Positions in Different Types of Strategic Planning Links**

From the previous findings, I could summarise how actor positions in different types of strategic planning links intuitively adopted different interactions schemes during multi-level and multi-unit strategic planning practices as outlined in Table 22.

In strategic planning link type 1, the strategy practitioners assuming actor positions as intermediate to top managers intuitively adopted the Cohesive Facilitation Scheme. The strategy practitioners assuming actor positions as middle managers and frontline managers intuitively adopted the Bilateral Scheme and Cohesive Facilitation Scheme.

In strategic planning link type 2, the strategy practitioners assuming actor positions as top managers, intermediate to top managers, middle managers and frontline managers intuitively adopted the Bilateral Scheme and the Supervisory Driven Scheme.

In strategic planning link type 3, the strategy practitioners assuming actor positions as top managers, intermediate to top managers, middle managers and frontline managers intuitively adopted the Bilateral Scheme and the Cohesive Facilitation Scheme.

In strategic planning link type 4, the strategy practitioners assuming actor positions as top managers intuitively adopted the Ambassadorial Coordination Scheme. The strategy practitioners assuming actor positions as intermediate to top managers, middle managers and frontline managers intuitively adopted the Bilateral Scheme and the Ambassadorial Coordination Scheme.

In strategic planning link type 5, the strategy practitioners assuming actor positions as top managers, intermediate to top managers, middle managers and frontline managers intuitively adopted the Bilateral Scheme.

Table 22: Summary of interaction schemes intuitively adopted by actor positions in different types of strategic planning links

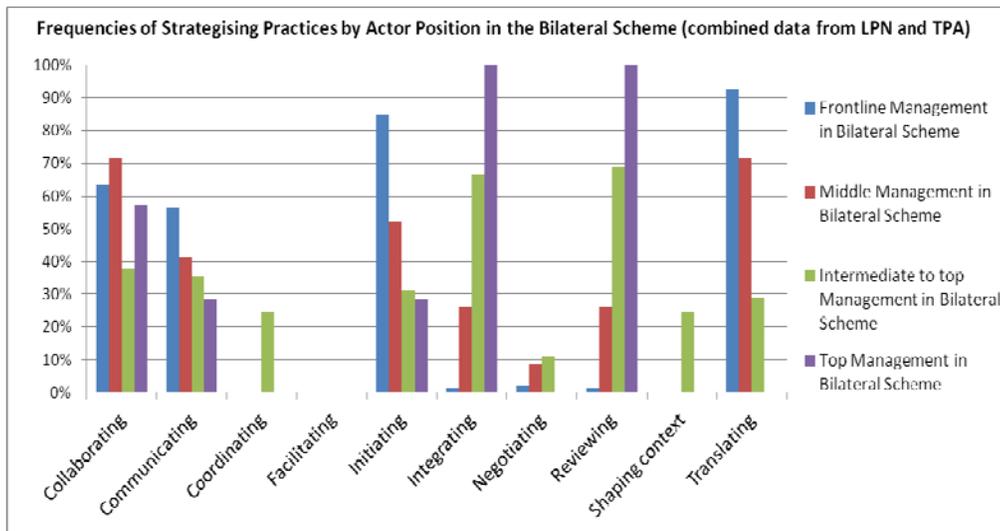
Type of Strategic Planning Link	Actor Position	Primary Interaction Scheme intuitively adopted
Strategic Planning Link Type 1	Intermediate to top managers	<ul style="list-style-type: none"> <li>• Cohesive Facilitation Scheme</li> </ul>
	Middle managers	<ul style="list-style-type: none"> <li>• Bilateral Scheme</li> </ul>
	Frontline managers	<ul style="list-style-type: none"> <li>• Cohesive Facilitation Scheme</li> </ul>
Strategic Planning Link Type 2	Top managers	<ul style="list-style-type: none"> <li>• Bilateral Scheme</li> <li>• Supervisory Driven Scheme</li> </ul>
	Intermediate to top managers	
	Middle managers	
	Frontline managers	
Strategic Planning Link Type 3	Top managers	<ul style="list-style-type: none"> <li>• Bilateral Scheme</li> <li>• Cohesive Facilitation Scheme</li> </ul>
	Intermediate to top managers	
	Middle managers	
	Frontline managers	
Strategic Planning Link Type 4	Top managers	<ul style="list-style-type: none"> <li>• Ambassadorial Coordination Scheme</li> </ul>
	Intermediate to top managers	<ul style="list-style-type: none"> <li>• Bilateral Scheme</li> </ul>
	Middle managers	<ul style="list-style-type: none"> <li>• Ambassadorial Coordination Scheme</li> </ul>
	Frontline managers	<ul style="list-style-type: none"> <li>• Ambassadorial Coordination Scheme</li> </ul>
Strategic Planning Link Type 5	Top managers	<ul style="list-style-type: none"> <li>• Bilateral Scheme</li> </ul>
	Intermediate to top managers	
	Middle managers	
	Frontline managers	

### 5.3 INTERACTION SCHEMES ANALYSIS BY ACTOR POSITIONS AND CATEGORIES OF STRATEGISING PRACTICES

#### 5.3.1 The Bilateral Scheme

The relationship between the actor positions and strategising practice in the Bilateral Scheme is now examined at the macro level by comparing different actor positions with strategising practice within the Bilateral Scheme regardless of types of strategic planning link. As illustrated in Figure 38, the follow-up post hoc tests including Fisher's Exact test between different actor positions and strategising practice were conducted and I found that strategy practitioners who assumed a frontline management role were significantly more likely to adopt the practices of *initiating* and *translating* than strategy practitioners who assumed other managerial roles (significant at  $p < .01$ ) in the Bilateral Scheme.

However, strategy practitioners who assumed the roles of intermediate to top management and top management were equivalently likely to adopt the practices of *integrating* and *reviewing* in the Bilateral Scheme, whereas strategy practitioners who assumed frontline management roles statistically adopted less practices of *integrating* and *reviewing* in the Bilateral Scheme. Furthermore, strategy practitioners who assumed the roles of frontline management, middle management and top management equivalently adopted the practice of *collaborating*, whereas strategy practitioners who assumed intermediate to top management roles statistically adopted less practice of *collaborating* in the Bilateral Scheme. The strategy practitioners who assumed roles of intermediate to top management dominantly adopted the practices of *coordinating* and *shaping context* in the Bilateral Scheme.



Statistically Significant Differences (Chi-Squared Tests)*						
Strategising Practice	Frontline vs Middle	Frontline vs Intermediate to top	Frontline vs Top	Middle vs Intermediate to top	Middle vs Top	Intermediate to top vs Top
Collaborating	NS	**	NS <sup>F</sup>	**	NS <sup>F</sup>	NS <sup>F</sup>
Communicating	NS	*	NS <sup>F</sup>	NS	NS <sup>F</sup>	NS <sup>F</sup>
Coordinating	—	** <sup>F</sup>	—	**	—	NS <sup>F</sup>
Facilitating	—	—	—	—	—	—
Initiating	**	**	** <sup>F</sup>	*	NS <sup>F</sup>	NS <sup>F</sup>
Integrating	** <sup>F</sup>	**	** <sup>F</sup>	**	** <sup>F</sup>	NS <sup>F</sup>
Negotiating	NS <sup>F</sup>	* <sup>F</sup>	NS <sup>F</sup>	NS <sup>F</sup>	NS <sup>F</sup>	NS <sup>F</sup>
Reviewing	** <sup>F</sup>	**	** <sup>F</sup>	**	** <sup>F</sup>	NS <sup>F</sup>
Shaping context	—	** <sup>F</sup>	—	**	—	NS <sup>F</sup>
Translating	**	**	** <sup>F</sup>	**	** <sup>F</sup>	NS <sup>F</sup>

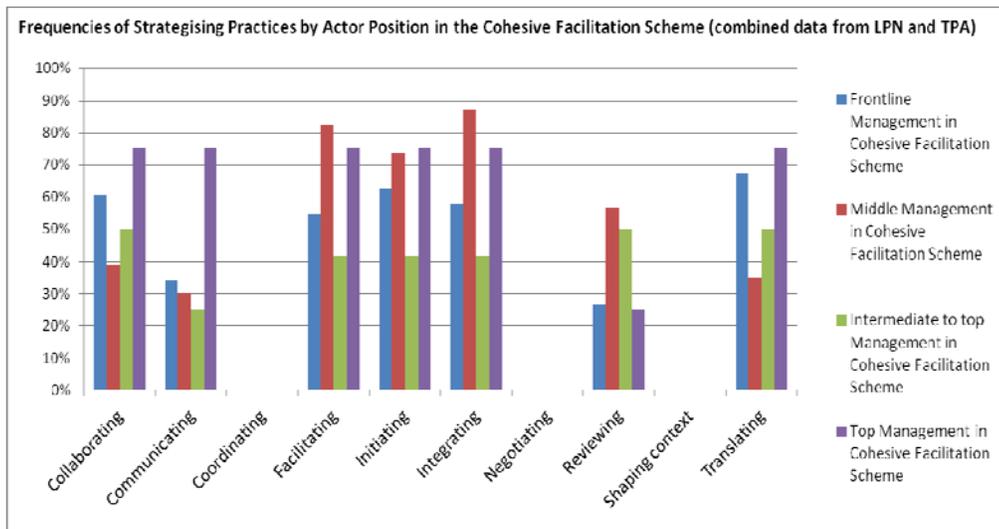
\* $p < .05$ ; \*\* $p < .01$ ; NS = Not Significant ;  $N = 134$  for frontline management,  $N = 46$  for middle management,  $N = 45$  for intermediate to top management, and  $N = 7$  for top management (combined data from LPN and TPA); ‘—’ = No data able to be computed; F = Fisher’s Exact test due to expected cell frequencies too small for chi-squared test)

**Figure 38:** Frequencies of strategising practice by actor positions and statistically significant differences within the Bilateral Scheme (combined data from both organisations)

### 5.3.2 The Cohesive Facilitation Scheme

The relationship between the actor positions and strategising practice in the Cohesive Facilitation Scheme is now examined at the macro level by comparing different actor positions with strategising practice within the Cohesive Facilitation Scheme regardless of types of strategic planning link. As illustrated in Figure 39, the follow-up post hoc tests including Fisher's Exact test between different actor positions and strategising practice were conducted and I found that strategy practitioners throughout the M-form organisations relatively adopted the practices of *collaborating*, *communicating* and *initiating* at the same degree within the Cohesive Facilitation Scheme. Differences in roles of frontline management and middle management are significantly related to differences in prevalence of practices of *facilitating*, *integrating*, *reviewing* and *translating* ( $\chi^2(1, N = 87) = 5.60, p < .05$ ,  $\chi^2(1, N = 87) = 6.36, p < .05$ ,  $\chi^2(1, N = 87) = 6.72, p < .01$ , and  $\chi^2(1, N = 87) = 7.32, p < .01$  respectively). In addition, differences in roles of middle management and intermediate to top management are significantly related to differences in prevalence of the practice of *integrating* using Fisher's Exact test.

The data also suggested that strategy practitioners who assumed middle management roles were relatively more likely to adopt the practices of *facilitating*, *integrating* and *reviewing* than strategy practitioners who assumed other managerial roles especially statistically significant differences with those who assumed a frontline management role (significant at  $p < .05$ ) in the Cohesive Facilitation Scheme. However, strategy practitioners who assumed middle management roles were relatively less likely to adopt the practice of *translating* than strategy practitioners who assumed other managerial roles especially statistically significant differences with those who assumed a frontline management role (significant at  $p < .01$ ) in this Cohesive Facilitation Scheme.



