PUTTING STRATEGY INTO PRACTICE:

TOP MANAGEMENT TEAMS IN ACTION IN

THREE UK UNIVERSITIES

Uncovering the paradox of effectiveness and inertia

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ACKNOWLEDGEMENTS

DECLARATION

This thesis is totally my own original piece of work, based on data that I gathered and analysed. All extracts and non-original work have been appropriately attributed and cited. No part of this thesis has been published as yet, or submitted for a degree elsewhere.

DISCLAIMER

While permission has been granted to use the real names of the case studies and to attribute quotations to actual personnel, the interpretations herein are totally the responsibility of the author. There is no intention to make a value judgement on the quality of the strategy practices in any of the cases studied. In fact, each institution is significant for its consistently high standing against comparator universities in the various league tables which rank the higher education sector. Additionally, the research was conducted at a specific period in time, covering the years 1992 to 1998. Each institution has since made changes in its structure, processes, and personnel. Therefore, the thesis renders an interpretation of the past which may not bear resemblance to the present.

SUMMARY

An investigation into top management team action in the practice of strategy was conducted within three UK universities. This study examined strategic practices from a top team perspective in each institution over a seven year period. The aim was to understand the processes by which top teams put strategy into practice within the context of organisational structures that may both constrain and enable strategic action.

A theory of practice was developed with which to guide the investigation. This theory, and interrogation of a diverse body of organisation studies and strategic management literature indicated a longitudinal, processual research design as appropriate, accessing rich contextual data over embedded levels of analysis. To this end, 49 interviews, 51 meetings observations, shadowing of key participants, and extensive documentary and archival searches were conducted. Analysis of such data led to the identification of three levels of analysis which are pertinent to an understanding of top management team engagement in strategy as practice. First, the top team process of strategic thinking and acting. Secondly, the structuring characteristics of organisational context. Thirdly, the strategy processes which form the interplay between top team actors and organisational context in the practice of strategy. These levels of analysis were arranged in an explanatory framework. This framework shows how top management teams engage in strategy as practice through the use of situated and distributed practices which mediate between their behaviour, the organisational contexts in which they act, and the strategic activities which are pursued. To better model the dynamic nature of these relationships, strategy as practice was conceptualised as occurring within an activity system. The activity system comprised three domains, top team actors, organisational structures, and strategic activity, mediated by practices which are situated and distributed across the domains.

This research is underpinned by the theoretical approaches of structuration and social becoming, which interpellate the tendency to both recursiveness and transformation in social order. These tendencies are conceptualised as the capacity for continuity and change in the process of putting strategy into practice. The activity system model developed was used to explain how practices are implicated in the mediation of continuity and change.

GLOSSARY OF TERMS

APRC	Academic Planning and Resource Committee (LSE)
CEO	Chief Executive Officer
DVC	Deputy-Vice-Chancellor
E & G	Estimates and Grants Committee (Warwick)
EIG	Earned Income Group (Warwick)
HEFCE	Higher Education Funding Council of England
HOD	Head of Department
JCSSC	Joint Council and Senate Strategy Committee (Warwick)
LSE	London School of Economics and Political Science
MASN	Maximum Aggregate Student Numbers
MSL	Minimum Staffing Levels (LSE)
NAB	National Advisory Board
O/B	Oxford Brookes University
Obs.	Personal Observation
OECD	Organisation for Economic Cooperation and Development
OPPP	Operational Pounds Per Point (LSE)
PCFC	Polytechnics and Colleges Funding Council
P-D	Pro-Director
PVC	Pro-Vice-Chancellor
QAA	Quality Assurance Agency
RAE	Research Assessment Exercise
RG&C	Research Grants and Contracts
SPC	Strategy and Planning Committee (Oxford Brookes)
TMT	Top Management Team
TQA	Teaching Quality Assessment
UFC	University Funding Council
UGC	University Grants Council
VAG	Vice-Chancellor's Advisory Group (Oxford Brookes)
VC	Vice-Chancellor
VCAB	Vice-Chair of Academic Board (LSE)
VCAC	Vice-Chair of Appointments Committee (LSE)

CHAPTER 1: INTRODUCTION

1.1 Introducing the topic

This research examines top management teams (TMTs) within the context of three UK universities; London School of Economics and Political Science (LSE), Warwick University and Oxford Brookes University. It examines the ways in which these teams put strategy into practice. The theme of strategy as practice deals with "how managers act and interact in the whole strategy-making process" (Whittington, 1996: 732). The term 'practice' has three main implications for an investigation of strategy. First, it suggests that strategy is an activity which may be cumulatively learned, since to practice something, such as a craft or a sport, is to gain competence through repetition. Thus the study has a particular focus on the way managers practice their strategic art, so gaining competence. Secondly, the verb practice implies action, and is dynamic in nature, since 'to go into practice', for example medical or legal practice, is to commence acting in a role, often within particular circumscribed procedures that delimit the nature or type of action. For practitioners, particularly experienced ones, such procedures may assume a pre-determined background role, guiding action without conscious reference. The research will, therefore, address the question of action, acknowledging that it may occur within the limits of specified procedures. Such limits may occur as tacitly understood processes that will not be apparent either to the managers as practitioners or to an observer in a superficial analysis. Finally, practice suggests that strategy arises out of daily experiences. That is, 'in practice' is commonly understood as 'in reality', indicating a study of the practices which comprise daily life, as opposed to, for example, strategy as planning, which would suggest a much more rational debate, set apart from actual practice. From these three perspectives, strategy is practised and worked at daily. It is not so much a grand design as a complex, possibly unsystematic series of actions and interactions which emerge from the experiences of an organisation and its managers over time. Hence, at the outset, the research is concerned with top management in action, and observes how they practice their strategic craft through daily experiences which both reflect the

tacit rules of conduct guiding practice, yet also provide the context of micro-behaviours in which strategy occurs. As such, the topic is located within the broader domain of strategy process research, focussing as it does upon strategic actors, actions and reactions occurring within context over time (Chakravarthy and Doz, 1992; Pettigrew, 1987; 1990; Van de Ven, 1992).

An underlying assumption guiding the research is that it is relevant to study strategy as practice from the perspective of top management. This assumption is derived from the literature. Strategy process scholars advocate access to managerial elites to better understand the relationships between administrative systems, strategic decision-making and organisational actions (Chakravarthy and Doz, 1992; Pettigrew, 1992). Indeed, Whittington (1996) explicitly defines managerial action as the pertinent unit of analysis in strategy as practice. For the purposes of this research, it is assumed that top management can most appropriately be considered as a group rather than a single CEO or leader. Thus, the focus is upon the strategic actions of dominant coalitions (Child 1972; 1997), indicating the body of literature surrounding top management teams as relevant (see Hambrick and Mason 1984; Finkelstein and Hambrick, 1996).

While a top management perspective does suggest managerial agency as a point of reference in strategic action, it does not assume managerial hegemony in the strategy process. Rather, as outlined above, strategy is presumed to arise from the intricate interactions involved in practice. Managers are engaged in daily practices and guiding assumptions about conduct which, undoubtedly, they are able to use in ways that support their agency. However, such practices and assumptions are also liable to exert influence over managerial behaviour. Hence, reciprocity or duality are expected in the relationship between managers and the contexts in which they practice strategy (Giddens, 1984; Pettigrew, 1990; Sztompka, 1991).

Practice appears to be an under-researched, yet growing area of interest in strategic management. In the resource, knowledge and capability-based approaches to competitive advantage, the field of strategic management is assuming greater focus upon the internal practices and processes of firms, "moving towards an enriched Penrosian account of the firm, an historically and path-dependent one in which managers are active components" (Spender, 1996:59). Teece et al (1997), in

examining the dynamic capabilities of firms, recommend that further theoretical framing and empirical research are needed to understand the contributions that managerial and organisational processes, position and path make to competitive advantage. As the field assumes greater interest in the internal processes which comprise organisational idiosyncrasies and frameworks of meaning, the internal dynamics of practice are becoming increasingly relevant. Since the field of study is still 'becoming', it does not have a strong or well-defined literature base. Therefore, in the tradition of strategy process research, which assumes an holistic approach, capturing "reality in flight" (Pettigrew, 1990:270), this research draws upon a broad set of literatures in order to inform both the theory and the analysis of top teams in action (see Chakravarthy and Doz, 1992).

In investigating a nascent field of research, there are specific considerations to be borne in mind. The research is exploratory, since it is not guided by a definitive *a priori* theory. Exploratory research is, by its very nature, inductive in design since the principle questions and potential answers are not known, or at best, only partially understood (Eisenhardt, 1989a; Yin, 1994). While the investigator does not set off into the wilds without any theoretical assumptions or guidance, the field itself will determine some of what is interesting and should be investigated (Glaser and Strauss, 1967; McPhee, 1995). As the data are analysed, induction overlaps with deduction, and this indicates the pertinence of some extant theories. Following the tradition of more deductive approaches, when the research is written-up such theories are presented at the outset, comprising a literature review that appears to frame the questions and subsequent data collection, analysis and discussion. This thesis adopts such forms of canonical practice on the premise that it will enhance reader comprehension, since;

> ... a 'purist' rendering of interpretive reporting unfortunately requires the reader to work through lengthy qualitative data presentation before learning what the major contributions of the research are likely to be (Gioia and Chittipedi, 1991:434).

However, the research was conducted in a substantially more grounded and inductive spirit involving multiple treks through data, sometimes appearing as a maze comprised of mainly blind alleyways. A particular concern was that of developing a

theory of practice since there appeared to be something of an oxymoron in the notion. With the dichotomous nature of the two terms apparent in the admonition "That's all very well in theory but does it work in practice", this research is rather more concerned with the inverse. Does practice work in theory? As such, social science theory, which endeavours to explain the 'life-world' of daily experience, is drawn upon to frame the research, ultimately having substantial correspondence with the data, suggesting that practice *does* work in theory. Indeed, this is the aim of inductive, grounded research.

> A grounded theory that is faithful to the everyday realities of a substantive area is one that has been carefully *induced* from diverse data ... Only in this way will the theory be closely related to the daily realities (what is actually going on) of substantive areas, and so be highly applicable to dealing with them (Glaser and Strauss, 1967, in Strauss and Corbin, 1994:276)

In the following chapters, the real names of the participating institutions are used and quotations are attributed to actual people and situations. While this may be somewhat unusual, it is a distinctive feature of the relationship gained between the researcher and the participants over the course of the study. The results of the research were presented to the top team of each institution, strengthening the validity and reliability of the findings discussed in the thesis. Following this feedback, a technique which is discussed in greater detail in the methods chapter, permission was granted to use the names of the three case studies.

1.2 Universities as the context

With any research, there is a choice to be made in terms of the sample, context, or site. This research chooses UK universities as suitable sites for a study of strategy as practice. This selection is the result of two considerations. First, the investigator's personal interest, having been exposed, as an Australian academic in a former polytechnic during the transition from binary divide to a 'unified' national system, to changing strategic practices in the higher education sector. Secondly, these changes have led to institutions of higher education, in keeping with other areas of the public sector, being identified as increasingly important areas of study for business and

management scholars (see Ferlie, 1992; Pettigrew et al, 1992; Ferlie et al, 1996). Competitive forces have increased due to the impact of progressively declining levels of public funding from 1980 onwards. Termed the quasi-market, an intended effect of decreased funding was the stimulation of market-driven competition within the public sector (Le Grand, 1991, Johnes and Cave, 1994). In this illiberal climate (see Child, 1972), universities have been observed as undergoing strategic change (Gioia and Chittipedi, 1991; Gioia and Thomas, 1996) and adaptation to diverse environments (Sporn, 1999), associated with the effects of the new public management (Deem and Johnson, 1999; Ferlie et al, 1996). The impact of competitive forces may be seen in strategic behaviour such as the rise of entrepreneurialism in universities, in order to maximise public funding and gain additional resources from commercial activities (Clark, 1998). As such, there are areas of convergence between private and public sector strategic behaviour. While this thesis does not directly engage in such comparisons, it draws upon the changing nature of higher education, suggesting that universities may be considered a relevant, ripe climate for a study of strategic management practices.

A brief historic overview from the development in the 1900s of the redbrick universities to the end of the binary divide in 1992, incorporating polytechnics within the university sector, is provided in Appendix A. This is intended to furnish general contextual background and to historically locate the three cases in this study; the London School of Economics and Political Science (LSE), Warwick University, and Oxford Brookes University. The most important inference to draw from this overview is that each of the three case studies in this research has been developed at different periods of history, and for distinct purposes. As such, structures of governance, academic ethos, culture and ideology may be presumed to be different. However, all are exposed to the increasingly illiberal, competitive environment which typifies the current higher education sector.

1.3 Overview of the chapters

Chapter 2 is divided into two parts, a theoretical framing of the topic, and a review of the relevant strategic management and organisation studies literature. First practice is

defined as teleological, being an activity seeking a goal, achieved by practice*s*, the habitual, tacit and processual factors involved in achieving the activity (Turner, 1994). The thesis is largely concerned with 'practice*s*', rather than 'practice', acknowledging that 'practices' are implicated in the realisation of practice or activity in a mutually constitutive relationship. The chapter then examines literature on top management teams, organisational context, particularly reviewing two main areas, resource-based and interpretative views of organisations, and strategy processes. From the theoretical framing and literature review, an in-depth, longitudinal, processual research design is indicated as the appropriate methodology for studying strategy as practice.

Chapter 3 explains the methodology, which uses an embedded design, incorporating three levels of analysis: top managers in action, organisational context and processes of interplay between the two. A in-depth case study approach has been adopted, gathering longitudinal data over a seven year period from 1992 to 1998 inclusive; six years of retrospective data and one year of real-time data. The research was conducted in a rigorous, socially aware manner, enabling the collection of a very high quality data set, incorporating triangulated qualitative sources such as documents, interviews, meeting observations, and shadowing of some key participants.

In Chapter 4, deduction and induction meet in a foreshadowing of the findings and discussion that form the remainder of the thesis. The constructs which were induced at each level of analysis are explained in terms of their empirically grounded meanings and their definitions within the literature. This chapter is meant to serve as a route map to the empirical chapters, anchoring the constructs that are used to structure case narratives.

Chapter 5 presents the data from the first level of analysis, the top team in action. Each case narrative is told separately, using the language of the field as a first order analysis (Van Maanen, 1979). However, the same set of constructs are used to structure each narrative, facilitating comparison of themes. Thematic discussion and analyses are then conducted at the end of the chapter. A similar format is followed in Chapter 6, which addresses the second level of analysis, namely the parameters of the organisational context. Case narratives are presented using the idiosyncratic language of the field to enable valid within-case interpretations but ordered around a similar set

of constructs that provide consistency for extracting themes across the cases. Analysis of these themes from the second analytic level concludes the chapter. In Chapter 7 the initial format is similar, dealing with the third level of analysis regarding processes of interplay between top team actors and organisational context. Specific strategy processes from each case are outlined. The narratives then take a new twist. A case vignette from each university is presented to exemplify how the main themes from each level of analysis interact in situated action. This is a useful means of tying together the embedded levels, showing their nested, layered quality as they occur in practice. An initial analysis of each case is then presented, followed by a discussion of themes arising from the cases.

Further analyses and discussion take place in Chapter 8, deriving three models or frameworks which explain the findings. The first model explains the mutually constitutive processes of TMT thinking and acting. Following this, the findings at each level of analysis are arranged in an explanatory framework which illustrates how TMTs engage in the practice of strategy. Finally, analysis indicates that practices may be interpreted as the mediating processes between TMT actors and the organisational structure in the conduct of strategic activity. This is conceptualised as a dynamic activity system, incorporating three inter-penetrated domains; TMT actors, structure and activity, mediated by practices. This dynamic model explains the variance between the three cases in terms of how their strategic practices mediate towards effectiveness and inertia or renewal and change.

Finally, the concluding chapter illustrates that the research makes a number of important contributions to understanding both TMT processes and strategy as practice. The main contribution to theorising and interpreting top teams and strategy as practice is summarised and associated with relevant bodies of literature. Implications of the thesis for theory and practice are expressed in terms of the paradox of effectiveness and inertia. Limitations of the current study are acknowledged on four main premises related to issues of research design. Finally, potential avenues of interest arising from the study are outlined as a future research agenda.

In order to simplify the reading of this thesis, it may be useful to refer to the glossary of terms, as the deliberate use of language from the field has resulted in a series of case- and sector-specific acronyms.

CHAPTER 2: LITERATURE REVIEW

This chapter provides an examination of the literature which might help to inform and underpin the central research question; "How do top management teams (TMTs) engage in the practice of strategy in three UK universities?" First, the chapter outlines the background to the research question. It locates strategy as practice, from a top management team perspective, as a nascent area of research which has developed within the field of strategy process. Given that strategy as practice is a relatively new field of research, it is not derived from a specific literature or a dominant theoretical perspective. Therefore, the second section develops a theoretical definition of practice which serves to locate the study within extant social science theory. This theoretical framing is used to guide the interrogation of diverse, wide-ranging literatures on strategic management and organisation studies in the third section of the chapter. Here, three main perspectives are developed: the top management team as an aggregate actor; the social structuring of organisations; and the processes of interplay between actor and structure as they are revealed through situated strategic activity. As a result of this examination, three research sub-questions emerge which may be used to examine the way in which TMTs engage in strategy as practice within an organisational context. The chapter concludes by proposing a methodological framework for conducting the empirical investigation.

2.1 Background: Framing the research question

Strategy as practice deals with "how managers act and interact in the whole strategy-making process" (Whittington, 1996: 732). Whittington outlines a research agenda in which strategy as practice is conceptualised as both inspiration; the visionary aspects of conceiving strategy, and perspiration; the routines and procedures by which strategy is enacted. Thus, this debate moves beyond strategy as planned or emergent or the dichotomy of strategy formulation and *implementation* to a focus upon the "practical competence" of managers, "existing structures" and the "nitty-gritty, often tiresome and repetitive routines of strategy " (*ibid*:732). In his critique of the multiple

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definitions of strategy present in the literature, Hendry (2000) emphasises and extends Whittington's approach to strategy as practice:

> Once we treat strategy as a social practice, ... the different 'strategies' referred to in the definitions appear naturally as the various products of such a practice, and the artificiality of singling out any one of them as uniquely representative becomes apparent. In pursuit of their aims, strategists do all the things that feature in the traditional definitions: they evolve shared perspectives, create plans and enact ploys. Intentionally or otherwise they participate in the social creation of patterns and the positioning of their organisations' product-market offerings, and they observe such patterns and positions in other organisations. However *it is the concerns of the practice that are essential to strategy*, and not any of these specific activities (*ibid*:29-30, emphasis added).

From Hendry's perspective, strategy is practice. It focuses upon management in terms of the socially embedded process of acting out the 'unheroic' day-to-day experiences of strategy within localised contexts. Whittington (1996) distinguishes between strategy as practice and strategy process as fields of research, based upon his emphasis on managerial, as opposed to organisational, levels of action. However, it may be argued that strategy as practice is a nascent topic within the broad domain of strategy process research. Process scholars also identify the importance of progressing to studies which access strategy process data at the level of top management and managerial elites (Chakravarthy and Doz,1992; Pettigrew, 1992). Such a move does not pre-suppose that strategy is solely planned or top down. Rather, it posits that top management, due to formal position, access to strategic allocation of resources, and processes of strategic decision-making, is an appropriate perspective from which to analyse strategy as practice (Chakravarthy and Doz, 1992; Child, 1972; 1997; Corner et al, 1994; Daft and Weick, 1984; Finkelstein and Hambrick, 1996; Hambrick and Mason, 1984; Hardy, 1996; Hickson et al, 1986; Pettigrew, 1992; Whittington, 1989; 1992; 1996). This research follows Child (1972; 1997) in conceptualising top management as a dominant coalition, rather than a single leader which indicates the top management team (TMT), as a unit of analysis (cf. Hambrick and Mason, 1984; Pettigrew, 1992). Hence, strategy as practice is investigated from the perspective of the TMT.

In the field of strategy process research, strategic action occurs in context (Pettigrew, 1985; 1987; Van de Ven, 1992). Processes occur within embedded layers of context,

from the wider economic climate to the sectoral environment and individual firm context (Pettigrew and Whipp, 1991). Chakravarthy and Doz (1992) suggest that research should concentrate specifically on those processes which form relationships between layers of context in terms of administrative systems, decision processes, environmental changes and proactive actions. This is consistent with Whittington's (1996) research agenda, which recommends a focus upon processes within the organisational context so as to generate an understanding of the relationships which comprise strategy as a localised practice. Thus, a guiding assumption in this study is that, to understand practice, it is useful to look from the perspective of dominant actors who are powerful in accessing features of organisational context. Investigation should focus upon the relationships between top management and their organisations, analysing the processes and characteristics of strategy as practice within specific contexts. Against this background, a research question has been developed, which can be phrased as follows: "How do top management teams (TMTs) engage in the practice of strategy in three UK universities?" This question delineates the major area of investigation, the practice of strategy, within specific contexts, from a top management team perspective. This chapter develops a theory of practice that is able to guide the investigation, followed by an examination of the strategic management and organisation studies literature that has specific relevance to top management teams in action, aspects of organisational context, and the strategy processes which form a relationship between the two.

2.2 Developing a theory of practice

The background to the research topic indicates some of the phenomena surrounding strategy as practice, proposing top management action as the primary unit of analysis and suggesting an embedded, processual research design to access this action in context. However, it provides little guidance as to how strategy as practice may be either theorised or, indeed, empirically-defined. Thus, the first task in addressing the research question is not to examine the various components of strategy as practice. Rather, an attempt will be made to develop a theoretical orientation regarding the nature of practice. This may then be used to interrogate the strategic management and organisation studies literature and guide the empirical investigation

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2.2.1 What is practice?: A working definition

It is difficult to define practice without reifying and objectifying a complexly inter-related group of phenomena. None the less, this section sets out to establish a working definition of practice for extrapolation, explanation and refinement throughout the thesis. Turner (1994) notes that, in any discussion of practice, there are a number of overlapping concepts drawn from the fields of philosophy and sociology which are commonly used. For example, practice is variously referred to as tradition, tacit knowledge, paradigm, ideology, cultural norms, habit, and routine. He suggests that these terms are characterised by a duality, incorporating both "shared presuppositions" (*ibid*:3) and embodied knowledge. Therefore, this chapter assumes that practice could comprise all or any of these components, such as tradition, ideology and tacit knowledge, in a mutually constitutive form, and that literature in any of these diverse areas could inform an understanding of practice. Drawing upon Kant, Turner (1994) also highlights the subtle distinction between the term 'practice' and 'practices'. Practice is conceptualised as a teleological notion, "an activity seeking a goal" (*ibid*:8) whereas practices are the "ingrained habits or bits of tacit knowledge" which comprise the activity system. This thesis is largely concerned with practices, but it also acknowledges that the components of the activity system are likely to be profoundly interrelated with the teleology of practice. Practices, or the activity system, will both shape and be shaped by the goal-seeking behaviour of the activity or practice. Thus, the view of practice here is one of the micro-behaviours that constitute an activity system. The terms 'practice' and 'practices' are thus, inevitably, used somewhat interchangeably.

2.2.2 Locating practice within social science theory

In order to provide a theoretical framework for practice, this section engages with the long-standing sociological debate on the voluntaristic or deterministic nature of social order (Berger and Luckmann, 1967). These relative contributions to an understanding of social order have been identified as the dichotomy between social integration, which "focuses upon the orderly or conflictual relationships between the *actors*" and

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system integration, which "focuses on the orderly or conflictual relationships between the *parts* of a social system" (Lockwood, 1964: 245, emphasis in original). More than simply providing different foci as units of analysis, these perspectives make causal assumptions about the nature of action in that "one views action as the derivative of the system, whilst the other views system as the derivative of action" (Dawe, 1970: 214). Such assumptions define not only the appropriate phenomena for investigation, but also the way that the phenomena will be interpreted. Archer (1982; 1995; 1996) refers to this as upward conflation or downward conflation. In upward conflation, social structure is passive, in that it is an "aggregate consequence of individual activities" (Archer, 1995: 4). Literature in this vein focuses primarily on the actor who constructs his/her world through individual cognition and interpretations. Although this approach is important in identifying the individual as the basic unit in the construction of society, it is, at its most extreme, also reductionist, in that it reduces the social world to the cognition of an actor so abstracted from context that context ceases to have meaning or presence in any distributed or collective sense (cf. Bourdieu, 1990). Downward conflation, conversely, renders the agent epiphenomenal, providing social accounts in which "Individuals are held to be 'indeterminate material' which is unilaterally moulded by society" (Archer, 1995: 3). Here, individuals are passively acquiescent in institutionalised processes of socialisation. This approach ignores important questions about the construction of society, such as where socialising forces arise and how and why individuals assimilate them.

Both types of account, those focused upon the individual and those dealing with the social system, which are referred to in the literature variously and, for this purpose, interchangeably, as agent and structure, or subject and object (Archer, 1995: 7), shed light upon some aspects of the practice phenomena. That is, literature underscored by these polarised ontological assumptions may flesh out the cognitive and interpretative processes of the managerial actors that Whittington (1996) suggests as a unit of analysis. Alternatively, they may furnish the contexts in which strategy occurs. However, as Turner (1994) notes, any substantive interaction between agent and structure, or the role of each in the constitution of the other, is marginalised in the literature which purports to conceptualise practice. While favouring a view of practice that is predicated upon the notion of the individual, Turner (1994) outlines a two-tier structure of practice which offers three potential locations for an analysis of practice;

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the collective-object, the individual, and dualistic solutions. In the collective-object view, practice is socially substantive, exterior to the individual who assimilates its norms, thus deriving a concept of shared practice. Conversely, practice that is located in the individual may be observed through the persistent habits of individuals, with some confusion over why individuals tend to display similar habits. Dualistic notions acknowledge that practice is located in both individuals and collectives, but they fail to provide satisfactory accounts of any possible mediation between the two, particularly in the matter of changing or evolving practice. Thus, to understand strategy as practice as "act and interact within the whole strategy-making process" (Whittington, 1996: 732), a theoretical approach is required which takes a more holistic stance, embracing duality, not dualism, in the relationship of individual and collective.

Giddens' (1979; 1984) theory of structuration is a frequently cited example of this 'duality' approach. Structuration deals with the relationship between agents and socially-produced structures through recursively situated practices forming part of daily routines. Structures are the collective systems within which human actors carry out their daily activities or practices. They are socially produced and reproduced by the routinisation of daily activities within given social contexts. This duality is the fundamental premise of structuration (Giddens, 1984: 19). Not only do social contexts constrain and enable human action, they are also created and re-created by human actors who, in the process of action, draw upon their social contexts. In such an account, social order is mutually constructed, so that the collective structure exerts influence upon the actor and the actor has agency through the ability to manipulate, influence and create the social world. Such an approach is based on a reciprocal process of interaction.

Reciprocity is occasioned through three modes of social reproduction which arise from the interaction between agents and structure (Giddens, 1984: 28-34):

1. Signification, which gives rise to the modality of interpretative schemes through which meaning is signified;
2. Domination, being the facilities of resource authorisation and resource allocation which are the sources of power; and

3. Legitimation, which results in the normative or regulatory aspects of society sanctioning human behaviour (see Figure 2 - 1).
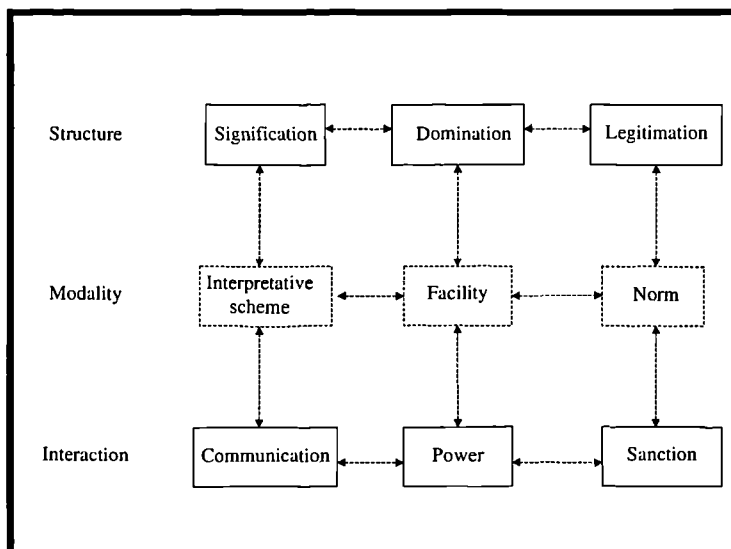
Figure 2 - 1: Modalities of social reproduction
(Source: Giddens, 1984:29)

These above-mentioned modalities, referred to as the rules and resources of social ordering, occur as part of daily practices and may be used by actors in the pursuit of intent. Modalities have structural properties but are also seen as the tools of agency. For Giddens' (1984), this is not problematic because actors are knowledgeable about their contexts, purposive in their capacity to act, and reflexive in monitoring that action. However, knowledge is not necessarily explicit. Rather, action often occurs as a function of practical consciousness. Relying upon tacit, experience-based knowledge, actors know how to 'go on', and this knowledge is "incorporated in the practices which make up the bulk of daily life" (*ibid*: 90).

Bourdieu (1990) contributes to an understanding of the reciprocal processes of agent and structure in practice. Opposed to subjectivist and objectivist viewpoints on the grounds that they cannot account for ordinary experience of the social world, he refers to a dialectic of social structures and structuring dispositions within which every practical action occurs. This dialectic, which he terms 'habitus', is the basis of his theory of practice. The habitus is socially constructed, but transcends the individual, being "constituted in practice and ... always oriented towards practical functions" (*ibid*: 52). Thus social practice comprises both social order residing in people's minds

and the habitus, functioning as a form of collective memory. Bourdieu imbues the latter with properties akin to genetics "reproducing the acquisitions of the predecessors in the successors" (*ibid*: 291).

While Giddens (1984) tends towards an agency-based view of practice (see Clark, 2000; Clegg, 1989), in which "structure exists ... only in its instantiations ... as memory traces" (Giddens, 1984:18), Bourdieu (1990) places more emphasis on a practice-based view of agency. Habitus, through its temporal persistence, is seen to shape the aspirations of its actors. That is, habitus has historically-derived structures which govern present practice and shape dispositions towards the future. Habitus assumes causality, in that it structures new information in accordance with the information already accumulated. This ensures its own constancy, thereby defending itself from change. Therefore, agents' choices will be influenced by their consideration of what is possible, this belief being shaped by "concrete indices of the accessible and inaccessible" (*ibid*: 64). For Bourdieu, agents are "accomplices in the processes that tend to make the probable a reality" (*ibid*: 65) and practices are, through their temporal structures, constitutive of their own meaning.

These two approaches to a theory of practice are useful when taken together, because they reveal complex inter-relationships between agent and structure, and variations in the autonomy of each. Practice is implicated in this process of interplay between knowledgeable agency and constraining collective structure, as a feature of both and as an outcome of its own process. While this complexity is intriguing, it does not help directly in teasing out how this process occurs. Turner (1994) is critical of Bourdieu on this issue, claiming that he relies upon the presence of habitus as its own explanation of reproduction. That is, Bourdieu draws upon societal continuity and duplication of practices within new members of society as evidence that social reproduction occurs but neglects the case for *how* such practices are transmitted. Archer (1982; 1995; 1996) is also critical of such theories, particularly that of structuration, labelling them as centrally conflationist. She argues that agent and structure are so mutually constitutive that they are not analytically separable. This criticism of structuration is most applicable in relation to the evolution and change of social practices over time. Although Giddens (1984) does deal with this, his preceding argument has created such a strong case for the recursive processes of social

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construction, in which agent and structure are mutually reinforcing, that the reader is left with some confusion about the stimuli for social evolution. Clark, (2000) discusses this problem with reference to the concept of recursiveness.

> Recursiveness means the socially accomplished reproduction of sequences of activity and action because the actors involved possess a negotiated sense that one template from their repertoire will address a new situation. [While] recursiveness is always improvised ... equally, there can be a durability about recursiveness that constrains attempts to transform the sequences. (*ibid*:67)

In this research, the mutual constitution of agent and structure through action is termed the trap of recursiveness. That is, explanations of the mutually constitutive nature of social order fail to explain adequately social movement and indirectly suggest social inertia. This point which will be emphasised and expanded throughout the thesis. Essentially, if practice is so implicated in its own construction, how may it be teased out sufficiently to examine its assimilation and evolution empirically?

Acknowledging this problem, Archer (1982; 1995) recommends a methodological dualism which analytically separates the agent and the social system, so as to focus upon their points of interaction and change. She does so through a form of morphogenetic bracketing, based around temporal cycles of interplay between agent and social context, in which structural conditioning precedes social interaction and is followed by structural change. This is termed structural elaboration (see Figure 2 - 2). Such an approach enables analysis of social evolution because of its temporal separation of agent and structure. It is grounded in realist theory which assumes the pre-existence of structure (see Bhaskar, 1989). Applied to organisation theory, although not explicitly referenced, this approach lends itself to the punctuated equilibrium model of change in which institutional inertia is characterised by periods of reorientation (Barley and Tolbert, 1997; Gersick, 1991; Tushman and Romanelli, 1985). Such approaches interpret the dialectic relationship between agent and structure temporally, so that the tension is between institutionalised periods of social convergence and interjections of human action and social reorientation. In other words, punctuations of stasis and dynamism. However, for Giddens and Bourdieu, there is an ongoing dialectic in which practice is played out. Indeed, this is the fundamental premise of duality, that agent and structure coexist in time and space and

are not juxtaposed in overlapping temporal dimensions as in Figure 2 - 2. Therefore, while Archer provides an analytic outlet for examining interaction, such an interaction is achieved by resorting to methodological dualism. In order to understand practice as an ongoing social process, capable of encompassing both stability and change, it is necessary to examine approaches which focus upon the dialectical interaction of agent and structure as co-existent and dynamic.

Structural conditioning
TIME (T1)

Socio-cultural interaction
TIME (T2)   TIME (T3)

Structural elaboration
(Morphogenesis)

Structural reproduction TIME (T4)
(Morphostasis)
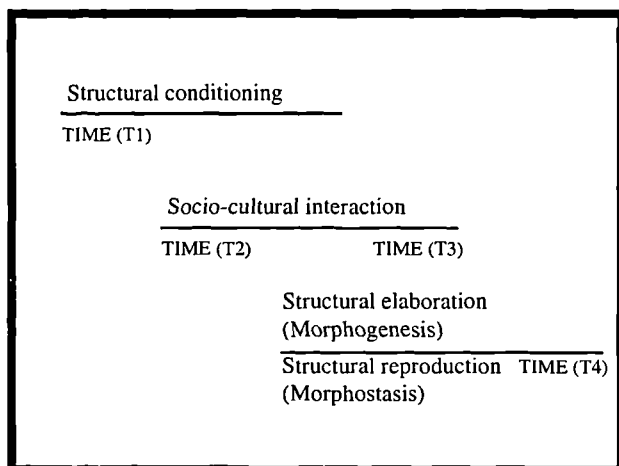
Figure 2 - 2: Social production as temporal cycles of morphogenesis.
(Source: Archer, 1995: 157)

To fully address the dialectic interaction of agent and structure lies beyond the scope of this thesis but four broad conceptual approaches may be drawn upon to guide and frame the current research:

1. Sztompka's (1991) theory of social becoming;

2. The notion of communities of practice (Lave, 1993; Lave and Wenger, 1991);

3. Activity theory as used by Engestrom (1993) and Blackler (1995);

4. Situated action (Suchman, 1987).

Sztompka (1991) exposes three false dichotomies in sociological theory. First, he criticises the dichotomy between the individual and the collective, proposing that there is a third ontological dimension; "the unified socio-individual field" (*ibid*:94). Secondly he shows the false separation of static and dynamic processes of social reality. This is because 'life' or 'living' are constantly undergoing change and self-transformation. Finally, he posits that potential and actuality are not separable since

potential reality and actual reality are in a continual state of oscillation and feedback in the process of social becoming. Thus Sztompka's theory is one of "a living, socio-individual field in the process of becoming" (*ibid*:95). He identifies a unit of analysis for observing this process, that of social events, which he terms praxis. "Praxis is where operation and action meet, a dialectic synthesis of what is going on in a society and what people are doing" (*ibid*:96). Reality is defined as the world where agency is actualised as praxis, in turn shaping agency, and thus, re-actualising as renewed practice (see Figure 2 - 3).

Potentiality   Actuality

Collective   STRUCTURES ———— unfolding ————► OPERATION
(Structure-building)

REALITY   AGENCY———— eventuation ————► PRAXIS
(agency-construction)

Individual   AGENTS ———— mobilization ————► ACTION
(moulding of agents)
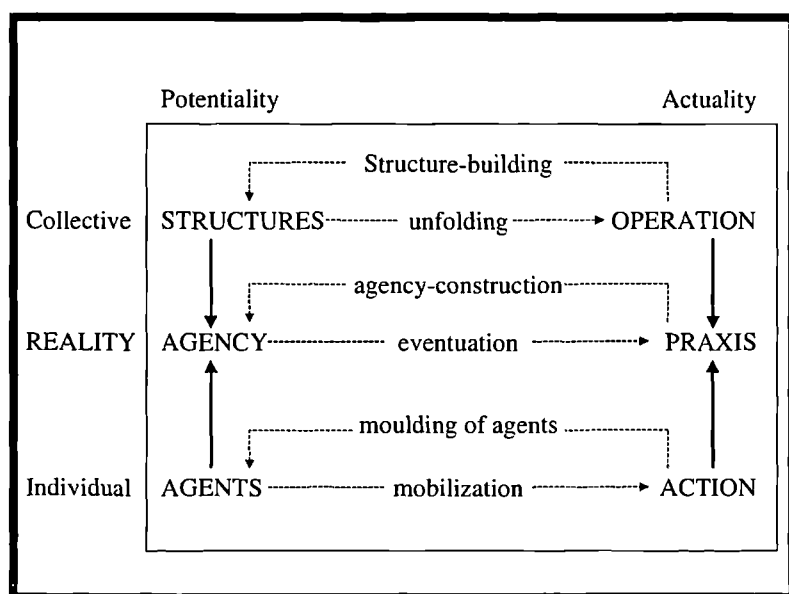
Figure 2 - 3: Praxis: Interaction between agent and structure in social becoming.
(Source: Adapted from Sztompka, 1991:99)

Sztompka's concept of praxis complements and extends the working definition of practice advanced in section 2.2.1. Praxis accounts for the teleological aspects of activity and also the "ingrained habits [and] bits of tacit knowledge" (Turner, 1994:8). Together, these comprise the activity system and engage in a dialectic and mutually constitutive process which may be termed practice. Furthermore, the theory of social becoming renders Giddens' (1984) recursive notion of daily practice capable of both change and continuity, particularly in the incorporation of historicity. History is interpreted as the continuous chain of praxis, which is mediated in the present by tradition and makes up the conditions for future praxis. Thus, as seen in Figure 2 - 4, Sztompka also incorporates temporality into an analysis of practice. Unlike Archer (1982; 1995), however, he makes explicit the continuity of interaction between agent

and structure during the evolving process of social order. Transformation occurs both through time and within time.
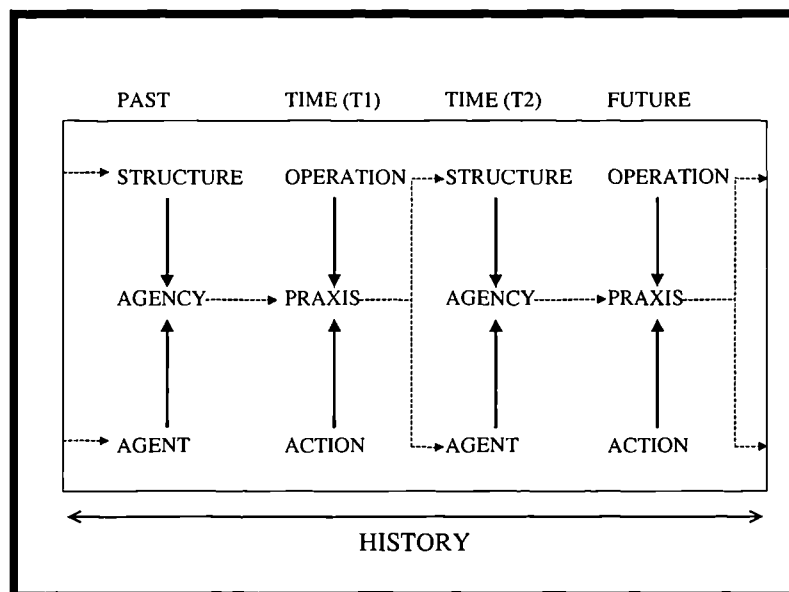
Figure 2 - 4: Continuity and change: A chain of praxis over time and within time. (Source: Sztompka, 1991: 108)

Sztompka also elaborates what is variously termed structure, context or collective through a discussion of double morphogenesis. Continuity and change occur through a process of double morphogenesis, or external and internal structure-building which are in a constant process of mutual interplay. External structure can be seen as the wider societal context, in which social movement occurs, while internal structure is the specific collective engaged in the social movement, which may be interpreted, for the purposes of this thesis, as an organisation. Structure-building, both external and internal, occurs through four levels of social structure which are compatible with Giddens' (1984) modalities, indicating the socially constitutive *processes* of interplay between agent and structure.

1. The ideal level, being the network of ideals, beliefs and images of social reality;
2. The normative level in which rules, norms and institutions prescribe 'proper' conduct and proscribe 'improper' conduct;
3. The interactional level of reciprocal interaction between individuals in action;
4. The opportunity level afforded by hierarchy and societal position in terms of access to unequally-distributed resources (Sztompka, 1991:124-126).

These levels of social structure are fluidly coexistent and inter-related and, together, serve to elaborate the structuring context which constrains or enables agency at any given moment. Change is carried out within, rather than caused by, the social movement itself, in interaction with the wider context. Thus causality itself becomes almost meaningless. It is not a cause but a process. The process of double morphogenesis conceived is important in any theory of social becoming, with continuity and change embodied in an historic chain of praxis.

The concept of double morphogenesis is complementary with Child's (1997) interpretation of structuration theory, which discusses the process by which actors, particularly dominant ones, engage with structures in the constitution of social order. Child (1997) posits a theory of strategic choice in which organisational "development is mediated by a *consciously-sought adaptation to, and manipulation of,* existing internal structures and environmental conditions" (*ibid*, p. 67, emphasis in original). He refers to this as inner structuration (the action-organisational design interface) and outer structuration (the action-environment interface). Organisations are involved in an ongoing, adaptive process of inner structuration, embedded within a wider context; outer structuration. Thus, it is possible to go beyond the morphostatic feedback loop which sometimes appears dominant in Giddens' (1984) notion of recursively situated practices (see Archer, 1995; Clark, 2000), drawing parallels with Sztompka's (1991) theory of social becoming and double morphogenesis.

The above theories incorporate a more complete understanding of the dimensions of practice in both continuity and change across time. It is now profitable to turn to the literature on communities of practice, in order to understand *how* actors assimilate, draw upon, and produce practice through daily experience. The term 'community of practice' implies "participation in an activity system about which participants share understandings concerning what they are doing and what that means in their lives and for their communities" (Lave and Wenger, 1991:98). In this approach, shared understanding is more than merely a cognitive process of the individual. Shared understanding arises through the profound interpenetration of individual, activity and community, in which sharing can only occur through living and *participating in* this experience over time. Lave and Wenger (1991) posit the notion of legitimate

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peripheral participation, in which newcomers to a community learn the practices of that community by participating in its activities, initially in peripheral ways, but still contributing to and shaping the community. Practices are mediated through socio-cultural artifacts, which gradually assume greater meaning to participants. Understanding is developed through experience in using the artifacts which structure a community. Thus, the community provides its own interpretative context for making sense of the relationships between knowing, activity, and practice. Competence or mastery is realised by "full participation in the socio-cultural practices of a community" (*ibid*: 29). Community reproduction requires a diverse field of essential actors, all situated at different points along a trajectory of learning and participation. These diverse relationships have inherent tensions between continuity and displacement, occurring as cycles of reproduction in which newcomers eventually become old-timers. The *re*productive cycles are also productive and generative, creating the future. Thus, the dialectic which produces both continuity and change is the dialectic of social activity within a community. This framing indicates how actors contribute to, and draw from, collectively formed structures through participation in activities of the community; that is, through practice.

If actors and structures interrelate through activity, theories of activity and situated action become relevant. In activity theory, the unit of analysis is the activity system, placing individuals, events and context in an inter-penetrative relationship from which they derive meaning (see Blackler, 1993; 1995; Engestrom, 1993). In this view, context has parallels with Sztompka's (1991) living, socio-individual field, being more than a static 'container' of phenomena (Lave, 1993). Contexts are activity systems, integrating subject, object, and community with the instruments of activity mediation. Human interaction within a given context is mediated by rules, rituals, traditions and division of labour (Engestrom, 1993). The process of mediation may be better understood with reference to Suchman's (1987) theory of situated action. This approach interrelates actor, collective and world through activity or situation. It's basic premise is that individual cognition exists in an essential relationship with the collective world of artifacts and actions, which are given significance by their relationship with concrete circumstances. The point here is that *activity* is an equal contributor in this relationship, in addition to actor and collective. Mediation occurs through the situated action which "is an emergent property of moment-by-moment

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interactions between actors, and between actors and the environments of their action" (Suchman, 1987:179). Thus, Suchman recommends that instead of looking for structural invariants, normative rules of conduct, or preconceived cognitive schema, social scientists should investigate "the processes whereby particular, uniquely constituted circumstances are systematically interpreted so as to render meaning shared" (*ibid*:67). While each instance of situated action has historical influences, it is also created anew through effortful behaviour (cf. Giddens, 1984), indicating how evolving social order encompasses both habitus (Bourdieu, 1990) and social becoming (Sztompka, 1991).

Thus, a third ontological dimension (Sztompka, 1991) is emphasised, variously termed habitus, daily practice, praxis, activity, participation or situated action. Essentially, these views move beyond duality, accepting it as a given principle from which to build a third level. This third level is constituted by actors and structures who interpenetrate and interact so as to create a 'real world' of activity, in itself a component of its own construction. Knowledge of this world is achieved through the process of engagement in its construction, negotiation and maintenance. This enables an understanding of the production, transmission and reproduction of practice. There are both structural and individual carriers of practice, interacting over time through various mediating structures or modalities which are assimilated, distributed and evolved through the process of living, experiencing, or participating-in a social system. Social systems or communities of practice are neither discrete nor unitary. Rather, they are multiple and overlapping, creating opportunities for agency, new learning and change.