Statistically Significant Differences (Chi-Squared Tests)*						
Strategising Practice	Frontline vs Middle	Frontline vs Intermediate to top	Frontline vs Top	Middle vs Intermediate to top	Intermediate to top vs Top	Intermediate to top vs Top
Collaborating	NS	NS	NS <sup>F</sup>	NS	NS <sup>F</sup>	NS <sup>F</sup>
Communicating	NS	NS <sup>F</sup>	NS <sup>F</sup>	NS <sup>F</sup>	NS <sup>F</sup>	NS <sup>F</sup>
Coordinating	—	—	—	—	—	—
Facilitating	*	NS	NS <sup>F</sup>	NS <sup>F</sup>	NS <sup>F</sup>	NS <sup>F</sup>
Initiating	NS	NS	NS <sup>F</sup>	NS <sup>F</sup>	NS <sup>F</sup>	NS <sup>F</sup>
Integrating	*	NS	NS <sup>F</sup>	* <sup>F</sup>	NS <sup>F</sup>	NS <sup>F</sup>
Negotiating	—	—	—	—	—	—
Reviewing	**	NS <sup>F</sup>	NS <sup>F</sup>	NS	NS <sup>F</sup>	NS <sup>F</sup>
Shaping context	—	—	—	—	—	—
Translating	**	NS <sup>F</sup>	NS <sup>F</sup>	NS	NS <sup>F</sup>	NS <sup>F</sup>

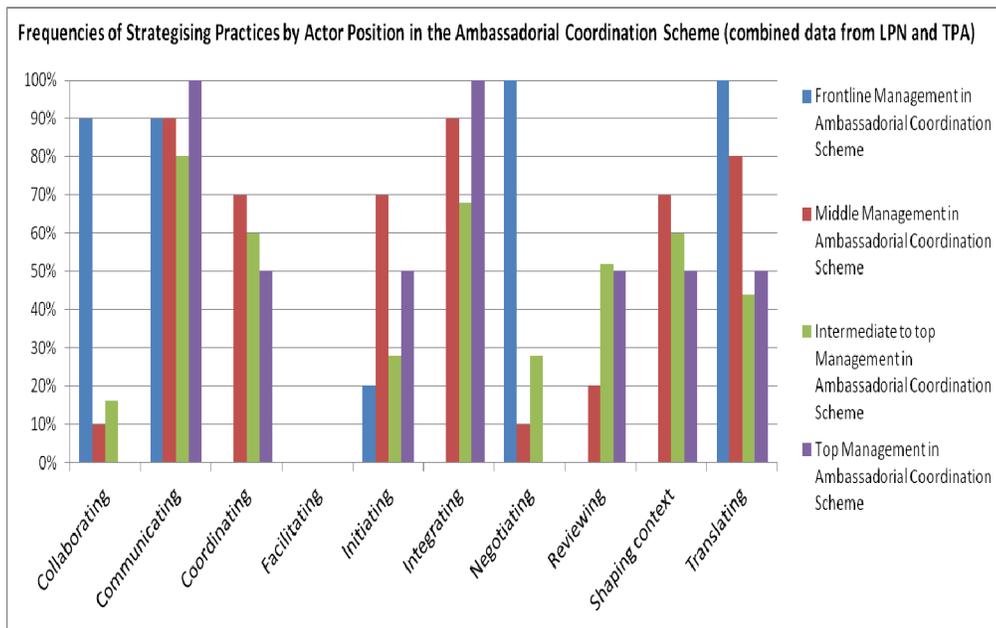
\* $p < .05$ ; \*\*  $p < .01$ ; NS = Not Significant ;  $N = 64$  for frontline management,  $N = 23$  for middle management,  $N = 12$  for intermediate to top management, and  $N = 4$  for top management (combined data from LPN and TPA); ‘—’ = No data able to be computed or Chi-square’s assumptions are violated; F = Fisher’s Exact test due to expected cell frequencies too small for chi-squared test)

**Figure 39:** Frequencies of strategising practice by actor positions and statistically significant differences within the Cohesive Facilitation Scheme (combined data from both organisations)

### 5.3.3 The Ambassadorial Coordination Scheme

The relationship between the actor positions and strategising practice in the Ambassadorial Coordination Scheme is now examined at the macro level by comparing different actor positions with strategising practice within the Ambassadorial Coordination Scheme regardless of types of strategic planning link. As illustrated in Figure 40, the follow-up post hoc tests including Fisher's Exact test between different actor positions and strategising practice were conducted and I found that strategy practitioners who assumed a frontline management role were significantly more likely to adopt the practices of *collaborating*, *negotiating* and *translating* than strategy practitioners who assumed other managerial roles (significant at  $p < .01$ ) in the Ambassadorial Coordination Scheme.

However, that strategy practitioners who assumed roles of middle management, intermediate to top management and top management were significantly more likely to adopt the practices of *coordinating*, *integrating*, *reviewing* and *shaping context* than strategy practitioners who assumed a frontline management role (significant at  $p < .01$ ) in the Ambassadorial Coordination Scheme. All actor positions tend to adopt the practice of *communicating* equivalently.



Strategising Practice	Frontline vs Middle	Frontline vs Intermediate to top	Frontline vs Top	Middle vs Intermediate to top	Middle vs Top	Intermediate to top vs Top
Collaborating	**	** <sup>F</sup>	** <sup>F</sup>	NS <sup>F</sup>	NS <sup>F</sup>	NS <sup>F</sup>
Communicating	NS <sup>F</sup>	NS <sup>F</sup>	NS <sup>F</sup>	NS <sup>F</sup>	NS <sup>F</sup>	NS <sup>F</sup>
Coordinating	** <sup>F</sup>	** <sup>F</sup>	* <sup>F</sup>	NS <sup>F</sup>	NS <sup>F</sup>	NS <sup>F</sup>
Facilitating	—	—	—	—	—	—
Initiating	NS <sup>F</sup>	NS <sup>F</sup>	NS <sup>F</sup>	NS <sup>F</sup>	NS <sup>F</sup>	NS <sup>F</sup>
Integrating	** <sup>F</sup>	** <sup>F</sup>	** <sup>F</sup>	NS <sup>F</sup>	NS <sup>F</sup>	NS <sup>F</sup>
Negotiating	** <sup>F</sup>	** <sup>F</sup>	** <sup>F</sup>	NS <sup>F</sup>	NS <sup>F</sup>	NS <sup>F</sup>
Reviewing	NS <sup>F</sup>	** <sup>F</sup>	* <sup>F</sup>	NS <sup>F</sup>	NS <sup>F</sup>	NS <sup>F</sup>
Shaping context	** <sup>F</sup>	** <sup>F</sup>	* <sup>F</sup>	NS <sup>F</sup>	NS <sup>F</sup>	NS <sup>F</sup>
Translating	NS <sup>F</sup>	** <sup>F</sup>	* <sup>F</sup>	NS <sup>F</sup>	NS <sup>F</sup>	NS <sup>F</sup>

\**p* < .05; \*\**p* < .01; NS = Not Significant ; *N* = 10 for frontline management, *N* = 10 for middle management, *N* = 24 for intermediate to top management, and *N* = 6 for top management (combined data from LPN and TPA); ‘—’ = No data able to be computed; F = Fisher’s Exact test due to expected cell frequencies too small for chi-squared test)

Figure 40: Frequencies of strategising practice by actor positions and statistically significant differences within the Ambassadorial Coordination Scheme (combined data from both organisations)

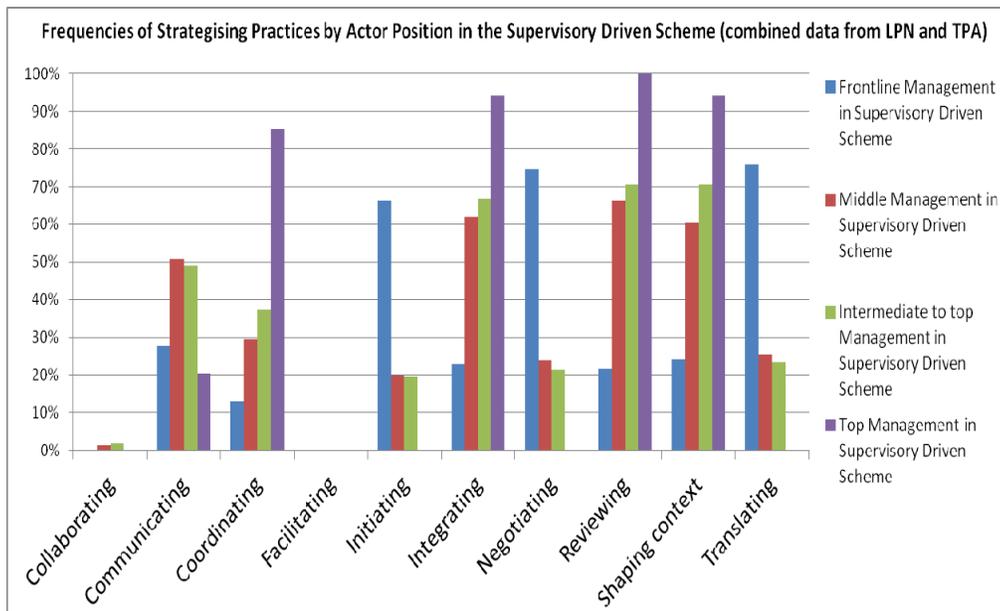
### 5.3.4 The Supervisory Driven Scheme

The relationship between the actor positions and strategising practice in the Supervisory Driven Scheme is now examined at the macro level by comparing different actor positions with strategising practice within the supervisory driven scheme regardless of types of strategic planning link. As illustrated in Figure 41, the follow-up post hoc tests including Fisher's Exact test between different actor positions and strategising practice were conducted and I found that strategy practitioners who assumed the roles of middle management and intermediate to top management were significantly more likely to adopt the practice of *communicating* ( $\chi^2(3, N = 239) = 15.59, p < .01$ ) than strategy practitioners who assumed other managerial roles in the Supervisory Driven Scheme.

Furthermore, strategy practitioners who assumed a top management role were significantly more likely to adopt the practices of *coordinating*, *integrating*, *reviewing* and *shaping context* ( $\chi^2(3, N = 239) = 57.25, p < .01$ ,  $\chi^2(3, N = 239) = 59.47, p < .01$ ,  $\chi^2(3, N = 239) = 73.93, p < .01$ , and  $\chi^2(3, N = 239) = 58.89, p < .01$  respectively) than strategy practitioners who assumed other managerial roles, whereas strategy practitioners who assumed a frontline management role were significantly less likely to adopt the practices of *coordinating*, *integrating*, *reviewing* and *shaping context*.

In contrast, the result of chi-square test suggested that strategy practitioners who assumed a frontline management role were significantly more likely to adopt the practices of *initiating*, *negotiating* and *translating* ( $\chi^2(3, N = 239) = 68.03, p < .01$ ,  $\chi^2(3, N = 239) = 80.36, p < .01$ , and  $\chi^2(3, N = 239) = 80.01, p < .01$  respectively) than strategy practitioners who assumed other managerial roles. In addition, strategy practitioners who assumed the roles of middle management relatively adopted all categories of practice at the same degree as those who assumed intermediate to top management roles.

In this Supervisory Driven Scheme, different actor positions throughout the M-form organisations adopted different strategising practice in order to establish strategic integration and alignment. The practices of *coordinating*, *integrating*, *reviewing* and *shaping context* were mainly adopted by top management level, whereas the practice of *communicating* was mainly adopted by both middle management and intermediate to top management levels. However, the practices of *initiating*, *negotiating* and *translating* were mainly adopted by frontline management level.



Strategising Practice	Frontline vs Middle	Frontline vs Intermediate to top	Frontline vs Top	Middle vs Intermediate to top	Middle vs Top	Intermediate to top vs Top
Collaborating	NS <sup>F</sup>	NS <sup>F</sup>	–	NS <sup>F</sup>	NS <sup>F</sup>	NS <sup>F</sup>
Communicating	**	*	NS	NS	**	**
Coordinating	*	**	**	NS	**	**
Facilitating	–	–	–	–	–	–
Initiating	**	**	**	NS	** <sup>F</sup>	** <sup>F</sup>
Integrating	**	**	**	NS	**	**
Negotiating	**	**	**	NS	**	** <sup>F</sup>
Reviewing	**	**	**	NS	**	**
Shaping context	**	**	**	NS	**	**
Translating	**	**	**	NS	**	** <sup>F</sup>

\* $p < .05$ ; \*\* $p < .01$ ; NS = Not Significant ;  $N = 83$  for frontline management,  $N = 71$  for middle management,  $N = 51$  for intermediate to top management, and  $N = 34$  for top management (combined data from LPN and TPA); ‘–’ = No data able to be computed; F = Fisher’s Exact test due to expected cell frequencies too small for chi-squared test)

**Figure 41:** Frequencies of strategising practice by actor positions and statistically significant differences within the Supervisory Driven Scheme (combined data from both organisations)

## 5.4 CONCLUSION

I begin this chapter with a discussion about the conceptual summary of the relationships of the multi-level and multi-unit strategic planning activity. After that, I analysed and presented the qualitative and quantitative findings of the relationships between interaction schemes, strategising practices, actor positions and types of strategic planning links.

From the previous sections (Section 5.1 – 5.3), the findings suggested that there was a relationship between interaction schemes and types of strategic planning links. Overall, the Bilateral Scheme was primarily and intuitively adopted in all types of strategic planning links. The Cohesive Facilitation Scheme was primarily and intuitively adopted in strategic planning link types 1 and 3. The Supervisory Driven Scheme was primarily and intuitively adopted in strategic planning link type 2. The Ambassadorial Coordination Scheme was primarily and intuitively adopted in strategic planning link type 4.

The above findings revealed that interaction schemes essentially enable and support the diffusion of quasi-independent strategic planning and cross-organisational strategic planning practices across different levels and units within both LPN Corporation and TPA Corporation. The quasi-independent strategic planning and cross-organisational strategic planning practices were profoundly decentralised throughout organisational levels and units as captured by a series of strategic planning episodes across all types of strategic planning links at both organisations. I argue that this situation is driven by the characteristic of multi-level and multi-unit strategic planning inherent in the M-form based firms. At the same time, interaction schemes play the key enabling role in integrating the quasi-independent and cross-organisational strategic planning processes throughout organisations.

Particularly, the Bilateral Scheme was intuitively adopted formally and informally by strategy practitioners throughout both LPN Corporation and TPA Corporation during their strategic planning cycles. The use of the Bilateral Scheme was

instinctive in all types of strategic planning links and could help strategy practitioners across organisations to develop co-strategic plans and cross-unit strategic plans at both case study organisations. Therefore, I argue that the Bilateral Scheme is a two-pronged interaction dynamic consisting of a set of strategising practices in which emergent strategy is orchestrated through the practices of *collaborating*, *communicating*, *initiating*, *integrating*, *reviewing*, and *translating*. The Bilateral Scheme acts as the mediating mechanism to mix the deliberate approach and the emergent approach to strategic planning (or planned emergent approach per se) in order to facilitate the organisation to control its course while encouraging the learning process. It also provides a mechanism for coordinating decentralised strategy formulation between organisational units. This prevalence revealed that the M-form based firms inevitably utilised the planned emergent characteristic of strategic planning throughout its organisational structure via the Bilateral Scheme. Furthermore, the Bilateral Scheme acts as synthesis between the vertical view and horizontal view of strategic planning across different organisational levels and units. The scheme goes beyond lateral communication to horizontal coordination between different organisational units via the dominant practices of *communicating* and *collaborating*. At the same time, it acts as a bottom-up approach to strategic planning across different organisational levels exhibiting substantial autonomy and flexibility in strategy making via multiple levels of strategies.

The Cohesive Facilitation Scheme featured a characteristic of planned emergent approach to strategic planning intuitively adopted in strategic planning link types 1 and 3. The Cohesive Facilitation Scheme acted as a horizontal view of strategic planning in order to enable strategic integration across different organisational units. The dominating strategy practitioners use the practices of *collaborating* and *facilitating* to obtain collaboration between other strategy practitioners, and to ensure strategic integration and alignment is in place.

The Ambassadorial Coordination Scheme acts as the synthesis between the vertical view and horizontal view of strategic planning. However, the strategy practitioners, who occupy a more senior position, as representative have no direct line of command to control the other strategy practitioners. Even though the senior strategy practitioners have a higher position than other strategy practitioners, the superior power cannot effectively acquire collaboration from other strategy practitioners in order to come up with cross-organisational strategic plans. Instead, the senior strategy practitioners use the practices of *communicating* and *coordinating* in order to obtain coordination from other strategy practitioners.

The Supervisory Driven Scheme is represented and acts as the conventional top-down approach to strategic planning captured in strategic planning link type 2. The scheme also acts as vertical coordination to harmonise strategic integration and alignment across different organisational levels. The direct supervisors are the key actors to organise strategic planning exercises in which the hierarchy of power plays the key role in bringing other strategy practitioners into the processes. The practices of *coordinating*, *integrating*, *reviewing* and *shaping context* were mainly adopted by top management level, whereas the practice of *communicating* was mainly adopted by both middle management and intermediate to top management level. However, the practices of *initiating*, *negotiating* and *translating* were mainly adopted by frontline management level.

## **CHAPTER 6**

### **CONCLUSION AND IMPLICATIONS**

The purpose of this chapter is to provide a general conclusion to the thesis's research questions and to summarise its implications for theory and practice including giving a future research direction on strategic planning research. This chapter is broadly structured into four sections. The first section provides a direct answer to the primary research questions by integrating the findings of the case study in Chapters 4 and 5. This section also provides an overview of the contributions and conclusions of this thesis. The second and third sections present the implications of these conclusions in relation to theory and practice. Finally, the fourth section provides directions for future research.

#### **6.1 SUMMARY OF FINDINGS**

I have reviewed extant literature in Chapter 2 and subsequently determined two main research questions (in Section 3.1) that this thesis focuses on answering:

- How strategy practitioners within different levels and units in the M-form structure seek to integrate and align their strategies at each organisational level and unit?
- To what extent do different strategy practitioners involved in a network of multi-level and multi-unit strategic planning influence or change the characteristics of strategy formulation in the M-form organisation?

I first provide a general conclusion to the thesis's research questions. Subsequently, I report the detailed conclusion based on the nature of strategic planning interaction and interaction dynamics for establishing strategic integration and alignment.

The empirical evidence from this thesis suggested that all management levels (top managers, intermediate to top managers, middle managers, and frontline managers) are greatly involved in the network of multi-level and multi-unit strategic planning processes. This is, I believe, because the M-form based organisations have expanded their structure vertically (e.g. corporate, division and department) and, at the same time, horizontally (e.g. expansion of numbers of SBUs, divisions and departments) regardless of modes of internationalisation or localisation (Chandler, 1982; Chandler, 1991; Bartlett & Ghoshal, 1993; Bartlett & Ghoshal, 1998; Greve, 2003). Therefore, I argue, this situation is explained by and portrays the importance of horizontal coordination through mutual adjustment (Mintzberg, 1979) and intergroup relations (Schein, 1980; Ambrosini, et al., 2007) within such network of strategic planning processes. For example, from the case study organisations in this thesis, the M-form structure of both LPN and TPA corporations has driven organisations to have many organisational levels and units such as the corporate centre, corporate-based functional unit, profit centre-based SBU, embedded competency-based unit, and embedded functional unit.

In parallel, these organisational units are linked through different types of relationships represented by five types of strategic planning links as a main unit of analysis in this thesis (see Section 3.2). These linkages are in the forms of vertical and horizontal linkages in order to accommodate the diffusion of decentralised decision making in the M-form based firm (Chakravarthy & Lorange, 1991; Chandler, 1991; Morgan, et al., 2001). This situation supports organisation theory on decentralisation (Chandler, 1991; Bartlett & Ghoshal, 1993) that stimulates more prevalence of decentralised strategic planning in order to respond to specific market or product needs adaptively and to maintain strategic integration and alignment throughout the organisation. In turn, different strategy practitioners at different organisational levels and units across the organisation inevitably participate fully in decentralised strategic planning processes. This view supports and is consistent with the differentiated network which views organisations as the composition of distributed resources linked through different types of relations (Nohria & Ghoshal, 1994).

Furthermore, the focus on activities, practices and practitioners in this study adds to the discussion of strategic planning that has evolved into a network of quasi-independently decentralised strategic planning processes, emphasising the relevance of the recent perspective in strategic planning research. I then investigate in detail and focus on interaction dynamics of different strategy practitioners throughout the organisation. The findings particularly show that reciprocal relationships occurred between actor positions, categories of strategising practice, types of strategic planning links, and interaction dynamics within the network of quasi-independently decentralised strategic planning processes. The reciprocal relationships illustrated in Figure 32 offer a new perspective for understanding that different actor positions interact differently with each other in multi-level and multi-unit strategic planning. The different actor positions interacting with each other in the different types of strategic planning links tended to intuitively adopt different interaction schemes in order to establish strategic integration and alignment through strategic planning (see Section 5.2.6). This situation may be explained by the concept of different actors' interests that they differently bring into the strategic planning processes (Schein, 1980; Jarzabkowski, 2003; Paroutis & Pettigrew, 2007; Jarzabkowski & Balogun, 2009). Different types of strategic planning link involve different natures of actors' interests. Consequently, strategy practitioners tend to intuitively adopt interaction schemes that fit their interests and natures of each type of strategic planning link.

Having established the scope of practitioner roles in strategic planning vertically and horizontally, I looked more closely at the dynamics of interaction between different strategy practitioners at different types of strategic planning links (see Sections 4.2.2, 4.3.2, 4.4.2, 4.5.2, and 4.6.2). By extracting interview data on these interactions, I brought out and categorised patterns in the way practitioners interact with each other as they undertake planning activity (see Section 4.7). This directly contributes to strategy as practice research orientation (Whittington, 2006; Jarzabkowski, et al., 2007; Johnson, et al., 2007). I characterised their interaction patterns into four main interaction schemes: Bilateral, Cohesive facilitation, Ambassadorial coordination, and Supervisory driven as illustrated in Figures 27,

28, 29 and 30. These four types of interaction collectively help practitioners develop shared strategic plans that achieve integration and alignment between organisational levels and units. The four interaction schemes each articulate a different aspect of the horizontal view of planning, and directly encapsulate the effectiveness of mutual adjustment (Mintzberg, 1979) and intergroup relations (Schein, 1980; Ambrosini, et al., 2007) within the network of strategic planning processes.:

- **Bilateral Scheme** - two-sided interactions between strategy practitioners from two different organisational levels or units. A strategy practitioner initiates strategic ideas and works collaboratively with the others to come up with shared strategic plans between two organisational levels or units.
- **Cohesive Facilitation Scheme** - a focal individual initiates and facilitates strategic planning with a group of strategy practitioners to establish strategic integration and alignment between organisational units and develop collaborative strategic plans.
- **Ambassadorial Coordination Scheme** - a focal individual with higher authority than others in the group but no direct line of command coordinates with the others to control and lead planning exercises and forge joint interests between other practitioners.
- **Supervisory Driven Scheme** - a strategy practitioner in a supervisory role communicates and coordinates a top-down process with their staff with the purpose of communicating higher level strategies and objectives.

Specifically, I found that Table 22 (p. 252) indicates that the Bilateral Scheme is intuitively adopted across all types of strategic planning links, whereas the Cohesive Facilitation Scheme is intuitively adopted in strategic planning link types 1 and 3. The Supervisory Driven Scheme is intuitively adopted in strategic planning link type 2, whereas the Ambassadorial Coordination Scheme is intuitively adopted in strategic planning link type 4.

This differentiated network of strategic planning interactions, captured by four main interaction schemes in this thesis (see Section 4.7) espouses decentralised decision-making attributes in the M-form based firms. The analysis chapters (Chapters 4 and 5) show how strategy practitioners' interaction patterns can help collaborate on, formulate and coordinate their different interests, and integrate different levels of strategies. Furthermore, the four interaction schemes are intuitively adopted to develop co-strategic plans, shared plans and cross-strategic plans together for creating strategic integration and alignment between organisational units. The analysis chapters also reveal that different actor positions throughout the organisation participating in strategic planning processes have made strategic planning go beyond top-down and bottom-up approaches by offering the horizontal aspect of strategic planning interactions. This synthesis between horizontal and vertical aspects of strategic planning, allows strategy practitioners across the M-form structure to integrate and align their strategies at each organisational level and unit (see Section 6.1.1 for more detail).

Particularly, in Section 5.4, I revealed that four interaction schemes essentially enable and support the diffusion of quasi-independent strategic planning and cross-organisational strategic planning practices across different levels and units within both LPN Corporation and TPA Corporation. The quasi-independent strategic planning and cross-organisational strategic planning practices were profoundly decentralised throughout organisational levels and units as captured by a series of strategic planning episodes across all types of strategic planning links at both organisations. I argue that this situation is driven by the characteristic of multi-level and multi-unit strategic planning inherent in the M-form based firms. At the same time, interaction schemes play the key enabling role in integrating the quasi-independent and cross-organisational strategic planning processes throughout organisations.

### **6.1.1 Interaction Dynamics to Influence Strategic Planning Characteristic**

The data in this thesis suggests that each scheme for interaction pattern is associated with different levels of formality in the strategic planning link and different types of strategic planning process, as illustrated in Figure 42. The upper axis in Figure 42 characterises the firm's planning process using the concept of planned emergence (Grant, 2003), which is a synthesis of deliberate planning (rational design) and emergence. Planned emergence captures both bottom-up and top-down initiatives through dialogue, debate, and compromise. The lower axis in Figure 42 refers to the relative strength of horizontal versus vertical aspects of strategic planning in the strategic planning link at the praxis level (Whittington, 2006; Johnson, et al., 2007). A mainly horizontal characteristic indicates a high level of collaboration, whereas a mainly vertical characteristic indicates a high level of top-down planning. Within these dimensions, practitioners adopt the Bilateral Scheme to execute horizontal, collaborative interactions. Prevalence of this form of interaction reflects a planning environment that tends towards emergent. Practitioners adopt the Supervisory Driven Scheme to execute vertical, often top-down planning interactions that reflect greater formality and a planning environment that tends towards rational design. The other two schemes fall in between. Comparing the two case study firms, LPN has a slightly more emergent characteristic whereas TPA has a slight tendency towards rational design.