The above discussion would not be complete without some mention of power. Power is implicit in much of the discussion. Agency is, after all, an act of power, in that "to be an agent is to be able to deploy (chronically, in the flow of daily life) a range of causal powers, including that of influencing those deployed by others" (Giddens, 1984:14, parentheses in original). Similarly, there are structurally-based powers which constrain or enable agency. An agent draws upon structure to invest action with power, and attempts to reinforce social systems which provide that agent with ongoing power. All actors live within, and are thus able to access, the mediating processes of social reproduction, variously termed modalities (Giddens, 1984), levels

of social structure (Sztompka, 1991), and socio-cultural artifacts (Lave and Wenger, 1991). However, some actors are more powerful than others, particularly with respect to the mediation of hierarchy and division of labour (Engestrom, 1993; Sztompka, 1991). That is, they have greater access to the processes and structural resources of mediation and are, therefore, better able to influence action in accordance with their own intentions. Agency may in particular be afforded by a position at the nexus of overlapping social systems, which allows access to rules and resources perceived as important or legitimate in a given community. Actors exist within plural social systems which grant them access to multiple sets of rules and resources (Whittington, 1989; 1992). The capacity for agency and change within a given system is enabled by drawing upon the rules and resources of other systems which may be recognised or experienced by other actors. For example, Whittington (1989; 1992) illustrates that patriarchal family systems afford agency to senior males within set economic systems, and that this depends upon the recognition and acceptance of patriarchal behaviour by the other players in the economic system. The underlying premise is that operating at the nexus of social systems affords opportunities for influence and change by skilled actors.

Social systems also develop continuity and influence over time, as with the habitus, constraining or enabling actors and favouring the actions of some over others. Thus, structure is complicit in its own survival and self-reproduction (see Blackler, 1995), albeit with the consent of dominant actors and habitual practices. Therefore, powerful participation (agency) must "be connected to issues of legitimacy, of the social organisation of, and control over, resources" (Lave and Wenger, 1991:37). This view of power is compatible with Luke's (1974) third dimension of power. Provinces of meaning which favour a dominant social group are embedded within social systems to the extent that views which conflict with the routinised or habitually accepted power structures do not arise. Such powers are supported by more overt power sources, such as that of resource allocation, authority, legitimation and access to decision-making processes. In this research, the dominant coalition are conceptualised as the TMT, privileged by their organisational position to have greater access to the resources of power (Child, 1972; 1997; Hambrick and Mason, 1984; Hardy, 1996; Hickson et al, 1986; Pettigrew, 1973; 1985). However, it is not appropriate to take an overly deterministic view of power within a system or to assume that power is primarily the

property of one group of actors. Just as activity, structure, and individual are involved in continuously evolving interplay as part of an evolving chain of praxis, so power is implicated in the interplay; not a determinant, but a processual component of activity.

In framing the terrain of this study, the theoretical components relevant to an investigation of strategy as practice from the perspective of TMT actors have been established. Practice is conceptualised as the dynamic inter-penetration of actor, collective and activity, continually produced and reproduced both within time and over time. To understand practice, it is necessary to understand the nature of this dynamic inter-penetration so as to avoid the trap of recursiveness in explaining the processes of social becoming. Six key points arising from this discussion guide the literature review and empirical investigation which follow. The six points are:

1. Practice occurs as a process and outcome of situated activity which cannot be considered without context, whether in the immediate or local context or in wider societal contexts.

2. Over time, situated activity occurs as a chain of praxis, temporally located and continuously evolving within its historical legacies and possible futures.

3. Knowledgeable actors are an important component of practice, with knowledge being both explicit and, particularly, tacit and practically-based, developed through experience within a community.

4. Some actors may be considered dominant because they have preferential access to the resources of social structure, particularly where they are located at the nexus of overlapping communities which afford them greater influence over practices at a given moment in time.

5. Practices are the mediating processes which structure the context of practice, providing it with meaning, and enabling it to be assimilated, distributed and transmitted among members of a community.

6. Finally, to unearth strategy as a matter of 'practice', with its associated practices, it must be observed or experienced through the everyday 'living' activities in which actors, contexts and activity collide and collude.
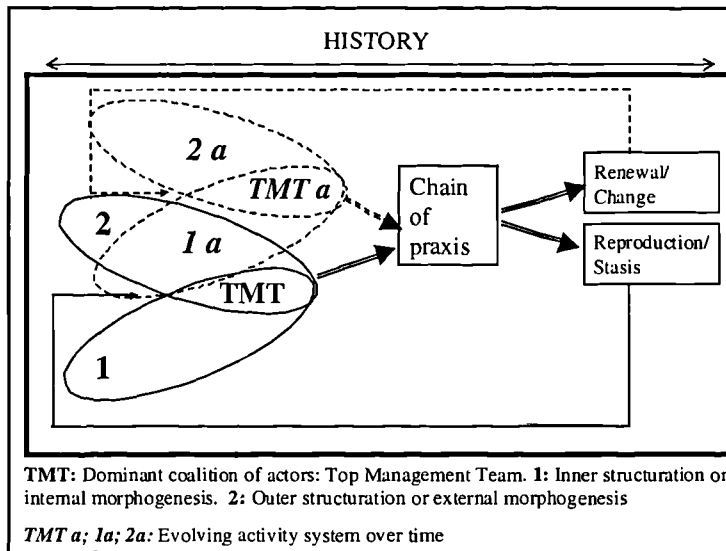
Figure 2 - 5: Theoretical framework for analysing TMT engagement in the practice of strategy

In Figure 2 - 5, these six principles are incorporated within a theoretical framework for analysing TMT engagement in strategy as practice. The top team is positioned at the nexus of inner and outer structuration (Child, 1997) or internal and external morphogenesis (Sztompka, 1991). This indicates its role as a dominant group of actors with, potentially, greater access to the rules and resources of social order, particularly occasioned by the ability to mobilise resources from the plural social systems with which it interfaces (cf. Child, 1997; Giddens, 1984; Lave and Wenger, 1991; Pettigrew, 1985; 1987; Whittington, 1989; 1992). Inner structuration or internal morphogenesis is, for the purposes of this thesis, considered as synonymous with the organisation. External morphogenesis is the wider context which has multiple cultural, political and socio-economic levels from global and national to sectoral. The interaction between the top team and the organisation, in the context of the wider environment, culminates in a chain of praxis over time which may be recursive in nature, leading to social reproduction, or may feature as transformation and an evolving social order. The alternative possibilities acknowledge that social order has the capacity for continuity and change over time (see Giddens, 1984; Sztompka, 1991). As outlined in the background to the research topic (cf. section 2.1), this thesis concentrates primarily on TMT engagement in strategy as practice as a process of inner structuration or internal morphogenesis. That is, interaction between the TMT and the organisation. Having established the key elements of a theory of practice, this

chapter now turns to an analysis of the relevant literature, predominantly drawn from the disciplines of organisation studies and strategic management.

2.3 Review of the literature

Child's (1972) seminal work on strategic choice has stimulated considerable debate on the relative merits of voluntarism and determinism in organisational analysis (Astley and Van de Ven, 1983; Bourgeois, 1984; Hrebiniak and Joyce, 1985; Whittington, 1988; 1989). These authors build upon Child's criticism of the early contingency theorists, most notably the Aston group (see Pugh et al, 1968; 1969), who portray organisations as constrained by their 'fit' with contextual determinants such as age, size, structure and environmental characteristics, marginalising the influence of human actors. Additionally, they suggest that evolutionary theories, such as population ecology (Aldrich, 1979; Hannan and Freeman, 1977), are overly deterministic in their view of organisational survival as contingent upon natural selection by the environment. However, criticism is also made of 'socially constructed' or enacted theories of organisation (Smircich and Stubbart, 1985; Weick, 1979) for according primacy to the perceptions of human actors without adequately reflecting the complexity of choice, constraint, and action in a multitude of more or less accommodating environments. Whittington (1988) is particularly critical of the interpretative voluntaristic view, which fails to account for action determinism, by which actors are constrained in their choice-making behaviour by their own personal frames of reference. Thus, building on Child (1972), the determinist perspective is criticised for its lack of attention to human agency, while the way in which strategic choice has been used, as a position of voluntarism free from structural constraint, is also seen as naive and uni-dimensional, particularly in terms of its avoidance of institutionalised behaviours which limit choice (cf. Child, 1997; Clark, 2000).

More recently, the debate has moved from the polarised or mutually exclusive views of sociological paradigms (see Burrell and Morgan, 1979) to the incorporation of multi-dimensional or pluralist perspectives on organisational phenomena as a means of comprehending complexity (Gioia and Pitre, 1990; Spender, 1998) and potentially reconciling competing, yet complementary, viewpoints afforded by subject and

object, agent and structure (Barley and Tolbert, 1997; Child, 1997; Poole and Van de Ven, 1989). Essentially, such views recognise that theoretical development is a dynamic process (Spender, 1998; Willmott, 1993) which can benefit from communication between paradigms at their points of contrast and commensurability (Schultz and Hatch, 1996). This thesis adopts a 'bridging' approach (Child, 1997; Schultz and Hatch, 1996) which assumes that paradigms have some permeable components (Gioia and Pitre, 1990), so as to focus on the third ontological dimension outlined in the above theory of practice. That is, it focuses upon the interaction between individual and structure within a "system of knowing and behaving" (Spender, 1998:253). The point of interaction is the activity system which integrates subject, object, and the instruments of mediation within a community into a unified whole (Engestrom, 1993:67-68).

By adopting these three dimensions arising from the outlined theory of practice, namely agents, structures and activity, the next section discusses, in relation to the literature, three important components of the research question. First, it identifies the actor in the topic, the TMT, and investigates links between TMT interpretation and organisational action. Secondly it establishes some of the structuring parameters of the context in which the TMT acts. Thirdly, the processes which constitute the relationship between TMT actor and context are explored.

2.3.1 Identifying the actor: Top management teams (TMTs)

The body of research on top management teams inspired by Hambrick and Mason (1984) is explicitly located within a strategic choice perspective, suggesting that "top executives matter" (*ibid*:194) in affecting organisational outcomes. The team is given primacy on the basis that organisational variation is principally due to the strategic decisions of those who have power; the dominant coalition (Child, 1972; Corner et al, 1994; Hickson et al, 1986; Prahalad and Bettis, 1986). Top team research falls into two main types. The majority of this research is based upon TMT demographics and there is a smaller body of research on TMT processes. Hambrick and Mason (1984) established a research agenda based upon relationships between TMT demographic characteristics and firm performance within different environments. Demographic

characteristics are measurable constructs, considered to be psychologically valid indicators of behaviour, which put the upper echelon approach to a "relatively stringent test" (Hambrick and Mason 1984: 196). The premise is that demographics have the advantage of being parsimonious, quantifiable and, therefore, testable (Pfeffer, 1983; Wiersema and Bantel, 1992).

Building upon this agenda, research on team demographics has focussed on the relationships between heterogeneity of team composition and firm performance under different environmental conditions. Such research, with some exceptions, such as West and Schwenk's (1996) report of no significant findings, has provided general support for a positive relationship between TMT demographic characteristics and organisational outcomes of strategic change (Wiersema and Bantel, 1992) and firm performance (Bantel and Jackson 1989; Murray 1989; Norburn and Birley, 1988). These findings provide initial confirmation of the upper echelon approach; top managers *do* matter to firm performance. Furthermore, they emphasise the importance of composition as a team characteristic, since this is the main construct which they are able to measure in terms of size and heterogeneity of members' functional, educational and socio-economic backgrounds, as well as their role, age, and team tenure (Jackson, 1992). However this is also a weakness of the literature. The team is reified as a construct without a unitary definition of composition; a source of inconsistency in the literature (Collin, 1998; Pettigrew, 1992). For example, Finkelstein and Hambrick (1996) found 5 different methods of TMT identification, each based upon the inclusion of all personnel at a different level or category within the organisation. While heterogeneity of composition may be identifiable, its dimensions remain unclear. That is, heterogeneity may be related to cognitive diversity and/or value diversity or other diversity constructs (Priem et al, 1999). Thus, while team composition is revealed as important, it is ill-defined as a generic term and insufficiently explained in terms of its impact on TMT behaviour.

More recently, the intervening process variables of social integration, communication and consensus have been incorporated into demographic-based research designs in order to generate a richer understanding of TMT influences on performance within different organisational and environmental parameters (Smith et al, 1994, Finkelstein and Hambrick, 1996; Wooldridge and Floyd, 1997). Further developments in this vein

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have attempted to introduce a dynamic relationship between process, top executives and strategic choice, through investigation of top management boundary spanning relations inside and outside their industry, positing that such relations will influence choice (Geletkanycz and Hambrick, 1997). The inclusion of process variables addresses a weakness in the TMT demographics literature, constrained as it is by nomothetic, cross-sectional research designs to generate simple, causal relationships that contribute little to an understanding of *how* and *why* teams behave the way they do. However, this development in the demographics research operationalises process constructs for the purposes of measurement as opposed to observation (cf. Van de Ven, 1992). Actual processes are left inside the 'black box' (Pettigrew, 1992; Priem et al, 1999; Smith et al, 1994), which is constrained by acontextual, ahistorical and aprocessual research designs (Pettigrew, 1990; 1992) to produce "research without emotion, drama or action" (Reger, 1997:804). Such research has sacrificed "construct validity for measurement reliability; explanation for prediction; and prescription for description" (Priem et al, 1999:935). Its main contributions in this investigation of strategy as practice by top management teams are threefold:

1. to validate the TMT as a unit of analysis, particularly in strategic matters, due to their relationship to organisational performance;
2. to indicate potential factors such as team composition which are likely to be relevant in a more in-depth investigation; and
3. to emphasise the importance of fine-grained processual research which goes inside the 'black box' of top team processes.

2.3.1.1 TMT processes

There has been a much smaller body of research into top team processes and this is more consistent with Van de Ven's (1992:174) definition of process as "statements that explain how and why a process unfolds over time". Within this vein, the works of Eisenhardt and co-authors stand out, in that they examine the internal dynamics of top team members (see Bourgeois and Eisenhardt, 1988; Eisenhardt and Bourgeois, 1988; Eisenhardt, 1989b; Eisenhardt, Kahwajy and Bourgeois, 1997). Using in-depth case study methods, this research investigates the strategic decision-making behaviour of

top teams in terms of speed and comprehensiveness of decision-making, power and politics, coalition formation, and conflict resolution. Findings indicate the importance of social integration and consensus-making processes within the top team; the productive management of conflict to improve decision quality (cf. Amason et al, 1993); and evidence that behavioural patterns such as frequent meeting and face-to-face contact between team members facilitates more effective strategic decision-making (cf. Eisenhardt, 1999; Hambrick, 1997). Research into top team interpretation extends these understandings by examining the links between team information-processing behaviour, interpretation, and strategic action (see Gioia and Chittipedi, 199; Gioia and Thomas, 1996; Thomas et al, 1993). A reciprocal process of influence between top team cognition and organisational performance is noted and this indicates a relationship between managerial thought and organisational action (cf. Eisenhardt and Zbaracki, 1992). This relationship is of particular interest in view of the theoretical framing above, regarding reciprocally situated practices between actor and structure.

However, top team processes appear, generally, as an under-researched area, confirming the exploratory nature of this research topic, which investigates top team processes within a particular domain, strategy as practice. As Pettigrew (1992) observes:

> We still know little about why and how top teams and other groupings look the way they do, the processes by which top teams go about their tasks, how CEOs engage with their immediate subordinates, and how, why, and when the upper echelons engage in fundamental processes of problem sensing, decision making, learning and change (ibid:178).

The main contribution to the research question brought about by extant work on top team processes is that specific aspects of the top team dynamic, such as their information-processing behaviour, are relevant to their interpretative schema and the actions taken by their organisations. Thus, it is profitable to examine in greater depth the literature on interpretation and action.

2.3.1.2 The top team as an aggregate unit of analysis

While some research, such as that of Eisenhardt and co-authors, examines the interaction between team members, focussing on team dynamics as a unit of analysis, other authors regard the team as a collective unit with shared properties such as 'top team perception', which impact upon the strategies and behaviours of the organisation (see, for example, Bartunek, 1984; Bettis and Prahalad, 1995; Corner et al, 1994; Gioia and Thomas, 1996; Penrose, 1959; Ranson et al, 1980). This distinction is useful since research on top team processes may deal with the team as a collection of individuals, or as a collective unit, capable of making team representations; it has a collective mind (Corner et al, 1994; Weick and Roberts, 1993). The top team's ability to build a collective understanding requires participation in shared experiences (Penrose, 1959). This thesis, after identifying top team composition, adopts such a position. The team is an 'aggregate actor' unit of analysis, engaged in strategic practices within an organisational context.

2.3.1.3 TMT interpretation

The link between the top team and the organisational context is made more explicit in the literature on TMT cognition and interpretative schema. Due to the complex, ambiguous information which organisations face, a key role played by top management is to provide meaningful interpretations about possible strategic actions (Daft and Weick, 1984; Lampel and Shamsie, 2000; Prahalad and Bettis, 1986; Thomas et al, 1993). Top management interpretation is associated with organisational action because dominant actors are better positioned to express their own provinces of meaning as valid and legitimate (Bartunek, 1984; Child, 1972; 1997; Corner et al, 1994; Daft and Weick, 1984; Lukes, 1974; Ranson et al, 1980). Interpretation may be viewed as a process of social construction, whereby environment and action are enacted through the perceptual filters of the individual (Smircich and Stubbart, 1985; Weick, 1979). However, the enacted context assumes properties that are 'structural' or exogenous to the actor. For example, in Weick's (1979) pattern of evolution as enactment, selection and retention, retained interpretations are stored as 'recipes' which guide future perception. Interpretative schema may be stored in a shared form,

establishing an organisational 'theory-in-use' (Argyris and Schon, 1978), which reinforces dominant patterns of collective thought (Bartunek, 1984; Gioia and Sims, 1986; Ranson et al, 1980; Walsh and Ungson, 1991; Weick and Roberts, 1993). Thus, a reciprocal, mutually constitutive link is drawn between context and interpretation. Stored interpretations comprise aspects of context, such as image and identity (Dutton and Dukerich, 1991; Gioia and Thomas, 1996), or dominant logic (Bettis and Prahalad, 1995; Prahalad and Bettis, 1986) which then filter the perceptions of top management (cf. Starbuck and Milliken, 1988). Such filters act as heuristic devices, enabling top management to deal with the complex information which they are required to process. However, this also constrains learning and the ability to conceptualise or pursue alternative courses of action (Argyris and Schon, 1978; Cyert and March, 1963; Bettis and Prahalad 1995).

As in the above theorising of practice, the relationship between top management interpretation and organisational context runs the risk of recursiveness. Managerial thinking and organisational action are posited as mutually constitutive, in that they are both the pre-requisite and consequence of the other (cf. Gioia and Thomas, 19996; Keller and Keller, 1993). Shared interpretations assume a dominance that has resonance with Bourdieu's (1990) concept of habitus. Learning, or enhanced interpretative capacity (Huber, 1991), is conceptualised as a process of punctuations linking stabilised thought patterns and periods of dynamic reorientation in order to 'frame-break' from the habitus. Thus theories discuss single and double loop learning (Argyris and Schon, 1978), first and second order learning (Lant and Mezias, 1992), and convergence and reorientation (Tushman and Romanelli, 1985). From these perspectives, social order may be seen to undergo periods of structural conditioning that influences managerial mindsets. Such periods are followed by interactions in which managerial cognition is subject to a frame-breaking phase, leading to structural elaboration, consistent with Archer's (1982; 1995) notions of temporal dualism in the interaction between agent and structure. However, the theory of practice is concerned primarily with the co-existing dialectic of agency and structure.

How then, is it possible to conceptualise interpretation and action within Sztompka's (1991) theory of social becoming which comprises continuity and change within time and over time? From this perspective, it is necessary to be critical of views which tend

to commodify and objectify learning and knowing, neglecting its processual, socially constructed, and embedded nature (cf. Scarbrough, 1998; Spender, 1996). Theories of situated and distributed cognition (Hutchins, 1993), which interpellate cognition as knowing-in-action (Blackler, 1993; 1995; Spender, 1998) have greater relevance. In such views, learning may be seen as a continuous occurrence (Nicolini and Meznar, 1995), distributed across multiple actors and activities (Hutchins, 1993; Blackler, 1995; Spender, 1996). Actors and their contexts engage in learning as an ongoing process of participation in activities (Lave and Wenger, 1991; Wenger and Snyder, 2000). Organisationally, this is displayed as the capacity to hold multiple interpretations concurrently (Huber, 1991). While individual and organisational cognition is continuously modified, learning may sometimes be posited as discontinuous or frame-breaking for symbolic purposes through "processes of representation, formalisation and normalisation" (Nicolini and Meznar, 1995:743). Such processes are "a structuring resource that helps shape organisational activity and identity" (*ibid*:742). Thus, the mutually constitutive relationship between actor and structure is posited as fluid and evolving, rather than static and punctuated.

These two basic views establish a relationship between top team cognition or interpretation and organisational context and action. However, they also suggest a dearth of understanding about the nature of this process. Little appears to be known about the *processes* of cognition and action and how they constitute each other within continuity and change. In a study of strategy as practice it is important to investigate the processual relationship between top team thinking, organisational context and strategic action. Thus, the first sub-question relevant to an examination of the topic is: "What are the TMT processes of strategic thinking and acting?" If the research can establish some of the key components and processes of top team thinking and acting it will contribute to the literature on top team processes and help to answer the over-arching question regarding how TMTs engage in strategy as practice. As team processes of thinking and acting are linked to context, the chapter now examines literature relevant to an understanding of organisational context.

2.3.2 Organisational context

Context has both internal, or organisational, and external, or environmental, dimensions (Child, 1997; Pettigrew, 1987). Within these broad categories, context is likely to be even further stratified, vertically and horizontally (Pettigrew, 1990). For example, change is conceptualised as an embedded process, occurring across three broad levels of context over time (Pettigrew and Whipp, 1991). In this study, a fourth level is added, since the TMT operates as its own smaller community within the organisational context (see Figure 2 - 6). This research deals primarily with the interconnection between the TMT and the firm level of analysis, focussing on strategy as practice at the level of inner structuration or internal morphogenesis. However, it is important to acknowledge that strategy occurs in the context of contact with other organisations and in the wider political and socio-economic contexts. These also interact with practice, albeit at a more remote level. In the following section, context is discussed at the level of the organisation.
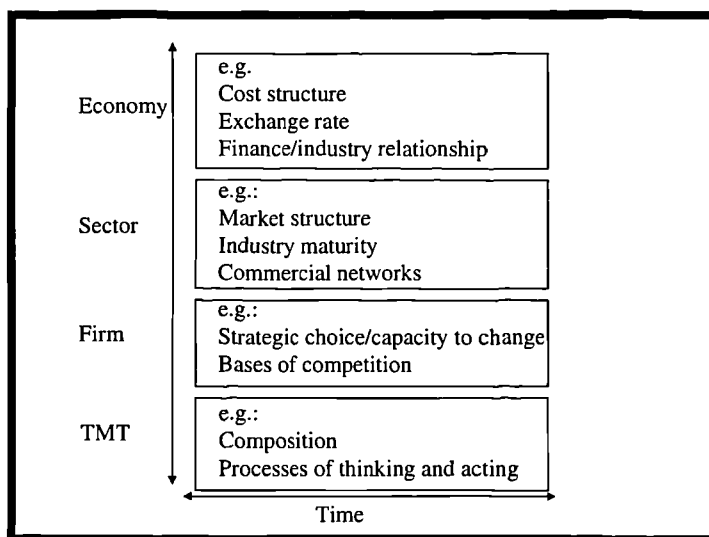
Figure 2 - 6: Embedded levels of context, inter-connected over time
(Source: Adapted from Pettigrew and Whipp, 1991:29)

2.3.2.1 Defining organisational context

This research takes the view that "The production and recreation of structural forms through time should be conceived as the outcomes of a complex interaction of

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interpersonal cognitive processes, power dependencies, and contextual constraints" (Ranson, et al, 1980:1). The organisation is exogenous to the actor, since it has structurally elaborated properties developed through collective interaction over time. Structure assumes certain constraining and enabling features, which may be drawn upon and altered through interaction with individual actors at any given point in time, so as to have some endogenous properties. Organisational structure provides an interpretative context; actors, actions and structural components 'make sense' of each other or derive meaning from their interaction within that context (cf. Bartunek, 1984; Brown and Duguid, 1991; Gioia and Sims, 1986; Lave, 1993; Ranson et al, 1980). It is accepted that some organisational properties are constructed through exchange with wider socio-economic contexts, providing broadly similar societal constructs of organisation; "Elements of formal structure are manifestations of powerful institutional rules which function as highly rationalised myths that are binding upon particular organisations" (Meyer and Rowan, 1977:343). However, consistent with the localised, idiosyncratic view of strategy as practice outlined by Whittington (1996), this research refers principally to the socially-embedded nature of the internal organisation. Each organisation is viewed as contextually distinct from others, indicating two main strands of relevant literature which discuss the idiosyncratic internal characteristics of the firm: resource, capability and knowledge-based views of the firm; and organisations as interpretation systems.

2.3.2.2 Resource, capability and knowledge-based views

Resource, capability, and knowledge-based views incorporate a Penrosian theory of the growth of the firm. Penrose (1959) focuses upon the internal resources of the organisation, exploited through shared accumulation of the tacit knowledge and experience bases of the management team. The resource-based view suggests that competitive advantage is associated with the idiosyncratic attributes of firms in terms of their internal characteristics (Barney, 1991; Grant, 1991; Wernerfelt, 1984). In the resource-based view, firms develop sustained competitive advantage through bundles of resources which are:

1. Valuable;

2. Rare;

3. Imperfectly imitable; and

4. Non-substitutable.

This view is consistent with the literature on core competences (Prahalad and Hamel, 1990) and dynamic capabilities (Leonard-Barton, 1992), which discuss the distinctiveness of a firm's knowledge and assets. Such assets may be tangible, taking the form of structural and physical resources, but are even more likely to be sources of competitive advantage where they are intangible. Intangible resources incorporate cultural values and norms (Barney, 1986; Leonard-Barton, 1992), managerial expertise (Penrose, 1959; Leonard-Barton, 1992), and knowledge-bases and collective learning (Grant, 1996; Leonard and Sensiper, 1998; Leonard-Barton, 1992; Nonaka, 1994; Prahalad and Hamel, 1990; Spender, 1996) The assumption is that firms are heterogeneous in terms of their tangible and intangible resources. These resources are 'sticky', meaning that they are amassed over time and are difficult to shed or reconfigure quickly. Thus, strategically, a firm exploits its existing resources for current advantage and to build or develop new resources (Grant, 1991). Such views incorporate history through the notion of path dependence. "Where a firm can go is a function of its current position and the paths ahead. Its current position is often shaped by the path it has travelled" (Teece et al, 1997:522). Dynamic capabilities reside within the processes, position and paths of the firm. These are a source of competitive advantage, to the extent that they are based on routines, skills and complementary assets which are hard to imitate or replicate.

To understand the barriers to replication, it is useful to take the perspectives of the knowledge-based theories of the firm, which deal with the tacit as well as explicit dimensions of an organisation's assets (see Grant, 1996; Leonard and Sensiper, 1998; Lyles and Schwenk, 1992; Nonaka, 1994; Spender, 1996). There is some debate in the literature over knowledge as an individual or a collective property and the processes of conversion between the two. However, this debate is of less importance for the purposes of this thesis, which assumes that knowledge is a constituent component of practice and therefore resides in the interaction between individual, social collective and action. Knowledge is both tacit, residing in the individual, but also collective and

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situational, as its application is dependent upon shared understanding, developed in action (Brown and Duguid, 1991; Lave and Wenger, 1991; Hutchins, 1993). Thus, knowledge creation, application, and/or conversion, is a situated activity that is given meaning by the context and activity in which it is used (cf. Blackler, 1993; 1995; Scarbrough, 1998). Due to this inter-penetrated social complexity, organisations may not be consciously aware of how their own resource or knowledge-base is comprised. Replication would require the codification and transfer of the complete knowledge-base of the firm, much of which is tacit, known through action or practice. Thus the contextually localised basis of a firm's knowledge provides a framework of meaning which restricts its transfer.

2.3.2.3 Organisations as interpretative systems

While not explicitly referenced in the literature, there are some key congruences between resource, capability, or knowledge-based views of the firm and perspectives on organisations as interpretative systems. The latter, dealing with organisations as socially constructed, complex systems, provide some insight into the reasons for the idiosyncrasy observed in the former. Resources are interdependent structural bundles located within an organisation's frameworks of meaning. Daft and Weick (1984:293) maintain that the organisation and its components are a reflection of organisational interpretative behaviour. Interdependent linkages between components of structuring have a cumulative effect, strengthening the framework of meaning (cf. Lyles and Schwenk, 1992). Strong frameworks of meaning or strong-culture organisations (Mitchell et al, 1986) arise from the collective properties of tacit knowledge, recipes, images, repertoires or scripts that are embedded in the social structuring of organisations (Gioia, 1986; Lyles and Schwenk, 1992; Walsh and Ungson, 1991; Weick, 1979). They provide effective learning about, response to, and understanding of familiar problems, essentially forming a theory-in-use (Argyris and Schon, 1978). As such, it may plausibly be argued that interpretative schema underpin the organisational idiosyncrasy manifested in tangible, and particularly intangible, resources. The socially embedded nature of interpretative schema has explanatory power with regard to the difficulty of codifying, replicating or imitating such resources.

2.3.2.4 Linking TMT to context: The paradox of effectiveness and inertia

These compatible views of organisational structure as idiosyncratic bundles of resources and frameworks of meaning are linked to the cognitive schema of top management in the work on dominant logic (Bettis and Prahalad, 1995; Prahalad and Bettis, 1986). As with Penrose (1959), the knowledge and experience of top management is posited as central to the strategic position of the firm. The interaction between managerial and organisational schema forms a dominant logic which is "stored via schemas and hence can be thought of as a structure. However, some of what is stored is process knowledge". Dominant logic is both "a knowledge structure and a set of elicited management processes" (*ibid*:490). Thus the link between TMT interpretation and organisational structure is made, at least in theory. This research examines the extent to which such a link may be seen in practice.

Dominant logic is ascribed an efficiency and effectiveness value of an heuristic nature (Lampel and Shamsie, 2000). As managers have limited information-processing capacity (Cyert and March, 1963), they develop and rely upon process-recognition patterns and available heuristics. Process-recognition patterns form a vocabulary of action upon which managers draw in dealing with problems. Available heuristics are those heuristic devices most accessible to managers. These generally arise from the business in which they have most experience. Such processes help to coalesce a dominant logic which is efficient and effective in short-run organisational actions because it shortens the time to action through access to well-known routines and operating procedures. However, dominant logic is pervasive and predisposes the organisation to behave in certain ways. It is prone to draw upon known systems and structures even where these are not appropriate to changed situations. For an organisation to change, it must not only learn a new logic, it must first unlearn the existing logic. Thus, Bettis and Prahalad's (1995) dominant logic appears to have consolidated its material or structural properties, as does Bourdieu's (1990) habitus, forming a perceptual filter which constrains the options of top management.

This concept of structural and processual dominance, arising as it does from organisational routines and operating procedures, is not new. Rather, it emphasises the

structural influences on managerial interpretation discussed previously. Cyert and March (1963) refer to standard operating procedures as a set of behaviour rules arising from a firm's learning processes over time. Such procedures become an uncertainty avoidance device, dictating the choices a firm will make, particularly in short-run decisions. Nelson and Winter (1982) develop this concept, positing that routines are a form of organisational genetics, predisposing the organisation to act in certain ways and, more importantly, defining the *possible* options which a firm may take. The genetics metaphor indicates the historicity of routine and its persistence in the future, compatible with the notion of path dependence discussed in resource-based theory and dynamic capabilities. As strategic heuristics, routines carry the organisation's learning and knowledge through successive evolutionary cycles. Serving as templates for new activities and procedures, they allow an organisation to be effective in doing more of the same; in effect 'sticking to the knitting' (Peters and Waterman, 1982). However, as with dominant logic, they also comprise a source of inertia, limiting the range of responses to new strategic stimuli. For Nelson and Winter (1982:134), the menu of alternatives an organisation may choose is "narrow and idiosyncratic; it is built into the firm's routines, and most of the 'choosing' is also accomplished automatically by those routines". As with the habitus, routine operating procedures become taken-for-granted, forming intangible or tacit components of the organisation.

In examining the above discussion on the relationship between top management and organisational structuring, the tension of recursiveness is again evident. Successful firms are idiosyncratic in their resources, core competences and core capabilities but these idiosyncrasies are also their core rigidities due to their embedded-ness within the values and norms of the organisation (Leonard-Barton, 1992). Firms develop an architecture of knowledge, embodied in their communication channels, information filters and problem-solving strategies (Henderson and Clark, 1990). This becomes a source of both effectiveness and inertia. That is, to be effective, firms generate a set of strategic heuristics, or a dominant logic, which reduce uncertainty and increase efficiency in the route to action. While these heuristics serve as firm resources, they also become sedimented in the structures, routines, and processes of the organisation and provide a filter for managerial interpretative schema. Hence, such resources are 'sticky', needing to be unlearnt before new resources can be learnt or acquired. In

more extreme forms of this view, resources have genetic characteristics that constrain possible future forms and may, therefore, be pathological. Thus, a paradox or tension exists between effectiveness and inertia, related to the characteristics of habitus, whereby a dominant practice is complicit in its own persistence, exerting a causal influence on its actors. However, if this is true and is carried to its logical conclusion, in protecting itself, social structuring also carries the properties of its own destruction (cf. Miller, 1991). Therefore, as Clark (2000:98) suggests "it is prudent to abandon the genetic analogy" interpreting it as an attempt to incorporate the sociological notion of recursiveness into economic theory.

These views are prone to the trap of recursiveness because they fail to consider the *processes* of social structuring (cf. Scarbrough, 1998; Spender, 1996). While they note the importance of actors, social complexity, and intangible forms of asset, they focus upon these factors as commodities, failing to place them within a dynamic framework (Scarbrough, 1998). They do not sufficiently consider the inter-penetration of actor, structure and activity in social becoming (see Lave and Wenger, 1991; Suchman, 1987; Sztompka, 1991) and the mediating processes involved. Rather, they paint a static view of organisations, which have high capacity in terms of capability, competence or resource but are limited in their explanation of how such resources are created and renewed. Weick (1979) stresses that organisations "require chronic rebuilding" (*ibid*:44) through continual re-accomplishment of processes. This is discussed in the next section, where context assumes more dynamic properties through interaction with actor and activity. Context and top team are involved in an ongoing dialectic of social activity, giving rise to processes of continuity and change over time (cf. Bartunek, 1984; Giddens, 1984; Pettigrew, 1990; Ranson et al, 1980; Sztompka, 1991).

2.3.2.5 Implications of local context: Deriving sub-question 2

The above section examined the resource, capability and knowledge-based views of the firm, as well as interpretative perspectives, to establish that organisational structure is socially complex, embedded and idiosyncratic to the specific site. Organisations have material components, such as routines and operating procedures,

as well as the less tangible assets of culture, identity, sedimented values, norms, and knowledge bases, all located within the ever-present traces of history. Such structures are frequently derived from the interpretative schema of dominant organisational actors, acquiring exogenous properties over time as heuristic devices. As these become routinised, they act as perceptual filters for managerial interpretation. Thus, structural components produce and reproduce a framework of meaning which, reciprocally, influences top team perspectives on strategic action, potentially occurring as a source of both effectiveness and inertia.

This investigation of the literature strengthens Whittington's (1996) proposition that strategy as practice should be examined within the context of localised frameworks of meaning as "knowing the 'done thing' locally is essential to being able to get things done" (*ibid*:732). Drawing upon locally meaningful routines in order to produce and reproduce social order is a feature of the practical consciousness identified by Giddens (1984). Actors structure their collective social context through their recourse to routines which provide an "ontological security" (*ibid*:64) with regard to the process of social interaction. The implication for this research is that the organisational context should be examined for locally meaningful material and social features which influence top management's strategic practices. This leads to the second sub-question: "How does organisational context influence strategy as practice from a TMT perspective?" Furthermore, as the section interpellates the paradox of effectiveness and inertia present in the literature, it indicates a dilemma regarding the processes of organisational continuity and renewal. As this is posited to arise from a lack of attention to process (Scarbrough, 1998; Spender, 1996), the literature on strategy processes which form the interaction between actor and structure will be reviewed in the next section.

2.3.3 Strategy processes

In the theory of practice derived in section 2.2, a consistent theme counteracting conflation of agent and structure, was the notion of processes of interaction between the two. It was suggested that there are processes of mediation which structure the context of practice and also enable practice to be assimilated and distributed among

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the members of a community. Thus, in order to examine the interactions between agent and structure, this research will, inevitably, engage with process. In this study, process is conceptualised as being situated within the context of interaction between agent and structure at any point in time (cf. Chakravarthy and Doz, 1992; Garvin, 1998; Pettigrew, 1985; 1987; 1990; 1997a; Van de Ven, 1992). In this section, the concept of process is examined for the role it serves in interaction between the TMT and organisational context.

Four main views of process may be derived from the literature. From the socially constructed perspective, processes are double interacts, sets of interacts and responses by which individuals construct their contributions to the social collective (Weick, 1979; Weick and Roberts, 1993). Pettigrew (1985; 1987; 1990) incorporates a structural component, that of interaction within context, engaging actor and structure in reciprocal processes of social constitution over time. More deterministic theories, such as that of Nelson and Winter (1982) infer that processes have structural characteristics, carrying organisational knowledge and patterns of acting through successive generations of the firm. Finally, processes are involved in the production and transformation of activities over time. This is referred to as "a sequence of events that describes how things change over time" (Van de Ven, 1992:169). It is probable that processes encompass all of these characteristics. Indeed, Pentland and Rueter's (1994) discussion of organisational routines, also classified by the less value-laden term of processes, clarifies this point. "Routines [processes] occupy the crucial nexus between structure and action, between the organisation as an object and organising as a process" (*ibid*:484). This perspective is supportive of Pettigrew's (1990) reciprocal, duality-based concept of processes. Hence, this analytic lens appears the most appropriate for the purposes of this research, which examines process as a matter of interactions between agent and structure; "... processes are both constrained by contexts and shape contexts, either in the direction of preserving or altering them" (Pettigrew, 1990:270).

The capacity for processes to be involved in both the preservation and the alteration of social order, illustrates that processes, while they provide patterns of action, are not mindless, but are worked at in daily practice (Giddens, 1984; Pentland and Rueter, 1994). That is routinised or processual activity is "an effortful accomplishment"

(Pentland and Rueter, 1994:488). This is consistent with Weick and Robert's (1993) notion of 'heedful inter-relating' in which an activity system is "built of ongoing interrelating and dense interrelations" (*ibid*:378). When actors construct their actions, they do so with 'heedful' consideration of the other components of the activity system, enabling the whole system to function through overlapping and distributed inter-relationships (cf. Blackler, 1995; Hutchins, 1993; Spender, 1996). Each action has the potential for social reproduction or for transformation. "Action has an emergent quality, which results from the continual feedback from external events to internal representations and from the internal representations back to enactment" (Keller and Keller, 1993:127). This feedback is particularly occasioned by the reflexive monitoring behaviour of actors, which is a chronic characteristic of social action (cf. Boland and Tenkasi, 1995; Giddens, 1984). Hence, it is processes of interaction between agent and structure which are the carriers of continuity and change, within time and over time (cf. Pettigrew, 1985; 1990).

As processes occupy an important position within the social structuring of organisations, actors, and actions, they are central to a consideration of strategy as practice. If processes comprise the point of interaction between actors and structures over time, they may be identified with Giddens' (1984) modalities, Sztompka's (1991) levels of structure-building, Lave and Wenger's (1991) socio-cultural artifacts, or Engestrom's (1993) instruments of mediation. As such, it is possible to conceptualise processes as being consistent with the definition of practices in the theory of practice. Processes, or practices, comprise the habits, tacit knowledge, and structural components involved in the daily flow of experience, habitus or praxis. They may have normative, regulatory, symbolic, ideological, interpretative, hierarchical, and/or authoritative properties. These properties are the resources for action, non-deterministic and fluidly inter-related, residing in the actor, the structure and the activity in which they are drawn upon.

Given this socially complex and embedded definition of processes, it is necessary to develop a means of categorising them, such that they may be investigated. As they have both structural and agential properties, it is not appropriate to classify processes as either operating procedures or interpretative schema. Rather, a situated action approach (Suchman, 1987) is useful since, from the perspective taken in this research,

processes are drawn upon in the pursuit of situated activity. In other words, processes may be investigated for the purposes they serve in situated action between agent and structure. Here it is helpful to refer to Garvin's (1998) classifications of process. From a broad review of the literature, he proposes three main categories of managerial processes:

1. Direction-setting processes. This incorporates formal and informal processes of information-gathering and processing, managerial learning, agenda-setting, and mobilisation of structural and processual support for directions;

2. Negotiation and selling processes. This involves the personal interactions, vertically and horizontally, necessary to implement a direction. "Chief executives engage extensively in selling, for it is often the only way they can gain acceptance of their strategies and plans" (*ibid*:45);

3. Monitoring and control processes. These are designed to monitor the progress of strategy implementation, involving formal analysis and routine and non-routine action to correct or align behaviour in accordance with direction.

While Garvin's approach may appear overly linear and rational (see debate on the design school of strategy; Mintzberg, 1990 and Ansoff, 1991), it is useful in outlining the broad areas that processes serve in mediating strategy as practice. Each process comprises both agential and structural properties. For example, direction-setting is likely to be based upon managerial sense-making behaviour (Gioia and Chittipedi, 1991; Smircich and Stubbart, 1985; Weick, 1979), as well as structural components, such as current resources and capabilities, knowledge-bases and formal operating procedures. Simons' (1990; 1994) work is also helpful in fleshing out Garvin's (1998) terms and contributes to an understanding of the way that processes serve the interaction between agent and structure. Simons (1994) notes that there are four types of control systems drawn upon by top managers in the process of strategic renewal:

1. Belief systems which are essentially the core values of the organisation, made explicit in formal documents and mission statements;

2. Boundary systems such as regulations, operating directives, and planning procedures, which make explicit the limits and rules for business conduct;

3. Diagnostic control systems which provide formal analysis against performance indicators, targets, and budgets, enabling feedback on performance; and

4. Interactive control systems. Control systems are made interactive by personal, face-to-face involvement of top management with other sections of the organisation. Interaction is most useful in situations of strategic renewal for focussing organisational attention, provoking dialogue and learning in areas of strategic uncertainty.

Some of these systems fall within the realms of standard operating procedures (Cyert and March, 1963) and routines (Nelson and Winter, 1982), or suggest the cultural or normative values of resource based views and core capabilities (Barney, 1986; Leonard-Barton, 1992), while interactive systems may be seen as double interacts (Weick, 1979; cf. Weick and Roberts, 1993), primarily for the purposes of emphasising top management's interpretations in situations of uncertainty and change. In other words, consistent with the view of processes as shaping and being shaped by situations (Pentland and Rueter, 1994; Pettigrew, 1990), processes both sediment structural properties and managerial interpretation but also offer the potential for overcoming organisational inertia and structuring new systems and processes. Thus, through their examination of the role processes serve in action, Garvin (1998) and Simons' (1994) views incorporate both structural and agential properties. For the purposes of this research, this approach will be taken, investigating and classifying processes by the purposes they serve in action.

Simons' (1990; 1994) focus upon control systems emphasises that processes have implicit relationships with power. Indeed, the focus upon managerial action in the strategy process literature is an indication of the primary accessibility of processes to powerful groups. As such, power and politics are valid areas of empirical inquiry in process research (see, for example, Eisenhardt and Bourgeois, 1988; Hardy, 1996; Hickson et al, 1986; Pettigrew, 1973; 1985). However, they are not examined in depth in this research, which, as stated in the theoretical framing, accepts that power relationships are an inherent backdrop, implicit within any analysis of structure, structuring dispositions and action (see, for example, Bourdieu, 1990; Giddens, 1984; Lukes, 1974; Ranson et al, 1980; Sztompka, 1991). Rather, this research focuses upon

the manner in which processes serve the interaction between TMT actors, organisational structures and strategic action.

Thus, this examination of the literature on process reveals a complex picture of formal, informal and social processes of interaction between actors and structures, brought into play in action. Such processes are posited as central to strategy as practice, serving as the point of interaction between TMT actors and organisational structure, brought into play in action. This gives rise to the third and final sub-question: How do processes constitute the interaction between the TMT and the organisational context in the practice of strategy?

2.4 Conclusion

In this chapter, a theory of practice has been outlined as the inter-penetration of actor, structure and activity involved in continuity and change, within time and over time. Practice has teleological connotations in so much as it is activity seeking a goal. It is comprised of practices, which are the components of the activity system that shape, and are shaped by, the practice. The key components of the activity system, for the purposes of this research, are the TMT as an aggregate actor, the organisational structure, and the strategic activity in which practices are brought into play. While these components are involved in reciprocal relationships, an investigation must be wary of the trap of recursiveness, in which the mutually constitutive nature of social order is subject to inertia rather than a continual state of social becoming. This theory of practice was used to address the organisation studies and strategic management literature. The literature furnished elements of the three key components of the study; the TMT, the organisational structure and the role of processes in constructing strategic action. However, it also indicated that there is a dearth of understanding regarding the dynamic processes by which these components are integrated in situated activity. While literature has moved away from the tendency to regard action as either a property of the individual, being totally socially constructed, or, alternately, deterministic and structurally dominated, it still fails to adequately integrate the two perspectives. With some exceptions, where issues of individual interpretation and cognition have been related to organisational structure and action, they run the risk of

recursiveness, discussed as the paradox of effectiveness and inertia. Mutually constitutive processes of interaction between actors and structures which have the capacity to embrace both continuity and change are still little understood, particularly at the empirical level; the level of strategy as practice. Thus, this research seeks to address this gap with an investigation of how TMTs engage in strategy as practice, within the context of three UK universities. The literature review has been used to define three sub-questions which may help to inform this topic. These are:

1. What are the TMT processes of strategic thinking and acting?;
2. How does organisational context influence strategy as practice from a TMT perspective?; and
3. How do processes constitute the interaction between the TMT and the organisational context in the practice of strategy?

The three questions may be considered as three analytic lenses, or levels of analysis, which address the three points of the outlined theory of practice: the TMT as an aggregate actor, the social structuring of the organisation and the third dimension, in which practice or activity occurs as both medium and outcome of the processes of interplay between agent and structure. As such, a longitudinal, in-depth, embedded research design is indicated, accessing real-time data-in-action. This design will permit the inter-connectedness and interaction between levels of analysis to be understood. While it is necessary to separate the levels for analytic purposes, empirically they will be co-existent, intertwined and mutually constitutive. The following chapter explains the method used to examine strategy as practice, consistent with the theory, methodological implications and empirical questions outlined here.

CHAPTER 3: METHODS

The research question addressed in this study demands data which are rich, which can examine contextually specific factors and which are drawn from the experiences and actions of the top teams. Ideally, to uncover characteristics of process, such data need to be collected over an extended time frame. The methods adopted in this research attempt, as far as possible, to incorporate all of the above features. An in-depth case study approach has been utilised, involving the gathering of longitudinal, processual data on TMTs in action within three UK universities over a seven year period from 1992 to 1998. This involves six years of retrospective data and one year of real-time data collection and observation. This chapter gives details of the units of analysis, justifies the research approach and design, and explains the process of data analysis. Processes for ensuring the validity and reliability of the results are discussed. Two particular techniques are reported in detail. First, the feedback of results to key research participants to ensure the validity of the within-case interpretations. Secondly, using co-analysts to evaluate the coding on a sample of the data.

3.1 Overview of methods

3.1.1 The units of analysis

The research adopts an embedded design which provides an opportunity to gather contextual data at multiple levels, whilst maintaining a focus on the primary unit of analysis (Eisenhardt and Bourgeois, 1988; Yin, 1994). The primary unit of analysis is the top team (TMT) engaged in the practice of strategy. This level is embedded within the second unit of analysis, the context of the organisations. The two former levels are connected by the third level of analysis, the processes which form the interplay between the first two levels. This complex design is somewhat mitigated by observing the second and third levels of analysis in accordance with the way they are interpreted or drawn upon by the TMT. By adopting an interpretative approach, the top team is

considered as a group of purposive agents embedded in social, temporal, and cultural situations where, "they construe, construct and interpret their own behaviour" (Schwandt, 1994:120). This research investigates the meanings the TMT attribute to their actions. It's intention is to understand top team sense-making and interpretative schema in the conduct of strategy as practice situated within context (cf. Gioia and Chittipedi, 1991; Gioia and Thomas, 1996). Data are, therefore, grounded in the experiences and terminology of the top management team. (Glick, et al., 1995).

3.1.2 Levels of analysis and conflation

Conflation is a potential problem in analysing multiple and embedded levels of social practice, since actors, social systems, and their points of interaction tend to be engaged in mutually constitutive processes which are messy and difficult to separate (see Archer, 1995). To counteract this problem, methodological bracketing (Giddens, 1979; 1984) has been used, deriving an analytic framework, Figure 3 - 3, which separates each distinct level of analysis:

1. TMT processes of strategic thinking and acting;
2. the social structuring of the organisation; and
3. the strategy processes which form the interplay between the two.

The purpose of the analytic framework is to permit the identification of constructs within each bracketed level of analysis. Narratives of strategic action may then be used to provide dynamic integration of levels. The combination of bracketing and narratives enables strategy as practice to be discussed as continuous interplay between agents and their context, consistent with the theoretical framing of practice. As such, the method permits a parts-whole analysis in which constructs are elucidated at each level and integrated as a whole through the use of narratives which are based upon these constructs.

3.1.3 Interpreting the data

Research designed to investigate the meanings attributed to top team actions within embedded levels of analysis must penetrate the surface, generating analytical and theoretical interpretations of empirical data. First, data must be collected across multiple sources to provide many 'slices' of the same phenomena, from which grounded interpretations can be developed (Denzin, 1989; Jick, 1979). Secondly, the data must reveal, as far as possible, the meanings of actors, based upon their own terminology and interpretations. Thus a research method must be designed which provides access to the necessary breadth of empirical data. These data are subjected to analytical and theoretical frameworks which enable deep structure to be identified from surface phenomena (Light, 1979).

3.2 Research design

3.2.1 Case selection through theoretical sampling

Theoretical sampling was used for site selection (Yin, 1994). The use of a single sector controlled for variation occasioned by cross-sectoral comparisons (Eisenhardt, 1989a). Universities are responsible to a unitary funding body in terms of annual strategic and financial planning requirements, performance indicators and quality assessment mechanisms. As strategy process research is concerned with action within context (Pettigrew, 1987), and strategy as practice, in particular, deals with localised routines and behaviours (Whittington, 1996), individual cases were selected on the basis of contextual difference. While all organisations may be presumed to have some contextual difference, selection for obvious difference, such as historical background, point of and reason for, origin, and market position were considered precise indicators of difference. A five-category typology of the university sector was used:

1. Ancients;
2. Civics, Redbricks and Federal;

3. Campus;

4. New; and

5. Technological.

This typology was relevant to the literature on higher education (see, for example, Halsey, 1992; Trow, 1988), the terminology in practical use, (see O'Leary, 1998) and the principle of contextual difference, since each category had different historic origins and reasons for development (cf. Appendix A). The Ancient universities were excluded from the potential sample as they include Oxford and Cambridge. In view of their collegiate structures, these institutions are considered to pose problems for studying the practice of strategy from the TMT perspective within a whole university context. This is because colleges act with degrees of autonomy from the university, which assumes a central carapace or federal structure (see Miller, 1995), potentially offering the researcher less opportunity to analyse overarching strategic behaviour and top team action, hence limiting consistency of data across case sites.

As the other categories all yielded potential sites, cases could be selected from any three of the categories to provide three institutions which met the criteria of contextual difference within a uniform sector. Given that the research design required repeat visits to gather real-time data, the sample size and field were chosen on the basis of time considerations and geographical proximity (Punch, 1994). A maximum of three sites within a reasonable travelling radius was deemed to be feasible for a lone researcher to study in depth. Letters, outlining the topic and requesting an initial interview to discuss the research, were written to 15 universities which met the theoretical and pragmatic framing, in most cases addressing the Vice-Chancellor (VC) or his/her equivalent by name. Where possible, a personal contact was used as a source of introduction, although this meant writing to a probable TMT member as opposed to the VC. Thus, in four cases, the Registrar, or a Pro-Vice-Chancellor (PVC) or Deputy Vice-Chancellor (DVC), were written to, rather than the Vice-Chancellor (VC), mentioning the contact by whom they were recommended. This made a difference as an initial interview was granted in each of these cases and only one of the other cases. Five institutions granted an initial interview, of which access to four that fulfilled the theoretical framing of contextual difference was negotiated. However this entailed too many cases for inclusion in a Ph.D. thesis, so that a case

from category 2, a civic university, was dropped as access was conditional on right of veto over publications. This left:

1. a campus university, Warwick;

2. a federal university, the London School of Economics and Political Science (LSE); and

3. a new university, Oxford Brookes.

It was assumed that in-depth data from each of these three institutions would be within the scope of this research and was manageable in the time frame demarcated by doctoral research.

The above cases provided a strong basis for thematic consistency since each was a leading institution of its type according to the UK Times League Table performance indicators. Pettigrew and Whipp (1991) found consistent patterns in the actions taken by successful organisations across four different sectors. Therefore, three successful institutions within the same sector had the theoretical potential to display similar patterns, despite obvious contextual differences. Tables 3 - 1 to 3 - 3 provide a brief outline of contextual parameters for each institution. While not constituting in all respects the 'polar types' recommended by Pettigrew (1990), the sites provided three distinctive cases which were seen as appropriate to addressing the topic.

Parameters	Warwick	LSE	Oxford Brookes
Origin	1965	1895	Oxford School of Art: 1865 Polytechnic: 1970
Location	Green fields outside Coventry	Central London	Oxford: split sites
Disciplinary profile *	• Faculty of Social Studies: 9 Dep'ts, 24 Research centres • Faculty of Science: 9 Dep'ts, 7 Research centres • Faculty of Arts: 10 Dep'ts, 6 Research centres	• Social Science institution • 18 Departments • Institutes (Groups for cross dep't research and teaching) • 19 Research centres	• Humanities, sciences, social studies and applied sciences, not grouped by faculty • 15 Academic Schools
1998 League Table **	6th (Leading 1960s University)	4th (Leading Social Science institution)	51st (Leading new University)

Table 3 - 1: General institutional parameters.
(* Source: Annual calendar at Warwick and LSE; Annual Planning Cycle at Oxford Brookes; ** Source: O'Leary, 1998)

Source of income	Warwick	LSE	Oxford Brookes
Funding Council grants	40,618	17,553	24,851
Fees and support grants	31,937	29,868	19,328
Research grants and contracts	21,508	9,492	2,246
Other services rendered	5,486	1,237	1,363
Other general operating income	37,610	11,726	15,104
Endowment income and interest receivable	1,547	3,917	2,316
Total Income	138,706	73,783	65,208

Table 3 - 2: Income by source, 1996/97 in £,000.
(Source: HESA, May, 1998:18-21)

Student Numbers	Warwick	LSE	Oxford Brookes
Postgraduate	3,768	5,107	1,710
First degree	7,842	2,848	7,336
Other undergraduate	337	357	990
Further education	0	0	145
Total	11,947	8,311	10,181
UK Full-time *	8,072	2177	5538
UK Sandwich *	59	0	1281
UK Part-time *	5,288	627	3310
EU Full-time *	681	1188	553
EU Sandwich *	0	0	188
EU Part-time *	295	172	139
Other overseas *	2,397	3020	1326

Table 3 - 3: Student number breakdown
*(Source: HESA, September, 1999; * HESA, June, 1999)*

3.2.2 Time frame

Process research is inherently bound up with time, which creates problems of interpretation as time may have different meanings for the researcher, the participants, the processes observed, and the levels of analysis (Tuttle, 1997). Thus, in a longitudinal study, the investigator must make decisions about time, particularly concerning the time period for data collection and the representativeness and comparability of the time scale across sites.

3.2.2.1 Duration of the study – 1992 to 1998/99

As all the case sites became universities under a unified funding body in 1992, this year has been selected as the starting point for retrospective data collection. While there was no purposeful collection of retrospective data prior to this period, each

institution was located within its historic context by the development of a basic profile constructed from secondary sources such as books, newspapers, journal articles and consultants' reports. The collection of real-time process data provided a pragmatic choice for ending the study. Real-time investigation at Warwick and LSE, began in February 1998, and March 1998 at Oxford Brookes. Real-time data were collected for approximately a year in each case, with observation at Warwick and LSE being completed in December 1998, and February 1999 at Oxford Brookes. In all cases, minutes and other documentation from the meetings continued to be collected, in order to tie up some loose ends. While there is always a temptation to collect more data, and a truly historic study would have started earlier than 1992, six years of retrospective study and one year of real-time study, in providing richly-textured, qualitative data across three cases, was seen as the maximum amount which could be dealt with in a doctoral thesis.

A seven year period of data collection (six years retrospective and one year real time) has strengths and weaknesses. In each institution, the time period is comparable as the academic year is similar in terms of the annual calendar. For example, during the period of data collection, universities were required to submit annual strategic and financial plans to the Funding Council in June/July. Thus, it was possible to observe in each case an annual financial and strategic planning cycle, although these turned out to be quite different organisational processes.

3.2.2.2 Representativeness of time-frames

Problems arise in considering three elements of time:

1. diachronic, being the real-time observations;
2. retrospective, reconstructed through interviews and archival searches; and
3. parallel time in terms of comparing cases (Barley, 1995).

The co-existence of these three elements raises the issue of representativeness and comparability, since 7 years at Warwick, originating in the 1960s, may not equate, for

example, with 7 years at LSE, which has an institutional history stemming from 1895. To address temporal representation, the researcher must consider:

1. Time as chronos and/or kiros (Van de Ven, 1988). That is, time may occur in the orderly sequence of calendar and clock time or it may occur as kiros, time appearing as peak experiences;

2. The historic aspect of time, where present events and future paths are related to, and shaped by, past actions (Pettigrew, 1990; 1997a; Sztompka, 1991);

3. Time as an ongoing creation of the social collective, assuming an exogenous reality with which the actions of individual actors are, recursively, involved (Berger and Luckmann, 1966; Giddens, 1984; Sztompka, 1991).

In this research, time is perceived on two fronts. First it is seen in terms of the long-duration time of institutions, a concept which provides the historicity of social order (Barley and Tolbert, 1997, Berger and Luckmann, 1966; Giddens, 1984). This accounts for time as chronology, a concept embodied in the everyday clock and calendar time, by which humans orient their social interactions (Berger and Luckmann, 1966). This sense of time nonetheless acknowledges kiros as being inherent in the mutable nature of institutions. Kiros can be seen, for example, in women's suffrage, or the breakdown of apartheid (Barley and Tolbert, 1997). Secondly, the research employs the life-cycle time of the individual actor, observing agency as a series of present-time actions by which actors draw upon and structure the ongoing social collective. Given that the human condition is a life cycle of irreversible time (Giddens, 1984), individuals are influenced by their personal historicity, as well as by their involvement in the historicity of the organisation. This concept of time deals with two of the identified levels of analysis, the primary unit, the TMT, acting out their life cycle perspectives on time through their actions in the organisation, embedded within the long duration time of organisational social structuring. Temporal interconnectedness (Pettigrew, 1990) is provided by the third unit of analysis, namely the processes which form the interaction between agent and structure. The focus on interaction embraces the recursive structuring of time through day-to-day experience, encompassing the temporal and spatial routines through which individuals are "inducted into participation in the societal dialectic" (Berger and Luckmann, 1966:149). This focus is particularly powerful in linking time dimensions "since the

events of day-to-day life fade quickly into the flow of experience" (Barley, 1995:6). Research conducted across three levels of analysis has the potential to draw a connection between the life-cycle time of actors, daily life, and the long duration time of the collective structures.

In this sense, any seven year period which incorporates analysis of strategic actions as past, real-time and future projections, will establish an equally viable basis for study, since all periods of analysis may be assumed to be representative of both individual actions and long-duration structure, temporally interconnected by the practices of daily life. While comparability is facilitated by observing each organisation in the same seven year period, they operate within separate time frames due to organisational historicity and the life cycles of dominant actors who have been with the organisation for variable time periods. However, the objective was not to see time periods as either organisationally representative or completely comparable. Rather, it was to observe how TMT actors, in their daily practice, were recursively involved in past, present, and future strategic action within specific social contexts which are never devoid of multiple co-existing time frames that structure the continuously evolving nature of organisational life (cf. Pettigrew, 1990; Sztompka, 1991). Methodological bracketing of the three levels of analysis permits the temporal interconnection of agent and structure through the daily practices embodied in strategy processes.

3.3 Research Methods

3.3.1 Negotiating access

In-depth case studies of top managers in action involve an element of risk because they require high quality access to senior people and commercially confidential data over time, which may account for the relatively small number of empirical works on TMT processes (Laurilla, 1997; Pettigrew, 1992). Van de Ven (1992:182) suggests that problems of access may be negotiated by framing a research question which will "motivate attention and enthusiasm from scholars and practitioners alike". With this

in mind, the literature on higher education was investigated to become familiar with sectoral issues. An exploratory interview with a Senior Assistant Registrar at the University of Warwick was conducted approximately three months into the framing of the research protocol. Approaching an upper middle, rather than top, management person, presented few risks in seeking to identify issues of interest, and in developing a list of potential contacts for access. Following this, a formal letter was sent to the Registrar at the University of Warwick, requesting an interview. Initial negotiations indicated that while the topic was of interest to industry participants, there were problems in the quality of access requested, with interviews being freely offered but resistance to meeting observation or access to confidential minutes. The obvious interest in the topic was exploited to stimulate further meetings with the Registrar, who later became the main gatekeeper at Warwick. Contact was also initiated with the Senior PVC, the VC, and the former Senior PVC. Eventually, through persistence on a series of fronts over a four month period, access to Warwick was granted, as well as an introduction from the Registrar to TMT members in two other universities which fulfilled the sampling criteria. The letters to these institutions and two others, resulted in an initial audience from which access to LSE was negotiated, aided by the Warwick Registrar's introduction, and access to Oxford Brookes.

3.3.2 Maintaining access

Access to each institution was gained through the establishment and exploitation of networks of individuals (Cassell, 1988). Thus, full access is a difficult term to use, requiring as it does a build-up of trust which cannot be negotiated at the outset (Barley, 1995). Sponsors and gatekeepers, such as the Registrar and Senior PVC, can provide only the legitimacy to seek further access since, with all members of an organisation but particularly managerial elites, one member cannot provide access to another's province (cf. Laurilla, 1997). For example, while the Secretary at LSE could provide access, she could not ensure that the Director would grant an interview, although, undoubtedly, her sponsorship smoothed the research path by providing an initial legitimacy for my presence. It was necessary to negotiate and renegotiate access at every turn in order to maintain contact (cf. Burgess, 1984; Laurilla, 1997). Initially I asked to observe only a few meetings and was non-specific about the

number of interviews, gradually increasing the terms as both my familiarity with the situation (Laurilla, 1997) and the participants' confidence in my conduct and interest in my research grew (Barley, 1995). As social and political acceptance was gained, some respondents became informants, keen to ensure that I had a comprehensive appreciation of their actions (Denzin, 1989; Van Maanen, 1979). In some situations, I attained 'mascot' status; "there's Paula, in her corner again", with jokes that my report "would be more sought after than the Starr report". Indeed, when I withdrew from the field at the end of data collection, also a point requiring tactful negotiation, one participant stated in an email that "we shall miss your silent presence".

3.3.3 Conducting research as a social process

Using the researcher as instrument invariably involves some resolution of the subjectivity - objectivity divide. Claims of absolute objectivity must be treated with caution, since the research environment has an impact upon the researcher and the researcher influences the setting (Barley, 1995). Sustained observation is useful because it offers the opportunity to identify recurrent patterns of behaviour and meaningful indicators of those patterns. However, prolonged exposure to the field poses the risk of 'going native'; in other words, viewing the situation totally from the perspective of the participants. Immersion is considered important in accessing the deeper understandings of participants (Sanday, 1979) and, to this extent, researchers are likely to go native, simply to appreciate the context in which the subject is situated (Barley, 1995). For example, in my field notes, the TMT are usually referred to as "they" but occasionally, because of the immediacy of capturing data, reference is made to "we". Such subjectivity occurs because research is an interactive, social process (Barley, 1995; Pettigrew, 1990; Van Maanen, 1979), in which the researcher and the participants develop a negotiated understanding of events worthy of reporting, or which best represent the organisation (McPhee, 1995). This ability to identify with participants is liable to result in findings which have greater internal validity in describing and interpreting the participants' situations (Barley, 1995; Van Maanen, 1979). Indeed, Dalton (1959) notes that the development of intimates within the research setting permits access to better quality information. However, the investigator is also required to remain a 'professional stranger' (Agar, 1981), capable

of exposing assumptions which participants take for granted (Barley, 1995). A balance between intimacy and the professional stranger role was considered desirable to gather appropriate data. This was particularly important due to the potential for increased exposure at the Warwick site compared to the other sites if a conscious approach to researcher involvement was not maintained. A number of techniques, such as triangulation, meticulous maintenance of field notes, ongoing analysis and validation, and the keeping of a field diary to record investigator development, were used in order to embrace the subjectivity that is innate in fieldwork of this nature, whilst still maintaining distance.

As a Ph.D. student, becoming a full participant in the TMT is unlikely, given that there is no pre-assigned role in that world for an 'observer' (Denzin, 1989). Therefore, a separate status was maintained, negotiating my role as and when the situation dictated. For example, I was prepared to make coffee, make small talk, act as confidante, release-valve, protégéé, apprentice, or neutral observer. While I dressed in dark, discreet suits, in keeping with the codes of team members, I could never really fade into the background since I was a younger woman in a small group setting of mostly older men. This may have been of benefit, as many of the participants were senior academics for whom the induction of a junior was a known pedagogic role. My separateness was most evident at Warwick, where I was also a Ph.D. student. This ascribed a role for me within the institution which posed no actual problems although a few ethical dilemmas were occasioned by the observation of any issues to do with the department in which I was a student. Such dilemmas were mitigated in observations of Estimates and Grants Committee, where I left the meeting during interviews of Business School candidates, as was required of all committee members where they were also an interested party. Additionally, a conscious decision was made not to record any details specific to personnel in the Business School. In fact, the low status of my role as a student appeared helpful in maintaining a degree of distance. For example, during the whole period of observation at Warwick, my opinion was never asked during a meeting. On both the other sites, I was occasionally asked my views on issues, which I usually evaded in order to avoid overt contribution to, or contamination of, my data. However, I did agree to write an interim report for LSE about a committee that they were reviewing, regarding this as a form of ongoing validation of my impressions, which I undertook regularly in all cases.

While I never attained fly-on-the-wall status, a doubtful claim anyway where the researcher has declared her role and interest, through prolonged investigation I minimised the skewing of behaviour occasioned by my presence. For example, early in the fieldwork, while observing a meeting at Warwick, I was told, very sternly, not to take notes when a sensitive issue arose regarding my department. Similarly, at LSE, the Director warned people in one meeting, to "be careful what you say" with reference to my presence and at Oxford Brookes I was told "that's not for your thesis, Paula". Gradually, this did not happen and people began to tell me of incidents which I may have missed and to engage in interactions which taxed my own definition of ethics and confidentiality, since few boundaries were placed upon me. As Barley (1995:29) notes "people simply find it difficult to monitor their behaviour or to dissemble for an entire year" (cf. Figure 3 - 1). Therefore, claims of absolute objectivity are not made regarding the conduct or results of this research. However, through the careful methodological steps outlined in this chapter, subjectivity has been used constructively as a means of arriving at findings which are reliable and have internal and external validity.

"Don't shush me - and I don't care if
she *is* writing in her little notebook, -
just tell me where you were last
night!"

Figure 3 - 1: The benefits of sustained observation
(Source: Larson, 1998)

3.3.4 Triangulated data collection

Four methods of qualitative data collection were chosen:

1. interviews, which incorporated some retrospective elements;
2. observation, which was largely non-participant;
3. archival and other documentary data; and
4. ethnographic data sources.

This triangulated between-method technique (Denzin, 1989) has been used for two main reasons. First to counteract any potential bias from a single data source (Denzin, 1989; Eisenhardt, 1989a), particularly in terms of validating retrospective analysis (Golden, 1992). Bias may occur on at least three fronts:

1. Informants may deliberately mislead the researcher (Van Maanen, 1979);
2. Informants may display attribution bias or errors of recall about past events (Glick, et al, 1995; Golden, 1992); and
3. The situated nature of the researcher affects both the context and the researcher's impressions (Barley, 1995).

Multiple data sources and methods may serve to moderate these forms of bias, increasing accuracy and validity. Each method displays a different aspect of the same phenomena, yielding either convergent findings or highlighting discrepancies arising from any single source (Jick, 1979). Secondly, triangulated data provide the breadth of information needed to develop a holistic picture of TMT processes within their context (Pettigrew, 1990). Jick (1979:608) suggests that the researcher is able to develop a more comprehensive 'feel' for the situation, gleaned from multiple vantage points, which results in interpretations that reflect both "intuition and first hand knowledge". Triangulated methods are central in research which aims to expose and interpret phenomena at the three levels of analysis defined above. "The goal of multiple triangulation is a fully grounded interpretive research approach" (Denzin, 1989:246). Table 3 - 4 summarises data sources across cases.

Data Source	Warwick	LSE	Oxford Brookes
Interviews	20 open-ended interviews @ 90 minutes each, with each TMT member, 2 former members and 2 non-TMT members. Repeat interviews with 5 TMT members.	18 open-ended interviews @ 90 minutes each, with each TMT member, 4 APRC members, 4 senior officers, Director's executive assistant, 3 senior academics, repeat with 2 TMT members.	11 open-ended interviews @ 90 minutes each, with each TMT member, 2 former TMT members, Departmental Head who services VAG, repeat with 2 TMT members.
Meeting observations	• Joint Council and Senate Strategy Committee (JCSSC) – 7 x @ 2 – 2.5 hrs • Earned Income Group (EIG) – 6 x @ 2.5 hrs • Estimates and Grants (E & G) – 5 x @ 3 hrs • Joint Infrastructure Fund (JIF) Working Group – 1 x @ 2 hrs	• Academic Policy and Resource Committee (APRC) – 7 x @ 2.5 hrs • Planning Team – 3 x @ 1.5 hrs • Standing Committee – 2 x @ 1.5 – 2 hrs • Academic Board – 1 x @ 1.5 hrs • Convenors meeting – 1 x @ 1 hr • Co-ordination Group – 1 x @ 1 hr • Sixth Floor Meeting – 1 x @ 1 hr • Heads of Division – 1 x @ 1.5 hrs	• Academic Board – 1 x @ 2.5 hrs • Board of Governors – 2 x 1st @ 1.5 hrs, 2nd @ 2.5 hrs • School Planning Process meetings – 2 x @ 2.5 hrs • Vice-Chancellor's Advisory Group (VAG) - 3: 2 x @ 45 minutes, 1 x @ 2 hrs • SEMAFOR – 1 x @ 2hrs • SPC – 3 x @ 1 – 1.5 hrs • Schools' Direction-setting meeting – 1 x @ 3 hrs • Academic Quality and Standards Committee (AQSC) 1 x 1hr • Strategy Day with Governors – 1 x @ 4 hrs
Ethnographic	• 1 week shadowing Senior PVC • Pre- and post-meeting observation • General on-site data, particularly informal discussion when the opportunity arose – at least 7 times in detail and many brief chats.	• Pre- and post-meeting observation • General on-site data where I sat in the Planning Office, next to the general coffee machine; handy for informal discussion, which occurred on every visit.	• 1 week shadowing DVC, Academic Affairs • Pre- and post-meeting observation • General on-site data, mostly informal chats pre and post-meetings and also opportunism; being in the right place at the right time.
Documentary – archival and other	• Minutes of JCSSC, 1992 to 1998 • Minutes of all meetings attended • Annual reports; Audit documents; Strategic plans; Academic databases; University calendars; Briefing papers; Memoranda and minutes of Warwick Research Fellows initiative; Sectoral documents.	• Minutes of APRC and Academic Board, 1992 to 1998 • Minutes of Standing Committee and Planning Team, 1997 to 1998 • Minutes of all meetings attended • Audit documents; Strategic plans; University calendars; Briefing papers; Handbook for Convenors; Sectoral documents.	• Planning Cycle documentation for 1995/96, 1996/97, 1997/98 and some of 1998/99 • Agenda for Brookes reports and summaries • Coopers and Lybrand report, 1988 • Minutes of all meetings attended and minutes of strategic-planning VAG meetings, not attended. • Supporting planning documentation; Annual reports and accounts; Sectoral documents.

Table 3 - 4: Data sources across cases

3.3.4.1 Interviews

An introductory interview was held with a member of the TMT in each institution; at Warwick, the Registrar; at LSE, the Secretary in conjunction with the Planning Officer and Finance Officer; and at Oxford Brookes with the DVC for Academic Affairs. This interview typically lasted 90 minutes. It was intended to establish:

1. The initial terms of access;
2. Meetings critical to the strategy process;
3. Minutes and memoranda which should form part of retrospective data collection;
4. The potential group of TMT members;
5. A potential group of interviewees; and
6. A preliminary 'feel' for the issues facing the organisation.

In total 49 interviews were held with all current TMT members, with some former members, and some non-TMT members who were important to the strategy process, or formed part of retrospective data collection on specific issues. At the initial interview at LSE, the relationship between the former Director and the academic body was highlighted as a sensitive area, which it would be preferable not to include in the investigation. While it became apparent in almost every interview, as well as in secondary documentation such as newspaper articles, that this had been a source of tension, there was an ethical responsibility not to interview either the former Director or former Pro-Director. As there was such rich longitudinal data from other sources, including interviews with senior academics, administrators and committee members, this would not, arguably, compromise the research findings.

Interviews used open-ended questions (Gioia and Thomas, 1996; Langley, 1989; 1990; Yin, 1994). While the uniform prompts detailed in Data Artifact Box 1 ensured that similar material was covered with all participants (Burgess, 1984), the conversational style of questions and responses also revealed topics which may not have occurred to either the researcher or the interviewee in a more structured format (Whyte, 1960). Participants were able to "engage in a stream of consciousness" (Gioia and Thomas, 1996:374), reflecting upon the aspects of strategic practice they

perceived as important, providing richer data for interpretative analysis (Geertz, 1973; Sanday, 1979; Van Maanen, 1979). At the end of each interview, participants were asked if there was any issue that had been missed, or anything they wished to discuss regarding the practice of strategy at the given institution. This customarily elicited further data, particularly of a reflexive nature.

Interviews were used, in combination with other sources of data, to:

1. identify TMT composition;

2. gain retrospective accounts of strategically significant actions over the period of the study;

3. identify current strategic issues for the organisation;

4. access TMT interpretations of the strategy process.

Data Artifact Box 1: Prompts for open-ended interviews

1. What are the strategic issues that are significant for the institution at the present time?
2. What is the context surrounding these issues, internally principally but also in the external environment. I am interested in how these issues have been shaped by the recent past (1992 onwards).
3. Who are the main contributors to developing and implementing strategic action at this institution?
4. Why are these people the main contributors?
5. Could these people be considered a TMT?
6. How are choices about strategic direction made - what formal and informal processes, what constraints of environment, context and history?
7. To whom should I speak and what should I observe to better understand the way strategy occurs in this institution?
8. Is there anything you would like to tell me or ask me?

During the course of the interview, I probed specific areas of history, structure, culture or process as they arose. As people and committees were identified I asked about their styles of interaction with each other and with the institution. Finally, I asked specific questions about strategic issues as the participant identified them. Sometimes, if an issue, or a person, was not identified, I would frame a question to introduce that topic, canvassing reactions and responses.

Interviews lasted, typically, 90 minutes. They were audio-taped, except where specifically requested not to (three occasions) or where there was a technical problem with the tape recorder (twice). Tape-recordings were transcribed verbatim, mostly throughout the period of data collection, to enable preliminary analysis and guide further data collection. The reasons given in the non-taped situations were feelings of self-consciousness that the recorder would limit the respondent to 'factual' concerns rather than giving more complete, reflexive data. However, notes were always taken during interviews, including some verbatim quotes, so it was possible to reconstruct

the interview, usually immediately afterwards and always within the 24 hours recommended by, for example, Bourgeois and Eisenhardt (1988) and Gioia and Thomas (1996). Otherwise, participants did not seem constrained by the tape-recorder and stated specifically if they wanted any of their comments to be confidential. This happened only four times in total, where a participant would ask for their last comment to be confidential. More often for ethical reasons than through request, some data was deemed confidential, particularly when it dealt with interpersonal relationships, such that it was considered a breach of trust to use it directly (Jarvie, 1982; Punch, 1994). Although not formally reported in the research, such data provided an excellent background for interpreting the cases. Generally, informants showed great interest in the research, and went to great lengths to provide in-depth information, offering the opportunity for me to return if I had further questions. Repeat interviews and informal conversations were held with some TMT members so as to clarify issues on courses of strategic action that were observed.

3.3.4.2 Observation of meetings

Meetings of strategically significant committees were observed throughout the period of 1998 and, at Oxford Brookes where data collection started one month after the other cases, early in 1999. Strategically significant committees were identified at interview, supported by searches of minutes or planning documentation (cf. Chapter 5 for committee diagrams of each case). It was necessary to be selective, since not all meetings deal with strategic issues and a single researcher cannot cover every meeting where potential issues might arise. Accepting these limitations, a series of meetings were attended across the committees at which strategic issues were raised or legitimated. Serial observations enabled an appreciation of the ongoing nature of strategic practice and, by progress or changes in issues, an indication of any interactions that might occur between meetings. The background to meeting observation was then accessible through interviews and informal discussion with participants.

Due to the institutionally idiosyncratic nature of the strategy process, meetings and committees differed from one case to another, although with broadly similar remits.

As familiarity with the field progressed, it was possible to identify meetings which should be observed. Although actual time spent in meetings was not precisely comparable across cases, the meeting observations were consistent with the within-case processes and generally comparable in nature. Committee membership and processes are described in Chapter 6.

At Warwick, serial meetings of Joint Council and Senate Strategy Committee (JCSSC), Earned Income Group (EIG), Estimates and Grants (E & G), and a working party for the Joint Infrastructure Fund (JIF) were attended. In total, approximately 46 hours were spent in 19 meetings at Warwick over a year.

At LSE, serial meetings of Academic Planning and Resource Committee (APRC), three Planning Team meetings, two Standing Committee meetings, Academic Board, Coordinators Group, Convenors meeting, Sixth Floor meeting, and Heads of Division were observed. In total, approximately 31 hours were spent in 17 meetings at LSE over a year.

At Oxford Brookes, the Board of Governors was observed twice, and the Vice Chancellor's Advisory Group (VAG) three times, Planning meetings with Schools, Strategy and Planning Committee (SPC) three times, Academic Board, Senior Management Forum (SEMAFOR), and a TMT strategy day with Governors. While access was granted to some very confidential data, I was not given access to the four VAG meetings where the team decides its final strategic priorities, although I was allowed to have the documents and minutes attached to these meetings. The rationale given, which seemed plausible, was that while I was trusted with confidential data, my presence may constitute a disruption to the dynamics at a time when the team needed to engage in "head-on clashes" on issues. In total, approximately 29 hours were spent in 15 meetings at Oxford Brookes over a year.

In preparation for meetings, the agenda, supporting documentation and minutes from previous meetings were read, with notes made in the margins to serve as cues to guide the observation. Adopting the approach recommended by Burgess (1984), copious notes were taken during meetings, trying to record the issues, processes, people and practices without conscious filtering at that stage. A margin was drawn down the right

hand side of the page for making notes and, as confidence in observational technique and case material grew, manual coding in the field was undertaken. These notes formed an historical record of researcher development in the field, important to validation. Researcher impressions were confirmed, denied, or expanded upon with participants after meetings, creating an ongoing validation process.

3.3.4.3 Ethnographic data

The aim of collecting data of an ethnographic nature was to achieve greater sensitivity to locally meaningful informal processes and routines (Van Maanen, 1979). It was particularly important for penetrating the surface of the other data sources, to realise richer interpretations of each case (Sanday, 1979). As it was not possible to observe every team member and practice in full detail, decisions were required regarding sampling. Shadowing was chosen at Warwick and Oxford Brookes because their informal processes, initially, appeared less penetrable. The Senior Pro-Vice-Chancellor (PVC) at Warwick and the Deputy Vice-Chancellor (DVC), Academic Affairs, at Oxford Brookes were shadowed for a week each. Selection of a non-CEO, but still central, figure in the top team, was considered appropriate as shadowing the VC may have distorted the impression of team behaviour. A senior academic was chosen over a senior administrator, since s/he could be assumed to engage with academic issues, but also to draw upon administrative processes. The participants chosen for shadowing were the inner core TMT members most responsible for liasing with the academic body in their institutions. Within the time constraints of a lone researcher, a week was sufficient to become familiar with some practices of the top team in each institution, such as the types of issues, levels, and methods of organisational interface, informal 'corridor' chats, telephone calls, emails, and bilateral and group discussions (cf. Mintzberg's, 1973, detailed observation of managers for 1 week). Representativeness of data collected through shadowing was validated through an examination of the team member's diary and questioning of secretaries and other participants as to the typicality of their sessions with the TMT member. With the exception of one person, who felt that she behaved differently because of my presence, participants reported no discernible distortion.

As LSE has a relatively small TMT, initially three members with only one Pro-Director, shadowing was not used on the basis that it may have led to a distorted view of the centrality of the Pro-Director's role. Additionally, a whole day was usually spent on visits to LSE, where I was seated in the Planning Office, next to the communal coffee machine, which was visited regularly by the TMT, senior administrators, their secretarial and support staff, and, occasionally, senior academics. Due, perhaps, to the Social Science basis of the institution, people displayed empathy with my role and made informal processes and practices accessible. It was always possible to ask questions about my impressions and engage in informal discussion on every visit. Over the period of the research, trust grew until I was inundated with data, both by unavoidable eavesdropping on conversations and by acting as a repository for the confidences of people who wished to 'let off steam' before or after meetings.

In all cases, there were pre- and post-meeting observations, where I tried to arrive early and leave late, offering the opportunity for informal discussions with TMT members and other participants. In particular, I became skilled at shuffling my papers and lingering after meetings, observing that participants used this time to engage in informal discussion and reflection on strategic issues, which included humour and anecdotes (cf. Hatch, 1997 on humour as a form of managerial cognition). Based on the premise that everything is data, opportunities were used to gather seemingly extraneous data, making a field note of the telephone call during an interview, or a chance contact made while walking across campus, or having lunch. For example, at Oxford Brookes, while having coffee early one morning, a group of student members of Academic Board were encountered in the process of discussing tactics, which they subsequently used to influence decision-making at a meeting I observed. Ethnographic data were also recorded as copious field notes on the issues, practices, processes and people, leaving room in the right hand margins for manual coding and comments on researcher development.

3.3.4.4 Documentary data

Minute books were the principal source of archival data for reconstructing events and becoming familiar with issues and historic actions. At Warwick, JCSSC minutes and

supporting documentation from 1992 to 1998 were accessed. At LSE, APRC and Academic Board minutes and supporting documents from 1992 to 1998 were searched, as well as 1997 minutes of Planning Team and Standing Committee. Minutes of this nature were not accessible at Oxford Brookes for two reasons:

1. There was less formal documentation as they did not commence a formal planning cycle until 1995; and
2. The TMT moved sites in 1994, resulting in some material being displaced or stored without being catalogued.

However, there was substantial documentation of the Agenda for Brookes initiative in 1993/94 and all planning cycle documentation from 1995/96 onwards, which was accessed until the end of April 1999. A detailed Coopers and Lybrand report from 1988 initiated by the then Director to assist the transition to incorporation as an autonomous polytechnic was also located, and formed part of the data set.

Archival data were used to anchor and inform the data collection process and the recording of information. Such data were used throughout the study but were employed especially at the outset to familiarise with issues, from which to build questions and a research agenda (Laurilla, 1997; Yin, 1994). At the end of the period of observation and interviews, the data were used to develop extensive flow charts and processual analyses of strategic activities, both for reconstructed events and to complement real-time data with antecedent material (Golden, 1992).

Other documentary data, in the public, or non-confidential domain, were also accessed. Annual reports, annual accounts, academic databases, strategic plans, audit documents, and university calendars from 1992 to 1998 were searched to assist with retrospective construction of the practices of strategy, the outcomes of strategic actions and general organisational context. Secondary data in terms of sectoral policy documents, government-initiated inquiries and reports, newspaper articles, and books about the cases were drawn upon so that both historical and current case and sectoral contexts could be understood.

3.4 Data analysis

The data were reduced and coded using a thematic categorisation method (Miles and Huberman, 1994). This involves deriving a coding schema and developing an analytical framework through an iterative process of, primarily, induction, overlapping with cycles of deduction (Eisenhardt, 1989a; Miles and Huberman, 1994; Orton, 1997; Pettigrew, 1997a; Richards and Richards, 1994). Such an approach, enables the researcher to work inductively with the data, gradually identifying conceptual categories which may be interpreted, interrogated or validated deductively through reference to extant theory. Figure 3 - 2 is an example of the process of induction and deduction used in this research. In abstracting categories, the objective of the method is conceptual density (Strauss, 1987) rather than thick description (Geertz, 1973), although this distinction is not mutually exclusive. In fact, the location of a mid-point was the aim, using both Eisenhardt's (1989a) constructs and Dyer and Wilkins' (1991) stories. Stories, or narratives, lend themselves to contextual richness, which is relevant to the theoretical sampling of cases and accommodation of temporal embeddedness, leading to theory which is high in accuracy (Langley, 1998). However, while narrative-based theory closely reflects daily practice, it tends to lack simplicity and generality (Langley, 1998), resulting in findings which may be too idiosyncratic for thematic discussion across cases. Therefore, within-case narratives were based upon a consistent set of constructs, derived at each level of analysis in accordance with the analytic framework. This was applied as an analytic template across the cases, thereby increasing consistency of analysis.

3.4.1 Preliminary analysis

Coding, analysing and theorising occur as a continuous, reflexive process which guides the researcher in data collection. Manual coding and researcher reflections were noted either during, or within 24 hours of, any observation. From the second month of data collection, fine-grained descriptions of the cases were written up, dealing with structures, processes and strategic issues for each site. This was highly inductive, using the language of the participants and the field. Over the summer break,

when the institutions were on vacation, the existing data, early coding, and descriptions were drawn together and analysed. Mass, data-specific codes were thematically clustered and used to generate three separate within-case impressionistic analyses (Van Maanen, 1988). These were useful for understanding within case behaviour, providing three different images of strategy as practice, but lacked defensible claims for any consistency across the cases. While the different images were considered an interesting finding, it was necessary to ensure that the distinction did not arise from an incoherent approach, using different descriptions of the same phenomena (McPhee, 1995), or due to Type 1 errors, ignoring significant non-confirming data, or Type 2 errors, taking data out of context to increase its significance or meaning (Lewis, 1995). This required rigorous analytic procedures, based upon both deductive logic, externally validating the many small findings against existing research, and inductive logic aided by entering the data into Nud*ist in order to make use of its code-and-retrieve and indexing facilities (Richards and Richards, 1994).

3.4 2 Coding data with Nud*ist

Data were fractured (Strauss 1987) into a series of text units which were chosen for thematic content, rather than through the imposition of any arbitrary notion of length, resulting in text units ranging from a single line to in excess of one page, typically a paragraph. Each piece of data was categorised both by its source, (interview, observation or archive) and by the emerging coding schema. The software facilitates multiple coding, since data frequently refers to more than one theme. For example, the following text unit may be coded by source as interview, and by themes as strategic intent, research action, competitive culture and monitoring and control.

A: We considered ourselves a research-based University and this sort of analysis of departments that fell in grading terms occurred for sure. Q: And is that centrally inspired, that analysis, as opposed to departmentally inspired? A: It's been very centrally inspired by the VC, and the Research Committee and Strategy Committee who said "Yes, we want to get back up to grade 5. We're not content with grade 4 and we hate grade 3."

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INDUCTION		DEDUCTION
July 1997: Exploratory interview with middle manager at Warwick	*Negotiate Access*	May - Sept 1997: Frame research protocol and case selection
Feb 1998: Start fieldwork		
March 1998: Write up within & cross-case factors		Continuous eclectic reading
April 1998: Write-up identification of strategic issues & classify processes		
June 1998: TMT composition, formal, informal & external processes	*Conference paper*	June 1998: TMT composition, choice & determinism,
Jul - Sept 1998: Analyse cases to date, clustering codes to find 3 different images		
Sept 1998: Present initial analysis. Need evidence of comparability and analytic rigour	*Analysis and feedback*	Sept - Nov 1998: What is science? What is theory? Why this method?
Coding in the field is more precise& draws on literature as well as clustered themes	*Coding process*	
Nov 1998: Back to the data with more precise questions		Nov 1998: Reframe questions which address the data from extant process and strategic choice literature. Refine process methodology
Dec 1998: Develop analytic framework and Nud*ist coding trees, with branches based around research questions		Dec 1998: Develop analytic procedure with reference to literature and type of data
Feb 1999: Explanatory framework developed	*Explanatory framework*	Jan/Feb 1999: Write theoretical framework, explicitly locating structuration theory in interpretation of strategy as practice
March 1999: Write first case study, Warwick - very .rich, 26,000 words!		March 1999: Warwick case interwoven with literature, confirming small findings with extant theory.
May 1999: Refine and present Warwick findings to Registrar and Senior PVC.		
July 1999: Present LSE findings to TMT. Validated!	*Conference paper*	July 1999: Refine framework and write paper on first and second order findings at Warwick as conceptually dense narrative
Aug 1999: Cross-case comparison using explanatory framework, LSE and Warwick		
Sept 1999:Finish Oxford Brookes case write-up	*Conference paper*	Aug 1999: Write paper, presenting cross-case comparisons on Warwick and LSE
Oct 1999: Present Oxford Brookes findings to VC Finish cross-case comparisons.	*Data chapters*	Sept/Oct 1999: Write 3 data chapters, according to methodological bracketing in framework.
Nov 1999: Present findings to TMT at Warwick and at Oxford Brookes. Validated!	*Chapter*	Nov 1999: Write methodology chapter

Figure 3 - 2: Example of iterative cycles of induction and deduction

Therefore, the text will be brought up for analysis under each of these themes with the possibility that it will be considered alongside archival sources, regarding analysis of RAE results, or ethnographic observation of TMT interaction in departmental research strategies. Combining data sources and multi-themed text units progressively builds pictures, for example of relationships between action and culture or control and intent, or all four. In total, there were

- 1,387 text units, coded across 81 nodes from the Warwick case;
- 1,944 text units, coded across 73 nodes at LSE; and
- 1,190 text units, coded across 69 nodes at Oxford Brookes,

with all nodes being incorporated into a generic coding tree, Figure 3 - 3. Most text units were coded at more than one node, and some were coded up to six times, increasing interpretative validity and development of parts-whole meanings (cf. Van de Ven and Poole, 1995). Every piece of data was read a minimum of five times:

1. To categorise the documents according to text units that would be coded;
2. During the on-line coding process;
3. When reports were generated which retrieved all data coded at a particular node;
4. During the refining and re-coding which occurs after coded units of data are compared;
5. When new reports were generated for each node, for the purposes of analysis.

Over an 11 month period, all data were frequently re-categorised, so as to ensure a recursive process in which "the partial results and little theories become part of the data for the next move in the analysis" (Richards and Richards, 1994:449). Data from each case were able to be coded within the analytic framework, Figure 3 - 3, using a generically consistent set of constructs which also permitted within-case meaning. The strength of this methodological bracketing which was used to derive the analytic framework, is that each case has emic relevance, rich in localised meaning, but also has etic comparability, enabled by the consistent use of constructs across cases (Barley, 1995; Denzin, 1989; Sanday, 1979). Thus the analysis features both good stories and good constructs (Eisenhardt, 1991).