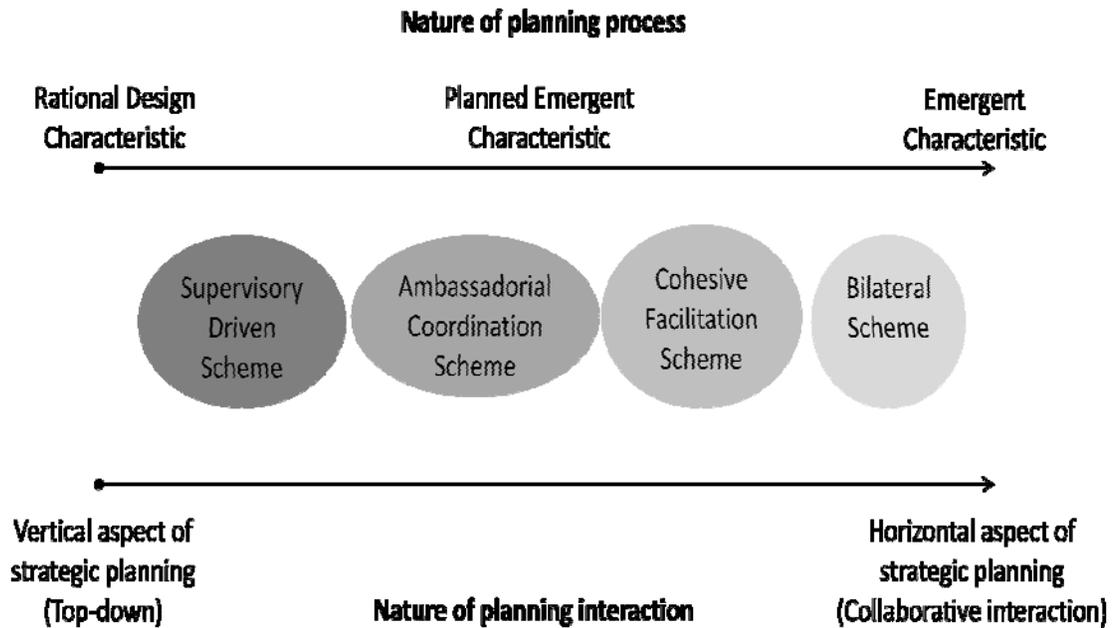


Figure 42: Interaction pattern schemes and types of strategic planning

The significance of these interaction schemes is that they reflect the need for integration activities to vary through the M-form structure if the firm is to obtain high levels of vertical and horizontal collaboration. The interaction schemes show how practitioners have adopted different forms of interaction according to the characteristics of the planning link they are enacting. This idea is consistent with strategy-as-practice arguments for a focus on strategy making as it occurs through the actions, interactions, and negotiations of multiple actors (Johnson, et al., 2003; Whittington, 2006; Jarzabkowski, et al., 2007; Johnson, et al., 2007).

### **6.1.2 Integration and Alignment through Interaction Dynamics and Categories of Strategising Practice**

I reveal that actor positions adopt different sets of strategising practice in each interaction scheme in order to establish strategic integration and alignment. As I demonstrated in the findings from the analysis chapter 5 (see Section 5.3), the Bilateral Scheme was intuitively adopted formally and informally by strategy practitioners throughout both LPN Corporation and TPA Corporation during their strategic planning cycles (see Section 5.3.1). The use of the Bilateral Scheme was instinctive in all types of strategic planning links and could help strategy practitioners across organisations to develop co-strategic plans and cross-unit strategic plans at both case study organisations. Therefore, I argue that the Bilateral Scheme is a two-pronged interaction dynamic consisting of sets of strategising practice in which emergent strategy and strategic integration and alignment are orchestrated and thought through the dominant categories of strategising practices of *collaborating*, *communicating*, *initiating* and *integrating* (see Figure 38, p. 254).

The Cohesive Facilitation Scheme featured a characteristic of planned emergent approach to strategic planning intuitively adopted in strategic planning link types 1 and 3 (see Section 5.3.2). The Cohesive Facilitation Scheme acted as a horizontal view of strategic planning in order to enable strategic integration across different organisational units. The dominating strategy practitioners predominantly use the practices of *collaborating* and *facilitating* to obtain collaboration between other strategy practitioners, and to ensure strategic integration and alignment being in place (see Figure 39, p. 256).

The Ambassadorial Coordination Scheme acts as the synthesis between the vertical view and horizontal view of strategic planning (see Section 5.3.3). However, the strategy practitioners, who occupy a more senior position, as representative have no direct line of command to control the other strategy practitioners. Even though the senior strategy practitioners have a higher position than other strategy practitioners, the superior power cannot effectively acquire the collaboration from other strategy

practitioners in order to come up with cross-organisational strategic plans. Instead, the senior strategy practitioners use dominant categories of the strategising practices of *communicating* and *coordinating* in order to obtain coordination from other strategy practitioners (see Figure 40, p. 258).

The Supervisory Driven Scheme acts as vertical coordination to harmonise strategic integration and alignment across different organisational levels (see Section 5.3.4). A strategy practitioner in a supervisory role adopts categories of strategising practices of *communicating* and *coordinating* for a top-down process with their staff with the purpose of communicating higher level strategies and objectives (see Figure 41, p. 261).

### **6.1.3 The Generalisability and Limitations of the Findings**

As discussed in Section 3.3, this thesis is based on inductive theory building using embedded design within multiple in-depth case study methodology (Eisenhardt, 1989; Yin, 2003; Eisenhardt & Graebner, 2007; Yin, 2009). I have utilised both multiple cases operating within different industries, and mini-cases (multiple embedded units of analysis) within each of the two main cases according to the conceptual framework discussed in Section 3.2. The conceptual framework provides the ability to examine strategic planning with a different perspective regarding activities and interactions between strategy practitioners. I also adopt the approach of using quantitative method for qualitative data in order to explore relationships between categorical variables to enhance accuracy for parsimony and generalisability (in Section 3.7). Specifically, the two main embedded units of analysis in this thesis are a type of strategic planning link and category of actor positions across different organisational levels and units as shown in Figure 4 (p. 67). Considerable numbers of embedded units of analysis are also illustrated in Table 5 (p. 91) and Table 6 (p. 92). Overall, total numbers of interviewees at LPN and TPA Corporations are 38 and 16 respectively. Total numbers of strategic planning links embedded in the multi-level and multi-level planning at LPN and TPA Corporations are 468 and 156 strategic planning links respectively.

Furthermore, I have also demonstrated the in-depth analysis for comparisons across organisational contexts in Chapter 4 (e.g. see Sections 4.2.1, 4.3.1, 4.4.1, 4.5.1 and 4.6.1). I also analysed data for comparisons within the same organisational context based on multiple embedded units of analysis as shown in sub-sections of Chapters 4 and 5. The approach adopted and number of data collected and analysed in this thesis support the concept of theory building from case study (Eisenhardt, 1989; Eisenhardt & Graebner, 2007) and could provide the ability to achieve the objective of analytical generalisation as discussed in Section 3.3.

Specifically, the findings in this thesis are primarily based on two case studies of the domestic M-form based firms within one country and each operating within different industries. According to previous literature, the M-form structure has continued to be adopted by many medium and large companies which are in both modes of internationalisation and localisation (e.g. multinational enterprise and large local enterprise) and are irrespective of type of industry (Chandler, 1982; Chandler, 1991; Bartlett & Ghoshal, 1993; Bartlett & Ghoshal, 1998; Greve, 2003). This situation is in line with the two main cases in this thesis which principally organise their M-form organisational structure the same way the other multi-business firms do. Particularly, from my personal working experience with Chevron Corporation (American big international oil major) for about seven years, I noticed that the four main interaction schemes and the reciprocal relationships captured from this thesis are likely to exist in Chevron Corporation's multi-level and multi-unit strategic planning environment which also supports the conceptual framework derived from this thesis. Therefore, I believe, the overall findings in this thesis could support theoretical generalisation to other M-form based firms.

However, at the micro level, I would argue that, there would be some differences that can be expected in different organisational contexts (e.g. firm sizes, and degrees of geographical scope). According to the conceptual framework discussed in Section 3.2, it would be because the multi-level and multi-unit strategic planning processes are a decentralised network of strategic planning. It might not be more amenable to centralised control. Therefore, I argue that, the M-form based firm

which is relatively bigger in firm size, with a higher degree of geographical scope, and higher degree of hierarchical layers, might require greater collaboration, integration and alignment across different levels and units. This might lead to the necessity for strategy practitioners within other organisational contexts to adopt different degrees of strategising practices in order to establish strategic integration and alignment across the organisation. Subsequently, it could be expected, I argue, to see a higher degree of prevalence of practices of *collaborating*, *integrating*, *coordinating* and *shaping context* than other practices in their interactions. For example, as evidence from the two main cases in this thesis – one with and one without a formal planning department, the strategic planning systems of both LPN Corporation and TPA Corporation follow the multi-level and multi-unit strategic planning processes. However, in most of the strategic planning link types, there are still the differences between the prevalence of strategising practices adopted by strategy practitioners at both LPN Corporation and TPA Corporation (see Sections 4.2.1, 4.3.1, 4.4.1, 4.5.1 and 4.6.1).

Moreover, the need for having greater collaboration, integration and alignment might also drive the strategic planning department to be more active in fostering and administering strategic integration and alignment across organisational levels and units. In this thesis, I have revealed that the role of the strategic planning department is mainly to act as integrator, coordinator and controller. I discuss the role of the strategic planning department in detail in Section 6.2.3. By carrying out two case studies of domestic firms within one country and each operating within different industries, this thesis describes a holistic study of interaction dynamics in a network of strategic planning. This thesis can draw key lessons from these two revelatory cases. A logical extension of this research would be to confirm the findings for the M-form based firms in other organisational contexts, using the research framework and models developed in this thesis. It would also be insightful to make cross-national comparisons with companies of different size, degree of geographical scope, and culture in other parts of the world. In Section 6.4, I discuss in more detail the implications for future research and limitations of this thesis.

## **6.2 IMPLICATIONS FOR THEORY**

In Chapter 2, I provided an overview of recent research in the field of strategic planning, strategy-as-practice and theory of the M-form. This led me to identify gaps in the literature that I thoroughly addressed through empirical investigation in Chapters 4 and 5. This thesis presents a number of implications and contributions for theory that I summarise in this section.

### **6.2.1 Contributions to Theory of Deliberate Approach versus Emergent Approach**

Recent literature on the process of strategy formulation started examining the aforementioned phenomenon and tended to show that the contemporary view of the planning activities within strategic planning systems has continued to be perceived as logical incrementalism (Quinn, 1978), or planned emergence (Grant, 2003). All of these views commonly combine aspects of both formal systems planning models of strategy development and themes central to dynamics of actors' interactions approach to decision making (Johnson, et al., 2007). Essentially, the evidence on the strategic planning practices of both LPN and TPA corporations suggests that interaction schemes play a key role in encapsulating characteristics of logical incrementalism (Quinn, 1978) effectively (see Sections 4.2 – 4.6). At the same time, it also suggests that the M-form structure has enhanced strategic planning to be more quasi-independently decentralised systems. With these circumstances, I argue that the planning activities within network of quasi-independently decentralised systems in the M-form based firms tends to correspond with the approach of logical incrementalism (Quinn, 1978). In particular, the interaction patterns captured by this thesis are the mediating effect to enable the decentralised planning systems that directly supports organisation theory on decentralisation (Chandler, 1991; Bartlett & Ghoshal, 1993) for increasing flow of decision-making and information across differentiated network of strategic planning. The analysis chapters (Chapters 4 and 5) show that the strategy practitioners intuitively draw upon those interaction patterns in order to incrementally

influence and improve strategic decisions throughout the M-form structure, and to provide a basis for coordinating decentralised decision making (Grant, 2003).

Furthermore, based on the experience of oil majors' strategic planning (Grant, 2003), strategic planning systems are mechanisms for improving the quality of strategic decisions, for coordinating strategic decision making, and for driving performance improvement. However, the critical strategic decisions that fundamentally affected the business portfolios and direction of development of the companies are, for the most part, taken outside formal systems of strategic planning. In contrast, the evidence on the strategic planning practices of LPN and TPA corporations suggests that strategic planning systems have brought those critical strategic decisions into the processes. Evidently, as seen in the case of LPN Corporation, the critical strategic decisions; for example, the decision about competitive locations for condominium development, were considerably discussed and analysed during strategic planning exercises, notably within the company and with the external strategic partners.

*“... My staff and I [throughout the Corporate Finance Division] need to manage the communications between our company and the banks especially getting their feedbacks on our strategic plans. We met with them [strategic planning episode] to discuss and determine how we should strategically select locations, products and brands for each project...”* (Executive Director and Chief Financial Officer of LPN Corporation)

Those critical strategic decisions are embedded within the adaptive strategic planning cycle via interaction schemes among strategy practitioners. Essentially, this thesis contributes to a better understanding of transformation of strategic planning systems that have transformed themselves to embed informal systems of strategic planning activities with the institutionalised and formal systems of strategic planning processes. This is another important notion in providing the insights that formal strategic planning is increasingly brought in the emergent approach by incorporating the emergent planning activities and planning interactions into its formal process in order to make critical strategic decisions.

Particularly, this thesis contributes to the synthesis between design school and the learning school perspectives on the deliberate versus emergence approaches to strategy formation (Mintzberg, 1978). The findings in Section 4.3 regarding strategic planning link type 2 suggest that the formal systems of planning continue to act as a mechanism for coordination; however, interactions among strategy practitioners happen continuously and informally in which they are tightly coupled with the formal processes in order to help managers deal with critical strategic decisions. In addition, the four interaction schemes captured in this thesis reveal that strategy practitioners across the organisation interact continually with each other in both formal and informal ways in which the strategic planning cycle becomes continuous and iterative. This means that the strategic planning practices of both LPN and TPA corporations are very much in line with the logical incrementalism perspective (Quinn, 1978) which suggests not to just believe that strategy formulation and strategy implementation are totally separate and sequential activities. Hence, I argue, the processes of strategy formulation and strategy implementation merge together as part of interaction dynamics among strategy practitioners across the organisation and part of the continuing flow of events.

### **6.2.2 Contributions to Theory of Vertical versus Horizontal Strategic Planning Perspectives**

As explained earlier, my case study of the M-form based organisations maintained the usual vertical organisational levels, from corporate centre to embedded functional level. The top-down vertical aspect of planning offered top management to establish higher level strategies and communicate them to lower level organisations (Grant, 2003). At the same time, the case study companies had grown sufficiently to expand their structure horizontally to form many units. Given this, I sought to establish how strategic planning has expanded horizontally, how it addresses decentralised decision making, and how it creates strategic integration and alignment across the organisation. My findings, based on interview data on strategic planning interactions, include plenty of examples of the horizontal direction of planning, in which managers in different parts of the business share and coordinate with each other in order to develop shared and cross-unit strategic

plans. The horizontal aspect is mainly captured by strategic planning link types 1, 3 and 5, whereas the vertical aspect is captured by strategic planning link type 2. Strategic planning link type 4 offers a mixed view between horizontal and vertical aspects. This horizontal aspect represents the effectiveness of mutual adjustment (Mintzberg, 1979) and intergroup relations (Schein, 1980; Ambrosini, et al., 2007) as I explained in the literature review chapter. For example, the managers at both LPN and TPA Corporations elaborate on horizontal linkage between organisational units during different strategic planning episodes:

*“... We need to sit down and plan our industrial promotion strategy with the Web and Technology Development Department [during a strategic planning meeting between these two departments]... Our website as a promotional channel is growing very fast to attract business...and it becomes really important... Without them [Web and Technology Development Department], we cannot have good plans to promote our TPA Corporation’s industrial promotion activities...”* (Manager of the Industrial Promotion and Development Department at TPA Corporation)

*“... Within our business unit, we have about three departments that are responsible for providing training services to our customers... Even though we classify our customers based on market segmentations and their needs, we still need to streamline our ways of thinking about how to have a holistic view of training strategy... I have tried to bring the departmental heads [who are responsible for training plans] together to discuss what should be overall training plans [in the planning meeting between these departmental heads]... We cannot just separately do what we want to do... we need to collaborate... Our BU Director is also keen to shape our plans and helps us to ensure our plans are aligned with corporate objectives”* (Departmental Manager, Education and Training Department, TPA Corporation)

*“... We need to move beyond CRM so that we establish what we call Customer Experience Management plan (or CEM plan)... I am fully responsible for this plan but it does not mean that I work alone. There are about seven departments that are required to help support this CEM plan... During our planning exercise, I, as a CEM champion, see my role as that of a facilitator, enabling other people to work in the way that suits them best...and I try to encourage collaborative thinking among those departments... After the planning exercise, I send the CEM plan to my supervisor for approval”*  
(Departmental Manager, Customer Relationship Management Department, LPN Corporation)

Similarly, I have looked at how strategy practitioners at different organisational levels and units across both organisations participate in decentralised strategic planning processes. Practitioners occupying different positions play distinctive roles as they interact with others in the planning process due to different interests (Jarzabkowski & Balogun, 2009) that they bring to the strategic planning processes within different types of strategic planning links. This phenomenon of horizontal and vertical aspects from both LPN and TPA corporations offers the insight for strategy practitioners to interact with each other in order to integrate and align their strategies at each organisational level and unit. In Table 23, I set out how these distinctive roles can be viewed within both the vertical and horizontal perspectives on strategic planning.

As the table shows, managers at all levels contribute to the horizontal integration aspect of strategic planning as well as playing their ‘classical’ roles in top down and bottom up strategic planning. These vertical and horizontal perspectives on strategic planning extend the scope of the strategic planning literature, because existing research does not examine horizontal planning linkages between organisational units. Furthermore, this specific finding contributes to strategic planning literature in which I have particularly expanded the empirical study to include not only top managers but also middle managers and other mid-level and frontline-level strategy practitioners whose activities and behaviours have important consequences for how strategy forms within organisations (see Section 5.3). This finding also contributes to situated learning by providing insight about horizontal relationships that encourage cross-functional integration through four main interaction schemes across multi-level and multi-unit strategic planning. It also reveals that the social nature of communities of practice that enables horizontal coordination between actors is a crucial to success of strategic integration and alignment (Mintzberg, 1979; Schein, 1980; Ambrosini, et al., 2007).

Table 23: Practitioner roles in vertical and horizontal strategic planning by position

<b>Actor Positions</b>	<b>Sample of Positions</b>	<b>Planning Practices: Vertical perspective</b>	<b>Planning Practices: Horizontal perspective</b>
<b>Top Managers</b>	Corporate-Level Executives	<ul style="list-style-type: none"> <li>• Attempt to establish corporate-level strategic objectives, guidelines and performance targets.</li> <li>• Ensure multiple levels of strategies are integrated and aligned.</li> </ul>	<ul style="list-style-type: none"> <li>• Ensure multiple units of strategies are integrated and aligned.</li> <li>• Encourage cross-functional and collaboration mindsets throughout organisation.</li> </ul>
<b>Intermediate to top Managers</b>	Head of Division or Operating Unit	<ul style="list-style-type: none"> <li>• Attempt to establish strategic objectives, guidelines and performance targets for their divisions.</li> <li>• Communicate those strategic objectives to lower management levels.</li> </ul>	<ul style="list-style-type: none"> <li>• Attempt to integrate strategies across multiple units.</li> <li>• Encourage cross-functional and collaboration mindsets across divisions.</li> </ul>

Table 23: Practitioner roles in vertical and horizontal strategic planning by position (continued)

<b>Actor Positions</b>	<b>Sample of Positions</b>	<b>Planning Practices: Vertical perspective</b>	<b>Planning Practices: Horizontal perspective</b>
<b>Middle Managers</b>	Head of unit	<ul style="list-style-type: none"> <li>• Communicate, develop and integrate strategies according to their own interests and responsibilities.</li> <li>• Facilitate strategic change and giving impetus to frontline managers.</li> <li>• Champion new strategies to upper-level managers.</li> <li>• Shape context with frontline managers.</li> </ul>	<ul style="list-style-type: none"> <li>• Collaboratively develop cross- and co-strategic plans with middle managers at other units.</li> <li>• Coordinate and lead the development of cross- and co-strategic plans with frontline managers at other units.</li> <li>• Shape context with middle managers and frontline managers for strategic integration between organisational units.</li> </ul>
<b>Frontline Managers</b>	Head of Department	<ul style="list-style-type: none"> <li>• Translate and develop their responsible strategies according to their own interests and responsibilities.</li> <li>• Champion new strategies to upper-level managers.</li> </ul>	<ul style="list-style-type: none"> <li>• Collaboratively develop cross- and co-strategic plans with other middle managers and frontline managers.</li> </ul>

### 6.2.3 The Role of the Strategic Planning Department

I claimed purposive sampling based on having one firm with, and one without, a dedicated strategic planning department in Sections 3.4 and 3.5. I also conducted an analysis based on this aspect in the analysis chapter notably in each of the sub sections of Sections 4.2 to 4.6. In this section, I discuss in detail how the role of Strategic Planning Department is extended in the case of TPA Corporation. This, I argue, can help strategy practitioners understand how strategic integration and alignment can be established with assistance from the strategic planning department.

Both main cases in this thesis have significant numbers of MBA-educated managers who have the capability to draw upon strategy analysis and tools during their strategic planning exercises. This leads to an explanation of the phenomenon that there is only one occurrence of the practice of *supporting* adopted by strategy practitioners in the Strategic Planning Department. As discussed in Section 4.1, the practice of *supporting* allows the central Strategic Planning Department to distribute strategic information, resources and models to other strategy practitioners. It refers to a simple exchange of strategic resources and information without being directly involved in debate during joint meetings (Paroutis & Pettigrew, 2007). With this situation, the MBA-educated strategy practitioners are capable of conducting strategic analysis and utilising the firm's strategy toolkit by themselves.

However, I argue, it does not mean this is a reflection of lack of influence of the planning function. As illustrated in the analysis sections (Sections 4.3 and 4.7), strategy practitioners in the planning department at TPA Corporation intuitively adopt the Bilateral Scheme and the Ambassadorial Coordination Scheme to coordinate, integrate and shape the context with other strategy practitioners. Therefore, it is likely that the Strategic Planning Department has shifted its role from just consulting and providing strategy knowledge support (Grant, 2003) to exchanging ideas and debate during face-to-face interaction especially in the case

of strategic planning link type 4. Strategic planning department (with strategic planning practitioners working in this department) becomes a guidance promoter of strategic planning activities which supports the ideas of ‘strategic planning champions’ (Nordqvist & Melin, 2008) who introduce, encourage and guide the strategic planning process in an organisation..

At the praxis level, evident in strategic planning link type 4, the Corporate Planning Department at TPA Corporation has influence on other strategy practitioners in adopting the practices of *coordinating*, *shaping context*, *integrating* and *reviewing* for creating strategic integration and alignment via face-to-face interaction (see Section 4.3.1). The Strategic Planning Department acts as a governance controller to review and integrate strategic plans at different organisational levels and units by having face-to-face interaction with other strategy practitioners formally and informally. This situation, I argue, happens because even though, the decentralised multi-level and multi-unit strategic planning might not be more amenable to centralised control (see Section 3.2), strategic planning department is still perceived by other strategy practitioners to be as an integral body to drive and coordinate integrative effects through strategic planning process, notably within strategic planning link type 4. This finding extends the conventional role of Strategic Planning Department from administering only the planning process (Grant, 2003) to administering the integration of strategic plans across different levels and units. The sample of narrative evidence elaborated by the corporate planning manager at TPA Corporation is outlined below.

*“... I need to ensure all those strategic plans from SBUs, divisions and departments are aligned with each other and with corporate strategy... I discuss those plans with them [each of the heads of organisational units] informally and formally... They usually initiate their strategic plans but again I need to ensure those plans are viable and integrated...and many times I need to challenge them to adjust their plans to be more aggressive...”* (Corporate Strategic Planning Manager, TPA Corporation)

In contrast, the interview data showed that the planning department at TPA Corporation did not have a strong influence on the planning process in the strategic planning link types 1 and 5 (see Sections 4.2.1 and 4.6.1). Strategy practitioners at each unit (outside the planning department) collaboratively interact with each other in the strategic planning link types 1 and 5 in order to develop co-strategic plans. It might be because, I argue, the strategy practitioners participating in the strategic planning link types 1 and 5 have strong common interests which lead to greater collaboration. This can be explained by the notion of intergroup relations that provide a coordinating mechanism for the development of shared understanding and interpretation (Schein, 1980; Ambrosini, et al., 2007).

#### **6.2.4 Extended Roles of Strategic Planning**

The interview data is consistent with the notion of a differentiated network of strategic planning in the M-form based firms, in which strategic planning has taken on additional and enhanced roles. Existing literature already takes into account how the roles of strategic planning have evolved beyond simply being a mechanism for formulating strategy to become a context for strategic decision making, a mechanism for coordination, a mechanism for integration, and a mechanism for control (Grant, 2003; Wooldridge, et al., 2008; Jarzabkowski & Balogun, 2009). The interview data pointed to three additional or enhanced roles for strategic planning: (1) as a mechanism for integration and alignment through the M-form structure, (2) as a mechanism for enabling horizontal mechanisms, and (3) as a mechanism for linking strategy formulation and strategy implementation.