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The diagram shows an analytic framework and coding tree.

Analytic Framework

Coding schema

The coding schema branches into four main questions:

Question 1: TMT
- Composition
- Knowledge
- Strategic intent
- Information-processing
- Actioning

Question 2: Organisational structure
- Formal operating procedures
- History
- Culture
- Collegiality
- Localised routines

Question 3: Processes of interplay
- Direction-setting
- Resource allocation
- Monitoring and control
- Interactive

Strategic actions: Integrating the levels
- Research
  - RAE
  - Grants & contracts
- Income
  - HEFCE
  - Non-HEFCE
- Student issues
- Capital works
- Other

Figure 3 - 3: Analytic framework and coding tree

3.4.3 Choice of constructs

"Codings and retrievals are guided by theoretical interests, are used to shape and test theory, and (inevitably) put theoretical blinkers on one's access to the text" (Richards and Richards, 1994:448, parentheses in original). Theoretical blinkers generated through this process are important to enable data reduction (Miles and Huberman, 1994). The following is a brief example of the data coding and reduction process. Initially pragmatic considerations such as the need to define the TMT in each case leads to a coding category, 'TMT composition', a construct related to organisational performance in extant theory. Induction occurs through a process of converging data sources. In other words, common sense suggests that the Registrar is a member of the TMT. Interviews confirm this, both through the direct questions "Is there a TMT?" and "Who is in that TMT?" and also through the way interviewees refer to the Registrar when they discussed issues. Observation shows that the Registrar is one of three people who chair strategically significant committees. His influence in past actions is evident from the documents which bear his name and the memoranda that have his hand-written comments upon them. Over a series of observed meetings, he displays institutional knowledge and his opinions are given credence, thereby making him influential in decision-making. The cumulative conclusion from converging sources of evidence is that the Registrar is a member of the TMT. Furthermore, similar interrogation of the data for each potential member, shows that the Registrar and two others, the VC and the Senior PVC, form an inner core within the TMT. Thus the construct, 'TMT composition', is validated by data, confirmed by extant theory, and leads to a small finding; that TMTs may be comprised of a core and an inner core. The messy, multi-themed nature of data also indicates another code, 'TMT knowledge', as one of the characteristics which individuals bring to their TMT membership. Thus, all five key constructs developed within the first bracketed level of analysis: composition; knowledge; strategic intent; information-processing; and actioning, (see Figure 3 - 3) are inter-related, data-induced, and theoretically-valid concepts arising from the initial query; "How can TMT composition be identified?"

The development of constructs does not have one pre-defined outcome. The process of identifying composition could have led another researcher, interested in political

theories of organisation, to develop codes such as, 'personality', 'information', or 'longevity', as sources of power, leading to a different, although related, coding schema. Inductive logic incorporates the sociological imagination (Denzin, 1989), commonsensical hunches (Van Maanen, 1979), creative leaps (Mintzberg, 1979), thought trials, and disciplined imagination (Weick, 1989), which are based upon the intuition and interest of the investigator. Data *do* speak, but only when they have been asked a question. Thus, each of the constructs emerges from the questions the researcher progressively learns to ask.

3.4.4 Convergence, divergence and theoretical saturation

Nud*ist's code-and-retrieval function enables convergence, or identification of divergence, in triangulated data. In some senses, divergence becomes a non-valid criterion since data sources are not expected to reveal exactly the same things about phenomena (Denzin, 1989). Rather, they are seen as complementary, offering different perspectives which, cumulatively, yield a more complete picture. For example, if some data shows a zero growth target in student numbers, but other data shows that numbers grew each year, this is not a divergent finding. It is complementary because it enables the identification of other factors, such as a resource allocation model which encourages growth. An investigation of the relationship between unintended growth and resource allocation models, reveals collegiate power structures. These occasion diffuse processes of resource allocation and authorisation. This finding can be added to other findings, leading to either an over-arching consistency or a series of contingent patterns (cf. Barley, 1995; Miles and Huberman, 1994; Van de Ven and Poole, 1995). Each piece of data is part of a jigsaw, leading to a picture not yet anticipated. Pulling fragmented units together, regardless of data sources, across multiple constructs, helps the researcher to continually interrogate and reassemble data without arriving at theoretical saturation too quickly. When a stable picture emerges which continually confirms itself, adding only in texture, richness and detail through further iterations with data and theory, saturation is near (Eisenhardt, 1989a; Fox-Wolfgramm, 1997). The explanatory framework in Chapter 8, Figure 8 - 2, arose in February, 1999, but it took another

eight months of analysis and refining before it was confirmed as the key to integrating the research sub-questions.

3.4.5 Themes arising across cases rather than cross-case comparison

This research adopted a theory-building approach to explaining the themes arising from the three cases (Glaser and Strauss, 1967; Tsoukas, 1989), rather than a theory-testing approach, based upon comparing and contrasting cases to explain variance (Ragin, 1987; Yin, 1994). As such, replication logic (Eisenhardt, 1989a; Leonard-Barton, 1995; Yin, 1994), generating findings from one case and then testing the replication of these findings in subsequent cases (cf. Bourgeois and Eisenhardt, 1988), was not chosen as a technique. The richness of cross fertilisation was more relevant, in the field as well as in later analysis, as real-time data were collected simultaneously across the three cases, sometimes observing two meetings at different cases in the same day. Thus it was possible to pose questions about the nature of one case against another on an ongoing basis, enabling themes arising from the cases to guide subsequent fieldwork (Glaser and Strauss, 1967; Miles and Huberman, 1994). As analysis progressed, the analytic framework, Figure 3 - 3, was developed as a thematic template, grounded in the 'social becoming' theory of practice adopted (see Chapter 2), and using consistent constructs to explain the themes arising from the cases. Hence, comparisons were undertaken in order to contribute to theorising about the deep structure underpinning the three cases, rather than to explain cross-case variance (Dyer and Wilkins, 1991; Light, 1979; Tsoukas, 1989). McPhee (1990:194) cites Bonnell (1980) in labelling this as comparison "mediated by concepts", which reveals "both the general properties of a concept and the variety of ways it can work and be related to other phenomena". Constructs could be compared to one another to gain within-case meanings, thus revealing the relationships involved in situated meaning. For example, collegiality, a universal concept, was found to have different within-case meanings. Rather than using this finding to compare and contrast points of variance in the constructs, such findings were used to develop a theoretical discussion of the relationships between actors, social structuring and practices in the three organisation. Hence, in the following case descriptions and analyses,

comparisons are discussed. However, this is not for the purposes of explaining variance. Rather, comparison contributes to the development of a substantively grounded theory of practice which is used to explain the three cases (Glaser and Strauss, 1967).

3.4.6 Representativeness of stories and quotes

The rich data set, combined with Nud*ist's code-and-retrieval function, enables access to many stories and quotes which are representative of the findings. The task is not to find an exemplary piece of data, but to decide which piece of the many retrieved, should be used to reinforce a point. There were numerous stories of strategy in action, each illustrative of patterns, and any of which could have been used to convey the interplay between the TMT and their social context in the practice of strategy. Additionally, for any construct, it was possible to retrieve a minimum of 25 relevant data extracts. Selection depended upon those most resonant with 'being there', keeping in mind considerations of brevity, as other contextual data might be needed to support some stories or quotes.

3.5 Validity

It is difficult to separate the three 'tests' of rigorous qualitative research; construct, internal and external validity (Yin, 1994), since the methods for ensuring validity are similar and inter-twined. The methods outlined in this chapter have led to findings which may be validated through each of these three tests.

3.5.1 Construct validity

Construct validity deals with the relevance and operationalisation of 'measures' of those phenomena under investigation. This may be established through triangulation, since multiple sources of evidence converging to yield similar results are evidence of validity (Leonard-Barton, 1995; Yin, 1994). Furthermore, if these constructs can be

shown to be related to, but distinct from, other constructs they possess discriminant validity (Leonard-Barton, 1995). As discussed, the constructs developed meet both these criteria, being developed from multiple data sources, which also revealed related but separate constructs. Yin (1994), suggests two further tests. First, using constructs to establish a chain of evidence, illustrated in this research through the development of patterns and stories. Secondly, he proposes that findings should be reported back to participants for validation, as discussed below.

3.5.2 Internal validity

Internal validity deals with consistency of meaning within the subject of study and ascertains that the study is a valid representation of the phenomena. Such validity is increased by sustained observation, which offers the potential for a researcher to uncover meaning through exposure to repetitive cues (Barley, 1995). Meticulous record-keeping and ongoing analysis serve to minimise the potential for the invalidity of 'going native', occasioned by long-term interaction in the field (Barley, 1995; Denzin, 1989; Miles and Huberman, 1994). Miles and Huberman (1994) suggest that internal validity takes three forms: descriptive, interpretative and theoretical. Descriptive validity is achieved by describing what happened in specific situations or events, shown through contextually-rich stories. Interpretative validity relates to the resonance which findings attain with participants; findings capture "reality in flight" (Pettigrew, 1990:270). Theoretical validity is attained when the explanations arising from the first two categories are conceptualised in ways which reveal deeper relationships. This research meets the criteria of internal validity because of the situated, longitudinal method, which collects and converges triangulated data sources. The resultant constructs and analytic framework have generated internally coherent, meaningful within-case stories which have been validated with participants.

3.5.3 External validity

External validity refers to the generality of the findings to other sites and situations. While the primary aim of this research was not generality so much as Weick's (1979)

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criteria of accuracy (Langley, 1998), idiographic research designs may attain external validity in two ways. First in their theoretical framing, which arises from the literature. The underpinning social science theory guiding this research enhances its external validity, since the research is located within explicit and internally consistent ontological, epistemological and methodological bases. Moving from meta-theory to organisational theories, a study of TMT action in the practice of strategy is a valid area to study because nomothetically-based research has revealed a relationship between the TMT and the strategic performance of firms. However, process research highlights the dearth of knowledge on the practices of managerial elites (see Chapter 2), indicating the validity of an idiographic research design. As findings emerge, induction overlaps with deduction, interrogating findings against the literature to find either resonance with, or divergence from, extant mid-range theories. Thus, the research has met the first criteria for external validity.

Secondly, external validity is attained from second-order concepts; theoretical explanations of the patterns identified in empirical data (Van Maanen, 1979). Tsoukas (1989:559), asserts that idiographic studies are externally valid when they are able to explain a causal pattern, which is locally contingent but revelatory of "multiple generative mechanisms that are potentially responsible for the occurrence of the events under study". In this research, plausible stories have been developed which show localised patterning and causality. Their true-to-life coherence provides verisimilitude (Weick, 1989); they are believable as different images of strategy. Their differences are second-order concepts, interpreted through a theoretical perspective on continuity and change within the social dialectic. The substantive, conceptually-dense theory discussed in Chapter 8, derived from the above methodology, is externally valid because it links locally-meaningful data to wider theoretical explanation.

3.5.4 Validating findings with research participants

As well as ongoing validation during data collection, findings were validated with TMT participants near the end of the analysis phase. Validation of findings with research participants is both powerful and highly risky, for three reasons. First, it has

been established that access to top management teams in action is a risky strategy in itself, due to the confidential nature of the data required and the status of, and time pressures upon, the participants (Laurilla, 1997). Secondly, having negotiated this through persistence and the constant building of interest in the topic, it is necessary to maintain access for sustained observation, itself a source of anxiety (cf. Barley, 1995) calling into play all of Pettigrew's (1990) social and political skills. Finally there is a risk of alienating participants, potentially resulting in censorship of the material, when presenting findings which aspire to be accurate, complete, resonant, and challenging to a group of managerial elites. However, as the benefits were considered to outweigh the risks, a forum was established to present major findings to the TMT of each case. Each presentation lasted up to two hours, using between 30 and 45 minutes for presentation, followed by questions and discussion. Audio-taped or flipchart records of the discussion sessions were made, using these as extra sources of data where appropriate or where 'new' data emerged. The analytic framework, with its bracketed constructs, was used to structure presentations. Additionally, the processual patterns of stories from the field were presented, with some actual data extracts, concluding with an analysis of the practice of strategy at each institution. Four criteria were developed as indicators of validation: accuracy; completeness; resonance; and challenging assumptions.

1. Is the story accurate in terms of events, practices and processes?

This ensures TMT agreement that the surface data of observation and reconstruction, Van Maanen's (1979) operational data, have been accurately recorded, without losing factual correctness (Yin, 1994) or attributing inappropriate emphases in the process of analysis (cf. Leonard-Barton, 1995).

2. Has any important feature of strategy as a practice at this organisation been excluded?

Corroboration of facts with participants (Yin, 1994) ensures that the argument will not be invalidated on the basis of incomplete evidence (cf. Leonard-Barton, 1995).

3. Is the story resonant with TMT interpretations of the practice of strategy in this organisation?

Resonance meets the criteria of interpretative adequacy, established as an aim in the research design (cf. Van de Ven and Poole, 1995). It is an indication that the researcher has penetrated presentational data (Van Maanen, 1979) of participant language and frames of reference. If findings are resonant with the top team's perception of their practices, the researcher may be presumed to have gained "access to the conceptual world in which our subjects live so that we can, in some extended sense of the term, converse with them" (Geertz, 1973:24).

4. Are the findings thought-provoking, challenging the team to re-examine their assumptions?

Finally, challenging or thought-provoking findings, in conjunction with the other criteria, illustrate that the researcher has exposed underlying assumptions; an indicator of diagnostic or second order theorising (Sanday, 1979; Van Maanen, 1979). Without this indicator of validity, there is the risk of having 'gone native'. In this situation, the findings may still meet the first three criteria. However, the researcher will be "merely parroting back the normative abstractions used by members of the studied group to both describe and account for their behaviour" (Van Maanen, 1979:544). Such research may provide thick description but it is not diagnostic since it is not able to explain "what the knowledge thus attained demonstrates about the society in which it is found" (Geertz, 1973:27). If findings are able to pass Weick's (1989) "that's interesting" test, to both the researcher and the researched, they have attained validation by exposing assumptions held by both parties.

Research presentations and questions were followed with letters to participants, giving them the opportunity to make additional comments. In each case findings met the first three criteria of validation, being consistent with TMT interpretations of their strategic practices, with only a few minor factual changes needed at Warwick and, at LSE, better incorporation of the senior administrative networks to round off the processual analyses. However, the most powerful indicator of validation is that each team was extremely interested in the findings, finding them thought-provoking,

revelatory of their own assumptions and challenging. In all cases, team members questioned me intensively as well as engaging in discussion with each other, theorising about their actions and generating possible alternatives. Their letters and comments of feedback confirmed the fourth criteria of validation. A letter from the Secretary at LSE is provided in Appendix B as an example of the type of validation obtained. Perhaps the best evidence for the accuracy, completeness and resonance of the findings is the permission to use case study names, attributing data to real people, places and events; a detail not negotiated until analyses were complete and findings presented.

3.6 Reliability

Reliability deals with the dependability of the research in terms of replicability by other researchers (Yin, 1994), stability of the investigative procedure over time (Denzin, 1989; Miles and Huberman, 1994), and consistency of coding and analysis (Fox-Wolfgramm, 1997; Miles and Huberman, 1994). As Sieber (1976, in Miles, 1979) suggests, some types of reliability, such as the first two, may not be consonant with validity in qualitative research. For example, a researcher in a social process will not be a consistent instrument of data collection across all situations. It is more valid to adapt behaviour to the subject and to tap unique sources in accordance with the quality of the informants (Van Maanen, 1979). While subjectivity was used constructively for validity, credibility has been maintained through the strict procedures for record-keeping in the field, convergent data sources, and ongoing analysis and validation during the data collection period. The study is not totally replicable since each investigator is a different research instrument, at a different time in history. However, the events and stories are open to reconstruction, with each datum clearly linked to its source, be it a specific minute book entry, section of interview, or date of observation. The strong validation above serves as a form of reliability, illustrating the accuracy and dependability of the study (Miles and Huberman, 1994).

3.6.1 Coding reliability

A process for checking coding consistency was developed, based generically on the method used by Fox-Wolfgramm (1997). When the coding and analysis process were near completion, two fellow doctoral students were recruited as co-analysts to check the coding reliability of a sample of the data. Neither had any specific knowledge of the data but had attended earlier doctoral presentations on the theoretical framing and general direction of the research. They had no contact with the work in the 6 months prior to their reliability checks. First they were trained in the construction and use of the analytic framework, explaining the coding trees and the meaning of the constructs. Then both were given identical pieces of coded data from each of the cases. The data were in no way groomed or prepared, being taken directly from the Nud*ist files, retrieving all data coded at a particular node, known in Nud*ist language as a report. The reports exposed the extent of convergence, since they contained text units from every data source: interviews, archives, meeting observations, policy documents and shadowing. Sampling included reports on strategic issues, TMT processes of thinking and acting, social structuring of the organisation, and event reconstructions from each case. The co-analysts were asked to identify the dominant construct and any inconsistencies in the coded material, such as text units wrongly coded, or divergence arising from the data sources. They were also asked to posit queries and linkages on the relationships, that is, potential multiple codes, between the text units in the reports and other constructs in the framework. With event reconstruction reports, which brought together data about a single incident from multiple codes and levels of analysis, they were asked to trace the sequence and development of the event and identify any missing or inaccurate links in the story.

After reliability checks had been performed, the suggested cross-codes and comments were worked through with each co-analyst separately, then the material was discussed as a group, to converge inter-rater reliability (Fox-Wolfgramm, 1997). On all reports, the coding was found to be between 97% and 100% reliable from both co-analysts. Furthermore, the coding linkages suggested were consistent with the analytic framework and cross-themed coding, such as student number issues being linked to resource allocation processes and capital works objectives, or TMT information-

processing having linkages to formal structures and TMT composition. Finally, the framework's methodological bracketing to counteract conflation appeared sound as the co-analysts' questions about how, for example, a TMT action reacted with the social collective, could be answered with reference to material bracketed within either the social structures or the strategy processes. This was most evident in the event reconstructions, which were consistent and seen as a very useful method of converging data sources and interaction between levels of analysis to provide a chain of evidence about courses of strategic action.

3.7 Conclusion

This chapter has explained the methodology linking the research questions to the research design, data collection, analysis and findings. First the embedded units of analysis were defined, identifying potential problems with this type of investigation. Methodological bracketing of each level of analysis within an analytic framework was used to counteract the possibility of conflation in an embedded study of agents situated within structure. While case selection was based upon theoretical sampling, the resultant sites also concurred with pragmatic considerations and the negotiation of excellent access. A longitudinal, processual research design, collecting triangulated data, was justified as the most appropriate method for exposing phenomena at multiple levels of analysis. The research was conducted in both a rigorous and socially aware manner, enabling the collection of very high quality data which was analysed through a process of induction, combined with overlapping cycles of deduction, assisted by the use of Nud*ist software. Clearly documented data collection and analysis techniques resulted in findings which are reliable and valid at the empirical, analytical and theoretical levels. The next chapter defines the constructs identified at each level of analysis, providing a bridge between the discussion of method above and the case descriptions presented in Chapters 5 to 7.

CHAPTER 4: ROUTE MAP TO THE DATA

This chapter is intended to provide the reader with a route map to the data presented in the following three chapters. The constructs identified at each level of analysis (see Figure 3 - 3), are defined. In subsequent chapters, these constructs are used as the framework for presenting a richly detailed discussion of the cases. In an interpretative, primarily inductive, research method, constructs and conceptual framing are grounded in the data. Therefore, the terminology used here foreshadows the analysis and findings. Although the style may appear deductive, it should be considered the meeting place for induction and deduction. Constructs originated from sense-making exercises with the data and were progressively refined and defined through consultation with the literature, reflection, and further analysis. The chapter explains how constructs were developed, while it also provides meaningful definitions that are consistent with both the empirical grounding and the literature. The following three levels of analysis are addressed; top team, organisational context and processes of interplay, defining the relevant constructs and identifying related bodies of literature. As many of the constructs are open to multiple definitions, according to the literature chosen, this is not intended to be a literature review. Rather, this chapter interpellates those bodies of literature which complement the meanings arising from the data, anchoring and externally validating the grounded findings.

4.1 TMT strategic thinking and acting

Five main constructs were defined at the first level of analysis:

1. TMT composition;
2. Knowledge;
3. Strategic intent;
4. Information-processing; and
5. Actioning.

While some of these constructs have meanings at more than one level of analysis, such as information-processing, which is located in both the individual and the organisation (Corner et al, 1994), they are defined in this section using the analytic lens of the aggregate TMT actor.

4.1.1 TMT Composition

In the TMT literature, composition is linked to team processes of thinking and acting. Team heterogeneity is related to divergent thinking (Finkelstein and Hambrick, 1996) on the premise that it is indicative of cognitive diversity (Hambrick and Mason, 1984), albeit serving as an imprecise or insufficiently fine-grained measure of cognition (Priem et al, 1999). However, there is inconsistency regarding who is in the top team (Collin, 1998; Pettigrew, 1992). Finkelstein and Hambrick (1996) found 5 different methods of TMT identification, each based upon the inclusion of all personnel at a different level or category of the organisation. When compared to the data collected as part of this study, such methods appeared overly structured and insensitive to context. For example, only in one case, that of Oxford Brookes, was there a top team which was readily identifiable as such on the organisation chart. While the other cases had top teams, these were not reified as an institutional group. Therefore, multiple sources of TMT identification were used in the present study, from interview to observation of formal roles on strategic committees and informal roles in team interactions. Finally, feedback was provided regarding top team identification, both during and upon completion of the research. This validated the composition of the top team and the presence, in some cases of an inner core, core, and periphery of team membership.

In Chapter 5, the top team for each case is identified in terms of its current membership, with any changes in role composition throughout the period of investigation being specified at this point. Significant changes in personnel composition are also mentioned, but these are not dealt with in detail, as the thesis does not focus upon the impact of changing team membership. Rather, this study focuses upon team processes of thinking and acting in the practice of strategy. TMT composition is established in terms of:

1.	Roles;

2.	Levels of the organisational chart;

3.	Academic to administrative ratio;

4.	Longevity of individual members upon the team;

5.	Stability of the team; and

6.	Gender.

While item 6, gender, is not examined in depth in this research, it has been identified on the premise that it is a relevant component of composition, despite being excluded, generally, in studies of team heterogeneity (Collin, 1998). Other researchers may wish to draw upon the findings presented here, using a gender basis for analysis.

4.1.2 Knowledge bases of the team

Specific knowledge which members brought into play in the practice of strategy emerged as an important construct in TMT processes of strategic thinking and acting. Knowledge is grounded within the functional experiences of team members. These experiences have been related to TMT perceptions of strategic priorities (Bowman and Daniels, 1995; Prahalad and Bettis, 1986). The notion of functional experience incorporates both explicit knowledge, being articulable or codifiable, and tacit knowledge; practical consciousness or knowing, which is implicit in the team members' frames of reference (Blackler, 1993; 1995; Giddens, 1984; Leonard and Sensiper, 1998; Nonaka, 1994; Polanyi, 1967). In this thesis, tacit knowledge is determined in a manner which may initially appear commodifiable. That is, it categorises team members' functional experiences or backgrounds and their contributions to team processes. Such identification has been based on the analysis of rich data, including observation of how this knowledge is put into action. Therefore, identification of knowledge has internal validity and, as the full processes of thinking and acting are extrapolated, is incorporated within a dynamic framework that is consistent with the concept of 'knowing-in-action' (see Blackler, 1993; 1995; Scarbrough, 1998).

In effect, tacit knowledge is based upon access to organisational knowledge as well as access to knowledge within the sector. The latter refers to the boundary-scanning behaviour of team members (Elenkov, 1997; Geletkanycz and Hambrick, 1997). Tacit knowledge as a category is developed from the analysis of team members' roles as well as how they draw upon and refer to their experiences when putting strategy into practice. Explicit knowledge as a property of the team is also classified since it was prevalent in all the cases, particularly in the form of documentary sources of formal analysis used substantially within the strategy process. It is categorised by its principal purpose, in accordance with two of the patterns which Langley (1989, 1990) identified in her study of the uses of formal analysis in practice:

1.   Linear convergence which is substantive formal analysis for the purposes of information to aid decision-making and to assist in implementation of action;

2.   Controlled collegiality which is formal analysis that is utilised in negotiation processes where managers deal with a largely autonomous workforce of professionals.

The principal purposes of formal analysis have been determined through observation, searches of documentary data, and interviews, and validated in feedback to · participants.

4.1.3 Strategic Intent

In a teleological view of process, intent will influence thinking and acting (Van de Ven, 1992). This does not, however, imply linear causality. Rather, it proposes that intent is reciprocally integrated with action and, potentially, with strategic learning. The data suggests that the consequences of strategic action are important to actors. Consistent with Sztompka's (1991) view of the continual feedback between potentiality and actuality, a priori perceptions of the consequences of action, which create anticipation or intent, and the actual consequences of action form a feedback loop which may (or may not) involve learning and subsequent intent (Child, 1997). This is a feature of actors, the outcomes of which may be manifested within the strategic actions of an organisation. Thus, intent in this thesis is viewed as being

compatible with the concept of strategy as an emergent pattern in a stream of actions (Mintzberg and Waters, 1985; Mintzberg et al, 1990). Intent, while being located in the thinking and acting processes of the TMT, has links to structure and action through the visionary aspects of image which have been found to lead strategic action in organisations (see Gioia and Chittipedi, 1991; Gioia and Thomas, 1996; Nonaka and Takeuchi, 1995) and procedural factors such as the desired long-term organisational position and short and medium term processes for moving towards that position (Hamel and Prahalad, 1989). In Chapter 5, key areas of strategic intent have been identified from formal documents, interviews, observation and analysis of strategic actions taken over time. Thus, the view of intent combines strategy-in-use (see Daft and Weick, 1984; Gioia and Thomas, 1996; Thomas and McDaniel, 1990), strategy-formulating procedures, and future image, vision or orientation. Findings show reciprocal relationships between intent and action.

4.1.4 Information-processing

Information-processing structures are identified as important influences upon top team cognition and interpretative schema (Corner et al, 1994; Gioia and Thomas, 1996; Lord and Foti, 1986; Thomas and McDaniel, 1990). Furthermore, they minimise ambiguity, serving as influential mechanisms of justification, reinforcement and legitimation (Gioia and Thomas, 1996), which increase top management's confidence, certainty and, hence, capacity to act (Eisenhardt, 1989b). Corner et al (1994) conceptualise information-processing as a three phase cognitive process:

1. Directing attention towards particular issues or pieces of information (see Dutton and Jackson, 1987), which are often filtered by experience and extant information-processing structures (see Starbuck and Milliken, 1988);

2. Encoding the information through a process of interpretation or ascribing meaning to it (Thomas and McDaniel, 1990; Weick, 1979), building upon previous knowledge structures;

3. Storage and retrieval processes which enable information to be 'stockpiled' for use in future problem-solving situations (Walsh and Ungson, 1991; Weick, 1979).

Thus, information-processing is found to be an important heuristic component in the TMT thinking and acting process. It is observed through the infrastructure, such as formalised procedures and informal opportunities to meet, that supports top team interaction and sharing of tacit and explicit knowledge (Eisenhardt, 1999; Gioia and Thomas, 1996; Hambrick, 1997; Leonard and Sensiper, 1998; Thomas and McDaniel, 1990). In Chapter 5 information-processing is identified as:

1. Formal team operating procedures such as committees and meetings;
2. Informal information-processing opportunities; and
3. Major constraints upon information-processing within the team.

The last point acknowledges power as a component of information-processing in that powerful team members may constrain the information which receives attention (see Corner et al, 1994; Eisenhardt and Bourgeois, 1988; Finkelstein, 1992). Additionally, teams may display other characteristics such as satisficing which may limit their attentional capacity (see Corner et al, 1994; Cyert and March, 1963).

4.1.5 Actioning

Actioning may be defined as putting the thinking and acting process into action. It is an input, process and outcome of top team strategic thinking and acting which has individual and organisational factors. It involves interpretative behaviour such as enactment in which top team members' interpretative schema are used to select environments in which to act (Smircich and Stubbart, 1985; Weick, 1979) and sense-giving in order to signal and energise strategic action within the organisation (Gioia and Chittipedi, 1991). Procedural factors, traditionally referred to as strategy implementation (see Corner et al, 1994), are also involved in actioning. As individuals tend to rely upon locally understood methods of acting (Whittington, 1996), these serve as tools for acting and as procedures which shape the possible courses of action (Cyert and March, 1963; Nelson and Winter, 1982). In Chapter 5, actioning is defined as the principal pattern of acting or heuristic, by which the top team acts within the organisation. It comprises both interpretative and operational aspects and tends more

towards the former as the latter are dealt with in greater detail under organisational structures and strategy processes.

These five constructs are defined in terms of their empirical grounding and related bodies of literature in Table 4 - 1. In Chapter 5, they form the basis of a description of top team processes of strategic thinking and acting in each case.

Constructs & data source*	Empirically grounded definition	Sample of relevant literature
Composition (I, O, and formal roles)	Case-specific membership and finding of formal or informal hierarchy of inner core, core and periphery.	Collin, 1998; Finkelstein and Hambrick, 1996; Hambrick and Mason, 1984; Jackson, 1992.
Knowledge (I, D, O)	Incorporates both tacit and explicit knowledge. Tacit dimension based upon team members' experiences internal and external to the organisation. Explicit dimension based on members' roles and on the use of formal analysis in the strategy process.	Blackler, 1993; 1995; Bowman and Daniels, 1995; Elenkov, 1997; Geletkanycz and Hambrick, 1997; Giddens, 1984; Grant, 1996; Langley, 1989; 1990; Leonard and Sensiper, 1998; Nonaka, 1994; Polanyi, 1967; Scarbrough, 1998; Spender, 1996.
Strategic intent (I, D, O and actions over time)	Defines intent as key areas of action and future vision, incorporating purposive action, emergent patterns, and competitive positioning.	Child, 1997; Giddens, 1984; Gioia and Thomas, 1996; Hamel and Prahalad, 1989; Mintzberg and Waters, 1985; Mintzberg et al, 1990; Nonaka and Takeuchi, 1995.
Information-processing (I, D, O, ER and Diaries)	Incorporates interpretative and procedural components through: 1. Formal operating procedures; 2. Informal information-processing; and 3. Constraints on processing.	Corner et al, 1994; Eisenhardt, 1989b; 1999; Gioia and Thomas, 1996; Hambrick, 1997; Lord and Foti, 1986; Thomas and McDaniel, 1990; Walsh and Ungson, 1991; Weick, 1979.
Actioning (I, O, D and ER)	Defines actioning as the principal patterns or heuristics for top team acting within the organisation.	Corner et al, 1994; Giddens, 1984; Gioia and Chittipedi, 1991 Weick, 1979; Whittington, 1996.

Table 4 - 1: Constructs of top team strategic thinking and acting
(*Data sources used in the empirically-grounded definitions: I = Interview; D = Documents; O = Observation; ER = Event reconstruction.)

4.2 Structuring the organisational context

As discussed in Chapter 2, structure is interpreted as the contextual frameworks of meaning located in the possibly idiosyncratic material and social properties of organisations. Five main constructs emerged as the key parameters of organisational structuring at the second level of analysis.

1. Formal operating procedures;

2. History - position and path;

3. Cultural factors of identity and image;

4. Collegiality; and

5. Localised routines.

4.2.1 Formal operating procedures

Formal operating procedures are defined as the committees and procedures used to pursue and legitimate strategic action and to sanction, monitor, and control its progress. Whittington (1996) identifies these as the planning processes, form-filling and number-crunching involved in strategy formulation and implementation, which are important formalised features of practice. Such procedures are liable to become sedimented over time, resulting in goals/means displacement. That is, the procedures assume properties which, in addition to being tools of action, dictate its possible options (see Cyert and March, 1963; Henderson and Clark, 1990; Nelson and Winter, 1982).

4.2.2 History - position and path

History has both a material and a social base. Materially it refers to the organisation's legacy of capital assets and physical resources, upon which to build action. These are, in effect, the 'sticky' tangible resources. While this is important, analysis shows that path dependence also involves intangible or social aspects of history which have an impact upon strategic options (cf. Teece et al, 1997). That is, TMTs display selective recall, referring to issues of reputation, past success or failure, and other historical residues present in the current culture and practice; sense-making on the past to interpret the future (see Pettigrew, 1990; Sztompka, 1991; Weick, 1979), in the process creating history (see Hutchins, 1993; Spender, 1996). As such, history embodies some of the systemic properties of shared interpretation, operating as a form of collective mind or memory (Bourdieu, 1990; Walsh and Ungson, 1991; Weick, 1979). Therefore, history is defined both materially, through a brief description of

organisational background, and also socially, in terms of the way it is drawn upon by the TMT in current practice.

4.2.3 Culture factors: identity and image

Culture is not a unitary construct within organisations. Different perceptions of culture have been identified in accordance with the hierarchical level and principal task of the actors (Martin, 1992; Ogbonna and Harris, 1998, Schein, 1996). Therefore, the cultural identities presented are an interpretation of TMT perceptions of culture, derived from their stories, myths, and commonly espoused values, displayed, where possible, in the language of the field. The TMT focus is validated by literature which shows strong links between organisational context and top team interpretation (see, for example, Daft and Weick, 1984; Gioia and Thomas, 1996; Thomas et al, 1993). Two main cultural factors, identity and image, are interpellated. Identity is defined as the characteristics which organisational members believe to be central, enduring and distinctive (Albert and Whetten, 1985; Dutton and Dukerich, 1991). This acts as a filter on how members interpret and take action on issues. Image is the way members believe others see their organisation. As individuals identify emotionally with the organisational image, they will take action on issues which threaten, or alternately, support, image (Gioia and Thomas, 1996). Image and identity are social structures with significant impact upon top team thinking and acting, being related to aspects of interpretation, intent and action (Dutton and Dukerich, 1991; Gioia and Thomas, 1996; Thomas and McDaniel, 1990; Thomas et al, 1993).

4.2.4 Collegiality

Collegiality is a construct pertinent to universities as professional bureaucracies or pluralist organisations, indicating loose-coupling, professional autonomy, management of academics by academics, particularly in areas pertaining to professional work, and loyalty to the profession or discipline, not the organisation (Clark, 1977; El Khawas, 1995; Goedegebuure and De Boer, 1996; McNay, 1995; Mintzberg, 1979; Sporn, 1999; Thys-Clement and Wilkin, 1998; Weick, 1976). It is

defined as "relating to or involving shared responsibility, as among a group of colleagues" (Oxford Dictionary, 1998:360). As such, it has wider application in other forms of organisation in terms of degrees of participation and centrifugal or centripetal forms of management, organisation and control. That is, it reveals aspects of the dialectic of control between top management and the organisational collective in terms of their power bases. Top management in each case emphasised the importance of collegiality in their organisation, yet had different interpretations of it as a socially structuring concept. In Chapter 6 collegiality is identified in relation to TMT perceptions of academic autonomy, principles of self-governance, democratic notions of a community of equals, and areas of 'academic territory' or professional discretion.

4.2.5 Localised routines

According to Whittington (1996:732), localised routines are a key feature of the practice of strategy as "knowing the 'done thing' locally, is essential to being able to get things done". Routines are stored as a form of distributed procedural memory (Cohen and Bacdayan, 1994). They have interlocking components which are located in different individuals and given meaning by the activity and context in which they are enacted. Thus, routines may act as 'recipes' for organisational interpretation, retained as lenses which filter possible courses of action (see Prahalad and Bettis, 1986; Walsh and Ungson, 1991; Weick, 1979). While they have interpretative components located in the individual, routines are identified in Chapter 6 primarily as a feature of social structuring. They act as heuristic devices, enhancing short-run efficiency (Cohen and Bacdayan, 1994; Cyert and March, 1963; Nelson and Winter, 1982). Routines may also have genetic properties, embodying organisational knowledge and passing it on to successive generations through collective memory (see Bourdieu, 1990; Henderson and Clark, 1990; Nelson and Winter, 1982; Walsh and Ungson, 1991).

As routines are entangled with history, skills, knowledge and procedures (cf. Pentland and Rueter, 1994), they are hard to observe empirically. In this thesis, they are defined as the top teams' perception of "the way we do things here". That is, the TMT in each

case identified a dominant organisational pattern, often expressed as a metaphor, that was used in the habitual or customary pursuit of action. Analysis showed that this was underpinned by other forms of social structure, such as operating procedures, history, culture and collegiality. Thus the metaphor was accepted as the case-specific definition of routine; a type of template that both suggests courses for, and legitimation of, action.

Definitions of these five constructs, relevant to the structuring of the organisational context, are summarised in Table 4 - 2. In Chapter 6, they are used as a framework for describing the case-specific structuring parameters of each organisation.

Constructs & data source	Empirically grounded definition	Sample of relevant literature
Formal operating procedures (I, O, D, ER)	Committees, meetings, planning and other formal procedures which are used to pursue, legitimate, monitor, and control strategic action.	Cyert and March, 1963; Nelson and Winter, 1982; Whittington, 1996.
History (I, O, D)	Material asset base and position. Principally, social construction of history as organisational memory, drawn upon, referred to or created by the TMT.	Bourdieu, 1990; Pettigrew, 1990; Sztompka, 1991; Walsh and Ungson, 1991; Teece et al, 1997; Weick, 1979
Culture: Identity and image (I, O, D, ER)	TMT perceptions of the enduring central characteristics of organisational identity and of the image they believe the organisation holds externally.	Albert and Whetten, 1985; Dutton and Dukerich, 1991; Gioia and Thomas, 1996; Thomas et al, 1993.
Collegiality (I, O, D, ER)	TMT perceptions of the collective's autonomy, self-governance, democracy, and academic territory.	Clark, 1977; El Khawas, 1995; Goedegebuure and De Boer, 1996; McNay, 1995; Mintzberg, 1979; Thys-Clement and Wilkin, 1998; Sporn, 1999.
Localised routines (I, O, D, ER)	TMT-identified pattern, or metaphor, for the habitual pursuit of action, where this identification was consistent with analysis of other data and constructs.	Clark, 2000; Cohen and Bacdayan, 1994; Cyert and March, 1963; Henderson and Clark, 1990; Nelson and Winter, 1982; Walsh and Ungson, 1991; Weick, 1979

Table 4 - 2: Constructs in the structuring of organisational context

4.3 Processes of interplay

As the dynamics by which strategic actions are inter-related with context and key actors (Garvin, 1998; Pettigrew, 1987), strategy processes have both structural and individual properties. That is, they are seen in the material and social aspects of the organisational context, such as formal operating procedures, cultural traits, and localised routines. They are also drawn upon, produced, and reproduced by the TMT

in interpretation and action. For example, Grant (1988) discusses specific processes, such as resource allocation, strategy formulation, and monitoring and control as critical 'corporate management functions' that comprise the dominant logic linking strategy and operations. Given their socially-embedded nature, processes have case-specific features, discussed in depth in Chapter 7. However, across cases, strategy processes were found to have four main objectives or purposes, drawn upon in situated activity:

1. Direction-setting;
2. Resource allocation;
3. Monitoring and control; and
4. Interaction.

4.3.1 Direction-setting processes

Direction-setting processes establish organisational goals. They may be more or less purposive, in that some direction-setting arises from strategic intent (see Garvin, 1998; Hamel and Prahalad, 1989), while other directions occur as emergent patterns of action (see Mintzberg and Waters, 1985; Mintzberg et al, 1990). Such processes incorporate both managerial and organisational heuristics which are likely to constrain the probable 'set' of strategic directions (see Bourdieu, 1990; Cyert and March, 1963; Nelson and Winter, 1982). However, they should not be seen as deterministic, also incorporating "interpretive flexibility" (Spender, 1996:56), variation in sense-making and sense-giving by top managers (Gioia and Thomas, 1996; Weick, 1979), and, potentially, strategic learning (see Child, 1997; Heracleous, 1998; Liedtka, 1998). Direction-setting is identified in Chapter 7 through case-specific formal procedures and informal, interpretative processes which contribute to strategic direction.

4.3.2 Resource allocation processes

For this purpose, resources are taken to be tangible physical, financial and human resources. Resource allocation supports strategic action. It may be both purposive and

habitual. Purposive allocation of resources supports specific initiatives at the expense of others, based in an exercise of managerial power, reflexivity, choice or a combination of the three, even where this may be argued to be influenced by interpretative schema (see Child, 1972; 1997; Garvin, 1998; Grant, 1988; Hackman, 1985). Resource allocation models may also operate on habitual formulae which constrain the pursuit of new initiatives. Routinised allocation acts as a perceptual filter constraining the consideration of alternatives (see Bettis and Prahalad, 1995; Cyert and March, 1963; Nelson and Winter, 1982). Alternately, such habitual models may be purposively drawn upon as an act of managerial power to legitimate the status quo (see Hackman, 1985; Hardy, 1996; Lukes, 1974; Pfeffer, 1994). Thus resource allocation is inherently imbued with power relationships (Giddens, 1984), both arising from its habitual use in terms of routine models of resourcing and from purposive managerial action. In Chapter 7, resource allocation is identified by its structural components and by some of the processes which legitimate its usage.

4.3.3 Monitoring and control processes

Monitoring and control processes monitor organisational performance and reinforce desired behaviour (see Garvin, 1998). Such processes have multiple purposes, which serve to benchmark organisational position, monitor organisational capacity, and provide information which minimises managerial uncertainty, as well as having symbolic purposes of sense-giving to constituent groups (Garvin, 1998; Gioia and Chittipedi, 1991; Grant, 1988; Langley, 1989; 1991; Simons, 1991; 1994). Monitoring and control may be passive, present within routine operating procedures, or active, involving top management in processes of gaining organisational attention (see Simons, 1991; 1994). It may also be strongly sanctioned and superficial in terms of formal rules and regulations or weakly sanctioned and intensive with regard to deeply sedimented values, ideals and norms which govern behaviour (see Giddens, 1984; Lukes, 1974; Ranson et al, 1980; Sztompka 1991). In Chapter 7, monitoring and control is identified as both formal procedures and intensive, sedimented frameworks of meaning.

4.3.4 Interactive processes

Interactive processes are essentially a composite of the above processes, comprising elements of all three. However, they are identified separately since analysis shows that each team has case-specific processes for interaction with the organisation which are compatible with other idiosyncratic forms of structure and TMT thinking and acting. Interactive processes may be defined as those involving regular personal contact between top management and other organisational members. This is perceived as a way of focussing organisational attention, increasing participation in organisational goals through negotiation, communication and persuasion (see Simons, 1991; 1994). While interaction from this perspective predominantly serves TMT interests, it incorporates the possibility of double interacts (Weick, 1979) and the potential for reciprocal patterns of influence. Interactive processes have been defined in Chapter 7 by TMT identification of the dominant pattern of interaction with the organisation, particularly where this has been supported by other forms of data.

Constructs & data source	Empirically grounded definition	Sample of relevant literature
Direction-setting (I, O, D, ER)	Incorporates formal procedures and informal, interpretative processes which contribute to strategic direction.	Cyert and March, 1963; Garvin, 1998; Gioia and Chittipedi, 1991; Gioia and Thomas, 1996; Mintzberg and Waters, 1985; Nelson and Winter, 1982; Weick, 1979; Whittington, 1996.
Resource allocation (I, O, D, ER)	Formal resource allocation models and processes which legitimate the model	Cyert and March, 1963; Grant, 1988; Garvin, 1998; Giddens, 1984; Hackman, 1985; Pfeffer, 1994.
Monitoring and control (I, O, D, ER)	Strongly sanctioned formal processes of monitoring and control and weakly sanctioned frameworks of meaning	Garvin, 1998; Giddens, 1984; Langley, 1989; 1990; Lukes, 1974; Ranson et al, 1980; Simons, 1991; 1994.
Interaction (I, O, D, ER)	Dominant pattern for interaction identified by TMT.	Simons, 1991; 1994; Sztompka, 1991; Weick, 1979

Table 4 - 3: Constructs identified as processes of interplay

Table 4 - 3 summarises these definitions of strategy processes. The four processes of interplay occur as part of the daily practice of strategy and, as posited in Chapter 2, may be considered as the processes or practices which mediate between actors, structure and activity. Mediation processes are grounded within considerations of power, particularly as they are primarily, although not exclusively, accessible to the dominant coalition (see Child, 1972; 1997; Corner et al, 1994; Daft and Weick, 1984;

Giddens, 1984; Hambrick and Mason, 1984; Hardy, 1996; Hickson et al, 1986; Lukes, 1974; Pettigrew, 1973; 1985; Whittington, 1992). Indeed, Hardy (1996) provides some assistance in moving from conceptual to empirical analyses of power through her categorisation of Lukes' (1974) three dimensions as managerial power over resources, processes and meaning in bringing about strategic change. However it is also noted that power has systemic properties (see Blackler, 1995; Clegg, 1989; Engestrom, 1993; Hardy, 1996; Hardy and Clegg, 1996; Hardy and Leiba-O'Sullivan, 1998). Thus, in Chapter 7, the intent is not to focus exclusively on the power components of processes so much as to accept the implicit nature of power within an explanation of the role of processes in integrating actor, structure and activity. The chapter identifies case-specific practices at the TMT and structural levels, which serve the above processes. It then weaves a tale of strategic action in each case, illustrating how processes are implicated in the dynamic inter-penetration of components of the activity system.

4.4 Conclusion

This chapter is a route map providing empirically grounded definitions of the constructs used in the following three chapters. These chapters are told as narratives addressing the three levels of analysis and answering the three sub-questions. Consistent with the notion of first order concepts (Van Maanen, 1979), the narratives attempt to relay their tale using the case-specific language of the field. However, cross-case comparability is facilitated by the use of clearly-identified constructs, which are consistently defined across cases. They are an intermediary stage between first and second order analysis, abstracting sufficiently from the data to permit external validation of the findings within organisational and sociological theory.

CHAPTER 5

WHAT ARE THE PROCESSES OF
TMT STRATEGIC THINKING AND ACTING?