*Strategic planning as a mechanism for integration and alignment through the M-form structure:*

Literature on strategic planning in large organisations or multinational enterprises focuses on how strategic planning is organised and how strategic planning practices can effectively be a mutual accountability between managers at both corporate level and periphery level (Chandler, 1982; Paroutis & Pettigrew, 2007; Ocasio & Joseph, 2008). As Ocasio and Joseph (2008) pointed out “[d]ecision-making channels that integrate participants from different organisational levels are consequential to achieving collective engagement in strategic planning activities” (p. 268). This supports the perspective that strategic planning has evolved from a single view of multi-stage process into a network of quasi-independently decentralised strategic planning processes that has broadened to cover vertical coordination and horizontal coordination. Inevitably, this multifaceted pattern of relationships is viewed as providing the organisation with the apparatus to innovate for integrating and coordinating multiple levels and units of strategies vertically and horizontally throughout the organisation. The sample of narrative evidence regarding vertical and horizontal coordination elaborated by intermediate to top manager and middle manager is outlined below.

*“...How we differ from our rivals is we focus mainly on how to integrate and work out our strategy between our functions together. Every function needs to be collaboratively linked to each other.” (Managing Director of Property Management subsidiary, LPN Corporation)*

*“... I discussed project management strategy with my project managers and the other departmental managers [from embedded departments in the other project support unit which do not have a line of command with this middle manager] ... Many detailed project management strategic plans and KPIs were also discussed in our planning meeting... I encourage my project managers and other departmental managers to comment and to think about how to achieve corporate strategy together ... so that we can gain the*

*benefit of synergy....”* (SBU Deputy Managing Director, Project Management Services subsidiary, LPN Corporation)

*“I personally organise a series of strategic planning meetings with my departmental managers... I ask them to think how to support our corporate strategy map and also to analyse SWOT for our Corporate Finance... I discuss with them thoroughly how to integrate our Corporate Finance KPIs with corporate KPIs.”* (Deputy Managing Director of Corporate Finance, LPN Corporation)

In particular, building upon the integrative effects of the planning process (Mintzberg, 1994; Ketokivi & Castaner, 2004; Lines, 2004), my findings shed light on the extension of integrative effects of the planning processes. Integration activities need to diverge, in order to provide higher levels of vertical and horizontal coordination and collaboration and enable shared accountability of strategic goals for those organisational units with shared or joint interests (Jarzabkowski & Balogun, 2009). Accordingly, strategic planning must be diverged in the form of a network of quasi-independently decentralised strategic planning practices and in the way that it is rolled out across the M-form structure that can capture different actors’ interests, in order to have integrative effects on the organisation as a whole (Jarzabkowski & Balogun, 2009). Specifically, the interaction schemes derived from this thesis enhance the understandings of how strategic planning delivers integration and alignment throughout the M-form organisations. This view of strategic planning is consistent with the strategy-as-practice perspective (Whittington, 2006; Jarzabkowski, et al., 2007; Johnson, et al., 2007), which focuses on strategy making as it occurs through the actions and interactions of multiple actors (Johnson, et al., 2003; Whittington, 2006; Jarzabkowski, et al., 2007; Johnson, et al., 2007). This view also contributes and adds to the understanding of strategic planning as integrative mechanism by synthesising horizontal and vertical aspects of strategic planning that can enable strategic integration and alignment. The middle manager at LPN Corporation and frontline manager at TPA Corporation elaborate on this integrative effect:

*“... One of the corporate KPIs is overall sales volume target... We have experienced for years that if we [Sales Management Unit, Asset Management Unit and Customer & Brand Management Unit] try to achieve the KPI separately, we always end up with a lot of complaints to each other... So, our divisional heads have tried to talk with each other more often and to push collaborative ideas to our departmental heads and to encourage collaboration among departmental managers for them to come up with better cross departmental plans so that we are able to achieve the corporate KPI...”* (SBU Assistant Managing Director, Sales Management Division of Property Management Subsidiary, LPN Corporation)

*“... I need to talk to the other departmental heads especially the Corporate Strategic Planning Manager about what I plan to do and what I expect from the other departments... What I found is that having dialogue with others can also make me understand better what I should do for them...so that we can achieve our departmental and corporate KPIs”* (Departmental Manager, Finance and Accounting Department, Corporate Affairs Division, TPA Corporation)

*Strategic planning as a mechanism for enabling horizontal mechanisms:*

Underlying the aforementioned perception with any M-form based firms is the sense that forms of social interaction and identity are increasingly coordinated across multi-level and multi-unit boundaries of organisations. It is therefore important to understand the modes of intra- and inter-social organisation, mobility, and communication that enable these processes to hang together (Hedlund, 1986; Hedlund & Ridderstrale, 1995). This is in line with Hedlund’s notion of the multinational as a heterarchy. Corporate, business and functional strategies are not only hierarchical; they are linked, contemporaneous and interactive. The evidence on the strategic planning practices of the M-form based organisations examined in this thesis suggests that the horizontal direction of planning represented by strategic planning link types 1 and 3 allowed integration effort across organisational units to

be accomplished more effectively. Taking power theory perspective (Mintzberg, 1979; Pfeffer, 1992), I have found that it is because of less influence from the hierarchy of power and having joint interests. My findings contribute to the knowledge that can help managers structure their organisation in the ways of encouraging horizontal mechanisms to strategic planning together with vertical view of planning to be established throughout organisation. The sample of narrative evidence elaborated by the frontline manager is outlined below.

*“... It is not possible that my departmental strategy can be stand alone... I definitely need to have cross-departmental plans with, for example, Community R&D Department, and incorporate those plans into my departmental strategy... We need to collaboratively plan together and sit down to understand what each of the parties wants in order to develop cross-departmental plans... We work as one team and I really found that this [collaborative] way is very effective and we should promote cross-functional collaboration throughout our corporation”* (Departmental Manager, Community Management Department, LPN Corporation)

Furthermore, the Corporate Strategic Planning Department is a mediator and enabler to encourage and facilitate these horizontal and vertical views of strategic planning. This again portrays and adds to the idea of “strategic planning champions” introduced by Nordqvist and Melin (2008). The sample of narrative evidence elaborated by the corporate planning manager and frontline manager at TPA Corporation is outlined below.

*“... I cannot just let HR department and MIS department come up with strategic HR plan and related IT plans... I am accountable for reviewing and integrating cross-functional strategic plans... During the planning exercises [with HR and MIS departments in this specific episode], I emphasise the corporate strategic plans that we need to achieve, and show them some [strategy] tools that can guide them to think and analyse*

*information for producing better plans” (Corporate Strategic Planning Manager, TPA Corporation)*

*“... I need to ensure all those strategic plans from SBUs, divisions and departments are aligned with each other and with corporate strategy... I discuss those plans with them [each of the heads of organisational units] informally and formally... They usually initiate their strategic plans but again I need to ensure those plans are viable and integrated...and many times I need to challenge them to adjust their plans to be more aggressive...” (Corporate Strategic Planning Manager, TPA Corporation)*

*“... I sometimes get support from Corporate Planning Department about how to run a strategic planning exercise and how to do strategy analysis for particular projects...” (Departmental Manager, School of Language and Culture Department, Business Unit I, TPA Corporation)*

*Strategic planning as a mechanism for linking strategy formulation and strategy implementation:*

The advocates of strategic planning have mainly affirmed that strategic planning is best seen as a way of grasping meant to promote strategic thinking and learning; improve strategic decision-making; and enhance organisational performance (Bryson et al., 2009). Conversely, strategy implementation involves establishment of the organisation’s resources and motivation of the strategy practitioners to achieve objectives (Guth & MacMillan, 1986; Egelhoff, 1993). However, separation between strategy formulation and implementation can compel a fallacious division of work between top managers and other organisational members in strategy making (Mintzberg, 1978). The debate about linking between strategy formulation and strategy implementation still persists.

Consistent with Grant (2003)'s study of strategic planning in major oils, my findings reveal that the main vertical direction of planning was bottom-up (from the lower organisational levels to the upper levels) and with intermediate to top management, middle management and frontline management demonstrating extensive autonomy and flexibility in strategy making.

*“This year, safety in project management and development is one of our key strategies. ... I took that view and initiated a safety plan which needs to be shared and agreed with the Project Management Department. ... Project Managers and I had a meeting together and finalised the plan before submitting those plans to my supervisor...”* (Departmental Manager of Technical Support Department, Project Management Services subsidiary, LPN Corporation)

At the same time, the top-down vertical direction of planning allowed top managers determine limitations and guidelines in the form of corporate vision and mission statements, corporate objectives, corporate strategy map, corporate initiatives, and performance expectations.

*“...This year, other executive directors and I focus on how to deal with the financial crisis... That is why we call our strategy map Crisis Strategy... We learnt from our past experience that we need to manage our cash flow carefully. So, we really focus on efficient cash flow and liquidity management to cope with this crisis... We'll try to communicate this message to our staff throughout the organisation”* (Executive Director and Chief Strategy Officer of LPN Corporation)

In parallel, the horizontal direction of planning (captured by the four main interaction schemes) allowed all the various management positions throughout the organisation to share and coordinate with each other in order to develop shared and cross-unit strategic plans. In bringing together these vertical and horizontal mechanisms through interaction, dialogue, debate and collaboration, the planning

systems continually perpetuate in the form of planned emergence (Grant, 2003) at the praxis level in which strategy formulation and implementation intertwine vertically and horizontally. This situation significantly strengthens the bonds between planned emergent approach and strategic planning cycle in which the planning cycle becomes iteratively embedded as an emergent approach throughout the processes. This situation also strengthens seamless integration of strategy formulation and implementation which is consistent with the findings regarding interdependence between strategy formulation and strategy implementation from Ocasio and Joseph (2008). Within this perspective, the strategic planning as multi-unit and multi-level planning activities operates as emergent and adaptive over time, contemporaneous with the strategy implementation. The intermediate to top manager and middle manager at LPN Corporation elaborate on this interplay between strategy formulation and implementation:

*“...We [executive directors] learn from our past experience that we need to manage our cash flow carefully. So, this year [2008], we are really focusing on efficient cash flow and liquidity management... Essentially, we need to be careful to plan and monitor these two areas of our corporate strategy regularly... We have to be able to adjust our strategies if there are any changes that might happen over time... As far as I see, we use our quarterly planning meeting to track any changes and revise our strategic plans [if needed]”* (Executive Director and Chief Strategy Officer of LPN Corporation)

*“Within our Finance and Accounting Department, I organise weekly, monthly and quarterly meetings to ensure that everyone is still in the same strategic direction. I need to take into account any changes that might impact on our strategies. Also, I invite the other departments, for example R&D, to give a talk updating us about what is going on in the market so that we can adjust our strategies to respond to those changes”* (Deputy Managing Director of the Corporate Finance, LPN Corporation)

*“... I see this is one of our greatest challenges. We need to balance things and our corporation needs to be very dynamic in adjusting our strategies. The reason that we set up the Free Cash Flow KPI as one of our corporate KPIs is because we are in a new crisis economy. When the economy is recovering or even in good shape, we can reduce the expected total of end of month cash. Having too much free cash flow is also not good in terms of cost of capital. Our method for dynamic management is to have regular planning in which we can monitor our performance and KPIs. I am positive that we need to utilise our information and analyse it regularly which can be used to improve our strategies. I totally agree that everything needs to be aligned and we need to make use of our information effectively.”*  
(Deputy Managing Director of Corporate Finance, LPN Corporation)

#### **6.2.5 Contributions to the Theoretical Lenses Introduced in the Literature Chapter**

According to the theoretical lenses introduced in the literature chapter (Section 2.3, 2.4 and 2.5), I moderately discussed the relevant theoretical frameworks that are generally drawn upon by strategy-as-practice perspective, strategic planning and organisational theory in the previous sub-sections. In addition to the specific contributions that I discussed in each of the sub-sections of Sections 6.1 and 6.2.1 to 6.2.4, I present here the overall summary about how my findings relate and contribute to the relevant theories (Section 2.5).

In this thesis, I introduced the conceptual framework that represents strategic planning as a network of collaboration amongst quasi-independent processes taking place across multiple levels and units in order to examine and probe deeply into the planning activities and planning interactions of different actor positions that occur within such network of strategic planning processes (see Section 3.2). I argue that it can address how the hierarchy of strategies requires different organisational levels and units of strategic planning process in order to connect the multiple levels and

units of decision-making. With this conceptual framework, and as I discussed my empirical observations and analysis in Chapter 4 and Chapter 5, I have revealed the reciprocal relationships and interaction dynamics between strategy practitioners across different levels and units of organisations.

Particularly, I have expanded the empirical study to include not only top managers but also middle managers and other mid-level and frontline-level strategy practitioners whose activities and behaviours have important consequences for how strategy forms within organisations (see Section 5.3). I have also offered the vertical and horizontal perspectives on strategic planning, which extends the scope of the strategic planning literature, because existing research does not examine horizontal planning linkages between organisational units (see Section 6.2.2). Therefore, my findings directly contribute to the literature on the strategic planning, strategy-as-practice perspective, situated learning, sensemaking, agency theory and power theory in strategic planning.

*Strategy-as-practice view:*

This thesis contributes to strategy as practice perspective (Whittington, 2006; Jarzabkowski, et al., 2007; Johnson, et al., 2007) by providing insight on the praxis level study and probing into strategising and interactions of actors across different organisational levels and units during formal strategic planning cycle. In making this contribution to the practice perspective on strategic planning, I divulge that the occurrence of strategy workshops and meetings persists at praxis level in the form of the strategic planning activities. This supports the prior literature on role of strategy workshops and meetings (Jarzabkowski, 2003; Hodgkinson, et al., 2006; Jarzabkowski & Seidl, 2008) in which strategic planning activities at the praxis level seem to play an important role in introducing a degree of emergence within a wider formal strategic planning cycle. My findings also strengthen and add to the prior literature by revealing that interaction dynamics of strategy practitioners at the praxis level as part of formal strategic planning cycle becomes part of organisational life. Those planning activities and interactions thus become a means

in which such emergent strategy is reflective, translating, contemplating, and formalising strategy that originates lower down (Hodgkinson, et al., 2006), and laterally communicates across organisational levels and units.

Furthermore, my findings directly contribute to the growing attention for examining different interests in various hierarchical positions whose activities and behaviours have important consequences for how strategy is made within organisations. (Floyd & Lane, 2000; Mantere, 2008; Mantere & Vaara, 2008). The prior literature predominantly focuses on between top managers and middle managers (Wooldridge & Floyd, 1990; Floyd & Wooldridge, 1992; Floyd & Wooldridge, 1997; Pappas & Wooldridge, 2007; Wooldridge, et al., 2008). This thesis has added much to the better understanding of the planning interactions and activities of different hierarchical positions of strategy practitioners (i.e. top managers, intermediate to top managers, middle managers and frontline managers), and offers great promise for generating future insight (Wooldridge, et al., 2008).

Moreover, in the prior literature on micro-level practice, micro-level practice of *collaborating, communicating, coordinating, initiating, negotiating, shaping context, supporting, and translating* already discovered in order for strategy practitioners notably between corporate level and peripheries to strategising during strategy development process or for strategic change (Andersen, 2004; Rouleau, 2005; Paroutis & Pettigrew, 2007; Jarzabkowski & Balogun, 2009). In making this contribution to the strategy as practice perspective, I examine the notion of micro-level strategising practice adopted by and interaction dynamics of strategy practitioners during strategic planning episodes as part of network of formal strategic planning cycle. Three micro-level practices of *facilitating, integrating and reviewing* emerged from the data in this thesis (see Section 4.1). The thirteen interaction patterns, which are later grouped to four interaction schemes, also emerged from the data in this thesis (see Chapter 4). The interaction schemes and embedded strategising practice revealed in this thesis can be viewed as a collaborative process of creating shared awareness and understanding out of different strategy practitioners' perspectives and varied interests. The four

interaction schemes also show how various actor positions of strategy practitioners interact differently in diverse types of strategic planning links. This thesis offers a very deeper insight on how different strategy practitioners actually interact with each other, and perform emergent and deliberate strategic planning activities as part of formal strategic planning cycle. From a strategy as practice perspective, I may provide a better understanding of how interaction schemes and embedded strategising practice enable coordination, integration, alignment and participation in the network of strategic planning processes.

*Situated learning:*

Literature on situated learning through communities of practice continues to focus on how communities of practice stimulate organisational learning and factors that cultivate communities of practice to promote and support innovative learning (Wenger, 1996; Wenger, 1999; McDermott & Archibald, 2010; Retna & Ng, 2011) that may lead to increase organisational performance (Wenger, 1999; Lesser & Storck, 2001). Communities of practice can be also used as a dynamic forum to develop new strategies and to implement existing strategies (Lave & Wenger, 1991; Wenger, et al., 2002).

In making this contribution to the communities of practice in situated learning, I have revealed that strategic planning teams as a decentralised form of informal communities of practice have formed during multi-level and multi-unit strategic planning processes. Empirically, both strategy practitioners at LPN Corporation and TPA Corporation naturally establish a distributed form of informal communities of practice in relation to each type of strategic planning links. Especially, qualitative data of both case study sites in this thesis suggested that strategy practitioners from different functional groups across the organisational levels and units, such as project management, information technology, finance, sales, marketing, and customer relations, naturally form informal decentralised communities of practice as part of formal strategic planning processes.

Whereas in strategic planning link type 1, 2 and 5, strategy practitioners form informal communal communities because they have similar organisational function and share mutual goals, in strategic planning link type 3 and 4, strategy practitioners form informal cross-functional communities because they have common challenges of providing integrative cross-functional strategic plans to address corporate or upper-level strategies. Therefore, this creates a basic division of common understandings among various communities' domains (Wenger, 1999; Retna & Ng, 2011). This is very important for strategy practitioners to connect with other practitioners across different organisational levels and units to learn, share and create joint understanding within each community of practice for strategic planning and between communities that may lead to increase strategic integration and alignment.

Furthermore, my findings contribute to the prior literature on communities of practice (Wenger, 1996; Wenger, 1999; McDermott & Archibald, 2010; Retna & Ng, 2011) by revealing high levels of collaboration among strategy practitioners are the key value of each informal community of practice in integrating, coordinating, developing and aligning the shared strategic plans or cross-functional strategic plans. Particularly, I have revealed that the collaboration between strategy practitioners within each informal community of practice is enacted in the form of four interaction schemes (i.e. the Bilateral Scheme, the Cohesive Facilitation Scheme, the Ambassadorial Coordination Scheme, and the Supervisory Driven Scheme – see Section 4.7). The phenomenon of horizontal and vertical aspects within those interaction schemes offers the insight of how strategy practitioners interact with each other in order to integrate and align their strategies at each organisational level and unit. The social nature of communities of practice (in the form of interactions between strategy practitioners in this thesis) enabling with horizontal linking mechanisms (Mintzberg, 1979) is a crucial to success of strategic integration and alignment (see Section 6.2.2).

*Sensemaking perspective on practice:*

The sensemaking perspective on practice is useful for exploring the managers' understanding of their organisational strategy and environment (Gioia & Chittipeddi, 1991; Wicks & Freeman, 1998; Brown, 2000; Balogun & Johnson, 2004; Rouleau, 2005; Brown, et al., 2008). In this view, this thesis has a direct contribution to sensemaking perspective on practice by providing micro-level insight into how the strategy practitioners across different organisational levels and units make sense of their strategic planning activities and their planning interactions with each other differently as part of formal strategic planning processes. This situation, I argue, occurs for two main reasons. First, the strategy practitioners assume different hierarchical positions so that they have different sense-making patterns about their strategic planning activities and interactions depending on their perceptions on the degree of social construct and shared common understanding (Rouleau, 2005; Woldesenbet & Storey, 2010). Second, the strategy practitioners at both LPN Corporation and TPA Corporation have different interests from one another when they are involved with different types of strategic planning links. This latter has added to the literature on sensemaking and strategic planning as it provides a fine-grained micro-level study of the distributed planning activities and interactions that occur as part of formal strategic planning processes.

Particularly, this thesis contributes to sensemaking on micro-level activity by revealing that the strategy practitioners interact with each other differently through the four interaction schemes during formal strategic planning processes. In addition, different actor positions of strategy practitioners across different organisational levels and units make sense of strategic integration and alignment through different categories of strategising practice within each type of interaction schemes. In the Bilateral Scheme that are naturally adopted by managers participating in all types of strategic planning links, frontline managers were more likely to adopt the practice of *collaborating*, *initiating* and *translating* than strategy practitioners who assumed other managerial roles. This is, I argue, two-sided interactions between frontline managers mainly make sense to each other by collaboratively developing shared or

cross-functional strategic plans, and by reciprocally interpreting each other's functional strategic plans. Consequently, they make sense to upper management levels by proposing those strategic plans to other managers, and reciprocally by attempting to interpret what upper-level strategies mean to them. This situation accords with sensemaking of upper-level managers. My finding reveals that intermediate to top managers and top managers mainly make sense of strategic integration and alignment through practice of *integrating* and *reviewing*. This finding shows that frontline managers and upper-level managers act in concert and make sense to each other in a collective way. This synthesis of activities provides capability for different managers to make sense of strategic integration and alignment between two organisational levels or units.

In the Cohesive Facilitation Scheme, frontline managers mainly make sense of strategic integration and alignment through practice of *facilitating*, *collaborating* and *translating*. A focal frontline manager makes sense with a group of frontline managers through practice of *facilitating* in order to develop collaborative strategic plans. A group of frontline managers collaboratively make sense to each other by developing shared or cross-functional strategic plans through practice of *collaborating*, and by reciprocally interpreting each other's functional strategic plans through practice of *translating*. However, middle managers and top managers mainly make sense of strategic integration and alignment through the practice of *facilitating*, *initiating* and *integrating*. This disparity can be explained by difference in hierarchical positions. Frontline managers do not have similar level of perception of upper-level strategy as middle managers and top managers (Rouleau, 2005; Woldesenbet & Storey, 2010). This finding strengthens importance of middle managers in strategy development (Wooldridge, et al., 2008) and directly adds to the literature on the role of middle managers (Rouleau, 2005).

In Ambassadorial Coordination Scheme, middle managers, intermediate to top managers and top managers play a key role in this interaction scheme and make sense of strategic integration and alignment through the practice of *coordinating, integrating, reviewing* and *shaping context* than frontline managers. This is, I argue, because a focal manager with higher authority than others in the group (but no direct line of command) makes sense by controlling, reviewing and leading the planning exercises, and forging joint interests between other practitioners.

However, in the Supervisory Driven Scheme, middle managers, intermediate to top managers and top managers play a key role in this interaction scheme. Middle managers, intermediate to top managers, and top managers make sense of strategic integration and alignment through the practice of *communicating, coordinating* and *shaping context*. This is, I argue, managers in a supervisory role communicates and coordinates a top-down process with their staff with the purpose of communicating higher level strategies and objectives. In tandem, the supervisory role make sense of strategic integration and alignment by ensuring that their staff understand the higher level strategies and can translate the higher level strategies into their functional understanding.

In sum, all of these findings support and add to prior literature on managers' sensemaking in practice at the corporate centre and the periphery level especially role of middle manager (Floyd & Wooldridge, 1997; Balogun & Johnson, 2004; Rouleau, 2005; Paroutis & Pettigrew, 2007).

*Agency theory and power theory in strategic planning:*

The findings in this thesis also justify their contribution to power theory (Narayanan & Liam, 1982; Guth & MacMillan, 1986; Floyd & Wooldridge, 1992; Floyd & Wooldridge, 1997; Balogun & Johnson, 2004) and agency theory preferences (Eisenhardt, 1988; Eisenhardt, 1989; Allaire & Firsirotu, 1990; Stevenson & Greenberg, 2000; Mutch et al., 2006; Cooney, 2007). This thesis revealed that the negotiation of self-interest and joint-interest is particularly likely to play out in the interactions between different organisational roles during strategic planning episodes (Quinn, et al., 1988; Chakravarthy & Lorange, 1991). The practices of *negotiating*, *coordinating*, *shaping context*, and *reviewing* are the dominant practices that support this phenomenon. Each of the organisational roles assumes a different agency role when participating in different interaction schemes and types of strategic planning link. This means that a strategy practitioner can assume the principal role when participating in a strategic planning link type, and assume the agent role when participating in another strategic planning link type. Consequently, different agency roles in planning experience affect different organisational units' experiences of participation and coordination in strategic planning interactions (Westley, 1990)

Furthermore, structural perspectives on power argue that power is derived from where each person stands in the division of labour and the communication system of the organisation (Pfeffer, 1991; Pfeffer, 1992). This leads to the situation where structural source of power is also derived from where each person stands in the different organisational level and unit in the M-form structure (Chandler, 1982). An individual can possess power by being in a position of authority and by being in a different organisational level and unit of the M-form structure. Consistently, the findings in this thesis reveal that managers who assume principal role make use of their structural power with other managers who assume agent role (Langley, 1988) during the planning interactions as evident in the Supervisory Driven Scheme and

the Ambassadorial Coordination Scheme within strategic planning link type 2 and 4.

Specifically, from the two main cases in this thesis, my findings contribute to power theory on influence of control through coalition formation (Narayanan & Liam, 1982; Westley, 1990; Balogun & Johnson, 2005). For example, top managers assuming the principal role attempt to establish strategy and communicate to their staff. Intermediate to top managers and middle managers, when assuming the agent role (with top managers); seek either to influence and interpret the higher level strategies according to their own interests, or to negotiate its execution where it does not meet their attentions. However, intermediate to top managers and middle managers, when assuming the principal role (with frontline managers); attempt to integrate the shared or cross-unit strategies and communicate to their staff. Frontline managers, when assuming the agent role, gain influence through collaborative form of coalition formation that enable them to have greater influence on the strategic planning process in spite of their lack of hierarchical power. Strategy practitioners who are either intermediate to top managers or middle managers also use this coalition formation approach when interacting with the other practitioners who have equivalent roles. This coalition formation is in the form of the interaction schemes.