This chapter is based upon the first level of analysis, the TMT in action. Its purpose is to investigate the sub-question; What are the processes of TMT strategic thinking and acting? First each case is analysed through a descriptive narrative built upon the constructs of top team thinking and acting, identified in the analytic framework Figure 3 - 3 and defined in Table 4 - 1. Having established the dominant patterns of thinking and acting in each case, a cross-case comparison is undertaken, which draws out similarities and differences between teams. This comparison illustrates that the differences within the TMTs examined are located in contextual features of the practice of strategy, while all three teams are similar in terms of their situated or contextually-based knowledge and capacity to act using practices which have localised meaning.

5.1 The Warwick top team

5.1.1 Composition

From a potential body of 17 members who overlap on the main strategic committees (see Figure 5 - 1), an inner core of 3 members and a core of another 6 members were identified as the TMT, surrounded by a periphery of the remaining 8 members. The inner core and core span four levels of the organisational chart, including lay members of Council, the Vice-Chancellor (VC), the Pro-Vice-Chancellors (PVCs), the Registrar, Academic Registrar and Finance Officer. The TMT is thus drawn from the main strategic committees, but is 'virtual' in the sense that it does not exist as a formal committee or a discrete, reified group on the organisation chart.
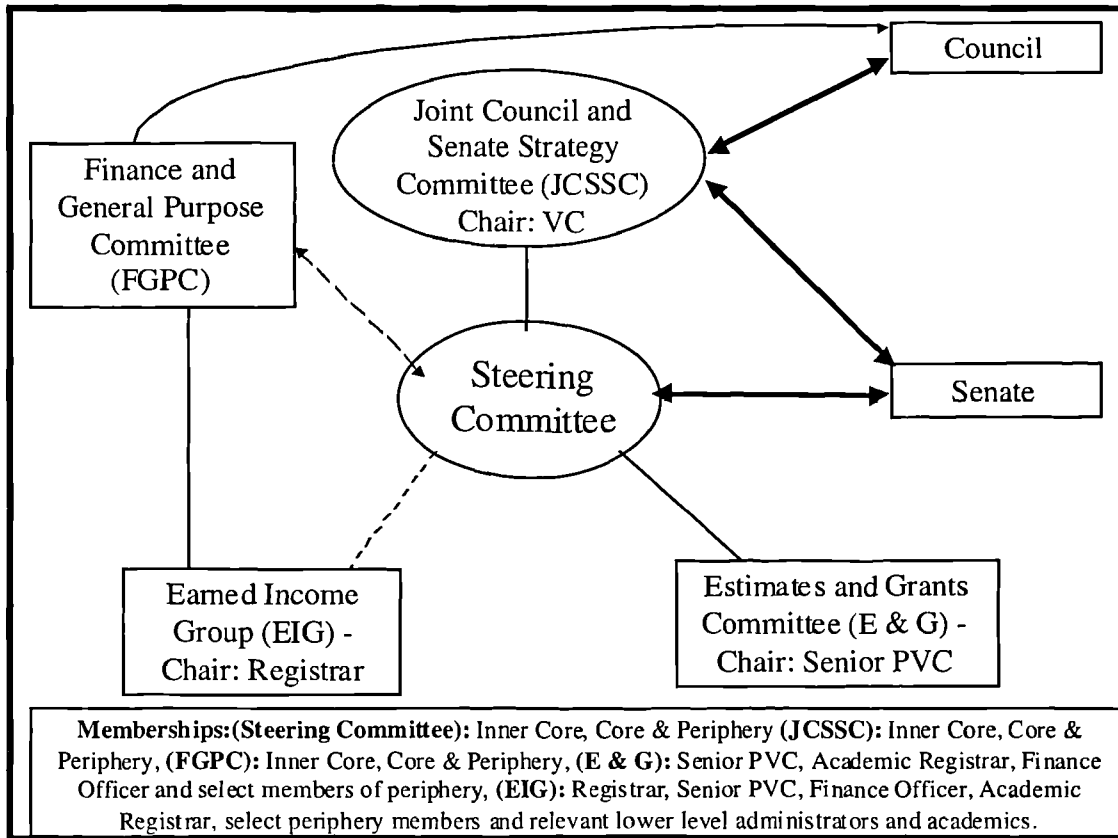
Figure 5 - 1: Major strategic committees and membership at Warwick University

The team has been stable in terms of role composition for at least 10 years, although the academic position of PVC has rotated, as is the nature of pre-1992 universities. At Warwick, PVCs are elected for two years with a maximum of three successive terms of appointment. There have been two changes in inner core personnel during the period of the study. A new VC was appointed, starting in April 1993, following the resignation of the previous VC in September 1992. The Senior PVC, who had been in the capacity of Acting VC during the interregnum, finished 6 years of appointment in 1995 and was succeeded by the Chair of the Graduate School, who had been on the top team periphery since 1988. Equal numbers of administrators to academics upon the team, not including the VC, is indicative that administrative processes are perceived as important. This is in itself unusual in a professional bureaucracy where administrators are generally perceived as acting in support of, rather than central to, academic endeavours (Mintzberg, 1979, Eustace, 1994). There are a number of long-term members within the team, most notably the Registrar for 29 years, but also the Senior PVC, Academic Registrar, Treasurer and Pro-Chancellor have been in post, at

least at the periphery level of the TMT, for a minimum of 7 years. Team composition is shown in Table 5 - 1.

Role/ Duration*/Gender	TMT hierarchy	Level of organisational chart
Vice-Chancellor/ 1993/M	Inner core	CEO
Registrar/ 1969/M	Inner core	Head of Administration, 2nd level of chart
Senior Pro-Vice-Chancellor/ 1988/M	Inner core	Academic, classified as 2nd level as not hierarchised on organisational chart but seniority implied through informal title
Pro-Vice-Chancellor, Research/ 1995/M	Core	Academic, classified as 3rd level as not hierarchised on organisational chart
Pro-Vice-Chancellor, Quality/ 1997/F	Core	Academic, classified as 3rd level as not hierarchised on organisational chart
Finance Officer/ 1994/M	Core	Third level of administration on the organisational chart
Academic Registrar/ 1992 (Servicing role 1989)/M	Core	Third level of administration on the organisational chart
Pro-Chancellor/ 1991/M	Core	Chair of Council
Treasurer/ 1989/M	Core	Lay Council member

Table 5 - 1: TMT composition at Warwick University
(* Duration refers to inauguration upon the TMT, at least at periphery level)

5.1.2 Knowledge

Four main sources of tacit and explicit institutional knowledge, related to top team composition, may be expected at Warwick. First, administrators are responsible for servicing the administrative committee systems and undertaking operational aspects of the organisation, giving them high levels of knowledge about processes that form part of the routines of strategic practice. These are not rotating posts, providing stability and long-term institutional knowledge against a rotating cohort of academics. The Registrar (who retired in late 1999) had been at least at peripheral TMT level almost from the origin of the University, being involved in establishment of many systems for channelling strategic thinking:

....[The Registrar] is renowned as one of the, if not outstandingly the, most able Registrars in the country. And given the fact that he's been here about 20 years and the University's been successful in that time. He's worked under three Vice-Chancellors, he is clearly a key figure and a very powerful figure and systems, therefore, tend to be moulded by people like him... (Treasurer).

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The Academic Registrar brings intimate knowledge about departmental issues in the core business areas of teaching and research, as he handles the operationalisation of academic policy issues and maintains the formula by which departments are allocated financial, physical and human resources. The Finance Officer may be considered to be the head of the technostructure (Mintzberg, 1979), being central in the generation of formal analysis documents which are the basis of many strategic decisions, particularly those of a financial nature. "It's difficult to make decisions in a university that are non-financial" (VC).

Secondly, academic members of the TMT have knowledge of professional concerns in relation to the core business of teaching and research. As they remain within their faculties and departments during their period as PVC at Warwick, frequently in positions as Chair of Department or head of a research centre, they maintain contact with the operating core of the organisation; the academics. In addition to providing information, this gives them credibility with their colleagues, serving the collegial principles of management within professional bureaucracies.

Thirdly, centralised formal committee structures provide the TMT with direct contact with the organisation for income-generating activities, through Earned Income Group (EIG), chaired by the Registrar, and for academic-resourcing purposes, through Estimates and Grants (E & G), chaired by the Senior PVC, both inner core team members (cf. Chapter 6). The Academic Registrar and Finance Officer are in attendance at both these committees and the Academic Registrar also services E & G. These are perceived as important institutional procedures. For example,

> He [the Senior PVC] does E & G extremely well. That is how it works in this place. E & G is a committee which has a lot of power and if that's astutely managed, that's a very influential role (Pro-Chancellor).

Finally, the formal committees and PVC departmental roles are indicators of a localised routine of interactive, face-to-face involvement with the organisation, led by the VC, which is a source of top team knowledge; "One of the things about [the VC] is that he knows all the detail" (Senior PVC).

Externally-based sources of knowledge are also perceived as important. The VC has been a member of the government quango, the Higher Education Funding Council of England (HEFCE); "You had in [the VC] a scientist with a national reputation, extremely well connected with the then government ... he was a national figure" (Pro-Chancellor). Other TMT members, such as the Registrar, Senior PVC and Finance Officer, also play active boundary-scanning roles in the Research Councils and other funding and regulatory bodies. Such roles were observed to increase certainty and credibility in strategic decision-making. External sources of knowledge are complemented by the active involvement of the two lay Council members, who play a devil's advocacy role (cf. Schwenk, 1984). Both have been top level managers in industry prior to their non-executive positions with the University, bringing a business-oriented perspective to the strategy process.

> They are in very influential positions on the major deciding bodies and they are positively critical so that they challenge the financial assumptions, they challenge the management assumptions, and they are very deliberately kept involved with that (Former Senior PVC).

Explicit knowledge, based on information developed through formal analysis, is also prevalent. Formal analysis that benchmarks competitive performance, such as analysis of Warwick's performance in attracting research grants and contracts income comparative to the sector, is used for the purposes of information to enhance decision-making. It is also used for internal monitoring and control, for example in developing a departmental research profile to monitor performance in attracting grants at the departmental and individual levels. This may be classified as analysis for the purposes of linear convergence, being for information and implementation purposes (Langley, 1989, 1990). It is suggested that linear convergence will be found in organisations where leaders have high familiarity with operational issues, this being consistent with the TMT's access to tacit and explicit bases of institutional knowledge at Warwick. Through the functional expertise of its members, the centralised formal operating procedures, and the boundary-scanning activities of its members, the Warwick TMT has access both to tacit and explicit knowledge of the institution, administratively and academically, sectoral issues, and extra-industry perspectives.

5.1.3 Strategic Intent

There are 8 items of strategic intent in the 1997 Strategic Plan, of which four appear, consistently, as the main areas for action:

1. The maintenance of research strengths;
2. Growth of the Science faculty;
3. Maintenance of the infrastructure to support the University's academic aims; and
4. Continued action in the University's policy of income generation;

The overarching intent is to consolidate the institution's position as a leading research University. While the plan was never referred to during observation of strategic level discussions, it is apparent from an analysis of actions that it underpins TMT strategic decision-making:

> It [the Strategic Plan] talks about being research-led and it talks about being entrepreneurial and I don't detect a significant shift in that at all. Certainly those words are not empty words. I think they are genuinely in play when people centrally discuss things (Former PVC).

Analysis of strategic actions dealt with at JCSSC from 1992 to 1998 indicates the ability to pursue strategic intent through given courses of action. Strategic initiatives, regardless of where they emerge, are legitimised through this forum. Throughout the period of the study, Warwick consistently pursued actions relevant to the main areas of strategic intent, these being Research, Income-generation, and Capital works or infrastructure. The activities in these three areas were also related to growth of the Science faculty. Detailed analysis shows particular features of action related to intent. For example, there is evidence of research issues becoming dominant in the years following Research Assessment Exercises (RAE), the Warwick Research Fellows initiative being implemented in 1994 to stimulate research performance, growing attention to research grants and contracts from 1994/95 onwards in response to declining performance in this area, and a reduction in capital spending as the surplus became more constrained. Thus, a number of exogenous and endogenous factors affect actions, all of which are consistent with intent.

5.1.4 Information-processing

TMT members at Warwick spend a minimum of one day per week together, with the three members of the inner core and the Finance Officer being most engaged in overlaps with other TMT members. These high levels of interaction are facilitated by both the formal and informal process. The formal committee structures provide many opportunities for collective information-processing as the 9 inner core and core TMT members and the 8 peripheral members all sit upon the fortnightly Steering Committee meeting, the JCSSC meeting, and overlap with other strategically significant committees (cf. Figure 5 - 1). This is a feature of the strategy process designed to enhance integration:

> As many members will also be members of the other key University committees, they are in a good position to make their decisions in the context of overall University strategy and policy as well as being in close contact with the more immediate concerns of departments (E & G Briefing Paper, 1997/98:2).

Although there is wide agreement that strategic issues are brought to the relevant committees such as JCSSC for legitimation, informal discussion is perceived as the most significant form of strategic communication, as it provides the groundwork for actions to be legitimated in formal meetings.

> I guess about half of it's done in formal meetings and another quarter of it's done on paper, memos and stuff, and the remaining quarter and I think this is probably the most important quarter in terms of strategic development, is the corridor chat, the dinners, and that is, by its nature, a bit hit and miss (Finance Officer).

The non-uniform nature of informal information-sharing processes, combined with the relative isolation of the PVCs, physically located within departments, may result in unequal access to information for some team members, particularly those who do not form part of the inner core. There is also evidence of issue-based information-sharing. For example, the Academic Registrar and the Senior PVC are in contact almost daily because of their mutually dependent roles.

Information-processing structures are important in enabling a link to be constructed between TMT knowledge, intent and action. For example, at the annual series of 5 to

6 JCSSC meetings over a 6 week period to generate the Financial Plan, all the proposed strategic areas for resource allocation are put forward for factoring into a 5 year plan which is relatively fixed for the initial 12 month period. Where issues require greater discussion and analysis than time permits in the JCSSC meetings, smaller working parties are formed which enable the issues to be developed through to a series of recommendations for consideration by the main group; "The strategic directions are hammered out by small meetings and networking between a small group of people" (VC). Through these iterations of the planning round, initiatives are gradually prioritised until a package is determined that is able to optimise resource allocation within strategic intent. While strategic intent was not specifically referred to, those courses of action pursued indicate that such intent forms part of the tacit, collective understanding which informs TMT actions. The financial planning process is an illustration of how information-processing structures enable coherence between knowledge, intent and action at Warwick.

5.1.5 Actioning

TMT strategy processes are facilitated by a localised method of acting through a strong centre, with short lines of communication to strong departments. This pattern, discussed in greater detail under the heading of localised routines in Chapter 6, is used by team members to describe action at Warwick. It is posited to cut through layers of bureaucracy, speed up decision-making, and provide the TMT with in-depth knowledge of the organisation.

> This kind of rather idiosyncratic way that we have of running things at Warwick which relies heavily on the personalities of a few individuals and also this kind of, these long standing informal links with key people in Departments (Academic Registrar).

The team also displays a very 'hands on', or interactive style in its relationships with the organisation, going into departments for the purposes of troubleshooting or to emphasise the importance of a course of strategic action. Thus, the pattern of actioning strategy involves a series of negotiations between the top team and the

departments, particularly strong departments. These patterns are discussed further in Chapters 6 and 7.

5.1.6 Summary of TMT thinking and acting at Warwick

At Warwick, coherence is a main feature of team processes of thinking and acting. The team, drawing upon the composite experiences of academic, administrative and lay members, is knowledgeable about the institution and the sector, and is supported by the use of formal analysis for the purposes of linear convergence. Overlapping committee membership and informal interaction facilitate collective team knowledge. This is identifiable in the pursuit of strategic intent, which is both clearly articulated and forms tacitly understood organisational directions that underpin strategic decision-making. Thus, information-processing behaviour enables tacit and explicit knowledge and strategic intent to be actioned in an integrated fashion, using the localised routines of short lines of communication between the TMT and the academic departments. This overview illustrates that TMT thinking and acting processes are embedded within social structures, the identified constructs being inter-related in complex and mutually constitutive processes.

5.2 The LSE top team

5.2.1 Composition

LSE has a small team spanning two levels of the organisational chart; the Director (VC equivalent), the Secretary (Registrar equivalent - head of administration), and two Pro-Directors (P-Ds – PVC equivalents), one for internal and one for external affairs. The Secretary is permanent, whereas the P-Ds are selected by an academic search committee and rotate every three years. As LSE has traditionally had only one Pro-Director, the appointment of a new post in October 1998 represents a structural change to TMT composition. Thus, the majority of the study featured a three person team. The new position was created in response to the Director's view that the

illiberal sectoral environment was increasing pressure on LSE management structure, particularly in comparison with other universities which had two or more persons in commensurate PVC roles (cf. Chapter 7). The newly enlarged team has a predominance of academic membership. With the exception of the Secretary, this is a relatively newly formed team, of which the current Director commenced in 1997 and the two Pro-Directors in 1996 and 1998 respectively. A significant indicator of the TMT's situation within a strongly collegial context, as discussed subsequently in Chapter 6, is the resistance to the term TMT. While interviewees consistently identified the same group as the main strategic operators in the organisation, there was a feeling, even amongst the team members, that both the words 'top' and 'management' were not generally favoured at LSE. Thus, again, the TMT was not a reified organisational group. Table 5 - 2 shows TMT composition.

Role/ Duration/Gender	TMT hierarchy	Organisational chart
Director/ 1997/M	Centre of network	CEO
Secretary/ 1983/F	Immediate network	Head of administration, 2nd level of chart
Pro-Director (External affairs)/ 1996/M	Immediate network	Academic, classified as 2nd level as not hierarchised on organisational chart
Pro-Director (Internal affairs)/ 1998/F	Immediate network	Academic, classified as 2nd level as not hierarchised on organisational chart

Table 5 - 2: TMT composition at LSE

The small TMT operates as a network[1] or web of contacts developed around the central figure of the Director. Thus, as indicated in Figure 5 - 2, other levels of the organisational chart, such as the Finance Officer, senior academics or lay members, are not considered to be team members, although they have input into the strategy process through patterns of interaction with the Director and his immediate team, whether informally or on formal committees. The wider, or indeed peripheral web of contacts comprises some lay governors, senior officers, such as the Senior Assistant Secretary, Finance Officer, Planning Officer and Academic Registrar, and senior academics such as the Vice-Chair of Academic Board (VCAB) and the Vice-Chair of Appointments Committee (VCAC). Inclusion in this periphery is issue-based, although the administrative staff are involved in most issues in a support capacity,

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[1] The term network in conjunction with patterns of acting at LSE is a first order concept, based in the language of the field, rather than in the sense of a network analysis.

consistent with Mintzberg's (1979) description of support staff roles in professional bureaucracies.

Main memberships*: Standing Committee: TMT, VCAB, VCAC, some Governors. Academic Board: TMT, VCAB, all academic staff. APRC: TMT, 4 Professorial and 4 Non-professorial staff, Administrative officers in attendance.
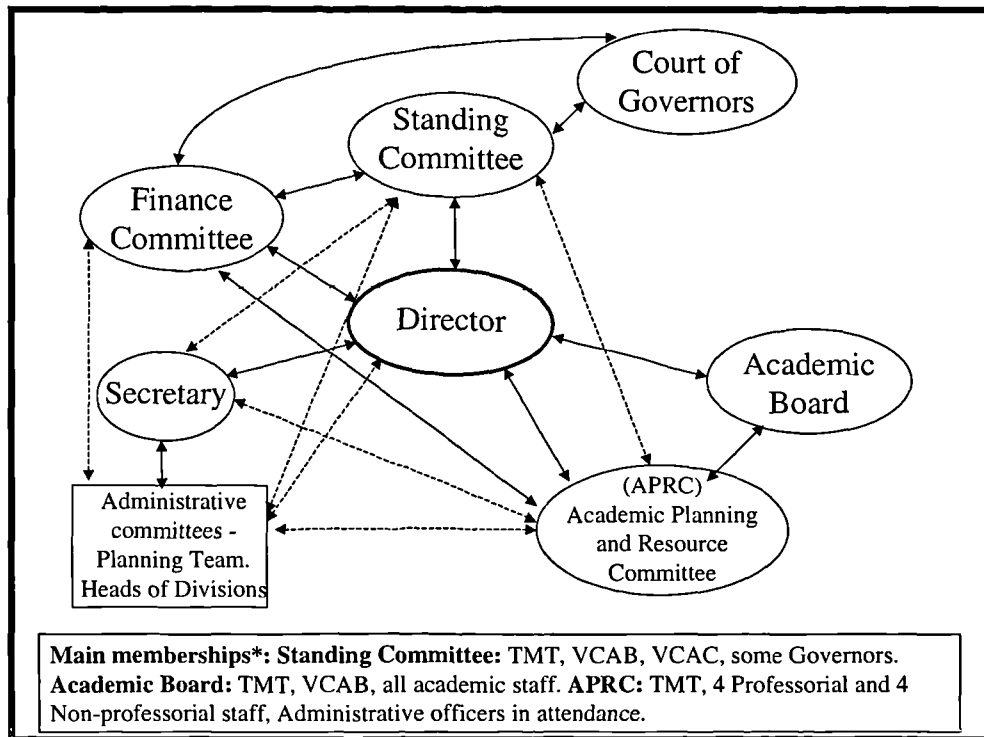
Figure 5 - 2: Major strategic committees at LSE.
(* Abbreviated committee memberships for space considerations. Further details in Chapter 6. Dotted lines indicate that administrators' influence is one of attendance to committees.)

5.2.2 Knowledge

Four main sources of tacit and explicit institutional knowledge are accessible to the top team at LSE. First the Secretary and her senior supporting officer, the Senior Assistant Secretary, have been in an administrative capacity at LSE for between 15 and 20 years.

> [The Secretary] does have an enormous expertise about the way this place runs and should run. She often puts her finger on something that's about to go badly wrong and scotches it. Just by sheer knowledge of the place and a sense of what will run and what won't. (VCAB)

Secondly, the Pro-Directors are selected from within the institution, with the specific purpose of representing the academic interest. Their standing as fellow academics is

important to their credibility and capacity for influence within the organisation. Tacit, experience-based knowledge is central to this role.

> You have to know the convenors around the place. You have to have street cred within the place. If you are going to be in a position that we are, where we have very few real powers here, because of the collegial thing, you have got to be able to carry people, you have got to have the trust of a wide range of people. (P-D)

Thirdly, the Director maintains contact with a range of interest groups within the School, both through Chairing committees and, more importantly, through informal contact. The Director is acknowledged as "a great networker" (VCAB). Additionally, a new post of Executive Officer to the Director, line-managed by him, was created to support the informational needs of this Director. The Executive Officer develops and follows up the Director's links within the School. "I describe myself to some extent as being a sort of eyes and ears for him. It's like [the Director] wants to do this, bring in whoever, let's talk about this" (Executive Officer to the Director).

Finally, the collegiate nature of the School involves the academic body, over a wide range of committees, in pursuit of strategic action (see Chapter 6). As the TMT sit upon all of these committees, they are provided with formal mechanisms for gathering information about the organisation. The creation of the role of P-D for internal affairs has enabled greater access to, and exploitation of, institutional knowledge. The expanded TMT is better able to champion strategic issues through formal roles such as chairing committees, as well as through informal contacts.

LSE traditionally has had a strong presence in the wider socio-economic domain, having been established as a Social Science institution to promote the study of, and inform, society. Thus, leading academics at LSE are involved with, and make comment upon, political, social and economic issues. Within the TMT, the Director, through his academic interests and his role as an advisor to the Blair government, is particularly well connected with economic and social trends, both national and global.

> From Downing Street to the White House, he [Anthony Giddens] has led the quest for the holy grail of the "third way" – the new politics of the middle ground (The Sunday Times, 21/3/99:7).

The Director's role is important in maintaining networks outside the organisation to enhance the public image of LSE and to ensure its social prominence. His knowledge-base is related to the organisational intent. "A big part of LSE is its public policy role and it does have this great prominence in influencing the government and influencing the shape of the world." (Director).

The use of explicit forms of knowledge, based on formal analysis is increasing at LSE, primarily for the purposes of controlled collegiality (Langley, 1989, 1990). This use of analysis is identified as being primarily for communication and information, "becoming a key tool of persuasion and verification in the negotiation process" (Langley, 1990:37). Langley suggests that this mode of analysis will be more prevalent in professional bureaucracies, where senior management must convince an autonomous workforce of the desirability of proposed actions. An example of this is the development of a non-cash staffing allocation system, Minimum Staffing Levels (MSLs – see Chapter 6), based upon points, which has been used to progressively shape the staff and student profile of the organisation. "Complex figures and systems, such as MSLs, were brought in to gradually get people ready for cuts" (Convenor's Meeting obs., 1998). Thus, explicit forms of knowledge are used as oblique or indirect monitoring and control mechanisms.

5.2.3 Strategic Intent

At LSE strategic intent is broadly defined. The Strategic Plan is considered to describe, rather than prescribe, organisational actions, changing and developing annually, supported by an operating statement and, in 1998, a strategic initiatives spreadsheet. There are some main areas of development, consistent with the overarching intent to be a global leader in the Social Sciences, which have been induced from the 1996 to 1998 planning documents.

1. Academic aims centred around international research excellence and cross-subsidisation of the full range of social sciences;

2. Resource aims, which include increasing income-generation from traditional activities such as student fees as well as fund-raising and commercial education activities;

3. Capital works objectives, concerned with developing the infrastructure of the School within the constraints of an expensive London site;

4. Human resource objectives, which highlight the problems of attracting high quality staff into the academic professions due to non-competitive pay scales compared with industry or international university competitors, particularly from the USA;

5. Public relations and marketing strategies, which raise the profile of LSE within London and internationally.

At the time that data collection ceased, there were many initiatives being pursued in relation to these areas of strategic intent. The proliferation of strategic initiatives at the current time is perceived as a direct consequence of the influence of the new Director.

> The profusion of ideas and policies since [the Director] arrived at the beginning of 1997 have been really quite extraordinary. ... There is no doubt that he is embarked upon a radical programme of change here (Snr. Asst. Secretary).

Some of the initiatives have already been successfully implemented, such as that of the School Professors: four distinguished academics recruited to the School at large rather than to specific departments, so as to stimulate the research environment in partial address of the human resource strategy. This indicates a link between strategic intent and strategic action. However, such actions do not always comprise part of a deliberate financial or strategic planning process. While the strategic plan is developed by the administrative officers in Planning Team meetings and approved at Standing Committee, academic resourcing and planning decisions are made by an academic body at Academic Planning and Resource Committee (APRC). Thus, issues dealt with at APRC may not always cohere with the broad areas of strategic intent. The dominance of APRC focus upon issues of student fees and recruitment throughout the period of study is a useful example of this lack of coherence. Despite an intention not to increase student numbers, fee levels have increased and fee-paying student numbers have grown every year based upon APRC actions in response to income-generating imperatives from the external environment and other sections of

the School. These actions have led to a distorted composition of the student body in terms of ethnic balance and recruitment across the social science disciplines. This jeopardises the intent to maintain the full-range of social sciences, as well as compromising the estates strategy. "Strategically, the approach was slightly misguided in the 90s, thinking that space was not a constraint when really it was" (APRC member).

5.2.4 Information-processing

At LSE, information-processing within the TMT is largely informal, and is currently based on team networks, rather than team overlaps. Opportunities for informal meeting are facilitated by adjacent offices and one-to-one telephone contact between members and the Director, when he is absent from the institution. "It's networks rather than team based. There are a lot of informal processes. They will come in here or I will go in there. It tends to be, we have got to deal with this, let's try and do it this way" (Pro-Director).

While there is a Sixth Floor Meeting at which the Director and the top team meet, this tends to be for reporting on the progress of actions rather than a regular forum for the discussion of strategic and operational issues. Other committees, such as the APRC, at which the team are jointly present, have a wider School composition. While these are collegially-based committees, they are chaired by the Director or one of the P-Ds, providing the team with some influence over their information-processing behaviour. In these meetings the Secretary and the Pro-Director provide support for the Director and, prior to one meeting, the Director and Pro-Director were observed to arrange the meeting agenda in accordance with the issues they wished to highlight; a tactic which subsequently shaped the meeting outcomes. This suggests that informal information-sharing processes are effective, although there is also a tendency towards issue-based "bilateral deals," so that not all members of the team are equally informed.

There was an increase in formal information-processing structures during the latter phase of the research. Consistent with the expansion of the TMT, this was an attempt to gain greater coherence in response to the increased range of strategic activities. For

example, the strategic initiatives spreadsheet, which supports the Strategic Plan, has been developed as a response to the perceived lack of coherence between intent and action. "It started as a way of tracking the things the Director was up to" (Planning Officer). The Coordinator's Group, established in April 1998, is another structure which has been created to facilitate information-processing. It involves the TMT and a wider network of senior academics and administrators in an umbrella approach to presenting issues across a range of committees. "We've experienced some discontinuity in the way in which committee issues are handled so we decided that we would try to get a shape right at the outset" (Snr. Asst. Secretary).

Formal information-processing structures have been collegially-based at LSE, with specific top team procedures operating in largely informal ways. With the advent of a new Director, a changing profile of strategic activities, and growth in the top team, new formal structures are developing to aid coherence.

5.2.5 Actioning

At LSE, power is delegated by the Court of Governors to the Standing Committee and from there to the Director, who has the role of acting strategically for LSE. However, social structures of collegiality and culture, discussed in greater detail in Chapter 6, constrain the Director's ability to act in an authoritarian manner. He is required to use negotiation and persuasion with key figures and committees in order to 'sell' ideas to the organisation.

> The powers of the Governors are all exercised by the Director, but ... in exercising these powers he has come to act in close consultation with the [Academic] Board (Handbook for Departmental Convenors).

In order to act, the Director has a web of contacts stemming from the immediate TMT. "The Director has a dialogue with a range of interest groups who are involved in the management of the School" (Snr. Asst. Secretary). Two main features are evident in the Director's method of acting:

1. Breaking down the areas of strategic intent into small parcels for dissemination to different groups, in order to minimise resistance to action;

2. Reiterating his message to various groups and individuals until it "seeps into the consciousness" (Senior Officer).

The above is sometimes discussed as the "WOTG (Whim of Tony Giddens) syndrome" (Committee obs., 1998), a humorous reference to the Director's skills in the social processes of stimulating strategic action at LSE. Similarly, the Pro-Directors and Secretary use webs of contacts to influence action in support of TMT-endorsed initiatives. This requires high levels of institutional knowledge, as is illustrated by the following statement from the Pro-Director concerning a course of strategic action. "I had a go on my own and was unable to do it. So my next strategy was to use the APRC which has more legitimacy in financial matters than I do" (P-D).

Thus, action may be linked to intent through information-processing structures and the skilful use of locally-understood methods of actioning. TMT action at LSE is situated within a collegial context, which has some consistency with the consensus-based model of strategy noted by Mintzberg and Waters (1985). However, taking into account both TMT use of formal analysis for the purposes of controlled collegiality and their knowledgeable use of webs of contacts, findings indicate that top management, situated within a consensus-based context, may be both more influential and have greater capacity to act than these authors suggest.

5.2.6 Summary of TMT thinking and acting at LSE

LSE has a small team with strong bases of tacit institutional knowledge, as well as connections to the wider political and socio-economic environment. The team tends to rely on informal patterns of interaction, although, consistent with changes in the team over the last two years of the study, formal information-processing structures are increasing. The strategic intent is broad, encompassing many actions under its remit, to the extent that the Strategic Plan is considered to describe, rather than to prescribe, organisational direction. Thus, there is not always a clear link between intent and action. Rather, there is a recursive process in which actions may describe intent over

time. Actioning occurs through webs of contacts with influential individuals and committees, indicating the importance of the TMT's skill in using social processes of action within a collegiate organisation.

5.3 The Oxford Brookes top team

5.3.1 Composition

At Oxford Brookes, the TMT is a designated organisational group, consisting of the VC, three Deputy Vice-Chancellors (DVCs), and two PVCs. There have been a number of changes in the team during the period of the study, both in terms of personnel and in its role. After incorporation in 1989, the then Director established a Central Management Team (CMT), comprising the following:

- Director;
- Deputy Director, Academic Affairs;
- Deputy Director, Corporate Services;
- Deputy Director, Finance and Marketing; and
- Deputy Director, Corporate Planning.

With the exception of changes in title from Director and Deputy Director to VC and DVC, the team remained consistent through the 1992 renaming as a University. In 1993/1994, the DVC for Corporate Planning, a vestige of the pre-incorporation management, retired, and was not replaced, leaving a team of four. As is customary with post-1992 universities, these are appointed permanent positions, not elected from the academic body of the University. Twice during the period of this study, the DVCs for Academic Affairs, both academics but not from Oxford Brookes, left to take up VC positions in other institutions. However the first VC, a former civil servant, and the two non-academic DVCs have origins as a team stemming from the VC's arrival in 1986 and subsequent promotion of the two DVCs, who were in administrative positions at Brookes since the early 1980s.

The new VC took up office in September 1997, and had the remit to extend the CMT to include more academic representation as both the academic body and the Governors felt that senior management was too dominated by financial and administrative concerns. In January 1998, two 50% Pro-Vice-Chancellor appointments were made, one for Research and Consultancy and one for Academic Development, with each also retaining their role as Head of School. The purpose of these appointments was to assist with the portfolio of the DVC for Academic Affairs. While these were selected, rather than elected positions, they were established on a 3 year rotational basis "to keep regenerating that team with fresh academic input" (VC). At the same time, the team's name was changed to Senior Management Team (SMT).

There is evidence of an inner core within the team; "So your TMT is essentially those 6 people, although some would argue that you will be looking at a model which has been a pretty strong, tight 4 person model" (DVC). While this is noteworthy in understanding team hierarchies, it appears to be as much a matter of the expected difficulties encountered by new entrants into a restructured team as a matter of considered exclusion. The team members saw this as an evolutionary process; "In about six months we will be much clearer about how it [the expanded team dynamic] goes forward" (PVC). Current team composition is shown in Table 5 - 3, with strategic committee membership shown in Figure 5 - 3.

Role/ Duration/Gender	TMT hierarchy	Organisational chart
Vice-Chancellor/1997/M	Inner Core	CEO
Deputy VC, Academic Affairs/1994/M	Inner Core	Academic. 2nd level of chart. Deputy CEO.
Deputy VC, Corporate Services/1989/M	Inner Core	Head of administration. 2nd level of chart
Deputy VC, Finance and Marketing/1989/M	Inner Core	Head of Finance and business development. 2nd level of chart
PVC, Research and Consultancy/1998/M	Core	Academic. Classified as 3rd level of chart under DVC Academic Affairs
PVC, Academic Development/1998/F	Core	Academic. Classified as 3rd level of chart under DVC Academic Affairs

Table 5 - 3: TMT composition at Oxford Brookes University

5.3.2 Knowledge

Team composition affords strong institutional knowledge, particularly of an administrative nature, although with an increasing academic component, due to four main features. First, the longevity of two of the DVCs, both of whom were involved in establishing many of the finance, personnel and other support and technostructure systems following incorporation in 1989. Secondly, in 1993, the then DVC for Academic Affairs, implemented 'Agenda for Brookes', a comprehensive organisation-wide activity which canvassed opinions from all levels of the institution through a series of working groups. This was initiated as an attempt to assess the current organisational position and set future directions, based on the impression "that we can't be content with where we are now" (Former DVC). Thirdly, Agenda for Brookes established a receptive climate for the incoming DVC, Academic Affairs, to develop a strategic planning cycle in 1995/96. This enhances organisational knowledge, since it involves an overlap of at least two members of the TMT, usually more, in reviewing comprehensive annual planning and review documents and holding detailed discussions with every Head of School and Department. "The strategic planning process did help us to interface. I think it is a very important process" (Former VC). Finally, in 1998, two rotating PVC positions with 50% roles as Head of School were established for the purpose of increasing academic knowledge within the team. "They come with an ability to do jobs and they do them with a knowledge of the operation on the ground which influences their success" (DVC).

Through the previous VC, the team has a history of accessing knowledge external to the organisation, within its level of the sector as a former polytechnic. "He was an ex-civil servant, well-connected, on various committees, organisations and so on and he was able to bring back intelligence" (Former DVC). The two long-standing DVCs are also perceived as knowledgeable about sectoral matters of a funding or business development nature.

> [The DVC, Finance and Marketing] was very good at looking for financial opportunities and seizing them. [The DVC, Corporate Services] was absolutely outstanding on finding out whatever the current funding methodology was and positioning us to maximise our take from it. (Former VC)

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One of the reasons the current VC was appointed was to stimulate the research profile of the institution. He spent his first year on operational details as a means of familiarising himself with the University. However, he perceives his role primarily as one of external linkages in business development activities such as fund-raising and international links at the outset, rather than through formal sectoral involvement.

Information of an explicit nature, based upon formal analysis, is being more widely used at Oxford Brookes. Longitudinal analysis of planning documents since 1995 shows an increase in formal analysis of internal performance. In 1998/99, this culminated in the development of statistical performance indicators for Schools and Departments. Information is used for the purposes of monitoring and control, as well as for benchmarking, both internally and with reference to sectoral competitors, so as to assist with direction-setting. Such analysis may be classified as formal analysis for the purposes of linear convergence, to assist with strategic decision-making and implementation (Langley, 1989; 1990).

The TMT at Oxford Brookes has access to institutional knowledge about financial and administrative processes. Team knowledge of academic issues and use of detailed formal analysis is increasing. External links are being created for business development but at this stage the team does not appear to be seeking greater sectoral knowledge than already resides in the team as part of their knowledge of funding methodology. However, the PVC, Research and Consultancy is developing his networks with Research Councils.

5.3.3 Strategic intent

At Oxford Brookes, some changes in strategic intent can be observed over the period of the study, which may be attributed to two main factors:

1. the change of VC in 1997; and
2. the impact of the HEFCE migration in 1997/98: this is a sectoral policy decision to standardise student funding levels through migrating all institutions to +/- 5% of the sectoral average per student.

Under the former VC, the TMT had "the view strategically that we couldn't be a research University" (Former VC), choosing to prioritise their objective as maintaining Brookes' excellent reputation for teaching and learning. While not using formal planning during this period, the realised strategy indicates a strong concern with financial viability and building capital infrastructure.

> We had a long period when we were able to generate big surpluses and we did not just spend the money irresponsibly, so we were able to accumulate a very big war chest and then we were able to buy the Headington Hill Hall site. We were also able to have a big development of halls of residence acquisition, buildings and all that kind of thing. (Former VC)

As part of this strategy for financial stability, Brookes accrued a unit of resource that was 17.3% above the sector; "We didn't choose to grow at ludicrously low units of resource" (DVC). With the 12.3% decrease incurred by HEFCE migration, the institution had either to provide an extra 800 unfunded places or to return the excess funding, resulting in a loss of 40 staff. The team's choice to grow was compounded by the County Council requirements to provide every non-local full-time student with a residential place subsidised by the University at £1,800 per student due to building costs in Oxford. Strategic directions have flowed from this in terms of:

1. a regionalisation strategy to increase HEFCE numbers without residential impact;
2. a target of doubling international student numbers;
3. developing collaborative provision arrangements, both regionally and internationally, through 'virtual' techniques, as well as more conventional learning partnerships;
4. financial and staff-time efficiency gains in order to increase resources allocated to income-generating activities.

Analysis of issues dealt with in the strategic planning cycles, shows strong relationships between activities designed to increase student numbers and increase income, without placing pressure on the estates strategy. While the urgency to put these strategies into action was migration-stimulated, it was not inconsistent with

Brookes' aim to be "an innovative learning and teaching focused institution" (1995/96 Planning Cycle, Schools:3). However, the new VC also intended to develop Oxford Brookes as not just the best *new* University but one of the best universities. Although this image was ambiguously defined, it had two main areas of focus, namely the development of the research profile of the institution and the building of the fund-raising activities. While fund-raising was consistent with the realised strategy for financial viability and the strong income-generating drive brought about by migration, research development was less compatible, and was not an apparent source of revenue in the short or even medium-term. This created some dissonance or ambiguity in strategic intent, since at least three TMT members felt that, while research would not necessarily enhance the bottom line long-term, it would detract from it in the short-term.

The urgency of meeting the financial concerns of migration and ambivalence over the desire to develop as a research institution obscured intent at a time when the University was seeking a niche, leading to a lack of direction in some areas of action. For example, regionalisation activities were successful to the extent that migration was taking place at almost twice the rate initially envisioned. However, the precise nature of attaining the research ambition was not clear. Additionally, a shared understanding of the vision for Oxford Brookes to become not just the best new, but one of the best universities, had not been established. "It doesn't know whether it wants to be a teacher, a researcher, or a consultancy organisation" (PVC). The University was pursuing activities to develop a supportable image and statement of intent at the close of data collection.

5.3.4 Information-processing

The principal formal information-processing structure is the 3 hour Vice-Chancellor's Advisory Group (VAG) meeting each Monday morning attended by the 6 members of the TMT (see Figure 5 - 3). This was established by the former VC as a formal structure, which, while it has an agenda and minutes, has an informal dynamic with issue-based discussion on the weekly activities. Information-processing at VAG tends to be dominated by the two longer-serving players although this is slowly changing.

"They control the SMT agenda too much and there's too much discussion about financial and administrative issues and not enough discussion about major strategic, academic issues" (TMT member).
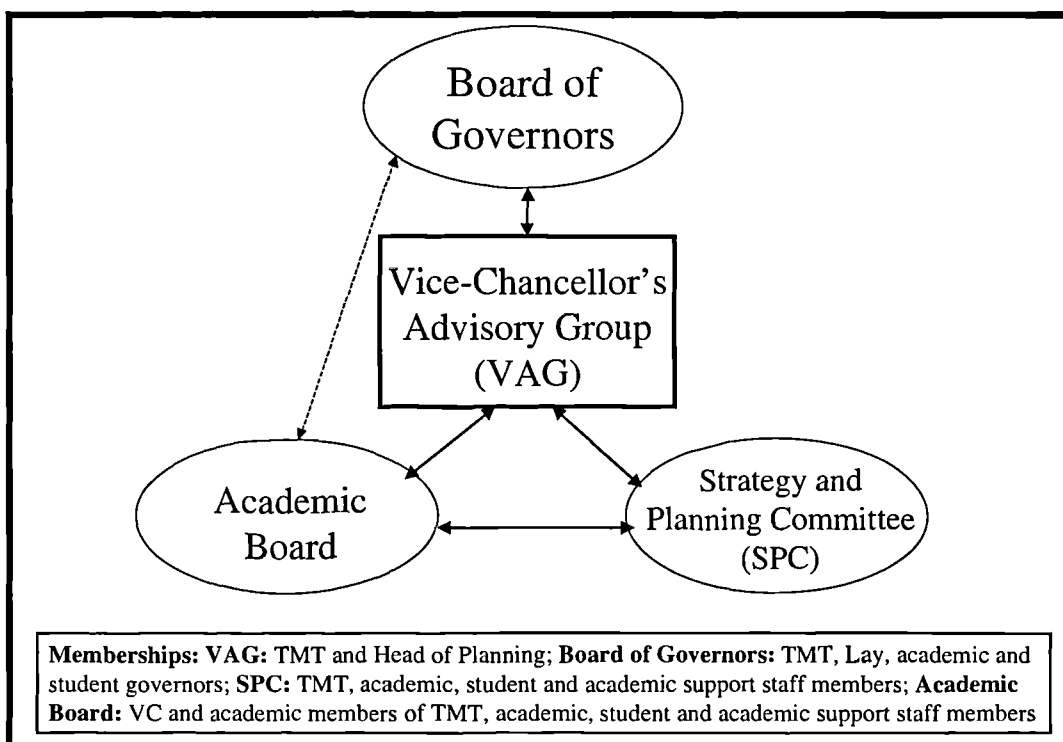
Figure 5 - 3: Major strategic committees at Oxford Brookes University

The other major formal information-processing structure is the Strategic Planning Cycle, discussed in greater detail in Chapter 6. This has been designed to combine strategic intent with strategic action. "The University has signaled a commitment to integrating more closely strategic planning and resource allocation" (Strategic Planning Cycle, 1995/96:1). As part of the planning process, every School and Department puts forward a strategic plan and bids for resources within the framework of financial and student number parameters. From this, University-wide issues, as well as School and Departmental issues are generated, and these are considered by the TMT. "We bring all the demands together in a senior management meeting, discuss them, argue them out, decide what we think our priorities are" (DVC). The high transparency of documentation between Schools and Departments, and the formalised nature of the process, which constrains bilateral deals between a division and the TMT, provides a useful mechanism for integrating many operational aspects of strategy, such as residential and teaching space with recruitment and undergraduate or postgraduate provision. However, the ambiguity in strategic intent causes some

problems in prioritising in the long-term; "How do we decide between the millions of things we could do, which ones we *do* do" (PVC). This is most apparent in the area of research intent; "If you invest resources and time, you actually detract from the amount of resources and time you're putting into students and the learning and teaching" (DVC).

Informal processes are another traditionally important feature of information-processing, particularly amongst the inner core. "It was very much an informal and open approach that we adopted and they did a lot of networking amongst themselves" (Former VC). The VC and DVCs' offices are in close proximity and the DVCs 'drop in' on each other in accordance with the issues at hand. This is facilitated by the strong sense of team and social links which have developed in the inner core; "It's a team. We look out for each other, we socialise together and it's a genuine team" (DVC). It is more difficult for the PVCs to be involved in the informal information-processing because of their status as new entrants and because of their School roles, which incur physical isolation from other members of the TMT. "We will find that there have been 14 mini-discussions between last Monday and this Monday; they happened and we weren't there, milling about the place" (PVC).

5.3.5 Actioning

The strategic planning process provides a clear framework for TMT action as it is generated as an action plan. Team members are given responsibility for actioning specific items of the agreed University-wide issues. The method of actioning has two main features:

1. a process of formalisation, based upon lines of responsibility and accountability;
2. consultative processes arising from the localised routines for interaction between the TMT and the organisation.