My findings therefore enhance resolution for agency problem in which the interaction schemes is served as a mediator to create coalition formation that can help increase collaborative mindsets which might lead to increase information and power symmetry. In Sections 4.2, 4.4, 5.3.1 and 5.3.2, I reveal that the strategy practitioners who enact in the horizontal form of strategic planning links (strategic planning link types 1 and 3) gain influence through coalition formation in the forms of the Bilateral Scheme and the Cohesive Facilitation Scheme.

### **6.3 IMPLICATIONS FOR PRACTICE**

Based on my empirical findings and contributions to theory in the preceding sections, I present a number of implications and contributions for practice.

The thesis's findings can help managers and practitioners to manage their strategic planning systems that are evolved into a differentiated network of quasi-independently decentralised strategic planning. Even though, this thesis has not assessed the relationship between organisational performance, and strategic planning activities and interactions, this thesis has revealed the actual micro-level practice and interactions of managers during formal strategic planning process. The processes have both attributes of vertical and horizontal aspects of strategic planning. The horizontal aspect of strategic planning captured from this thesis provides the new perspective of coordination and collaboration within the decentralised strategic planning processes. The findings and understandings of the horizontal view could assist managers and practitioners in integrating and aligning multiple units of strategies including cross-organisational strategies. At the same time, the vertical view of strategic planning (conventional view) continues to play a key role in integrating and aligning multiple levels of strategies throughout organisations. The top-down approach and bottom-up approach are still the main practices in the vertical view of strategic planning as captured in the Supervisory Driven Scheme in this thesis.

This thesis offers a new perspective of how managers at different organisational levels and units actually do and interact with each other as part of formal strategic planning process. This view highlights the horizontal coordination has become a significant mechanism to integrate and align strategies at different organisational levels and units that may lead to increase organisational performance. Furthermore, the synthesis between the horizontal view and vertical view of strategic planning proposed by this thesis provide a better understanding for managers and practitioners to manage a differentiated network of strategic planning.

Particularly, the interaction schemes captured from this thesis could assist managers and practitioners in managing and strategising within strategic planning exercises in more integrative ways in order to enable strategic integration and alignment of multiple levels and units of strategies. The interaction schemes could be used for increasing the level of collaboration and synergy among organisational levels and units that could lead to a higher level of strategic integration and alignment. This is also in line with the types of strategic planning links proposed that can assist managers and practitioners in organising strategic planning meetings that focus on the level of interdependency among organisational units. Furthermore, managers and practitioners could use information about categories of strategising practice embedded in interaction schemes and the roles of each actor position acting on horizontal and vertical aspects of strategic planning to develop strategising skill sets for strategy practitioners throughout the organisation.

Lastly, at the activity level, I have illustrated how different practitioner roles and managerial levels contribute in distinctive ways to strategic planning from both horizontal and vertical perspectives. It is apparent from what I found at LPN and TPA Corporations that their planning and decentralised decision-making mechanisms are linked together heterarchically as well as hierarchically, as the literature would suggest. I found that the horizontal aspect of strategic planning was effective because of joint interests between participating managers and units in the absence of a hierarchy of power. In the light of this, a useful view of the role of corporate strategic planning departments would be as mediator and enabler of these heterarchical links. The findings from this thesis regarding the roles of each actor position acting on horizontal and vertical aspects of strategic planning could help managers and practitioners to enhance strategic integration and alignment during strategic planning exercises.

#### **6.4 IMPLICATIONS FOR FUTURE RESEARCH**

This thesis developed some new insights into the understanding of the interplay between actor position, type of strategic planning link, categories of strategising practice, and interaction dynamics. Nonetheless, there is a great need for ongoing academic discussion on this topic. Based on the limitations of this study, this section proposes some potential areas for future research.

A number of limitations should be acknowledged in this thesis. First, a major discriminator in this research is the narrower multi-business structure of the M-form based firms that I studied compared to strategic planning research done elsewhere. Although, many large firms irrespective of mode of internalisation or localisation have continuously adopted the M-form structure (Chandler, 1982; Chandler, 1991; Bartlett & Ghoshal, 1993; Bartlett & Ghoshal, 1998; Greve, 2003), the two in-depth case studies in this thesis are considered large local enterprises and the pilot case study in this thesis is considered a multi-national enterprise. With one pilot case study carried out in New Zealand and two primary cases in Thailand, this thesis describes a holistic study of interaction dynamics of a network of strategic planning. A logical extension of this research would be to confirm the findings for the M-form based firms elsewhere, using the research framework and models developed in this thesis. It would also be insightful to make cross-national comparisons with companies of different size, degree of geographical scope and culture in other parts of the world.

Secondly, the research method that this thesis adopted can establish analytical generalisation by conducting and analysing both multiple case studies of different organisations and different case studies within two primary organisations and one organisation for the pilot case study (see Sections 3.3, 3.4 and Figure 4). The case study organisations were purposely selected in order to be able to establish, compare and contrast, and enhance external validity (see Section 3.5). Specifically, the two main embedded units of analysis in this thesis are type of strategic planning link and category of actor positions. Even though analytical generalisation can be achieved by

conducting and analysing either multiple case studies of different organisations or different case studies within one organisation (Eisenhardt, 1989), the research methods that could be adopted to extend the current research strategy are one of the future research directions that can fortify either statistical or analytical generalisation. In particular, the confirmatory case study approach, by taking up the challenge of investigating a large number of the M-form based firms, is appropriate for future studies.

Thirdly, my understanding of the strategic planning interactions and practices is derived primarily from the interview data, strategy related documentation and feedback meetings. Due to the sensitivity of the topic of this thesis, no direct participation or observation of strategic planning meetings was made possible in all case study organisations. Future research on strategic planning that uses direct participation or observation to collect qualitative data will make a significant contribution to this field of study.

Fourth, even though the scope of strategy practitioner in this thesis covers all managerial levels (frontline management to top management level), future research to examine strategic planning using the research framework and models developed in this thesis, which can expand to cover strategy practitioners at the working level, will provide additional contribution to this field of study.

Finally, there is still need for empirical research that merges micro- and macro-level activities in strategic planning in relation to organisation configuration. The important questions are concerned with how these processes are managed in different M-form based firms; what are the sources of variation and convergence between the M-form based firms, and how are these affected by changing institutional contexts in local, national, regional, and global orientations and processes.

## 6.5 CONCLUSION

As this thesis has demonstrated and progressed through the logical flow of contemplation from the beginning to the conclusion by discussing its conceptual research objectives and questions, the research methodology, the findings, and the detailed contributions and implications, this concluding section will summarise the contribution to knowledge that the thesis makes.

In the beginning of this thesis, I outlined the purposes of the thesis which are to explore the experiences of different strategy practitioners across the M-form based firms in a network of multi-level and multi-unit strategic planning, and to examine their interactions and strategising activities in practice. Consequently, I come to the last section of this thesis and believe my findings contribute to the strategic planning literature. I comprehensively summarise the contribution to knowledge that the thesis has made as outlined below.

- I have introduced a new method for examining the practice of strategic planning based on studying strategic planning links between practitioners representing horizontally as well as vertically differentiated units. The strategic planning links also cover both intra-organisation as indicated in strategic planning link types 1 to 4 and inter-organisation as indicated in strategic planning link type 5. In doing so, I have represented strategic planning as a multi-unit as well as a multi-level process, and hence have been able to show how it operates as a network of collaborative relationships and activities. This extends the view of strategic planning prevailing in the literature, which portrays a largely hierarchical, vertically-based structure. The detail of this new method can be found in Section 3.2, p. 58.

- I revealed the horizontal aspect of strategic planning which offers a new perspective of strategic planning processes because the vertical view alone cannot provide the integrative view to manage strategic planning effectively. The synthesis between horizontal and vertical aspects of strategic planning offers new insight into holistic and integrative ways for managing strategic planning. In addition, I have extended the understanding of the roles of different actor positions contributing to horizontal and vertical aspects of strategic planning. This knowledge sheds light on how different actor positions can enhance strategic integration and alignment hierarchically and heterarchically. These horizontal and vertical aspects of strategic planning are justified in Section 6.2.2, p. 278.
- I have extended the investigation of strategic planning beyond only between corporate centre and periphery. I examined strategy practitioners in different levels of organisational units existed in the M-form based firms: (1) Corporate centre, (2) Corporate-based functional level, (3) Profit centre-based SBU, (4) Embedded competency-base level, and (5) Embedded functional level. I have also examined deeper levels of different actor positions (i.e. top managers, intermediate to top managers, middle managers and frontline managers) which reflect the real business environment existing in the M-form based firms. The new investigation of strategic planning across different organisational levels and units is developed in Section 3.5, p. 72.
- I have pointed to three additional or enhanced roles for strategic planning: (1) as a mechanism for integration and alignment through the M-form structure, (2) as a mechanism for enabling horizontal mechanisms, and (3) as a mechanism for linking strategy formulation and strategy implementation. This finding is in line with and fortifies the transformation of strategic planning roles as the literature would suggest. The three enhanced roles are justified in Section 6.2.4, p. 286.
- At the activity level, I have illustrated how different practitioner roles and managerial roles across multiple levels of managerial positions contribute in distinctive ways to strategic planning from both horizontal and vertical

perspectives (in Section 6.3, p. 304). It is apparent from what I found at LPN and TPA Corporations that their planning and decentralised decision-making mechanisms are linked together hierarchically and heterarchically as the literature would suggest. I found that the horizontal aspect of strategic planning was effective because of joint interests between participating managers and units in the absence of a hierarchy of power (in Section 6.3, p. 304). In the light of this, a useful view of the role of the strategic planning department would be as mediator and enabler of these heterarchical links. The role of the strategic planning department is justified in Section 6.2.3, p. 284.

- My findings also shed light on micro-level practices of strategic planning when there are both vertical and horizontal planning linkages between organisational levels and units. The additional categories of strategising practice (in Section 4.1, p. 120) and the four interaction schemes (in Section 4.7, p. 215) that I propose take full account of both horizontal and vertical views of strategic planning. The collective praxis of strategic planning links characterised by these interaction patterns is what makes up the differentiated network of strategic planning in the M-form based firms.

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## APPENDIX A – INTERVIEW PROTOCOL

Interview schedule

Firm: \_\_\_\_\_

Location: \_\_\_\_\_

Interviewers: \_\_\_\_\_

Interviewees: \_\_\_\_\_

Date/Time: \_\_\_\_\_

### **1. Introduction of the interviewers**

My name is Chatchai Thnarudee. I am a Ph.D. student in the Department of Management, the University of Canterbury.

### **2. Introduction of the study**

I am currently conducting a study with the intention in examining strategic planning systems. The aim of this thesis is to explain and probe into the practices, processes and interaction dynamics of strategic planning within the M-form based firms.

### **3. Basic questions**

Could you give me an idea about how your organisation is structured? – For example, how many business units and divisions does your organisation have, and what are your roles?

### **4. Questions regarding strategic planning in general**

Could you give me an idea about how your organisation performs strategic planning? Followed by, how are those strategic planning processes conducted (formal strategy workshop, strategy away-days or happen during as an informal routine basis)? and could you provide the specific exercise of strategic planning that you have involved and that have been conducted?

**5. Questions regarding the understanding of the multi-level and unit strategic planning processes to/within other functions, and of the strategy practices drawn by strategy practitioners during strategic planning process, and of the strategy praxis and how strategy practitioners strategise during the strategic planning processes**

- Could you please elaborate a bit about the components of strategic planning processes within your unit? – For example, how it is initiated to the end of its processes? specific exercise versus in general
- Who is involved and not involved with those strategic planning processes? specific exercise versus in general
- Are people involved with those strategic planning processes come from different functions? If yes, how do the viewpoints from different functions represent in the processes?
- How are you involved with those strategic planning processes?
- Are you also involved with other strategic planning processes in terms of corporate or functional planning perspective?
- How are those strategic planning processes similar or different to one in your unit, and how are those multi-level and multi-unit strategic planning processes linked together?
- How do you ensure the alignment of strategy development from multi-level and multi-unit?
- What are specific activities or responsibilities that you perform during strategic planning processes? specific exercise versus in general
- What are the key subjects being discussed during the strategic planning processes? specific exercise versus in general
- What kind of tools or techniques involved with the strategic planning? For example, do you also use SWOT to assess your organisation's capabilities? specific exercise versus in general

**6. Conclusion and end of discussion**

Is there anything else that I have not mentioned that you would like to add?