In successive planning cycles, areas of action have progressively formalised processes attached to them, and these clarify responsibility and accountability. An example of this is the development of the collaborative provision framework for regional and

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international partnerships. In the 1996/97 planning cycle, a Head of School asked for more central support in collaborative arrangements as the School was running a partnership at a loss, which exposed it to risk. The DVC for Finance and Marketing drafted a collaborative provision document. As part of the consultative routines, this document was the subject of discussion at the May 1998 Strategy and Planning Committee, where some Schools felt that the initiative was shifting the locus of control to the centre. However, the DVC, Academic Affairs, responded that the intention was to develop an over-arching framework to present to the outside world, whereupon the framework was passed for legitimation by other committees and now serves as a University-wide pro-forma. This method of acting incorporates both formalisation and the consultative process. The TMT disseminates information, provides opportunities for comment, which are not necessarily participative, then formalises action. Formalisation is based on the premise that the TMT is accountable for the organisation's actions while consultation is used to gain commitment to TMT goals; "We spend a long time getting people on board" (DVC).

This example of the link between formalisation, consultation, and action was observed. A potential international partner was rapidly attempting to forge links with the University for degree accreditation. However, the planning framework was invoked, and thereby ensured that the Brookes processes of quality assurance and legitimate practice were adhered to, providing a protection mechanism for the University, the TMT and the academic staff members involved. Thus, formalisation legitimates itself as a method of actioning.

5.3.6 Summary of TMT thinking and acting at Oxford Brookes

Oxford Brookes has a cohesive and centralised TMT, which has recently expanded to incorporate greater academic input into decision-making. This TMT is characterised by access to both tacit and explicit forms of institutional knowledge, principally of an administrative and financial control nature, although this is changing. Meanwhile sectoral knowledge is used to maximise funding and business development opportunities. Recent strategic intent is strongly influenced by sectoral changes in funding, although the strategies being pursued are broadly consistent with past

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objectives of innovation in teaching and learning and the realised strategy of financial viability. However, this is at variance with the new research objective, and this discrepancy illustrates that action in some areas of intent may inhibit action towards other objectives, particularly where these do not have the collective support of the TMT. Relationships between intent and action are facilitated by formal information-processing structures such as the strategic planning cycle. Localised methods of formalisation and consultation are used to implement actions within the organisation.

5.4 Cross-case comparison and analyses of TMT processes

Constructs	Differences	Similarities
Composition	• All aspects of size, hierarchy, levels of organisation, gender balance and academic to administrative ratio. • Warwick has stable TMT role composition • TMT reified as organisational group at O/B* only.	• Longevity of non-academic players. Warwick: Registrar and Academic Registrar. LSE: Secretary. O/B*: DVC, Finance and Marketing and DVC, Corporate Services. • Changes in TMT role composition at LSE and O/B, follow new CEO
Knowledge	• Formal analysis is for controlled collegiality at LSE.	• Strong institutional knowledge, although with greater academic component at Warwick and LSE. • All display sectoral knowledge, although with differing emphases related to their institutional positions in the marketplace. • Formal analysis for linear convergence at Warwick and O/B.
Strategic intent	• · HEFCE migration influences change at Oxford Brookes • Director influences change at LSE • Coherence between intent and action varies across cases from most coherent at Warwick to least at LSE.	• Overarching intent for excellence. • Research intent • Income-generation intent • Capital development intent • *However, these have different emphases and degrees of action.*
Information-processing	• Formal processes vary across cases, being least important at LSE, although on the increase.	• Informal contact is very important. • Informal processes result in barriers to information for some members, most notably outside inner core at Warwick and O/B.
Actioning	• Differ according to localised routines: • Formal processes supported by short lines of communication between TMT and departments at Warwick; • Webs of contacts emanating from the Director at LSE; and • Formalised processes supported by consultative routines at O/B.	• All teams are similar in their use of locally-meaningful methods of face-to-face interaction with the organisation, in order to increase capacity to put strategic action into practice.

Table 5 - 4: Cross-case comparison of similarities and differences
(* O/B = Oxford Brookes)

In this section, cross-case comparisons and preliminary analyses are made for each of the constructs of TMT strategic thinking and acting. Similarities and differences are identified and analysed. Reasons for differences are posited, suggesting that different social contexts provide the TMTs with access to different practices of strategy. Table 5 - 4 provides a summation of areas of similarity and difference across cases.

5.4.1 Composition

The teams are different in terms of size, hierarchy, levels of the organisational chart, balance of academics to administrators and gender balance, although all have been predominantly male in the past. The main similarity between them is in the longevity of administrative or non-academic team members. While longevity increases stability in a team, the dominance of non-academic staff in this position creates a tendency towards institutional knowledge of technostructure and support systems. This is particularly the case at Warwick and Oxford Brookes, where long-serving TMT members have been involved in the establishment of these systems. Both Oxford Brookes and LSE have recently increased the capacity for academic-based knowledge by changing composition to increase academic membership in the team. At Oxford Brookes, where composition was non-academic dominated, this was a response to the body of the University's request for more academic input, referred to by some as a process of 'coming of age' or maturing into its role as a University. This coincides with the change in VC and the new mission to become more research-focused as part of the over-arching image to be one of the best universities. Expanded academic membership in the TMT at LSE furthers team capacity to act within a collegial context. In both cases, social context is a feature of change in team composition, top-driven at LSE and emerging from the institution at Oxford Brookes. Thus, change at the top may be seen to be partially influenced by the receptive social context of the organisation, in a recursive process, where changes in TMT composition may then lead to institutional change.

The Warwick team, by contrast, has remained stable for a number of years, with a balance achieved between academic and administrative input. Some of this must be attributed to the relative youth of the organisation and the longevity of the Registrar.

Acting as a TMT member under the University's three VCs, he developed, or has long experience in many of the systems currently used. Stability and longevity in a number of the members combine with the relatively recent history to ensure that the current structures are those which evolved with the institution, and this may account for the coherence observed at Warwick between intent and action. While demographic factors of team composition appear different, the similarity in the three cases is that team membership, and thus capacity to act, appear to be based in contextual factors of history, culture and formal structures.

5.4.2 Knowledge

All the cases have strong access to tacit and explicit bases of institutional knowledge, although at Warwick and LSE this has a greater academic component. Oxford Brookes, particularly, but also Warwick has institutional knowledge enhanced by the formal processes of committee structures and planning systems whereas knowledge at LSE is more informal and tacit, based in "having your feet under the table" and "street cred within the place" (P-D).

Sectoral knowledge is also accessible in the three institutions, but of a slightly different nature. At Warwick, this type of knowledge resides in a number of team members, whereas at LSE it is primarily a property of the Director, although this is supported by the public policy role of the School. The Oxford Brookes team tends not to see itself as so much involved in the decision-making processes at sectoral level, as negotiating the best deal from the dominant funding methodology. This may be historically-located in the lack of autonomy experienced by polytechnics during their period of Local Education Authority control, where they had less opportunities than universities to lobby as a sector, or to be involved in policy-making as individuals (cf. Johnes and Cave, 1994, on university cartels).

Formal analysis is used by all three organisations, increasing throughout the period of research at LSE and Oxford Brookes. At both Warwick and Oxford Brookes, it was predominantly for the purposes of linear convergence, being information to aid decision-making and monitoring and control, whereas at LSE it was for controlled

collegiality to enable negotiation and persuasion. These uses are consistent with the social contexts discussed in Chapter 6, where at the first two institutions, formal structures aid linear convergence. The collegiate organisation at LSE necessitates more oblique forms of monitoring and control, attainable through formal analysis which can be used for persuasion purposes.

The most significant factor about knowledge is that all three teams display a strong knowledge of their institutions, the position of those institutions within the sector, and the importance of formal analysis in supporting knowledge as a power base. As such, socially-embedded knowledge, derived as it is from different sources in different contexts, is a commonality within the three cases. It is one of the important building blocks linking TMT thinking and acting with organisational actions since knowledge is derived from, and influences, action (cf. Blackler, 1993; 1995).

5.4.3 Strategic intent

Consistent with strategic choice theories of process (Van de Ven, 1992), practice is conceptualised as a teleological activity (Turner, 1994), in that action is ends driven. However, this thesis does not assume that outcomes will be achieved in accordance with intent. Rather, it is proposed that, as actors are purposive and this is a component of their capacity to act, intent will play a part in stimulating action. With reference to the recursive nature of practice and the dialectic of control between agent and structure, it is probable that action will also influence intent. Thus intent is considered to be a property of TMT thinking and acting, which is also embedded within, and influenced by, the social context and strategic action portfolio, or chain of praxis, over time (see Sztompka, 1991).

In all three cases there is an overarching intent to be excellent and each is, by Times League Table rankings, the best of its type within the UK. However this does not indicate linear causality between intent and organisational outcomes as performance in pluralist organisations, is complex and multi-faceted. The main point is that the image of excellence leads to some broadly similar areas of intent in terms of research focus, income-generation and infrastructure to support other activities. However,

Oxford Brookes, due to the impact of HEFCE migration, is strongly focused upon specific processes for student recruitment which have income-generation possibilities. This is consistent with Mintzberg and Waters (1985) observations with regard to imposed strategies, to the extent that the environment has offered a limited set of choices for the University. While convergence has offered only two choices at a macro level, to return money or to grow student places, at a micro level of strategic practice, the team then has a range of choices for pursuing the latter decision. Intent, therefore, may be seen as boundarised, but not dictated, by the environment.

Both Oxford Brookes and LSE demonstrate some discrepancies between intent and action. At Oxford Brookes this is because one area of intent, that of research, is at variance with other objectives and with historical TMT goals. Practices such as the resource allocation model, which enables coherence in other areas of intent, constrain the pursuit of research, since funding is not allocated to stimulate research performance. The TMT displays an awareness of the problem by modelling new systems of resource allocation, but, as the team has not resolved collectively that research is a valid area of intent, practices had not changed at the close of data collection. At LSE, dissonance occurs because of the collegiate processes of resource allocation and monitoring and control. These processes sometimes lead to unintended consequences, such as excessive growth, resulting in changes to the social science composition of the School. Awareness of the problem has led to the development of information-processing structures which may aid coherence, such as the strategic initiatives spreadsheet and the Coordinator's Group. It is apparent in both cases, that dissonance between intent and action is related to organisational practices and structures, indicating the socially-embedded nature of intent.

Warwick, the youngest institution with the longest serving team, provides an example of how capacity to act is enhanced by the development of contextually-based practices which align with TMT intent. Objectives such as income-generation and capital development are sedimented in the institution, following their "save half, make half" (Clark, 1998) response to the 1981 Thatcher government funding cuts to higher education, which allocated a 10% cut to Warwick over a four year period. Capital development was facilitated by expanding student numbers and ample space occasioned by the greenfields university site. Concurrent with sectoral and contextual

stimuli, both areas of intent had a powerful champion in the TMT; the Registrar. He was influential in the development of Earned Income Group, the centralised income-generating committee (cf. Chapter 6), and in capital developments which are, in ideal type professional bureaucracies, an area for greater administrative discretion as opposed to areas that are traditionally academic territory, such as research or teaching (see Mintzberg, 1979). Therefore, consistent with the above cases, factors of social context and TMT agency may be seen to merge in the creation of intent. Capacity to act is associated with the TMT drawing upon, and thus reconstituting, practices which may or may not serve the espoused intent.

To sum up:

1. At Warwick, practices have been developed to support intent, aided by the age of the organisation and the stability and longevity of TMT membership;

2. At Oxford Brookes, practices support those areas which are part of collective TMT intent. Where objectives do not fall within the historically-derived goals of longer-serving TMT members, practices are resistant to change; and

3. At LSE, as the team has become aware that practices lead to actions which do not support intent, either the intent or the practices are being changed, albeit in ways that are compatible with the collegial context.

From this discussion, it is possible to derive four conclusions about strategic intent;

1. Intent emerges through a combination of factors such as response to the environment, receptive or stimulating institutional contexts, past actions and/or top-driven initiatives;

2. Whatever the origin of intent, even as a response to illiberal environments, there is choice about the way it is actioned;

3. Actioning occurs through the organisational practices available;

4. Practices are socially embedded and serve links between action, context and intent.

5.4.4 Information-processing

Comparison of information-processing shows that formal structures vary, although they are more prevalent at Oxford Brookes and Warwick. This is particularly the case at Oxford Brookes, where VAG is not only a legitimating forum but also a place for "full and frank discussion" (DVC). As VAG is a closed meeting, accessible only to the inner core and, recently, core team members, unless individuals are engaging in bilateral deals, there is less need to conduct business informally outside this forum. The Warwick team, in all its formal meetings, is attended by the periphery, thus decision-making must occur in an open environment of 17 people. This has both operational and political implications as it encourages the use of informal processes to reduce information to manageable amounts for presentation to the larger group. At LSE there is only the vestigial formal process of Sixth Floor Meeting enabling the TMT to meet as a group. All formal meetings occur in the presence of other actors from various levels of the organisation. Therefore, the team uses predominantly informal contacts as the main method for processing information.

All teams agreed that informal contact was very important for developing the details of strategy. That is, informal processes enable the discussion, negotiation and speculation, which is the background to formal procedures for the legitimation of actions. While informal contact was facilitated by physical proximity and social integration, it tended to be primarily issue-based. Issues show some evidence of team hierarchy, since inner core members and those core members with central support roles, such as the Finance Officer at Warwick, were more likely to be involved across issues, whereas lower status members were sometimes "not copied into things" (PVC, Warwick), in accordance with the issue. Similarly, at Oxford Brookes, the longer-serving DVCs were sometimes able to use their expertise to control or focus attention within the top team agenda (cf. Dutton, 1988).

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These phenomena illustrate the personal power-bases of individuals (French and Raven, 1968) and indicate political behaviour within the TMT (cf. Eisenhardt and Bourgeois, 1988, Pettigrew, 1973). However, power and politics inside the team are of less concern in this thesis than the way in which the team uses power collectively as a feature of thinking and acting. That is, power may be seen as a resource (Hardy, 1996, Pfeffer, 1994, Finkelstein, 1992) which the top team accesses as part of its capacity to act. Therefore, information-processing is important for collectively mobilising knowledge existing in individual members, accepting that this also enables mobilisation of bias (cf. Lukes, 1974; Pettigrew, 1973; 1985). This is an underlying premise of strategic choice theory (Child, 1972, 1997) and of the upper echelon perspective (Hambrick and Mason, 1984); that dominant coalitions are able to influence organisational behaviour and organisational outcomes because they have greater access to the rules and resources which are mobilised in matters of choice (cf. Whittington, 1989; 1992).

All three teams are effective in their information-sharing processes, particularly within the inner circle, enabling the team to act collectively within the organisation, for example; "I think SMT has a single voice in these meetings" (DVC at Strategy and Planning Committee, Oxford Brookes). It may also be seen that, where the team does not have consensus for various reasons, such as in the matter of research intent at Oxford Brookes, their collective capacity to act may be diminished. These findings, which support upper echelon and strategic choice approaches, do not imply absolute TMT hegemony. Capacity to act occurs within Giddens (1984:16) "dialectic of control", whereby subordinates are also able to access resources to influence the activities of their superiors. This is discussed in greater detail in the following chapters, where the inter-relationship between the TMT and social structures is examined.

5.4.5 Actioning

The three TMTs use face-to-face contact with the organisation as an important component of actioning, although with different emphases or purpose. Action at Warwick is facilitated by the formal structures of TMT-chaired committees which

deal directly with departmental heads. Supporting this, overlapping members of the TMT use 'hands-on' involvement with the organisation, based around the localised model of short lines of communication between a strong centre and strong departments. The face-to-face interactions enable negotiation within the power balance that is implicit in the notion of a strong centre and strong departments, referred to as a "sort of dumbbell" (Academic Registrar). To better comprehend this method of acting, it is necessary to consider the factors which make a department strong, identified in Chapter 6. At LSE, TMT interaction with the organisation usually operates through contacts which are one-on-one, or between individual TMT members and committees. Formal, centralised TMT approaches could be perceived as managerial behaviour at LSE, creating an automatic resistance, whereas individually stimulated networks, particularly those emanating from the Director, are more effective sources of action. Therefore, face-to-face interaction is the persuasive process by which causal powers may be deployed. "Because of this collegiate structure, there are relatively few areas that the Director can get his way, other than by persuasion" (APRC member). Oxford Brookes acts through a process of progressively formalised procedures, combined with consultative routines. Face-to-face consultation aids action by gaining organisational acceptance of TMT-initiated procedures.

Thus the three different patterns of actioning are based upon behaviour which is meaningful within the local context. This reinforces the concept of strategy as practice as socially-embedded, relying upon localised routines and frameworks of meaning. Actioning may be perceived as a managerial heuristic, relying upon known procedures, formal and informal, which have been found to effectively facilitate action. As thinking and acting processes are inter-dependently related, these heuristics reinforce aspects of top team processes, such as intent or information-processing structures, increasing the idiosyncratic nature of actioning.

5.4.6 Discussion of top team comparison

The above analysis suggests that the three teams are different in ways that appear contextual. That is, they draw upon different practices and different localised routines which are based in the different historical and cultural factors of their respective

organisations. However, each team is similar in drawing upon local knowledge of acceptable practices which are perceived to be an effective heuristic in putting strategy into practice. Therefore, the different patterns identified in this cross-case comparison are related to mutually constitutive top team processes of thinking and acting embedded within different social contexts. Thus, as framed in the theory of practice, and suggested in the management literature, there is a reciprocal relationship between top team interpretation, organisational context and strategic action. In order to better comprehend the nature of this relationship, it is necessary to investigate the context which forms the second level of analysis.

5.5 Conclusion

This chapter has investigated the first level of analysis, based around the sub-question; What are the TMT processes of strategic thinking and acting? First the constructs identified in TMT strategic thinking and acting were used to develop a narrative which described the behaviour of each team. The narratives and constructs were then subjected to cross-case comparative analyses. These indicated that, while constructs of team thinking and acting are mutually constitutive and inter-related, different patterns occur in different organisational contexts. Thus, teams have different, potentially idiosyncratic, strategic thinking and acting processes. However, they are similar in terms of their situated or contextually-based knowledge and capacity to act by drawing upon practices which have localised meaning. This finding is explained by the recursively situated and socially-embedded nature of strategy as practice; in order for top teams to pursue strategic action, they must be knowledgeable in, and able to draw upon, the practices arising from the social context. Chapter 6 furthers understanding of the embedded nature of TMT action in the practice of strategy through a detailed analysis of the organisational context of each case.

CHAPTER 6

HOW DOES ORGANISATIONAL CONTEXT INFLUENCE
STRATEGY AS PRACTICE FROM A TMT PERSPECTIVE?

This chapter examines the structural characteristics, both material and social, of each organisation. This should be read alongside Tables 3 - 1 to 3 - 3, which have specific details of the organisations in question, such as student numbers, income sources and discipline base. The chapter comprises two parts; within-case narratives and analysis of the resulting contextual patterns. First, the material and social ordering of each organisation is described through descriptive narratives based on the constructs identified in the analytic framework, Figure 3 - 3, and defined in Table 4 - 2. From these narratives, three distinctive patterns of organisation are distinguished, each of which is located within idiosyncratic practices and frameworks of meaning. Structural patterns are related to the patterns of TMT strategic thinking and acting as found in the previous chapter. Analysis shows that TMT behaviour is related to, and situated within, the social context of the organisation, and this relationship enhances the capacity for action, albeit within structural constraints. The organisational infrastructure assumes heuristic properties which are drawn upon by the TMT in action. Such localised heuristics facilitate particular patterns for acting, hence having a reciprocal influence on the actions taken by the top team.

6.1 Material and social structures at Warwick

6.1.1 History - position and path

Established in 1965, and intended to be relevant to industry, Warwick has a history of entrepreneurial and innovative action (Thompson, 1970, Shattock, 1991, Clark, 1998). The greenfield site with proximity to the West Midlands-based British engineering industry is favourable to capital development and for developing relationships with industry. The 1980s defined a period in which income-generating activities were

vigorously sought. For example, the following were developed: Warwick Manufacturing Group links with Rolls Royce and Rover, the Warwick Business School MBA programmes, the Science Park, and purpose-built conference centres. During this period the University also instituted its "save half, make half" (Clark, 1998) policy, in response to the Thatcher government's 10% decrease in funding over 4 years, instigated in 1981. A formal committee structure, known as the Earned Income Group, was developed to manage all sources of non-funding council income. These activities, and others such as pioneering the UK's first Graduate School in 1991, added to Warwick's entrepreneurial reputation and its asset base.

TMT references to history deal with key figures and entrepreneurial actions which have contributed to the prevalent success myth. Historical recall is strongly complementary to culture, supporting the entrepreneurial self-image and income-generating orientation of the University. For example, the first VC is referred to as "a pirate who would have killed for the University ... and that spirit has continued. The idea that you've got to go and get it for yourself, not be given it" (Pro-Chancellor).

6.1.2 Formal operating procedures

Consistent with the literature on professional bureaucracies, Warwick has a dual organisational structure (Mintzberg, 1979). While the administrative section of the University is structured as a standard machine bureaucracy, the academic faculties and departments are not arranged in a formal, hierarchical structure. Faculties are relatively weak structures, and departments deal directly with the centre on matters of resource allocation and monitoring and control. The specific procedures which enable co-ordination between the centre and the departments are Steering Committee, Joint Council and Senate Strategy Committee (JCSSC), Estimates and Grants Committee (E & G) and the Earned Income Group (EIG) (see Figure 5 - 1). Steering Committee is the fortnightly Monday morning meeting where operational and strategic issues are discussed. While it was not possible to observe this meeting, interviews, observations, and searches of minute books indicated that strategic actions arising in this forum are presented at JCSSC, if only to be legitimised. Strategic-level committees are chaired by the inner core of the TMT, with overlapping membership from the core and many

members of the periphery. This centralisation assists with monitoring and control, as well as with the integration of activities between committees. Table 6 - 1 describes the function of these committees, while Table 6 - 2 presents committee membership.

Committee	Function
JCSSC	• Official remit: To consider the inter-related questions of academic, financial and physical planning in order to advise he Senate and the Council on strategic issues for decision by the University (JCSSC Agenda, 1998). • Develops the financial plan, makes strategic decisions relating to growth, development and resource allocation, considers action plans, and monitors implementation of strategies in all the main areas of University strategic action.
EIG	• Manages and monitors all non-HEFCE grant sources of income, known as earned income activities comprising some 60% of gross income. • EIG monitors the four categories of activity: academic-driven; spin-off; stand-alone; and self-financing, quarterly and conducts an annual 'Challenge' review.
E & G	• A centralised system of resource allocation interacting directly with academic departments using a 'zero-based' model whereby departments must apply for the filling of vacant posts with resources transferable according to central priorities. • Traditionally, where posts are granted, the position reverts to a junior post, acting as a savings device and, indirectly, a source of embedding cultural values. • Shapes the University by implementing growth, retrenchment and efficiency gains.

Table 6 - 1: Function of strategic committees at Warwick University

Joint Council and Senate Strategy Committee (JCSSC)

The JCSSC is an important formal operating procedure in the pursuit of strategic intent. It is the forum which develops the financial plan, makes strategic decisions relating to growth, development and resource allocation, considers action plans, and monitors the implementation of strategies in all the main areas of University strategic action. These activities are aided by the financial planning process, as detailed in Strategic Artifact Box 6.1. While JCSSC is technically an advisory body, rather than a decision-making one, in practice, it is the central strategy legitimating body.

Lots of these things would end up at the University JCSSC which, supposedly, is an advisory committee but really is an executive hidden as an advisory committee. Because whatever it tends to recommend or advise, gets carried out by the executive committees at the end of the day (Former Senior PVC).

Committee	Membership
Steering Committee	VC in the Chair, 3 PVCs, Registrar, Academic Registrar, Finance Officer, Deputy Registrar, 3 Faculty Chairs, Chair of the Graduate School, President of the Student's Union
Joint Council and Senate Strategy Committee	VC in the Chair, 3 PVCs, Registrar, Academic Registrar, Finance Officer, Pro-Chancellor, Treasurer, Chair of the Building Committee (lay member of Council), Deputy Registrar, Estates Officer, 3 Faculty Chairs, Chair of the Graduate School, President of the Student's Union
Estimates and Grants (E & G)	Senior PVC in the Chair, Academic Registrar, Finance Officer, 3 Faculty Chairs, Chair of the Graduate School, 3 members of Senate, 1 from each Faculty
Earned Income Group (EIG)	Registrar in the Chair, VC (not a regular participant), Academic Registrar, Finance Officer, Senior PVC, Treasurer, Chair of the Graduate School, Deputy Registrar, Deputy Finance Officer, 2 Senior administrators, Academic representative from WBS and WMG, Director of the Science Park

Table 6 - 2: Membership of strategic committees at Warwick University

Earned Income Group (EIG)

The Earned Income Group (EIG), chaired by the Registrar, manages the income-generating activities of the University. It earns approximately 60% of the University's gross annual income, amounting to a consistent contribution of some 28% to operating income over the past 5 years. Regular management accounts are produced for most activities, including those which are academic-driven, and every activity comes under the annual five year planning process. The main monitoring mechanism is EIG, which meets five times a year to consider updates on activity performance against forecasts and historical trends. All activities have an annual Challenge meeting, at which their physical and financial forecasting is subjected to close scrutiny. The inclusion of academic-driven income streams within the remit of this committee is an indicator of coherence between intent and action. It illustrates that even in areas of academic activity, traditionally autonomous within 'ideal type' professional bureaucracies, Warwick has TMT-managed procedures for pursuing its income-generating intent.

Estimates and Grants Committee (E & G)

The Estimates and Grants Committee (E & G) is the body administering resources for academic purposes. It operates as a centralised system of resource allocation which interacts directly with academic departments, chaired by the Senior PVC. The system operates in practice as marginal budgeting, but it is, in principle, zero-based. Thus, if

a post falls vacant, the department must bid for its replacement, which may be re-deployed to fill a need in another department if this is considered a higher priority by the committee (E & G Briefing Paper, 1997/98). Where staff replacement is granted, it usually reverts to a junior post. This system of resource allocation is consistent with the entrepreneurial culture, discussed below, in terms of stimulating intra-organisational competition for resources. It both acts as a savings device and also assists in embedding cultural values through "growing our own" (Academic Registrar) bright young staff who go on to "become Warwick people" (*ibid*).

E & G also helps to shape the University by managing growth and retrenchment. Since 1995/96, it has implemented efficiency gains in response to decreases in student growth caused by the government capping of student numbers, changes in overseas student patterns of activity, and general deterioration in funding from public sources (E & G Briefing Paper, 1997/98).

Strategic Artifact Box 6.1: *The Financial Planning Process*

The financial planning process, is a key means by which the strategic committees can be integrated, and by which coherence between resource allocation and strategic intent can be provided. Additionally, it serves as a source of monitoring and control over courses of strategic action. The 5 year planning horizon operates as a built-in means of monitoring return on investment in areas of action. Where activities are observed to be performing below expectations over the planning period, the annual process alerts the team. Information is then used, in conjunction with other mechanisms for the practice of strategy, to lever greater influence upon the organisation, with stronger indicators built into subsequent years to reinforce a focus on performance in key strategic areas. For example, the resources arising from EIG are scrutinised during the annual planning round. In 1994/95, an EIG activity, research grants and contracts (RG&C), was noted to be a declining area of performance. This formed the basis for analysis of departmental performance in RG&C through the E & G committee in 1995/96. Results were fed back to JCSSC and financial incentives for performance were incorporated into the financial plan in 1996/97, with in-built monitoring in terms of return on investment for the incentive outlay. This ensured that RG&C was brought up for discussion in the 1997/98 financial plan. As the activity was still not meeting performance expectations, it was subject to greater internal analyses, external benchmarking exercises, and direct interaction between the TMT and the departments. Thus, the financial planning process integrates intent and action with formal operating procedures and top team thinking and acting.

The Senior PVC, who Chairs E & G, views his role as important in maintaining relationships within the organisation, encouraging Heads of Department to consult with him personally prior to submitting bids to E & G. While shadowing the Senior PVC, the informal negotiation process with a Head of Department was observed. Repeat observations at E & G showed that, with the exception of one department, the Senior PVC and the Academic Registrar, who services E & G, had an *a priori*

knowledge of all bids. The exception was not significant as a deviant case as this Head of Department has a special staffing arrangement, negotiated with the VC as part of his employment package. This confirms that the TMT's face-to-face method of acting noted in Chapter 5, does support formal organisational processes.

6.1.3 Culture

The TMT has strong perceptions of both the Warwick image and the Warwick identity. Culture has four main inter-related themes which can be subsumed under an overarching myth of success. First the organisation is perceived as entrepreneurial and innovative. This leads to the second theme which involves the stimulation of intra-organisational competitiveness. Here departments are expected to justify their resources and earn privileges, with low tolerance for non-performers. Thirdly, both arising from, and sedimenting, cultural values, the University has a preference for appointing young staff and developing them at Warwick; "We took risks with young Professors, rather than the safe pair of hands to entrust things to" (Former Senior PVC). The fourth theme is that the TMT perceives the organisation as pioneering and aspiring to compete at the highest level of the sectoral environment, referring to Warwick in the same category as universities such as Harvard, Berkeley, Cambridge and Stanford. Table 6 - 3 provides raw data to illustrate these themes.

6.1.4 Collegiality

At Warwick collegiality is related to the 'strong centre, strong department' model of acting, noted in TMT acting. Departments gain strength, or autonomy, through performance in the following areas, which are related to strategic intent:

1. Excellent performance in research;
2. Excellent performance in income-generation;
3. Excellent performance in teaching;
4. Strong departmental leadership combined with the above features.

This may be termed a centrality view of collegiality, consistent with Hackman's (1985) centrality model of resource allocation, based upon a contingency view of sub-unit power (Hickson et al., 1971), and a resource dependence perspective on ability to command scarce resources (Pfeffer and Salancik, 1978). Departments at Warwick have power and autonomy in their relationships with the top team in accordance with the centrality of their actions to the core business. This is enhanced when their performance in the core business increases their ability to command scarce resources from the environment. "Earned income activities give you autonomy, flexibility, and a stronger link. You're more of a stakeholder" (PVC). While strength and autonomy are facilitated by performance in all of the above areas, collegial notions of cross-subsidy are enabled by top-slicing revenue from higher-performers. This forms a central fund, allocated according to the priorities of the top team, including support of those departments which have less opportunity to generate income because of their discipline base.

Description	Examples
Overarching success myth	"There is a lot of shared understanding between members of the team in terms of the entrepreneurial culture and the innovative culture" (Senior PVC).
Entrepreneurial and innovative	"This is a University that has earned it's living rather than begged for it" (Pro-Chancellor). "It's able to spot novel ideas at the outset and go for it" (Former Research Officer). "The Warwick response to 'Look, I've got this idea' is; 'Tremendous. Let's give it a go'. Not looking at all the down sides" (PVC).
Intra-organisational competitiveness	"The view that an RAE rating of 3 was not an adequate research performance" (JCSSC minutes, 1993). "The best enterprises often start in garages and grow, not having all the facilities first" (EIG obs., 1998). "We're not going to tolerate second rate anything" (Pro-Chancellor).
Grow your own staffing policy	"Take alpha beta-ish kind of people and, because of the thriving atmosphere of the place, they get ahead of their contemporaries" (Registrar). "We like to think we can try and find our own talent" (Academic Registrar). "You need very bright young people that challenge everything. Really it's youth. The fresh arterial blood of youth" (Former Senior PVC).
Pioneering and competing with the best	"Typical Warwick. They've thought of something and they've jumped ahead of the game" (Academic Registrar). "It [Warwick Research Fellowship] was something new. Warwick likes pioneering" (Finance Officer). "We've interviewed people, declared them all hopeless, then had them get personal Chairs elsewhere on the strength of their being interviewed at Warwick" (E & G, obs., 1998).

Table 6 - 3: Examples of the TMT perception of culture at Warwick

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6.1.5 Localised Routines

Localised routines at Warwick are subsumed within the 'strong centre, strong department' model of acting with short lines of communication between the centre and the departments. Metaphorically, this routine may be likened to a stellar constellation with the centre being orbited by departments. If either the centre or one of the departments loses its orbital relationship, the other bodies will also be affected. The gravity holding this constellation together is mutuality, based on the entrepreneurial culture and collegiality wherein departments remain autonomous to the extent that their actions are central to core business. The orbital relationship is maintained by a process of mutual support for mutual benefit. This is reinforced by a combination of top-slicing and profit-sharing mechanisms to provide greater incentives to high-income generators, whilst enabling the financing of strategic initiatives and cross-subsidy of departments with lower income-generating capacity. These systems provide the TMT with coherent processes of monitoring, control, and resource allocation with which to control the departments. However, strong departments counter-balance central control because of their performance in the core business. Thus the activities of an income-generating department with strong research performance are discussed in the following terms:

> The question is whether it's a gain to the University's central account or a gain to the [Department]. We will have to have a discussion with the [Department], who will no doubt have their own views (JCSSC obs., 28/10/98).

In dealing with strong departments, particularly in 'troubleshooting', the centre operates its controls in conjunction with face-to-face contact between the TMT and departmental members, highlighting the importance of the interactive pattern of actioning, identified in Chapter 5, to support the more formalised control systems. Localised routines are complemented by the formal structure of weak faculties with direct links from TMT-chaired committees such as EIG and E & G to departments. They are also associated with culture and collegiality in terms of the features which give Departments strength and autonomy within a competitive, entrepreneurial culture. As such, localised routines serve coherence by underpinning the other social structures within which strategy is practised.

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6.1.6 Summarising the pattern of social structures at Warwick

The overview above shows the inter-dependence of the structuring parameters, with coherence between historical aspects of position and path, formal operating procedures, culture, and collegiality, manifested in, and underpinned by, localised routines. Committees for strategic decision-making, financial planning, monitoring and control, and resource allocation are centralised. There is a centrality model of collegiality based around performance which supports university-wide goals. Elements of Handy's (1981) power culture are implied by the localised routine of short lines of communication between the centre and the departments, facilitated by strong personalities in both TMT and departments. Departments are able to 'buy in' to the organisation and retain autonomy through their excellence in areas of strategic intent. Thus structuring characteristics are strongly inter-dependent, indicating that the production and reproduction of social structures remains deeply sedimented, intensive and recursive in nature.

6.2 Material and social structures at LSE

6.2.1 History - position and path

LSE was established in 1895, coming under the federal structure of the University of London in 1900. Its mission was "to contribute to the improvement of society by promoting the impartial study of its problems and the training of those who were to translate policy into action" (Calendar, 1997/98:19). London is an attractive location for international student recruitment, which is important to the School's image as a global player and its income-dependence upon fee-paying students. However, the site also has constraints in terms of expansion, space allocation and site refurbishment. During the 1980s and the first half of the 1990s, sufficient buildings were acquired for teaching purposes, providing numbers remained relatively constant. Financially the School is limited by its discipline base, as Social Science subjects are generally in the lower brackets of higher education funding. Additionally, reliance on non-HEFCE

fees for 40% of income, frequently from 1 year Masters courses, contributes to a short-term instability in relation to the funding base. Space constraints and unpredictable sources of income have become important strategic concerns. In an attempt to justify and increase interest in alternative sources of income generation, such as the offering of advanced management programmes, the TMT has recently begun to draw upon the School's origins of relevance to society.

LSE has a reputation for academic excellence. It houses the British Library of Political and Economic Science, a national resource in which the institution takes pride. Academically, it has nurtured many eminent contributors to social theory and policy, such as Sir Karl Popper and Lord Robbins. Historical recall is strongly complementary to the perception of excellence. The School's academic reputation and contribution to social policy is a source of pride, affection and identity, as is its anomic nature (see Newby, THES, 20/6/1997). Anomie and excellence are referred to simultaneously, implying that they have a symbiotic relationship.

> It is rather like an anthill here, but with ants that don't cooperate all the time. I am quite surprised that LSE works as well as it does. A lot of people are incredibly loyal to this place, so they make things work, even though their resources might not be there. I wouldn't like to spoil the anthill. (P-D)

6.2.2 Formal operating procedures

Despite vestigial links with the University of London, LSE is separately funded and functions as a small, independent university composed of social science departments and research institutes. There are no faculty structures. Administration, which follows a bureaucratic model, was restructured in 1994/95 into 8 separate divisions. The intent of this change was to remove some line management authority from the Secretary, whilst leaving her as the head of administrative services. This was attributed to the highly collegial nature of LSE, which perceives power in the administration as innately threatening; "Academics are always paranoid about administrators" (VCAB).

There are approximately 60 formal committees of which the main governance body is Court of Governors, which delegates its powers to a smaller Standing Committee. Within the School, the body for academic governance is the Academic Board. However, in 1992 the Academic Planning and Resource Committee (APRC) was established as a committee of the Academic Board. It's purpose was to administer resource distribution and issues of academic planning, referring its recommendations to Academic Board for decision. Figure 5 - 2 is a diagram of the main committees with strategic influence at LSE. Their functions are described in Table 6 - 4, while committee membership is detailed in Table 6 - 5.

Standing Committee

As the Court of Governors is too large and meets too infrequently to discharge its governance role, it delegates responsibility to a smaller Standing Committee. "In substance Standing Committee performs most of the functions which would normally fall to a governing body" (HEFCE Audit, 1997:3). While the Standing Committee is strategically influential, it delegates its powers to the Director because three meetings per term do not allow issues to be dealt with fully. It tends, after discussion, to approve issues with which it is presented. However, it can, and does, send decisions back for re-consideration where it does not find them acceptable. Thus, while not an executive body, Standing Committee does have the potential to make an active contribution to the strategy process.

Committees	Function
Standing Committee	Acts as a governance body, reviewing, authorising, and legitimating strategic actions.
Academic Board	Collegial committee which is influential in either authorising or vetoing strategic actions.
APRC	Collegial body, making recommendations to Academic Board, responsible for: • reviews of departments every 5 years, to determine their resource allocation; • student number and fee-level planning; • annual resource distribution exercise for recurrent and non-recurrent resources; • interfacing with strategic School committees such as the Finance Committee, reporting to Standing Committee, and receiving reports from other committees; • medium-term future planning of the shape and size of the School.
Planning Team	Administrative committee which develops the Strategic Plan, the supporting Strategic Initiatives Spreadsheet, the management information and physical and financial resource planning necessary to action initiatives.

Table 6 - 4: Function of strategic committees at LSE

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Academic Board

The Academic Board is the principal academic governance body of the School. Although not involved in the details of strategy formation, it approves recommendations from APRC and wields considerable influence, particularly in its ability to block strategic initiatives. For example, when the Academic Board was resistant to the strategic vision presented by the previous Director, it "proposed a series of resolutions which altered the way in which his vision would be handled. They blocked it in that sense" (Snr. Asst. Secretary). While the Academic Board is generally an acquiescent body, particularly under the current Director, with whom there is a climate of trust, it has a strong strategic influence where issues offend the consensus culture.

Committee	Membership
Standing Committee	Chair and Vice-Chair of Court of Governors, Director, 2 Pro-Directors, Secretary, Vice Chair of Academic Board (VCAB), Vice-Chair of Appointments Committee (VCAC), 6 Lay Governors, 6 Academic Governors, a Student Governor, Secretary of the Student's Union, serviced by the Senior Assistant Secretary
Academic Board	Director in the Chair, VCAB, Secretary, all academic staff tenured or having completed more than a year of academic service, 4 student members
Academic Policy and Resource Committee (APRC)	Director in the Chair, Pro-Director for Internal Affairs as Vice-Chair, Pro-Director for External Affairs, Secretary, VCAB, 4 professorial and 4 non-professorial academic staff. In attendance; Finance Officer, Academic Registrar, Planning Officer, Librarian, serviced by Assistant Secretary to Planning Office
Planning Team	Secretary in the Chair, Senior Assistant Secretary, Planning Officer, Assistant Secretary to Planning Office, Finance Officer, Academic Registrar, Estates Officer, Head of Personnel, Head of Research and Contracts. In attendance; Executive Officer to the Director.

Table 6 - 5: Membership of strategic committees at LSE

Academic Policy and Resource Committee (APRC)

The APRC was established in 1992 as a committee of the Academic Board. It originated as a structural response to a feeling that the academic body was not being sufficiently consulted on strategic matters. It has evolved into the main body for implementing strategy within the School, reporting termly to the Academic Board in order to have its recommendations approved. In practice, the APRC has few powers, but retains high levels of operational responsibility. It enables strategy because it

complies with the collegial ethos. However, it is constrained in its ability to act because it lacks any clear system of reward and, in particular, sanction.

> Ever since we started we tried desperately to find something to shut down. Some bit of macho management that could show we meant business and we never succeeded. We never shut anything down. We never laid anybody off. We never sacked anybody. In a sense because, being insiders, we knew what our limitations were (APRC member).

Due to weakly-sanctioned control systems, the APRC generates formal analysis for the purposes of controlled collegiality (Langley, 1989; 1990), shaping the School in a manner that is consistent with a consensus culture. For example, non-cash resource allocation systems, discussed in Strategic Artifact Box 6.2, have been developed in an attempt to reduce departmental spending and encourage income-generating activities. These systems are designed to stimulate departments to take control of their own resourcing processes. "It [APRC] feels that the more responsibility you give departments, the more responsible they will be in terms of how they spend" (Finance Officer).

Strategic Artifact Box 6.2: Non-cash resource allocation systems

Minimum Staffing Levels (MSLs) were developed by the APRC in 1992/93 as a points-based staff resource allocation system for academic and academic support units, based upon their 5 yearly rolling reviews. Within this points-based system, staff appointments may be made at the discretion of the unit. In 1994/95, Fee Deals were established which enabled academic units to gain extra MSLs by recruiting more full fee-paying students. This system was subsequently found to be inflationary, contributing to increased staff, students and space constraints.

The Operational Pounds Per Point (OPPP) formula is another non-cash points system devised by APRC for implementation in 1998/99. It represents the income earned by a unit, net of various costs such as space and administrative charges, divided by the unit's total MSL entitlement. OPPPs for different units are disseminated to Departmental Convenors, creating greater transparency about performance. Although no formal sanctions accrue to lower OPPP departments it is "meant to be a fairly flexible operation that deals with contraction and growth, that brings some kind of responsibility to departmental level" (Senior Officer). Transparency constitutes a form of "re-integrative shaming" (VCAB), upon lower performing departments.

Planning Team

The Planning Team, chaired by the Secretary and comprised of the senior administrators, is not a formal decision-making body within the School. It is designated to develop the Strategic Plan, the supporting Strategic Initiatives Spreadsheet, the management information and physical and financial resource

planning necessary to action initiatives. While these documents are not 'owned' by the School at large, they are a coordinating mechanism for keeping track of strategic activities and directions. As such, they may be obliquely influential in organisational change, as discussed in Strategic Artifact Box 6.3. The Planning Team is an indicator of what is sometimes termed the "apartheid society" (Committee obs., 1998), whereby administrators are required to support the various committee networks, whilst appearing not to be involved in decision-making on academic issues. Although not formally influential, the Planning Team is important to the practice of strategy because it provides 'behind-the-scenes' administrative support to the academic business of the School.

Strategic Artifact Box 6.3: The Strategic Plan

The Strategic Plan, which traces changes in the organisation and "describes the direction we're going in" (Planning Officer), is an example of the way in which artifacts may influence intent and direction. For example, LSE has a long history of funding pluralism in its social science balance;

> The use of cross-subsidy to maintain its essential character is well-established, where core disciplines are threatened by transitory shifts of student fashion or external funding policy. (1996 Strategic Plan)

This tradition was maintained in the 1997 plan, expressed as an intent "to safeguard the balance of the School – it's range of disciplines." However, responses to the increasingly illiberal environment, combined with analysis of actions such as growth, which had unintended consequences on the student and disciplinary balance, are reflected in the wording of the 1998 plan, as illustrated in the following extract.

> A3/1: Review the School's coverage of the Social Sciences;
> A3/2: Cross-subsidise un-numerative but academically desirable subjects (see B3/3);
> B3/3: Review relevance of broad areas of activity (see A3/2).

Thus, the Plan is an artifact in subtly shaping the direction and composition of the School over time, albeit without necessarily having been a purposive act at the outset. As changes, possibly of an un-intended nature, are documented in the Plan, they assume a more concrete policy nature, which may then serve as the basis for further change.

6.2.4 Culture

At LSE, image and identity are entwined with an overarching culture of consensus, which has four main inter-linked sub-themes. First, autonomy is a feature, at both an individual and an academic community level, based on the collegial notion of a community of equals; "we're all generals" (APRC member). This is manifested in an

avoidance of overt power structures. Secondly there is a "habit of consultation, based on convention" (Handbook for Convenors) which is deeply sedimented within the organisational culture. Consultation is expected as an integral part of the strategy process, even where there is a climate of trust or an idea is considered sound. Thirdly, autonomy and consultation are perceived as symbiotic with the School's academic excellence. This is supported by the tenure procedures, which involve very rigorous peer appraisal by the School community. To have attained tenure at LSE is an important rite of passage, symbolising academic credibility and, ergo, a right to autonomy and individualism. Therefore, any managerial infringement upon autonomy is perceived as innately threatening to academic excellence. Balancing these three features of consensus, the Director, who has formal authority as delegated by the governing body, is accorded symbolic or socially-negotiated power by the academic body. "There is a tradition that you try and oblige the Director if you can" (P-D).

Description	Examples
Overarching consensus culture with symbolic power of the Director	"In style it is like a college where you do things by consensus" (APRC member). "Directors have generally come unstuck when they've tried to impose a sense of direction upon the institution, rather than one emanating from below" (APRC member). "There is an understanding that you've got to have pretty good reasons to stand against things that the Director would like""(APRC member).
Autonomy and power avoidance	"LSE has never wanted to have a very strong hierarchy of being told what to do. They like to think they are developing things on a consensual basis" (P-D). "Even the Director, by custom and practice, is constrained to exercise the authority he has" (P-D). "We should never allow our liberties to be taken away and be over-centralised. We do not want too many efficiency experts telling us what to do all the time" (APRC member).
Consultation	"The powers of the Governors are all exercised by the Director, but ... in exercising these powers he has come to act in close consultation with the Board" (Handbook for Convenors).
Academic excellence, symbiotic with autonomy	"A crucial thing about the School is a certain looseness, a certain ability for 1000 flowers to bloom" (APRC member). "We recruit very good people because it is a free non-coercive atmosphere which is highly conducive to research" (P-D). "At LSE the carrot is, you're in a good place. You should be pleased to have good students to teach and good colleagues and a good library" (APRC member).
Tendency to inertia	"They [the TMT] could come up with ideas but the ideas have got to go through all these committees and it takes a long time. Byzantine is a phrase that's used from time to time" (VCAC). "Decisions are made by people coming to the same conclusions, sometimes slowly" (Academic Registrar).

Table 6 - 6: Examples of the perception of culture at LSE

Evidence of cultural traces may be seen in formal structures, particularly the APRC, which was established as an academic self-governing body to constrain managerial power. The numerous committee structures through which ideas must pass before they can be approved is also a formal manifestation of culture. Extensive committee structures both ensure adherence to the consensus process and provide a balancing mechanism to prevent power in any single structure from becoming dominant. This leads to the fourth element of culture, inertia, arising from the slow pace of change imposed by the consensual approach. Table 6 - 6 provides raw data to illustrate features of culture.

6.2.4 Collegiality

At LSE there is an 'ideal type' concept of the collegiality construct based on four main themes:

1. self-governance, facilitated by both informal and formally elected opinion leaders who protect the academic interest. For example, the Vice-Chair of Appointments Committee (VCAC), represents the academic body on Standing Committee and is perceived as "one of the old LSE types, not given to commercially induced whims or undermining of academic standards" (APRC member);

2. academic discourse, in the sense that LSE is perceived as a community of scholars who enrich each other academically as colleagues;

3. cross-subsidy of departments to ensure that the School is represented across the whole range of Social Science disciplines;

4. resistance to change, except where the change initiative has been subjected to the consensual process.

Due to strategic actions in response to the economic climate, this type of collegiality is currently under threat. For example, the reliance on one year fee income has a tendency to favour growth in those departments which are able to attract high-fee paying Masters students, potentially distorting the balance of social science disciplines. Secondly, competition for quality staff in areas such as Economics and Accounting, from both industry and USA universities, leads to differentiated pay

scales in order to retain the best staff. Differentiation in pay contravenes the notion of a community of scholars employed on an equal basis. Finally, the organisation is currently undergoing considerable change, and is becoming more managed in so far as the TMT has expanded and a proliferation of strategic initiatives are being implemented, emanating from the Director. While this is being conducted in a manner which does not offend the culture, it is nonetheless at variance with the collegial principle that "LSE runs itself" (APRC member). The change is expressed in the Director's view that LSE has "to have a balance between collegiality, democratic involvement and leadership" (Director).

6.2.5 Localised Routines

Localised routines at LSE may be summarised as a system of checks and balances which ensure collegial principles and prevent an ascendance of power within any constituency in the organisation. "There is a long tradition at LSE of checks and balances so all the committees have been there to marginalise power" (P-D). This underpins the extensive committee structure, the power of the Academic Board to block strategic action and the dominance of a consensus culture. APRC is an example of how the localised routines are manifested. It was developed to "restrain other elements in the School" (APRC member), but given no formal power of sanction, needing to justify its actions to Academic Board in order to pursue them. As such, the APRC is required to use Langley's (1989; 1990) controlled collegiality forms of communication and information techniques to shape the organisation, rather than direct forms of monitoring and control. Operating procedures, such as the non-cash resource allocation systems, act as "integrative shaming" (VCAB) devices which encourage departments to adopt resource-efficient practices. "One's goal is not to lead the place and not to manage it but to hold a mirror up to people and get them to want to do it" (APRC member). In other words, checks and balances necessitate indirect forms of influence, indicating one reason for the TMT method of acting through iterative webs of contacts (cf. Chapter 5).

6.2.6 Summarising the pattern of social structures at LSE

LSE is a consensus-based organisation in which autonomy and consultation are highly valued and authoritarian forms of leadership and overt power are resisted. This is reflected in the formal operating procedures which serve to reinforce consensus and minimise power through a system of checks and balances. However, this image of anomie is counter-balanced by the symbolic and socially-negotiated power accorded to the Director. The looseness of structure permits strategy to emerge from all levels of the organisation and, where ideas are negotiated through the committee structures, to be implemented. However the dominance of checks and balances also creates a degree of inertia, both through formal structures and through entrenched attitudes to change; "Collegiality insists that sudden change should be resisted" (Academic Registrar). As traditional cultural and collegial principles are subject to change, in response to environmental pressure and TMT actions, there is evidence of "a conflict between efficient management and the traditional expression of academic discourse" (APRC member).

6.3 Material and social structures at Oxford Brookes

6.3.1 History - position and path

Oxford Polytechnic was incorporated as an autonomous institution, funded separately by the PCFC, in 1989. The Oxford location is desirable for national and international recruitment. However, it is not situated within a traditional polytechnic or new university market, such as an industrial conurbation. The site is also a constraint in terms of expansion and the City Council requirements that the University provide a residential space for every full-time, non-local student. The Polytechnic was financially sound at the time of incorporation, although without high reserves as, in the final year of National Advisory Board (NAB) funding, the Council declined to restore the institution's reserves and reduced its expenditure by £135,000. To address this, some income-generating activities were initiated, such as conference activities

full-cost courses, professional development initiatives and overseas student intake. Academically, the Polytechnic had an excellent reputation for teaching and learning, having pioneered modular programmes in the 1970s. It had high recruitment levels, with approximately 15 applicants per place, and had strong graduate employability. The sound asset base and good polytechnic reputation were the foundation for the 1992 change to Oxford Brookes University; initially a change in name only, and not a change in the mission.

Historical references show that the institution was not oriented towards strategic planning, pursuing funding-based strategies which maximised income and asset base. "We would just go the way the funding system led us. It was very opportunistic" (DVC). The comfortable asset base, history of pioneering in teaching and learning, and successful academic reputation is referred to as a source of pride. "We have been hugely successful over the last 10 years, and are looking to build on that success for the next 10" (Board of Governors obs., 1998). However, success is also seen as a source of academic complacence and inertia. "It had something very good going for it 25 years ago. It still thinks of itself as innovative" (PVC).

6.3.2 Formal operating procedures

One noteworthy feature of structure at Oxford Brookes, which may be related to non-academic dominance in the TMT, is that academic Schools and administrative Departments have equal status. "One of the things that SMT strongly believes is that there should be equality between our Heads of Schools and our Heads of Departments" (Head of Department). This is considered to enhance the quality of student support and services and improve University-wide initiatives and linkages, because Departments are aware of cross-School issues. It is a flat hierarchical structure with 15 academic Schools and 16 administrative Departments, each maintained as a separate budget centre reporting directly to the TMT. In order to minimise points of contact for the TMT, restructuring is currently being considered through the merging of some Schools, based upon the financial viability of smaller Schools, and some Departments, based on size and complementarity of functions. Formal operating procedures with strategic influence are the Board of Governors,

Vice-Chancellor's Advisory Group (VAG), Academic Board, Strategy and Planning Committee (SPC) (see Figure 5 - 3) and the Strategic Planning Cycle. Their functions are described in Table 6 - 7, with committee membership detailed in Table 6 - 8.

Committee	Function
Board of Governors	Responsible for the administrative and management accountability of the institution, particularly in terms of financial audit.
VAG	Core executive body for dealing with strategic and operational decisions and actions.
Academic Board	Formally responsible for approving the strategic plan. However, in practice, is mainly a forum for canvassing opinion and input on areas of 'academic territory'.
SPC	A sub-committee of the Academic Board which is responsible for considering the Strategic Plan.
Strategic planning cycle	The major coordinating mechanism, integrating strategic directions, implementation, resource allocation, monitoring and control in a single, cohesive procedure.

Table 6 - 7: Function of strategic committees at Oxford Brookes University

Board of Governors

Following incorporation, Oxford Brookes established the smallest Board of Governors constitutionally permissible (Bastin, 1990), with the aim of involving it in the strategy process; "I think that we succeeded in developing a strategic role for the Board" (Former VC). The Board meets 6 times per year to discharge its responsibility towards the administrative and management accountability of the institution, notably in terms of financial audit. There are also 3 informal strategy days, one each term, at which the Board and the TMT meet to discuss broad thematic 'steers' [direction-setting parameters] for the University. The TMT tends to put ideas to the Board for discussion, rather than the Board imposing direction, although there are examples of the Board being strongly influential on matters of financial viability, such as the migration strategy to grow rather than to return funding. These decisions have clear implications for strategies related to income-generation, resource allocation, and efficiency gains. However in terms of the practice of strategy, the relationship with the Board of Governors may be summed up as follows:

> In agreeing the strategic directions and priorities the Board of Governors will look to senior management to provide a clear steer.....we are charged with providing the lead, and the board has in my experience been confident in the direction of the strategic advice and analysis given...whilst offering their own insight and

contribution on important aspects, you would not expect that governors who have this confidence would overturn the proposed strategic directions (DVC).

The Board delegates responsibility to the VC as CEO, working with the support of the TMT, to implement policy and "develop and manage the University's business" (Annual Accounts, 1997/98:10).

Vice-Chancellor's Advisory Group (VAG)

VAG is the weekly meeting of the TMT, chaired by the VC. This is the executive body for the practice of strategy. "It's really where we set the agenda. That's the core executive team and that's where we decide what sort of policies we are taking through; what we want to do" (VC). At VAG, thematic 'steers' from Board of Governors are developed into specific strategic directions. Financial and other resource parameters are established for inclusion in the strategic planning cycle, and decisions are made regarding priorities for the year. From this, action plans for strategic and operational issues are developed. VAG is a closed group consisting of only the TMT in the decision-making process, although there are committee and planning process mechanisms for canvassing wider opinion and the outcomes of VAG decisions are communicated to the University

Committee	Membership
Board of Governors	Lay member in the Chair, VC (ex-officio), 6 independent Governors, 4 co-opted Governors from academic and support staff, President of the Students' Union (ex-officio), attended by 3 DVCs, 2 PVCs, and Finance Officer
Vice-Chancellor's Advisory Group (VAG)	VC in the Chair, 3 DVCs, 2 PVCs, attended by Head of Planning and Market Research
Academic Board	VC in the Chair, DVC for Academic Affairs, PVCs (all ex-officio), 16 academic staff, 6 support staff, 8 Students' Union members, up to 2 co-opted members
Strategy and Planning Committee (SPC)	VC in the Chair, DVCs, PVCs, Dean of the Modular programme (all ex-officio), 4 academic staff, 3 support staff, 3 Students' Union members, attended by Head of Planning and Market Research

Table 6 - 8: Membership of strategic committees at Oxford Brookes University

Academic Board

The Academic Board, chaired by the VC, has a formal responsibility to consider the Strategic Plan before it is presented to the Governors. However, by the time the plan is tabled at Academic Board, it has also been tabled for Board of Governors, so that input could only go forward as an addendum rather than as working input to alter the plan. The Academic Board has a sub-committee, Strategy and Planning Committee (SPC), at which there is an opportunity to discuss the Strategic Plan in more detail. While the Academic Board does not actively contribute to the planning process, it may be influential on implementation of issues within academic-related areas, such as the restructuring of the academic year, discussed in Chapter 7. Academic Board input into strategy is at the level of canvassing opinion and communicating strategic directions; "It's a forum, a touchstone for really problematic things" (DVC).

Strategy and Planning Committee (SPC)

SPC is a sub-committee of the Academic Board, which considers the Strategic Plan. The TMT presents the Strategic Plan, reporting on strategic directions, financial parameters and operational details, such as restructuring the academic year or developing a collaborative provision framework. Discussion then follows a question and answer format between SPC members and the TMT, resulting in a discursive justification of, rather than participation in, the Strategic Plan. The TMT have commented after some meetings that the process does not generate much input into strategy. However, procedurally, SPC appears more as a forum which disseminates information and legitimates strategic action than as a committee which forms strategy. This paradox was under some discussion in reconsidering the roles of committees.

> The way we approach things like Strategy and Planning Committee is all wrong. Either we want people to be giving strategic clues, directions and so on, in which case we need to foster a discussion, or we are in the business of processing papers and decisions to move on to some other stage of legitimacy, in which case it is a business meeting (PVC).

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Strategic Artifact Box 6.4: *Annual timetable for the Strategic Planning Cycle*

October

Strategic directions are considered at VAG, based on steers arising from discussions at Governors Strategy Day. Staff input is canvassed through a 62 point questionnaire administered through small meetings between Heads and the TMT.

November

The questionnaire results are used as a basis for TMT presentations at Staff Strategy Day.
Financial and student number parameters are set, incorporating both staff-time and financial efficiency gains to be met over the budget period.
The TMT meets with Heads whose budgets will be adversely affected by under-recruitment.

December

The planning framework document is circulated to Heads. Each School and Department is required to prepare a planning submission comprising the following four elements:

1. Strategic Planning Statement;
2. Five Year Budget Plan;
3. Two year Operational Plan; and
4. Draft Planning Agreement.

The Operational Plan must also include a review of achievements over the previous year, supported by evidence, in the case of Schools, from School Review and Planning meetings, and an evaluation of the extent to which objectives have been met.

January/February

The Finance Department works with Heads of Schools and Departments to develop and monitor budget proposals.
Heads submit 6 copies of the above documents to the TMT
A minimum of two TMT members and the Head of Planning and Market Research, meet with each Head to go through their plan in detail.

March/April

All the bids and strategic issues arising from the above meetings are brought together in a single document for discussion at VAG, including any University-wide issues.
VAG meets 4 or 5 times in a short period to develop the financial, strategic and operational plans for the University.
Resource allocation and action plans are drafted.

May

The budget, strategic and operational plans, together with the executive summaries and planning agreements, are considered by SPC, Academic Board and Board of Governors, with the Trade Unions consulted. After this, final planning agreements are set and circulated, with executive summaries, to all Heads of Schools and Departments.

June/July

Heads, Deans and PVCs with University-wide remits have access to School and Departmental plans to produce overview documents.
The Strategic Plan and Financial Forecast are submitted to HEFCE.

The Strategic Planning Cycle is the major coordinating mechanism for the practice of strategy at the University. Established by the incoming DVC for Academic Affairs in 1995/96 to integrate strategy and resources within a comprehensive planning process, it provides a formal mechanism for bringing together resources and initiatives from every School and Department into an umbrella strategy for the University. Operating on an annual cycle, the plan incorporates strategic directions, financial parameters, student numbers, target-setting, budget allocation and review of performance within a single procedure. At all points, the process refers back to the TMT, who make the decisions, using the planning cycle to gather information, canvas reactions, disseminate results and monitor performance. Although TMT decision-making processes are closed, documentation and output from the process is highly transparent and widely communicated. The Strategic Planning Cycle procedures and its linkages with the strategically influential committees, are described in the summary of the annual timetable in Strategic Artifact Box 6.4. Tightness of the timetable creates substantial time pressure in terms of decision-making and action.

6.3.3 Culture

A Coopers & Lybrand report in 1988 sums up the Polytechnic culture as characterised by staff who "have a sense of involvement ... lively intellectual debate of the issues, and generally good working relationships." However, they note that these staff are academically-oriented, not entrepreneurial, slow to perceive change and believe that they are protected from the harsh realities of the world. In the current study, the culture was portrayed more in terms of internal identity rather than external image, which may be related to the ambiguity over strategic intent, discussed in Chapter 5. The culture is characterised by four main features. First, it is considered a friendly, pleasant place to work, where staff are fairly happy and non-conflictual. Secondly, pride in the "Brookes heartland of teaching and learning" (PVC), is reflected in the student-centred ethos. Thirdly, it is expected that information will be shared and there are a number of committees which act as mechanisms for discussion and communication. However this should not be confused with participation as there is

also an 'us and them' dynamic in collective staff relationships with the TMT, where staff, particularly academic staff, feel they have no real input into decision-making. Finally, the culture is complacent and resistant to change, which is partially ascribed to the "kind of benign autocracy" (PVC) of the former VC and the sound financial management of the TMT which ensured that "there was no crisis because they were insulated from reality" (Former DVC).

Description	Examples
Pleasant and non-conflictual	"It is probably the most congenial place to work that I have come across. On the whole, almost everybody that you have any dealings with are pleasant, obliging and, if they can be, helpful" (PVC). "We don't like making people redundant. We're a people organisation" (DVC). "I find this a very friendly University" (PVC).
Student-centred excellence in teaching and learning	"And this is in a world where many of the major players are on a much bigger income than us" (DVC on excellent TQA ratings, Academic Board). "Commitment to the students was tangible and well meant and a lot of people did more than they had to do to commit to that regularly, which is not easy to do year after year" (Former DVC). "Academic considerations are felt very strongly" (Departmental Head).
Information dissemination but with an 'us and them' undertow	"Issues are shared and the direction we head off in is not one that is necessarily dictated by us from the top" (DVC). "While we may come through with the exciting initiatives, it's difficult to get academic Schools to come on board" (Governor's Strategy Day). "There is a huge meeting culture here. It is because the place feels it needs to be democratic and that, somehow, if you have meetings about things, there is this element of participation and democracy at work" (PVC). "There is very much a 'them and us' atmosphere here" (VC).
Tendency to complacency and inertia	"The land that time forgot. The world is all swirling around over there. There is a motorway up there but these guys [Oxford Brookes] are over here. They are in the service station" (Former DVC). "It is not hungry. It has not been hungry" (PVC).
Changing to a Corporation model	"One of the most successful things has been the degree to which the planning cycle has got embedded in University culture. I have been surprised at how people have said, I want more direction, more central direction" (Departmental Head). "This year in the planning process, we've tried to be a little more directive at the centre, to provide [research] leads" (VC). "An [internal staff appointment] is a proactive stance to bringing up the School's research performance in the way we now know must happen" (Head of School). "The Winning Approach is about a whole range of activities that a School has to score well on" (DVC).

Table 6 - 9: Examples of the TMT perception of culture at Oxford Brookes

This culture is changing through bottom-up initiatives from the staff as well as through deliberate TMT actions. The relatively recent University status, following on quickly from autonomy from the NAB, provided a receptive climate for developing a purpose or mission for Oxford Brookes. This is compounded by deterioration in funding and the desire to establish a competitive position within the university sector.

There are three main features illustrating the changing culture; rationalisation of areas of non-performance, increased central direction, both imposed and sought, and the development of performance indicators. A phrase, "the Winning Approach," which arose as part of a move for greater efficiency gains and increased performance outputs, providing cultural evidence of this change. "The Winning Approach is about a whole range of activities a School has to score well on" (DVC). However, the organisation is in a transitional phase, and there are clearly elements of the old culture still in operation, both in staff and in TMT attitudes. Table 6 - 9 provides illustrative data on the culture at Oxford Brookes.

6.3.4 Collegiality

Traditional notions of collegiality, in terms of academics considering themselves the key part of the organisation, were in evidence in 1988.

> Many staff are firm in their conviction that corporate management tasks are inferior in significance to those of the academic community and that, as a consequence, those carrying out the tasks are inferior operatives. (Coopers & Lybrand, 1988:10)

However, these notions were not supported formally by academic autonomy and self-governance as there was a small central management team which had minimal academic representation. Although there were collegiate structures in terms of committees for academic discussion and consultation, decision-making was discharged at the top.

> It [the consultative routines] looked on paper really quite consultative, engaging, seeking to involve people and so on. That wasn't what was going on. The central management team were running the institution without regard to all these arrangements. (Former DVC)

While traditions of collegiality are attitudinal but not supported in the governance practices, possibly a source of the 'us and them' aspect of culture noted above, some features of collegiality, such as academic territory, are present. This is evidenced by resistance to entrepreneurial activities because they are not core business, not

academically rewarding and because of concerns over academic quality and standards, particularly in collaborative provision.

Collegial principles of academic involvement in decision-making have been instated by the new VC, who appointed the rotating PVCs. However, even as collegiate modes of governance are incorporated, the nature of collegiality is changing in concept. For example, rationalisation affects cross-subsidisation as small Schools are under pressure to generate resources and prove their financial viability whereas big Schools "are much more powerful. They're seen as central to the University" (PVC). This is associated with the 'Winning Approach' and considerations about the degree to which loss-leading activities should be subsidised because of their importance to the academic profile of the institution. As a DVC pointed out in a planning process meeting with a School; "Either the centre gets tough and puts collegiality on the side or we go for a closer collegiality where we all pull together for survival." Thus, just as the culture is in transition, so the notion of collegiality is in a state of change.

6.3.5 Localised routines

Localised routines may be summed up in the phrase "the Brookesian Way". The Brookesian Way is explained as the process of consultation whereby issues go around in a circle without decisions being made. Consultation, to gauge staff attitudes and give staff an opportunity to comment, is a prevalent feature of the institution. An indicator of this is the formal committee processes which have "the paraphernalia of a democratic institution. The trappings are there but the reality is different" (VC). The TMT are ambivalent with regard to these consultative exercises since they devote considerable time and effort to supporting the process, commenting upon this with pride. However, they seem to derive little value from the process and appear unsure about its contribution to strategic decision-making (cf. SPC in 6.3.2, above). These routines are considered to be for canvassing staff feelings, flagging up issues of strategic importance to the wider community, and gaining commitment. They are consultative but not participative mechanisms for justifying strategic action.

The distinction between consultation and participation is based within notions of accountability and responsibility. As the TMT is charged with responsibility for the strategic development and management of the University, it must make the decisions. This is consistent with the polytechnic legacy whereby responsibility was delegated to senior management who were accountable to their Local Authority and, after the 1988 Education Reform Act, to the Board of Governors (Bastin, 1990). However, at Brookes, notions of culture and collegiality demand consultative processes, and these lead to the localised routines observed. They are manifested in the formal committee structures, present within culture and collegiality, and explain the face-to-face interaction noted in TMT methods of actioning.

6.3.6 Summarising the pattern of social structures at Oxford Brookes

Oxford Brookes is, essentially, a bureaucracy with a hierarchy of authority and responsibility culminating in the TMT, who are accountable for their actions to the Board of Governors. However, consultative practices are also in evidence, serving as tokens to the notion of collegiality and academic autonomy expected within a professional bureaucracy. Lines of authority and consultative practices are reflected in the formal operating procedures and the Strategic Planning Cycle, which is the major coordinating mechanism ensuring clear trails for monitoring past performance, implementing present actions and pursuing future goals. Successful introduction of the planning cycle, combined with historical and environmental factors, stimulates cultural and structural change. At the same time as the organisation seeks direction, the TMT is promoting a more focussed range of strategic objectives, drawing upon the operating procedures and the planning process to assist in their implementation. Localised routines of consultation are employed by the TMT to 'sell' change, particularly in combination with the monitoring and control and resource allocation procedures afforded by the planning cycle. There is evidence of the new order being adopted in the changing nature of organisational culture and collegiality and in TMT actions, thereby showing how collective social structures and agency are interwoven in the process of social ordering.

6.4 Preliminary analyses and cross-case comparisons

In this section, three patterns of social structure are identified and compared. While constructs were broadly comparable, as detailed in Table 6 - 10, they have a situated and inter-dependent nature within the cases which is realised as three distinct organisational gestalts. That is, each case has a different and, potentially, idiosyncratic framework of meaning arising from the mutual dependencies between history, formal operating procedures, culture, collegiality and localised routines.
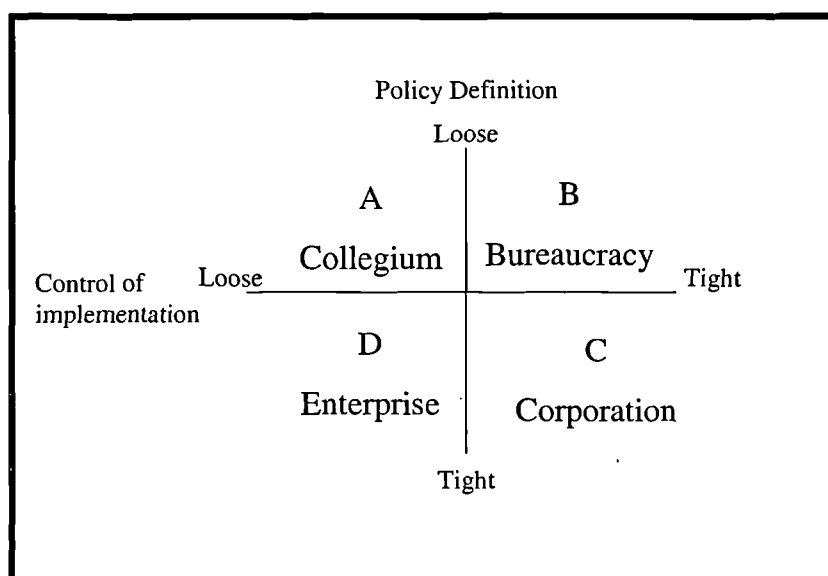
Figure 6 - 1: Models of university culture and organisation
(Source: McNay, 1995:106)

It is useful to refer to Figure 6 - 1, McNay's (1995) study of changing cultures within universities, to assist with comparison of the three institutions. McNay notes that, in responding to decreased funding and greater regulation in the sector, universities display an internal tendency to increase both policy direction and operational control. Using this schema, the three Universities may be characterised thus:

1. Warwick is a Corporation organisation possessing *dirigiste* formal structures which accord power to the TMT. However, it has elements of the Enterprise organisation due to the entrepreneurial culture and the collegial model, which give profit-sharing and 'stakeholder buy in' to strong departments, thereby enabling them to respond to initiatives and environmental opportunities. Localised routines

of short lines of communication between a strong centre and strong departments underpin and support the other social structures.

2. LSE is a Collegium organisation with extensive committee structures which create diffuse, weakly-sanctioned lines of authority and control, consistent with the consensus culture and the expression of collegiality as self-governance. These social structures are illustrative of the localised routines of checks and balances that preserve consensus, and also signify avoidance of overt forms of power. However, as the TMT responds to the illiberal environment by assuming greater central direction, the School progressively shifts towards an Enterprise style of institution.

3. At Oxford Brookes historical influences upon governance have led to a Bureaucratic organisation, which has hierarchical lines of authority and responsibility, as expressed in formal structures. In deference to the professional nature of academic work, expressions of collegiality are manifested through consultative routines which do not incorporate participation. As the institution matures into its autonomous role as a University, it has developed more collegial structures of governance. However, in looking for a competitive position in the university sector whilst responding to illiberal environmental forces, both the organisation and the TMT have conspired to move the organisation towards greater policy control by top management. This is generating a Corporation model of organisation.

The gestalt nature of social structure accounts for the richly varied texture of each institution. For the purposes of description, they have been grouped into the common organisational archetypes of collegium, bureaucracy, corporation and enterprise. These terms indicate that some wider generality may arise from the research. However, when the surface is penetrated, it is the individual idiosyncrasies which have the greatest explanatory power in understanding organisational processes. Perhaps the most significant finding is that the other social structures are underpinned by the localised routines. Indeed, localised routines could serve as a metaphor for practices in each organisation.

Structures	Warwick	LSE	Oxford Brookes
History	• Established with relevance to industry • Strong physical asset base and sound financial base • Foundation of income-generating activities; "Save half, make half" • Pride in entrepreneurial self-image and success	• Established with relevance to social policy • Insecure financial and limited capital base • Academic excellence in social policy and social theory • Pride in anomic nature, symbiotic with excellence	• Established as polytechnic, incorporated in 1989 • Adequate financial and capital base • Quality teaching and learning reputation, having pioneered modular programme • Pride in teaching success
Formal structures	• TMT-chaired committees for financial planning, income-generation, and resource allocation with in-built monitoring and control mechanisms	• Extensive collegiate committee structures with weakly-sanctioned monitoring and control processes • Behind-the-scenes administrative network	• Hierarchised committee structures with clear lines of authority • Strategic planning cycle as the coordinating mechanism for direction-setting, resource allocation and monitoring and control
Culture	• Overarching success myth • Entrepreneurial and innovative • Intra-organisational competition • Grow your own staffing policy • Pioneering and competitive with the best	• Overarching consensus, balanced by symbolic power of Director's role • Autonomy and self-governance • Habit of consultation • Academic excellence dependant upon above • Tendency to inertia	• Friendly and non-conflictual • Student-centered excellence • Information dissemination • Complacency tending to inertia • Changing through rationalisation and central direction from Bureaucracy to Corporation
Collegiality	• Excellence in research • Excellence in income-generation • Excellence in teaching • Strong departmental leadership Autonomy related to excellence in core business, consistent with Corporation/Enterprise culture	• Self-governance, with custodians of autonomy • Academic discourse • Cross-subsidisation of disciplines • Resistance to change unless consensual Changing as greater managerial direction creates subtle shift towards Enterprise culture	• Traditional notions of academic autonomy • Above not supported by governance structures • Recent incorporation of academics in governance Changing to feature centrality to core business in accordance with Corporation culture
Localised routines	• Strong centre to strong department model of acting; 'stellar constellation'	• Checks and balances to minimise overt power • Indirect processes and iterative networks to negotiate checks and balances	• Consultative routines that are not participative • Responsibility and accountability reside in the formal management structures

Table 6 - 10: Comparison of social structuring across cases

1. Warwick is like a stellar constellation which has a strong centre orbited by strong departments, spinning in Gidden's (1984) dialectic of control, albeit balanced in favour of the central body, the TMT.

2. LSE acts as a system of checks and balances in which issues ricochet and reverberate until they either lose impetus through lack of support or, through multiple, indirect iterations, gain sufficient momentum for action.

3. Oxford Brookes embodies a hierarchical system of responsibility in which formalised processes are supported by consultative routines for disseminating information and building commitment.

Localised routines are so deeply sedimented that they occur within and underpin the other structural parameters, acting as a strategic heuristic. This finding is complementary to the finding on actioning in TMT thinking and acting processes where localised methods of acting were drawn upon as a managerial heuristic. The relationship between team behaviour and routine practices arising from the social context supports the concept of dominant logic as both "a knowledge structure and a set of elicited management processes" (Prahalad and Bettis, 1986:490). Firms may be considered as idiosyncratic bundles of resources or knowledge structures, acting within locally understood and, possibly, unique frameworks of meaning.

Putting strategy into practice in such situations requires practical consciousness (Giddens, 1984), acquired from situated experience, that is, participating-in or living, the organisation (Brown and Duguid, 1991; Lave and Wenger, 1991; Suchman, 1987). Such consciousness includes agents' reflexive monitoring of actions, both their own and the collective actions which comprise their contexts. That is, actors are aware of their social contexts and contribute to both their persistence and their adaptation through their actions. Despite strong reliance on routines, adaptation is possible, as is evidenced by the two cases that are in a state of change, which is linked to TMT actions, albeit within wider stimuli and contexts for change. This is consistent with the strategic choice perspective that organisational development occurs through dominant actors' "consciously-sought adaptation to, and manipulation of, existing

internal structures and environmental conditions" (Child, 1997:67, emphasis in original).

However, this does not assume absolute TMT hegemony since data also indicate that the capacity to act is not free of structural constraint. For example, at Warwick there is a dialectic of control afforded by departments who are strong in the core business of the organisation. LSE shows both an avoidance of overt power, and yet a symbolic deference to the Director's role. At Oxford Brookes, despite formal mechanisms for levering action and consultative routines whose purpose is to gain commitment, there is an 'us and them' culture which may be manifested in inertia or resistance to change. Furthermore, all three cases are engaged within their own frameworks of meaning and these offer the TMT heuristic benefits but also constitute a possible barrier to considering other ways of acting. Thus, strategy as practice appears idiosyncratic; a matter of "practical competence [which] requires a readiness to work within existing structures and routines" indicating that "the craft skills of strategizing are not general" (Whittington, 1996:732). To better understand how practical competence, or praxis, arises from the relationship between agents and structures, it is necessary to analyse examples of strategic practice, using the constructs and themes identified to date. Through a rigorous examination of practices, it will be possible to tease out elements of the interaction between TMTs and their organisational contexts.

6.5 Conclusion

This chapter has established the structuring parameters of each organisation through a richly descriptive narrative. Internal consistency was found between constructs, amounting to three distinct organisational gestalts which illustrate the interdependent, complex nature of social ordering. Furthermore, there was evidence that social structures are underpinned by localised routines, and that these are deeply sedimented within the organisational structures. The different meanings and practices obtaining in different contexts led to the identification of three main patterns of organisation. These models are, necessarily, generalised for the purposes of comparison:

1. Warwick as the Corporation/Enterprise model;

2. LSE as the Collegium model moving towards the Enterprise form;

3. Oxford Brookes as the Bureaucratic model moving towards the Corporation form.

These patterns were related to the TMT patterns of strategic thinking and acting as outlined in Chapter 5. There was consistency between TMT patterns of action and the practices arising from the social contexts in which they were situated. This established that the properties of TMT agency are enhanced by their capacity to draw upon the practices prevalent within their social contexts, although this also constrains the forms which such action takes. However, the chapter does not explain *how* the relationship between agent and structure occurs. It is necessary to examine actual strategies in practice, using the constructs identified in Chapters 5 and 6 to develop a fine-grained analysis of this relationship. This is addressed in the next chapter, which uses the third analytic lens to investigate the processes of interplay between the TMT and the organisation in the practice of strategy.

CHAPTER 7

HOW DO PROCESSES CONSTITUTE THE INTERACTION BETWEEN THE TMT AND THE ORGANISATIONAL CONTEXT IN THE PRACTICE OF STRATEGY?

Chapter 7 brings together the three levels of analysis; top team actors, organisational structures, and processes of interplay between the two. It examines how processes constitute interaction between the TMT and the organisational context in the practice of strategy. Four main processes are identified and are categorised by their strategic purpose as processes of direction-setting, monitoring and control, resource allocation and interaction. Within-case presentation and analysis of data is based upon the classification of specific constructs arising from TMT thinking and acting and from structuring characteristics of the organisational context, in accordance with their relationship to the strategy processes. A vignette of strategy in action from each case is provided as an example of how strategy processes are put into practice. The vignettes are analysed in depth to examine the complex inter-relationships between the TMT, social structures and strategy processes. This analysis leads to the identification of locally meaningful patterns in the deployment of strategy processes in each case. Finally, themes are extrapolated from the within-case analyses, forming the basis of analysis and discussion of themes arising across the cases.

7.1 Identification of strategy processes

The view of strategy processes adopted in this research is that they have both socially-enacted properties, as resident in TMT actors, and structural characteristics such as routines and operating procedures. In Chapter 2, strategy processes were framed as mediating between the cognitive and interpretative properties of actors and the structuring parameters of context, enabling the production and transformation of activities over time. As such, they occupy the nexus between structure and actor, as brought into play in strategic action. Given their socially-embedded nature, processes have been defined by the strategic purposes they serve. In this research, 4 main

processes were found, and classified in accordance with their strategic purpose (cf. Table 4 - 3):

1. Direction-setting processes which establish organisational goals and action;

2. Resource allocation processes to support the implementation of strategic action;

3. Monitoring and control processes to assist in implementation by monitoring performance towards goals and reinforcing desired behaviour; and

4. Interaction processes involving regular personal contact between top management and other organisational members for the purposes of negotiation, communication and persuasion (see Simons, 1991; 1994).

While strategy processes do not operate in isolation and are frequently complementary, they have been categorised separately for the purposes of this analysis. In the following within-case discussions, specific structures, such as committees, procedures, or localised routines, and aspects of TMT thinking and acting are classified as strategy processes in accordance with their dominant strategic purpose. Strategy in action narratives are then used to illustrate how the inter-relationship of the four processes forms case-specific patterns in the practice of strategy.

7.2 Warwick University

7.2.1 Strategy processes at Warwick University

At Warwick, direction-setting is inherent within TMT processes of thinking and acting, and organisational culture and collegiality. While TMT members do not develop a specified 'direction', they articulate objectives and pursue actions which are consistent with their strategic plan. Direction is sedimented within, and reinforced by the competitive, entrepreneurial culture and the collegial model which accords power and autonomy to those performers who act in accordance with strategic intent. Thus, direction is tacitly present at the organisational and TMT level, although formal

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structures for TMT information-processing and actioning provide forums for bringing actions relevant to direction-setting into the explicit realm.

Resource allocation is centrally controlled through formal structures chaired by the inner core of the TMT. Annual distribution of the financial and physical resource pool is decided at JCSSC as part of the financial planning process. This committee links to both of the important resource committees, E & G for academic resource allocation and EIG for income-generation. E & G uses resource allocation to shape organisational growth and retrenchment. It also stimulates intra-organisational competition through the process of departments bidding for staff resources. EIG provides a central body for managing and monitoring the utilisation of resources for income-generating activities. It does not directly allocate resources, but instead contributes its surplus into the central distribution pool. Entrepreneurialism and competition are reinforced by incentivising profit-sharing mechanisms, including a 'super surplus' for income-generation over a certain threshold. This top-slicing, combined with centralised resource distribution, enables the TMT to finance strategic initiatives and cross-subsidise departments with lower income-generating capacity.

Monitoring and control is a regulated process, operating through the formal committee structures which offer material sanctions and rewards for behaviour. JCSSC uses the financial planning process to monitor performance of activities over time. It is supported by EIG, which undertakes quarterly performance-monitoring and annual Challenge meetings with each revenue-raising activity, and E & G, which analyses and queries departmental performance in areas such as research grants and contracts, and may grant, or deny, the allocation of academic resources. These structures are embedded within, and supported by, the norms arising from the entrepreneurial, competitive culture. Such structures endorse low tolerance for non-performers.

Interaction processes are present within the localised routines and the TMT method of acting, both informally and through formal structures. They are heavily drawn upon by the TMT, particularly to make monitoring and control systems interactive, reinforcing central objectives at the departmental level. Interaction also supports

direction-setting processes, and this serves to sediment strategic directions within the culture as well as within the formal structures.

Strategy Process	TMT and structural characteristics
Direction-setting	• Tacit in TMT strategic actions and strategic intent, the competitive, entrepreneurial culture and the centrality model of collegiality. • Made explicit through formal structures such as JCSSC, the financial planning process, EIG and E & G. • Localised routines focus organisational attention on strategic priorities.
Resource allocation	• JCSSC, FGPC, financial planning process, E & G, and EIG. • Supported by collegiality, where income-generation is a source of autonomy
Monitoring and control	• Formal structures of EIG, E & G, JCSSC, and financial planning process. • Supporting social structures of competitive, entrepreneurial culture, collegiality and localised routines. • Localised routines increase interactive nature of control systems.
Interaction	• Localised routines • Formal structures, particularly E & G. • TMT strategic thinking and acting processes.

Table 7 - 1: Classification of strategy processes at Warwick University

In Table 7 - 1, specific TMT and structural characteristics are classified as strategy processes in accordance with their most dominant strategic use. The four strategy processes are embodied within TMT processes of strategic thinking and acting and the 'set' of social structures, being the TMT-chaired formal committee structures, culture, collegiality, and the localised routine of face-to-face interaction between the TMT and the departments. This distribution shows the intertwined nature of strategy processes in practice. It also indicates one of the reasons for the coherence observed at Warwick between intent and action. The same structures serve several strategic purposes and, due to their overlap, which also occasions TMT overlap, ensure that strategic actions are integrated. The following example of strategy in action illustrates how structures, TMT actors and strategy processes interact.

7.2.2 Strategy in action at Warwick: the 1992 and 1996 RAE

This illustrative vignette was developed using 1992 to 1998 minutes from JCSSC, secondary sources, interviews and real-time data collected through observation of meetings during 1998. The vignette was fed back to participants in 1999 and authenticated as an accurate reflection of the processes and events recorded. The

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Research Assessment Exercise (RAE) was chosen because it is a significant area of strategic action which illustrates the range of practices in which the TMT engage in their pursuit of strategic intent.

Stage 1. After the 1992 RAE results were released, the TMT conducted substantial formal analysis of University performance, both internally and in comparison with sectoral standards. These analyses were for information and direction and control purposes (see Langley, 1989; 1990), being used to develop strategies intended to enhance future performance.

Stage 2. The TMT conducted reviews into eight lower-rated departments "it being the Committee's view that a rating of 3 was not an adequate research performance" (minute books, 1993). Review panels consisted of members of the TMT in conjunction with appropriate senior academics. The localised routines of interaction between centre and departments were used with the intention of increasing an organisational focus on strategic goals. "It means that departments think carefully about what they are doing and they become self-conscious about their activity" (Senior PVC).

Stage 3. Funds were allocated for strategic human resource management in terms of early retirements "that gave the University flexibility to bring in new people" (Senior PVC). Some departments were required to establish annual research reviews for all staff, thereby incorporating time scales for new appointments. Additionally, as part of a concurrent strategic initiative to develop the research profile, a number of smaller departments were partially or fully subsidised by the centre in appointing Warwick Research Fellows (WRFs). Some of these appointments, although young, came with a substantial publication record which helped to bolster RAE performance in small departments.

Stage 4. In the 1996 RAE, six of the eight reviewed departments increased to ratings of 4 or 5. The cycle of strategic actions was stimulated to begin again with departments which dropped a rating in 1996. TMT information-processing involved more extensive formal analysis of performance against the leading research universities over 1986, 1989, 1992 and 1996 RAEs across a range of indicators.

Chairs of the individual RAE panels were also consulted on the basis of their judgements, with a view to informing the procedure for internal reviews of departments.

Stage 5. Reviews pertaining to the RAE were established with the primary objective of increasing the rating of all non 5* subjects by at least one grade for the next RAE. The reviews were conducted by JCSSC members or the E & G committee, in collaboration with individual departments and external consultants. The wording of documents surrounding the reviews provides a significant indicator of how the TMT draws upon the centrality model of collegiality and localised routines of acting to make monitoring and control interactive. Departments with performance that did not meet strategic intent (i.e. grade 3) had a review "conducted" by the TMT. Those which retained their grade or dropped to a 4, were "asked to conduct their own review" and only those departments which achieved a 5* rating were "invited" to bring forward strategies. Thus, TMT interaction processes reinforced monitoring and control in courses of action that were central to strategic intent. Greater autonomy was accorded to those departments which performed excellently in the core business of research performance.

Stage 6. Strategic human resource management, including early retirements and new appointments, resulted from the TMT reviews of performance. Analysis of performance from the 1992 to 1996 round, led to the conclusion that appointing young staff may have inhibited the speed of improvement in some departments. In accordance with priorities in the overall strategic profile of the institution, resources were allocated to appoint at higher levels through the E & G Search Committees, which are a head-hunting procedure for senior academic staff. The process occurred as a series of negotiations between the centre and departments.

> I have talked with the Chair of the department with a view to the way in which we arrange their package of resources. It is a central group striking an agreement with a department as to how things will operate (Senior PVC).

Summary

The cycles of strategic action inspired by the 1992 and 1996 RAE may be seen as

> ... very centrally inspired by the VC, and the Research Committee, and the Strategy Committee who said, yes, we want to get back up to grade 5. We're not content with grade 4 and we hate grade 3 (Finance Officer).

In both the 1992 and 1996 RAE, there were patterns of action in applying resources to lower-performing departments to upgrade their staff and facilities, thereby putting early retirement schemes in place to align human resources with the strategic objective of being excellent in research. As these actions require deliberation and expense, they may be seen as purposive, TMT-initiated strategic actions which are consistent with strategic intent.
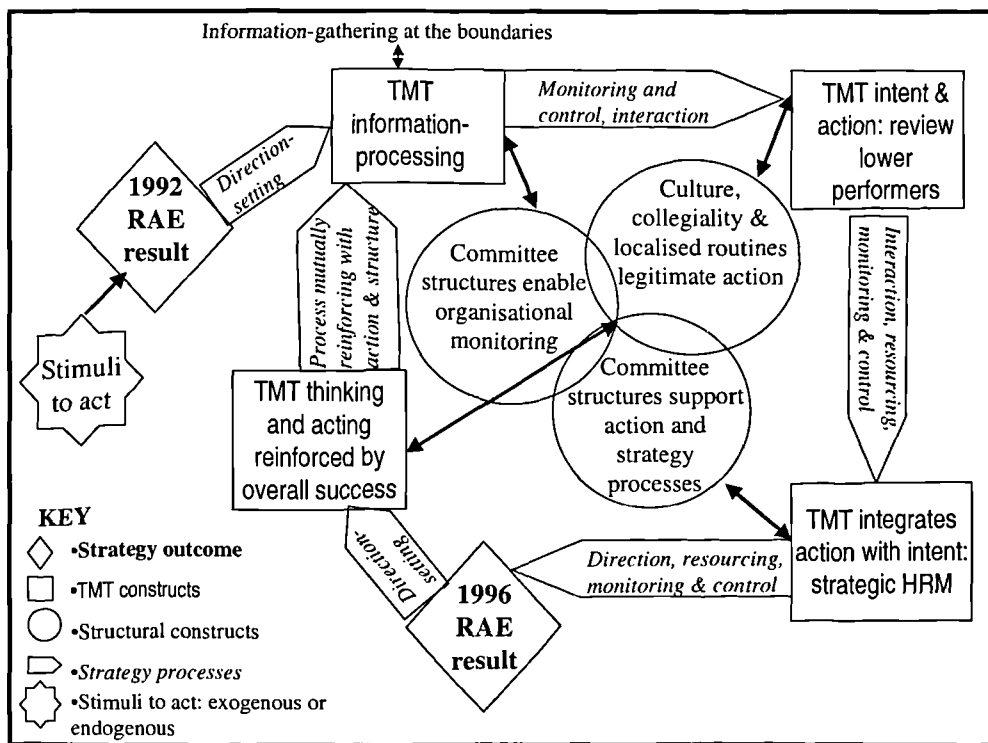
Figure 7 - 1: Process model of 1992 and 1996 RAE action

7.2.3 Within-case analysis of Warwick University

Figure 7 - 1 is a summary process model of the case vignette. Analysis reveals the following key inter-relationships:

1. The building of TMT interpretative schemes, legitimating these through benchmarking exercises which locate strategic intent and desirable levels of performance outcome within the external environment, using this to establish organisational norms. Thus the TMT draw upon their position at the nexus of the organisation and sectoral-environment interface to legitimise their behaviour, in the process, reinforcing their own strategic thinking and acting.

2. Collectively coherent structures of committees, competitive, entrepreneurial culture, centralised collegial model, and localised routines are all contextual factors which influence typical behaviour. They provide a supportive infrastructure for the TMT to emphasise their own interpretation of both strategic options and desirable levels of performance.

3. Resource allocation is a power base for supporting strategic action. Through the allocation of resources, competitive culture, performance goals, and action in support of intent are perpetuated, particularly by attempting to bring all performers in line with the TMT-defined standard. This integrates departments within a dominant logic of acceptable standards, reinforcing both the social structures and the TMT processes of thinking and acting.

4. Successful outcomes, regardless of whether they are causally attributable to the TMT, confirm the team in their interpretative schemes and actions, legitimating the reproduction of this pattern of behaviour. As the pattern is recreated, it emphasises and more deeply sediments the rules and resources ordering strategy as practice at Warwick.

In this analysis, social structures are mutually supportive and reinforcing. That is, historical features of position and path, and cultural traits such as the success myth are

inter-related with the collegial model, the formal committee structures and the localised routines. These structures give rise to the strategy processes in use. While it is easiest to draw relationships between formal structures and strategy processes, for example E & G is observably a resource allocation committee, the inter-relationship between constructs illustrates how strategy processes are a product of cumulative social structuring. Thus, departmental negotiation for resources is situated within the competitive culture, supported by localised routines which endorse the interactive processes of negotiation between the Senior PVC, as Chair of E & G, and departmental heads. In this sense, context may be regarded as an infrastructure which provides the necessary material and social resources for processes to be drawn upon by the TMT.

Strategy processes mediate the relationship between organisational structures and TMT thinking and acting. They form inter-dependent patterns in which in-built monitoring and control processes at formal committees pick up problems in attaining strategic directions. Resource allocation processes enable the top team to align intent with action, using interaction processes to reinforce organisational focus upon TMT objectives. If activities fail to respond to the usual pattern of process levers, the TMT increases the interaction processes to reinforce performance monitoring, aligned with resource allocation and direction-setting. The use of interaction processes based upon localised routines are the known method resorted to for action. While failure to reach the desired level of achievement is subject to analysis, it does not result in a change of goals or processes. Rather, processes are reinforced in an attempt to achieve desired outcomes. Thus, tacit, as well as explicit aspects of TMT thinking and acting enter the strategy process, both in terms of their interpretations of strategic direction and in their interactions with the organisation. This pattern of mutual reinforcement accounts for the coherence observed at Warwick; strategy processes are consistent with TMT thinking and acting, and remain embedded within the organisational context. A particular feature of this relationship is the long-serving team membership, within the context of a relatively young organisation. Some team members have been key figures in the growth of organisational structures, such as the formal committees, the overarching success myth, and the routines for acting. This reinforces the link between TMT interpretative schemes and the wider social ordering of the University in terms of its cultural, collegial and routinised norms of behaviour.

The above observation is complemented by the finding that localised routines are present at each level of analysis; TMT processes of thinking and acting, social structures and strategy processes. Localised routines are used by the TMT for acting, and underpin the social structures, while they are also the main structure categorised as interaction processes. Drawing upon routines which have a localised meaning in order to produce and reproduce social order, is a feature of the practical consciousness identified by Giddens (1984). Actors structure their collective social context through recourse to routines which provide an "ontological security" (Giddens, 1984:64) about the process of social interactions. Routines must be seen as a key feature in the production of strategy as practice. Therefore, will they feature equally in all three cases and, if so, what difference will different routines make upon the practice of strategy?

7.3 London School of Economics

7.3.1 Strategy processes at LSE

Due to notions of collegial autonomy and the strong consensus culture previously observed, direction-setting is not, principally, a function of formal mechanisms at LSE. Strategy has tended to be emergent, with the strategic plan *de*scribing strategic action as much as *pre*scribing the organisational direction. Strategic action is becoming more purposive and directed. The current Director has been instrumental in implementing a number of strategic initiatives through personal characteristics such as his academic credibility as a leading sociologist and his skill in the social processes of action within LSE context, particularly in drawing upon the symbolic authority accorded to his position. To enter the formal strategy process, issues tend either to emanate from, or be endorsed by, the Director and his immediate web of contacts, particularly the TMT.

Resource allocation and resource authorisation are functions of different groups at LSE, and this illustrates the localised routines of checks and balances to avoid overt uses of power. Physical resources are allocated by the APRC through non-cash

systems which allot points to enable staffing and space quotas to be managed (see Strategic Artifact Box 6.2). Financial resources are allocated from the Finance Committee to the APRC for distribution. The APRC develops resource distribution recommendations which must be passed by the Academic Board. The Academic Board has the right of veto, although there was relatively little scrutiny during the period of observation. While the TMT does not directly authorise resources, they are able, through indirect iterative methods of stimulating networks, to influence committees and opinion leaders on issues of resource allocation.

Monitoring and control occurs as part of the five yearly APRC reviews but these regulated processes are weakly sanctioned. That is, strong performers in research, recruitment and income-generation do not receive greater tangible rewards than lesser performers. Similarly, lesser performers are not penalised, as this would not accord with collegial notions, or with strategic intent to support the full-range of Social Science disciplines. However, the weak formal sanctions are perceived to be balanced by strong normative sanctions. For example, leading academics in research-successful departments which also generate high surplus are accorded an informal status, or 'moral authority' as opinion leaders.

> Someone of high academic integrity who is making a sacrifice by working at the School compared with going to London Business School or somewhere else, has a kind of moral authority (APRC member).

Normative controls are reinforced by the recent transparent dissemination of departments' performance in the OPPP, a points system for determining income versus expenditure. Normative controls of this nature are identified by Langley (1989; 1990) as formal analysis for the purposes of controlled collegiality. That is, extensive figures on MSLs and OPPP may be generated as a tool to support negotiation and persuasion processes with a professional workforce. Referred to as an "integrative shaming" process (VCAB), the OPPP encourages departments to adopt self-monitoring and control behaviour. This form of control draws upon the central paradox of power, that "the power of an agency is increased in principle by that agency delegating authority" (Hardy and Clegg, 1996:634). Thus an APRC member refers to self-imposed sanctions as, "we're disciplining ourselves in order not to be disciplined from the outside". From this perspective, weakly-sanctioned controls may

be strongly influential because they are intensive, recursive and deeply sedimented within the social ordering of the organisation.

Due to the diffuse lines of authority and control, reflected in localised routines of checks and balances, interaction processes are essential in deploying other strategy processes. In order to occasion action in any area, commitment must be secured from various formal and informal opinion leaders and influential committees. This accounts for the TMT's dominant method of acting through iterative webs of contacts, requiring high levels of knowledge, both tacit and explicit, in the social context of LSE.

Strategy process	TMT and structural characteristics
Direction-setting	• Collegiality and consensus culture resist top-down direction-setting. • Initiatives may emanate from/be endorsed by the Director, legitimated by his academic credibility, symbolic role, and use of iterative webs of contacts. • Directions may occur as emergent courses of organisational action, subsequently described, documented and, hence, reified, in the strategic plan.
Resource allocation	• Finance Committee allots available resources to APRC for distribution. • Non-cash resource systems such as Minimum Staffing Levels (MSLs) and Operational Pounds Per Point (OPPP) are used to resource departments. • Due to localised routines of checks and balances, resource authorisation and allocation are not properties of the TMT. However, they may use socially stimulated processes of interaction to occasion resource allocation in desired areas of intent.
Monitoring and control	• APRC 5 yearly review process, which is weakly-sanctioned. • Transparent non-cash performance indicators, provide normative sanctions to encourage departmental self-control. • Formal analysis, such as MSLs and OPPP, serve as controlled collegiality, aiding negotiation and persuasion with a professional workforce.
Interaction	• Localised routines of checks and balances necessitate TMT social skills in use of webs of contacts as the dominant method of acting. • Interaction processes enable deployment of other strategy processes, such as resource allocation and direction-setting.

Table 7 - 2: Classification of strategy processes at LSE

In Table 7 - 2, specific TMT thinking and acting processes and organisational structures have been classified in accordance with their dominant strategic purpose. Collegiality, consensus culture and localised routines of checks and balances, are classified across the strategy processes. This indicates the deeply sedimented, pervasive and dominating role which social structures play at LSE. Such forms of social structuring necessitate the use of interaction processes to deploy other strategy processes in the pursuit of action. The following strategy in action story provides an

example of how the TMT, social structures, and strategy processes interact in putting strategy into practice at LSE.

7.3.2 Strategy in action at LSE: Appointing a new Pro-Director

The following illustrative vignette was developed from analysis of interviews, minutes of APRC meetings and real-time observation of APRC and Standing Committee in 1998. Appointing a new Pro-Director (P-D) was chosen because it is a significant action that contributes to the TMT capacity for action which is related to the changes observed at LSE. The vignette is also illustrative of the range of practices which the TMT typically draw upon in pursuing an area of strategic action. Such patterns of action were fed back to participants in 1999, who authenticated them as typical of processes and events at LSE.

Stage 1.   The appointment of a new P-D was endorsed by the Director. His Executive Officer generated supporting evidence of LSE's need for another P-D through analysis of the duties and numbers of PVCs acting in comparable positions in other institutions. It was then put through the immediate TMT networks of the existing P-D, the Secretary, and one of the Governors who is influential in decision-making processes at Standing Committee.

> One thing we are bringing in slowly is trying to appoint two P-Ds instead of one. And that's been put to [the Secretary] and [the Director] has also spoken to people like one of our Governors (Executive Officer to the Director).

The rationale for expansion of the TMT was a greater capacity to implement strategic action as "the APRC can't do it" (P-D).

> I think [the Director] feels the need for more of a close knit team; people he can delegate to and he can only really delegate to a P-D. I'm not in that kind of executive role. (VCAB).

Stage 2.   At APRC meetings in the first quarter of 1998, prior to raising the issue of a new P-D, the current P-D withdrew from chairing review committees on the premise that he was too busy. This prepared the scene by emphasising the over-

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commitment of the existing top team. During this period there was also evidence that the idea of a new P-D had been broached within the wider School through various networks;

> The Director's assistant was speaking to me about something and said, 'Oh, there's talk of having a second P-D. I expect you'll be involved at a later stage' (VCAC).

Stage 3. In May 1998 at the APRC meeting, the Director reassured the committee that chairing APRC reviews would be resumed when the School appointed another P-D. He emphasised that, while the post had not been approved at that stage, he felt he could not get by without a new P-D. The discussion then moved to ways of resourcing the position. This had first been raised a fortnight previously at the joint meeting in which Finance Committee allocates resources to APRC for their annual distribution exercise of recurrent and non-recurrent funding. The Finance Officer and Secretary explained that Finance Committee were not receptive to funding the post. However, APRC could manipulate resourcing through non-recurrent funding on the basis that the position would be reviewed after three years. APRC agreed that the position could be resourced from non-recurrent funds if it was not accepted by Finance Committee.

Stage 4. At Standing Committee meeting, one week after the May APRC, the Director brought forward the issue of a second P-D under other business, as it was not tabled on the agenda. He was seeking Standing Committee endorsement of the appointment. The Secretary supported the Director's case by highlighting the increasingly complex external environment which causes an "enormous range of things to fall upon the School which never did before" (Standing Committee obs., 1998). Standing Committee, particularly the lay Governor with whom the issue had already been discussed, clarified the job description, resource implications and terms of appointment before approving the position.

Stage 5. Funding for the new position was put through the APRC resource distribution exercise. Academic Board in June accepted the APRC report on its annual distribution of resources without comment.

Stage 6. The second P-D took up post as P-D for internal affairs in October 1998. As a first action, the two P-Ds streamlined the committees for which they were responsible; "I had never seen such a huge list" (P-D). The new P-D took on Vice-Chair of APRC. The post also chairs the committee for space allocation, an important strategic issue which has re-occurred on the APRC agenda as a problem since the beginning of 1995. Through this committee, the TMT is developing a space audit and plan which can be used to monitor and control growth. Additionally, a detailed space audit and plan may be used for fund-raising initiatives to upgrade the estate, in accordance with the strategic directions. Thus, the new post quickly became instrumental in increasing the TMTs capacity for strategic action. The processes for acting were referred to as persuasive; "One has the opportunities to command resources, but you command those resources only in a way that you persuade people" (P-D).

Stage 7. Nine months after the appointment of the new Pro-Director, the TMT felt that APRC was more effective as a structure for achieving strategic intent. This was attributed to the increase in TMT members to develop strategic issues and present them in a workable format to APRC. This perception of the capacity to act is summed up as:

> These actors here [the TMT and some of the senior administrative network] run the place. And we get other people to think that they want what we want (Investigator Report, 1999).

The other TMT members, while not perceiving agency as quite so free from collegial constraint, agreed that APRC is "much better now" and that the new P-D has made a difference to moving issues forward and promoting action in the School.

7.3.3 Within-case analysis at London School of Economics

Analysis shows the following relationships between top team thinking and acting and organisational structures in developing a course of action. While the staged narrating of the above vignette may give the appearance of a linear and rational course of action, it occurred as a loosely ordered and iterative process which gradually built

momentum through the skilful guidance of the TMT actors. Figure 7 - 2 is a processual diagram, which attempts to capture the 'messy' and iterative nature of the practices involved in the appointment of the new P-D.
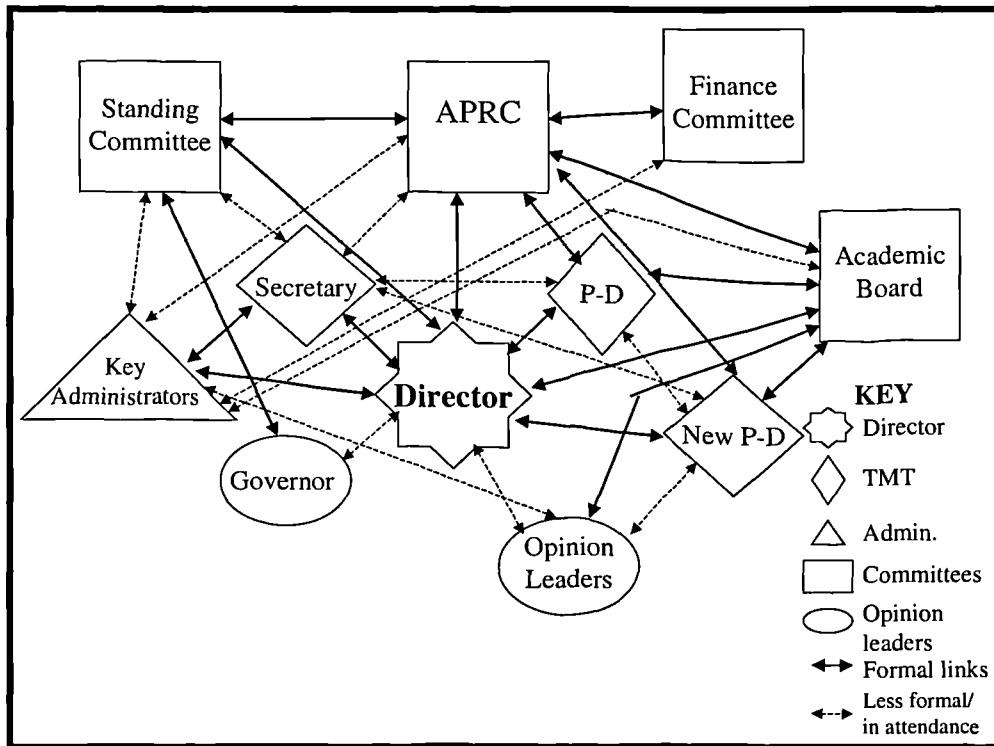
Figure 7 - 2: Process model of appointment of new P-D at LSE

1. The action entered the strategy process through Director-endorsement. Benchmarking with comparable institutions was prepared as tool of persuasion to support the initiative. Simultaneously, TMT commitment for the post was stimulated not so much through a committee, but through one-on-one contacts. Despite the bilateral nature of communication, at least at the outset, a shared TMT view was developed.

2. Drawing upon processes of interaction with the formal committee structures and informal discussion with opinion leaders, the TMT combined their persuasive powers, although this was not through overtly coherent group action, to convey the desirability of changes in team structure to the School groups who were able to either authorise or allocate the necessary resources. Through this process, the team was able to successfully negotiate the deeply sedimented structural constraints, which could have occasioned resistance to the action. While the move

could have been blocked, the team's knowledge of the processes of acting within LSE context was sufficiently developed to actually facilitate uptake of the action. This displays the depth of practical consciousness and experience which the top team draws upon in order to legitimate action and gain approval and resources from the necessary formal bodies.

3. Having successfully negotiated the appointment of a new P-D, the TMT enhanced its capacity to act. Expanded membership enabled greater use of the interactive, iterative processes necessary to deploy other strategy processes. TMT interpretative schemes are shown in their approach to organisational change. They both perceive themselves as able to be managerially influential but also to do so through persuasion and the management of meaning, rather than through more formal dirigiste structures. Thus, through their attention to and conscious manipulation of the social structures of consensus culture, collegiality and localised routines of checks and balances, the team reinforce the dominant social order, even as their actions create gradual change.

In the above strategy narrative, the interdependent nature of social structuring is apparent. That is, the relationship of formal committee structures (by which Finance Committee authorises resources, APRC allocates them through recommendation to Academic Board and Standing Committee endorses the major actions which require resourcing, such as the new appointment) is a manifestation of the localised routines of checks and balances. These routines are related to the consensus culture and collegial principles of self-governance. Thus, formal committee interactions are observable phenomena, and these are embedded within deeper layers of interdependent social order.

Structures translate into strategy processes through the recursively situated nature of practice. As localised routines of checks and balances are reflected in the social structures at LSE, the TMT draws upon interaction processes as the dominant means of engaging in strategic practice. Issues iterate between committees and other representatives of collegial structures, such as opinion leaders. This social structuring has a tendency to inertia as issues may ricochet without effect until they lose momentum, according to how the strategy processes are deployed. In this case, the

TMT used their knowledge of social structures and processes to ensure that the new post was moved only in the forums essential for its legitimation, being sufficiently skilled to avoid unnecessary barriers and facilitate rapid action. This illustrates how interaction processes can stimulate other strategy processes. The pattern arising is one in which the TMT, having established a direction they wish to support, stimulate those structures that are necessary to ensure it can be implemented, aligning resource allocation and monitoring and control processes to support rather than block the action. Less skilled use of processes may result in structural inertias, dominating to the extent that action is constrained, as has occurred in the past.

Given that the practice of strategy at LSE is dependent upon the use of interaction processes, action is strongly related to TMT thinking and acting. The narrative shows the TMT to be knowledgeable about localised routines, and skilled in acting within this context. As a relatively newly-formed TMT, with the exception of the Secretary, the team inherited a long duration social structure which constrains them to draw upon the practices already available. This does not prevent change. Indeed, the appointment of a new P-D represents a change which furthers top team dissemination of their own interpretative schemes. Team knowledgeability is shown in their conscious manipulation of social structures to influence action. Thus, the Secretary explains action as "You don't move things in this place by being managerial. You find champions for things, who will work with the grain of the School to secure change". Obviously this pattern of acting is something known, both in the practical consciousness of 'doing' and also in the capacity to reflexively monitor action when queried by the investigator. Indeed, the top team is explicit about the social nature of strategic action; "We get other people to think that they want what we want". The ability to put this into practice is shown in the dominant method of team acting through iterative networks. That is, the Director, and his immediate team are skilled at repetitive presentation of their interpretative schemes in the necessary forums until they "seep into consciousness" (Senior Officer), becoming sedimented in social structures. TMT production of social structure is both enabled and constrained by structural receptivity to action of this nature. The following quotes explain the relationship between structure;

> Because of this collegiate structure there is really relatively few areas that the Director can get his way other than by persuasion (APRC member),

and agency;

> If the Director comes to the committees and says, I've got this whiz scheme, it's brilliant, it's going to revolutionise the School and I want a quarter of a million for it; it's very hard for the APRC and the Finance Committee to tell him to get lost. (APRC member).

In this recursive interaction, strategy as practice occurs as a matter of socially negotiated order in which neither the TMT, nor the social context are dominant since the former must draw upon the features of the latter to act. This inevitably confirms at least some of the extant structures, even in the process of altering them.

This finding is complementary to the findings in the Warwick case. That is, as actors structure their social context by recourse to localised routines, these routines become a key feature in the construction of strategy as practice. At LSE, localised routines also appear at each level of analysis: checks and balances underpinning other contextual constructs; iterative networks of TMT acting to negotiate the checks and balances; and interaction as the principle means of deploying other strategy processes. It is now important to ascertain whether this dominance of localised routines in the practice of strategy is equally prevalent at Oxford Brookes.

7.4 Oxford Brookes University

7.4.1 Strategy processes at Oxford Brookes

Direction-setting originates with the TMT, formally within the information-sharing structure of VAG, although, as is shown in Chapter 5, informal team processes are also important. TMT initiatives are discussed, legitimated and sometimes shaped at the Board of Governors. Recently, staff have been given the opportunity to contribute to direction-setting through the strategic planning cycle, although the nature of their

input is limited by the cycle's tight timetable. The strategic planning cycle also provides a means of disseminating strategic directions to the organisation.

Resources are authorised by the TMT who establish financial and physical parameters at the outset of the planning cycle. Resource allocation is both centralised and decentralised as the TMT prioritises and allocates resources, but budgets are devolved to the divisional level. This gives departments power over resources at the local level. However, at the corporate level, the resource allocation model, which emphasises financial viability within divisions, provides power over organisational shape and direction. "The budget model penalises Schools because, if they don't recruit to target, then their budget is reduced" (DVC). This led to the closure of a School in 1998/99 due to recruitment problems, which were identified, monitored and ultimately resulted in shut down over successive planning cycles. Each year since its inception, the planning cycle has implemented financial and human resource efficiency gains, becoming increasingly stringent in order to meet the TMT's response to the HEFCE migration policy.

Monitoring and control is also incorporated within the strategic planning cycle. Each School and Department is required to submit an operational plan which, in addition to a two year forward plan, includes an appraisal of achievements over the past year. "The document they have to produce is sort of an assessment of achievement against targets" (DVC). This forms part of the discussion at the annual strategic planning meetings between Heads of Schools or Departments and the TMT. Every year the planning cycle has incorporated a greater level of monitoring and control, culminating, in 1998/99, in the development of a set of 13 statistical performance indicators in 6 priority areas. "The indicators drawn up emphasise those key indicators which Senior Management Team currently consider the most important for benchmarking performance internally and externally." (Key Statistical Indicators, 1998/99 Planning Cycle). Performance indicators are intended to reinforce direction-setting. They are supported by resource allocation penalties and, potentially, rewards for budget centres in accordance with their performance to targets. This mutual reinforcement illustrates how strategy processes are aligned through the formal procedures of the strategic planning cycle. Increases in monitoring and control systems, combined with increasingly stringent resource allocation measures, are

indicative of changing aspects of the culture and collegiality towards "the Winning Approach", identified in Chapter 6.

Interaction processes occur principally through the localised routines of consultation. Consultation is manifested in formal committee structures which enable staff to discuss strategic and operational issues with the TMT. Some committees, such as SPC and Academic Board may also be formal legitimating structures, whereas others, such as SEMAFOR (a committee for Heads of Schools and Departments) and the Joint Committee of Management Staff, have been established for the express purpose of information dissemination, and do not serve any governance role. These routines are acknowledged by the TMT as commitment-building processes which aid the implementation of strategies.

> I think by a process of fair stealth, we could arrive at a position where we actually got some quite major change to be agreed and signed up without there having been a big battle. I suspect that is the Brookesian way. (PVC).

The strategic planning cycle also provides formal opportunities for interaction through annual TMT meetings with individual Heads, extended in 1998/99 to two annual meetings. In 1997/98, interaction processes have been enhanced by the expansion of the TMT to include the PVCs, who also retain their positions as Heads of Schools.

Strategy process	TMT and structural characteristics
Direction-setting	• Gain TMT attention at VAG and legitimated, shaped at Board of Governors. • Strategic planning cycle enables limited staff input into directions • Strategic planning cycle is a means for dissemination of directions, termed strategic steers.
Resource allocation	• TMT develop physical and financial parameters. • Implemented through the strategic planning cycle. • Used to shape the organisation through resource penalties for non-performance.
Monitoring and control	• Strategic planning cycle incorporates monitoring and control through operational plans and face-to-face TMT meetings with Schools and Dep'ts. • Increasingly specific performance indicators are being incorporated in cycle. • Performance indicators reinforce direction-setting, supported by penalties and rewards in the resource allocation model.
Interaction	• Localised routine of consultation for information-dissemination at formal committee structures such as SPC, Academic Board and other bodies. • Strategic planning cycle also provides formal opportunities for interaction between the TMT and Heads. • Used to support other processes in moving organisation.

Table 7 - 3: Classification of strategy processes at Oxford Brookes University

In Table 7 - 3, specific TMT and structural characteristics are classified as strategy processes in accordance with their dominant strategic purpose. The strategic planning cycle occurs commonly across each strategy process, indicating its dominance as a coordinating mechanism. It links into other formal structures and the localised routines, incorporating the four strategy processes into a cyclical pattern. The following example of strategy in action illustrates how structures, TMT actors and strategy processes interact.

7.4.2 Strategy in action at Oxford Brookes: the academic year

This illustrative vignette was reconstructed from interviews, documents from Agenda for Brookes and successive planning cycles, minutes from SPC and Academic Board 1997/98, and observations of SPC and Academic Board in 1997/98. Restructuring the academic year was chosen because it is a significant area of action, designed to free staff time to implement new areas of intent related to HEFCE migration, income-generation and increased research activity. It illustrates the range of practices and pattern of action in which the TMT typically engage in their pursuit of strategic intent.

> My drive was to create some more space for academic staff. The undergraduate year was too dominant. There was clear agreement to that as a principle but it had to be approved through the planning process, and to be approved by Governors. So we had the idea but we had to get it endorsed. Then we had to decide what the solution was - whether we went to semesters or whatever. We also discussed and had views on that but it was then up to [the DVC, Academic Affairs and PVC, Academic Development] to take it through the system. They're the key academic people. (VC)

Stage 1.   The stimulus to create more staff time through restructuring of the undergraduate academic year was compatible with two areas of strategic intent:

1. Intent to raise the research profile, requiring more postgraduate focus and more staff time devoted to research;

2. The objective to free resources for redeployment in other areas of strategic priority, which arose initially in the 1993 Agenda for Brookes and was implemented in subsequent strategic planning cycles.

Stage 2. Board of Governors endorsed the TMT proposal to restructure the academic year, whereupon the issue was included in the priority strategic directions for 1997/98 as "the University will action a number of reviews aimed at releasing staff time for re-investment ... specifically the University will review the length and shape of the academic year" (1997/98 Planning Cycle, Schools:7).

Stage 3. The initiative was introduced in a climate made receptive to structural change through the resource allocation processes of the 1996/97 strategic planning cycle, where Schools were required to achieve staff efficiency gains of 10% to 20% in formal scheduled teaching and assessment time. This was supported by the in-built monitoring and control processes of the plan, which required Schools "to confirm *how* they are implementing resource redeployment" (1997/98 Planning Cycle, Schools:25, emphasis added) in respect of the 10% to 20% reductions in staff time.

Stage 4. Utilising the expanded TMT's academic credibility and knowledge base, responsibility for implementing restructuring of the academic year fell to the PVC for Academic Development. Using this first major task as a member of the TMT as "a good opportunity to get out and talk with Heads and students and Departmental Heads on some of these issues" (PVC), she developed 5 possible scenarios for shortening the academic year devoted to undergraduate teaching.

Stage 5. The scenarios were put to SPC, where each member was invited by the VC to speak to the issue which illustrates the importance of consultative routines, particularly on issues of academic territory. The matter was then referred to Academic Board for decision. Staff and student resistance to the most radical change scenario, semesterisation, focused on disruption to the modular programme and the negative impact upon student learning. Resistance indicates the deeply sedimented teaching and learning ethos, particularly in relation to the modular programme which is institutionalised as an Oxford Brookes 'product'. Although the DVC for Academic Affairs and the PVC for Academic Development preferred semesterisation, Academic Board made the decision to adopt the least disruptive option of scaling down from 11 week to 10 week terms.

Stage 6. A series of actions was put into place to redevelop the modular programme and assessment procedures to comply with the restructuring. This illustrates the multi-layered nature of strategy as practice, where seemingly small operational procedures contribute to a larger package of strategic actions.

> What we are trying to do on assessment, is in a sense creating the space to be filled with the strategy. It is not in itself a set of strategies. People talk about the strategy as being really twiddling the modular programme, or whatever. They won't necessarily mean in terms that you might understand by strategy at a much more macro-directional level. They get all mixed and muddled up together (PVC).

7.4.3 Within-case analysis at Oxford Brookes University

Analysis shows the following relationships in developing a course of action.

1. The action was compatible with, and reinforced, existing TMT interpretative schemes and directions which had already been moved within the organisation through the strategic planning cycle.

2. Drawing upon the legitimating structural norms embodied in formalised lines of authority and responsibility, the TMT implemented the action, beginning with the Board of Governors and filtering through the successive formal operating procedures as part of the strategic planning cycle. Interpretative schemes were initially communicated in a formal way through the planning cycle as part of the direction-setting process, building upon previously implemented efficiency gains. Directions were further reinforced by the TMT's use of interaction processes, deployed by an academic team member who was able to bring both knowledge and credibility to the restructuring of traditional areas of academic territory.

3. Formal committee structures and localised routines involved academic consultation in the final decision. The choice of the least disruptive option was an indicator of the depth of structural constraints upon change in areas that affect the historically embedded ethos of student-centredness. In this sense, the modular programme, while technically an activity, has assumed structural characteristics,

grounded in the University's position and path and strongly associated with identity. Although the TMT were able to produce an outcome which complied with their intent, they were constrained to act within collective social structures of long duration. This affected the manner in which the issue could be implemented. While extant social structures were drawn upon in the change and thus reinforced to a degree, they were reproduced with subtle changes. Such adaptation is progressively moving the organisation towards new interpretative schemes embodied within the phrase "the Winning Approach". This meaning is being sedimented gradually through the small structural changes stimulated by larger direction-setting processes.

Figure 7 - 3 is a process model summarising patterns of action at Oxford Brookes. It was fed back to the TMT and validated as typical of patterns of action at the University.
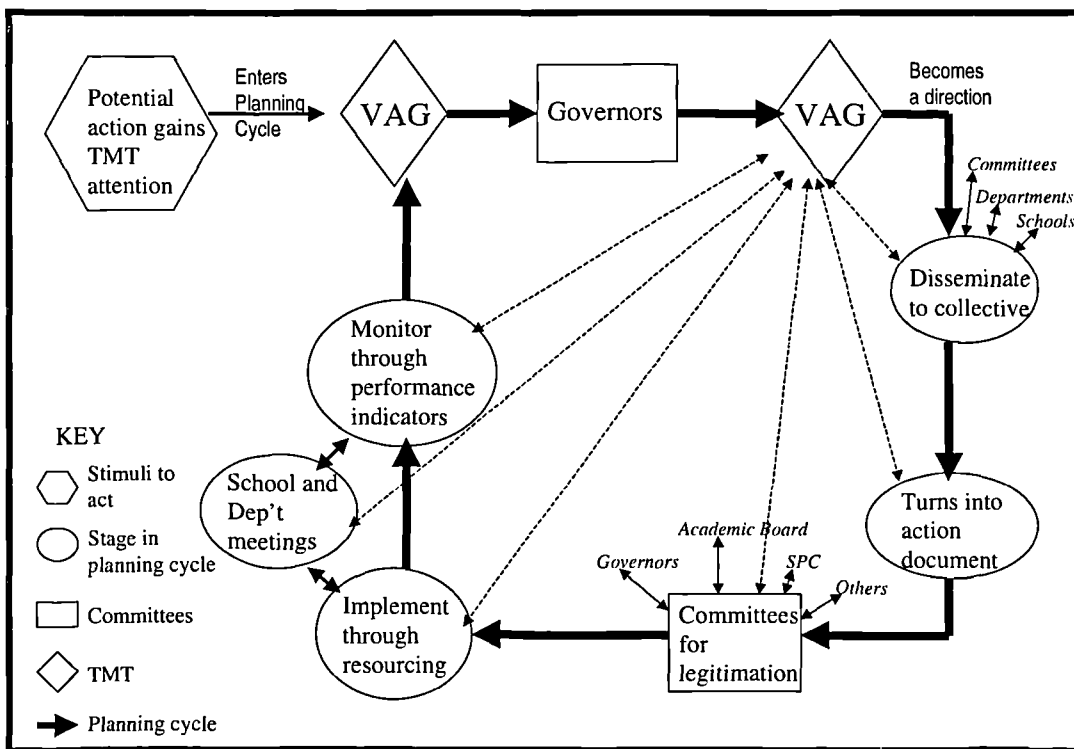
Figure 7 - 3: Process model of pattern of strategic action at Oxford Brookes

At Oxford Brookes formal committee structures are linked to the strategy process in accordance with lines of responsibility and authority. VAG suggests initiatives for endorsement by Governors before they are disseminated to other committees such as the Academic Board. Consistent with consultative routines, the Academic Board is

able to comment upon and influence some of the details of implementation but not to have input into the direction-setting which informs decisions. Although responsibility for decision-making is located in top management, consultation is important in developing organisational commitment. Thus, in this third case, social structuring is also mutually reinforcing. Formal committees, which have a collegial appearance without offering opportunities for self-governance, are underpinned by bureaucratic structural features and localised routines, which show a tendency to formalisation of processes, legitimated by consultation for commitment-building purposes. This social order is embedded within the historical context of a former polytechnic which had minimal autonomy, even at the strategic apex, always requiring accountability to, and legitimation from, external governance structures.

The strategic planning cycle provides a procedurally rational link between strategy processes, incorporating the appropriate formal committees at each stage of action. Directions are established first, even if this is a process of articulating a commonly held TMT interpretative scheme, such as the need to combine efficiency gains with greater income-generation. Direction-setting enables actions to become explicit, entering the strategy process through TMT-attention and subsequent endorsement at Board of Governors. Resource allocation is applied to support directions. However, wider analyses show that the resource model, due to its devolved nature and lack of top-slicing, tends to favour direction in areas of current financial viability, rather than endorsing new initiatives. Monitoring and control is an in-built part of the planning process, offering both resource sanctions for non-performance and also emphasising the desirability of performing in accordance with the dominant logic reinforced by the cycle. Thus, over progressive planning cycles, Heads of Schools have been seeking more centralised control mechanisms, in response to the monitoring and control the planning cycle imposes upon their own School management. For example, a Head "sought University support in handling the problem of under-performing staff within the context of clear disciplinary procedures" (1996/97, Planning Cycle minutes). This is an example of how strategy processes mediate changes in social order such as the "Winning Approach". Interaction processes support uptake of directions imposed and implemented through other strategy processes. The rationale is one of commitment building, and is encapsulated in the following quote:

In terms of effectiveness, when [a DVC] is successful, he will go on the drip, drip, drip approach. That is the way he works. He wants to bring people around the whole time. So it might take slightly longer but he will get there and it is easier operationally once you do get there (Head of Department).

Even the interaction process is incorporated into the formal structures through the ubiquitous strategic planning cycle, both in committees such as SPC and Academic Board and through the two annual meetings between the TMT and divisional Heads. The pattern of strategy process progresses from formal articulation of directions to resource allocation in support of direction-setting, especially where directions accord with the dominant resource model. Monitoring and control aid implementation through assessment of performance to target, resource allocation and normative controls. In order to disseminate directions and reinforce implementation, interaction processes are applied in a series of stages throughout the planning cycle. Due to its cyclical nature, this pattern of strategy process is repeated annually.

TMT thinking and acting is processually entwined with the strategic planning cycle, and this provides formalised opportunities for drawing upon the relevant social structures and strategy processes to formulate and implement action. As the cycle connects with the TMT at each stage, from direction-setting to implementation at the School and Departmental level, the team engages with the practice of strategy from macro to micro level. This provides a means for dissemination of TMT interpretative schemes, leading to some of the changes in social structure discussed in Chapter 6 and in the above strategy in action story. However, the strategic planning cycle is pervasive, providing a means for reinforcing those interpretative schemes present in the collective social structure. For example, resource allocation provides few opportunities for financing new initiatives as it is tied to the dominant model of financial viability based upon student recruitment. This imposes constraint upon TMT processes of thinking and acting, for example in the dissonance observed between research intent and strategic action. Historic patterns of strategic intent and action were not research-oriented, but focussed on financial viability, a pattern which is reinforced by the current resource allocation process. Thus the strategic planning cycle, while a tool for implementing top team action and structural change, is also a mechanism which enables structure to be perpetuated. Again action is seen to occur as a recursively situated set of practices involving both agents and structure.

The Oxford Brookes case emphasises the finding that localised routines occur across the three levels of analysis in strategy as a social practice. At Brookes, localised routines were found to involve consultative but non-participative routines, based on the bureaucratic notions of responsibility and authority. These routines were empirically observable through the strategic planning cycle. The TMT draws upon this cycle in thinking and acting, using its links to consultative forums to provide both tacit and explicit input into their thinking processes and legitimate their actions through commitment-building and progressive formalisation. At the level of social structuring, the strategic planning cycle links formal committees with strategic action, enabling consultation within the parameters of formalisation and subsequent legitimation. Routines of consultation combined with formalisation reinforce context, but also enable gradual changes in social structure observed in the shift from bureaucratic towards corporation modes of organising. The strategy process level of analysis showed the planning cycle as a mechanism for integrating all four processes. It enables interactions between the TMT and the organisation in formally consultative routines which legitimate strategic practices. Thus, at Oxford Brookes, localised routines are not only present across the levels but are manifested in a powerful strategic artifact, the planning cycle, which reinforces and sediments those routines in practice.

7.5 Discussion of themes arising from the cases

In this section, four main, inter-related themes arising from the three cases are discussed.

1. Strategy processes are situated and distributed;
2. Strategy processes mediate between TMT actors and organisational structures in putting strategy into practice;
3. Routines are an example of the situated, distributed, mediating role of strategy processes;
4. The mediating role of strategy processes permits continuity and change in the practice of strategy.

7.5.1 Situated and distributed processes

Strategy processes are found to be situated and distributed. In the literature, the term 'distributed' is discussed, principally as a characteristic of knowledge or knowing. It refers to overlapping knowledge between actors regarding a particular activity or activity system. Distribution of knowledge enables collective action because each actor has sufficient knowledge of the other components of activity to adequately perform a contribution to the whole (Blackler, 1995; Hutchins, 1993; Weick and Roberts, 1993). This distribution may be conceived as a type of knowledge redundancy or slack (March, 1991; Spender, 1996), in which overlaps enable actors to respond to those parts of the activity system which are outside but connected with their own task. The concept of distributed processes used here adopts the activity system views of Blackler (1995) and Spender (1996), that knowing is collective as well as individual and may be distributed in structures and actions as well as individuals. That is, distributed refers to both actors and structures. Thus, it is applicable to the finding about strategy processes in each case. Processes represent a way of knowing, or more precisely, doing, which is distributed within actors and structures. Single structural constructs or top team constructs did not have one-on-one correspondence with a single process. Rather, structural and TMT constructs ranged across the processes and different constructs were combined within the same process. Thus, the various stages of direction-setting, resource allocation, monitoring and control, and interaction comprise elements of TMT thinking and acting and the material and social ordering of organisational context. For example, at Warwick, income-generation is one aspect of the direction-setting processes. Income-generation is a property of top team thinking and acting, particularly as intent. At least one member of the TMT, the Registrar, has been involved in the origins of the income-generating intent. Hence it is also present within the knowledge and experience-bases of the team, who are involved in various aspects of income-generation and the subsequent capacity to resource particular strategic activities. Income-generation is a feature of the information-processing structures which team members draw upon, in terms of the Earned Income Group (EIG) and the financial plan. These structures also occur at the second level of analysis, the organisational context, as formal operating procedures. Additional factors of context, such as the history of "save half, make

half", are related to income-generation as an organisational direction. This is reflected in the entrepreneurial culture and the collegial model which accords power and autonomy to higher performers in income-generation. Thus, a single aspect of direction-setting is distributed across multiple TMT and structural constructs.

In view of the above, strategy processes may be conceptualised as distributed, incorporating overlapping components of TMT thinking and acting and organisational context. This distributed feature enables action to occur as an interplay between actors and structures. In this case, processes are also situated, since distribution occurs within a specific context and set of actions. Situated refers to the "emergent property of moment-by-moment interactions between actors, and between actors and the environments of their action" (Suchman, 1987:179). Hence, the situated nature of processes is related to their capacity to serve interaction between actor and structure in the pursuit of action.

7.5.2 Processes mediate between actors and structures

At each level of analysis, the cases were found to have distinctive and, possibly, idiosyncratic, patterns of top team thinking and acting and structuring characteristics. The situated and distributed nature of strategy processes helps to explain these idiosyncratic or locally meaningful patterns. Strategy processes in each case, while they may be grouped under similar terminology with broadly similar functions, comprise different structural and top team components drawn upon in different ways. Consistent with their situated nature, processes assume meaning from the practices of their "community of interpretation" (Brown and Duguid, 1991:47). That is, strategy processes may be conceptualised as the rules of conduct or action which are meaningful in accordance with the structural and agential resources from which they arise (see Giddens, 1984). This is a recursive process since drawing upon strategy processes both enables the reproduction of features of agent and structure and yet also reproduces the use of processes themselves as resources for action. Such mutual constitution reinforces the extant framework of meaning or dominant logic; a form of habitus (Bourdieu, 1990). Hence, processes may be considered to mediate between agent and structure in the production of locally meaningful patterns of strategy as

practice. However, care must be taken in analysing the mutually constitutive nature of mediation since it does contribute to habitus, as seen in the distinctive frameworks of meaning present in each case, but also permits change to occur, as evidenced at Oxford Brookes and LSE. The capacity for processes to mediate continuity and change is discussed in greater detail below.

7.5.3 Routines in situated, distributed and mediated action

Localised routines are illustrative of the situated, distributed and mediated properties of processes. In each case, they have been identified at each level of analysis. Routines underpin social structures having been identified as a metaphor for structuring in Chapter 6. They are drawn upon by the TMT in their processes of action. Finally, they occur within the strategy processes which form the basis of interaction between the TMT and their organisational context. Thus, it is proposed that localised routines are key features in the construction of strategy as practice. In each case, the TMT actors are aware of localised routines of action, both in the team's practical consciousness of doing and also in their reflexive monitoring, being able to articulate, in their own interactions and in interview, how they draw on localised routines as tools of action. In this sense, localised routines are important in the structuring of strategy as practice. They communicate meaning with regard to organisational identity, the ontological security to which Giddens (1984) refers, which allows the collective social structure to be perpetuated over time. Routines also furnish the thinking and acting bases for action. These routines by which the organisation is structured provide the top team with knowledge of how to interpret, legitimate and, so construct practice. Localised routines are not only a metaphor for social structure but also for top team engagement in the practice of strategy. Thus, it is possible to concur with Pentland and Rueter's (1994) classification of routines as processes which "occupy the crucial nexus between structure and action, between the organisation as object and organising as a process" (*ibid*:484). Routines are situated and distributed processes, mediating between structure and agent in the pursuit of strategic action.

7.5.4 Processes mediate for continuity and change

While processes have a routinised nature, this does not mean that they involve habitual, non-changing patterns of action. The narratives in Chapters 5, 6, and 7, display TMT agents acting within their social contexts, both enabled and constrained, creating change but also reinforcing social order by their actions. Change was in evidence at both Oxford Brookes and LSE, at the level of the TMT, the organisational context, and the strategic activities of the organisation. Thus change itself was distributed and mediated by the strategy processes. The capacity for change may be conceived as a chain of praxis (Sztompka, 1991). That is, as a series of small and large actions occurring over time, possibly momentous or episodic to those actors who are involved in a particular time-space configuration but continuous in the production and reproduction of social order in the long duration of organisations. This chain of praxis is mediated by processes. While these processes have a routinised nature, the evidence of change within the data suggests that they have the capacity to avoid the trap of recursiveness and inertia (cf. Chapter 2, Clark, 2000). Thus, drawing upon Giddens (1984) concept of routines as reflexively monitored, routinised processes may be considered as "an effortful accomplishment" (Pentland and Rueter, 1994:488). As such, they are able to mediate for both continuity and change in the practice of strategy over time.

7.6 Conclusion

In this chapter, some important relationships have been drawn between TMT thinking and acting, the social structuring of organisations, and the strategy processes which form the interaction between the two in the practice of strategy. Four strategy processes were identified by the purposes they serve in strategic action; direction-setting, resource allocation, monitoring and control, and interaction processes. An empirical relationship was found between constructs of TMT thinking and acting, constructs comprising the material and social context of the organisation and the strategy processes. This was a complexly inter-dependent relationship, rather than a one-to-one correspondence between constructs and processes. Analysis of this

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relationship through narratives of strategy in action illustrated that strategy as a practice occurs as a complex, mutually constitutive relationship between top teams, strategy processes and organisational context. Different patterns in the use of strategy processes were found because they are drawn upon with different emphases by TMTs acting in locally meaningful contexts, demonstrating the recursively situated nature of practice. That is, top team actors deploy strategy processes in different ways because of the routinised processes of action obtaining in localised contexts.

Identification of the above relationships led to a conceptualisation of strategy processes as situated and distributed, mediating between actors and structures in the pursuit of strategic action. This concept was exemplified using the evidence of localised routines, present at each level of analysis and serving at the nexus between organisational structure, top team interpretation and strategic action. Finally, it is posited that routinised processes mediate a chain of praxis which has the capacity for both continuity and change over time. As such, processes serve a central role in the picture of strategy as practice being portrayed in this research. Thus, it is important to examine this concept of strategy as practice with reference to extant literature and theory. In the following chapter, the contribution of situated and distributed processes of mediation to the practice of strategy is discussed.

CHAPTER 8

DISCUSSION OF THEMES ARISING FROM THE CASES

This chapter presents a further analysis and discussion of the main findings of the research. Although the analysis up to this point has identified discrete characteristics which are case-specific, the chapter does not engage in an in-depth comparison of points of contrast and commensurability between cases. As stated in Chapter 3, the intention in this research is to develop substantively grounded theory which explains the themes arising from the three cases (cf. Dyer and Wilkin, 1991; Glaser and Strauss; Tsoukas, 1989). Hence, the focus is not upon aspects of cross-case variance. While variance clearly provides a useful platform for future research, it is beyond the scope of this research, which aims primarily to conceptualise the relationships between actor, structure and process that underpin strategy as practice. Findings are initially presented at each level of analysis and the key points that emerged in response to each sub-question are discussed. The themes are then arranged within an explanatory framework so as to explain TMT engagement in strategy as practice, which is conceptualised as a process of inner structuration or internal morphogenesis. Finally, the findings are conceived as the dynamic inter-penetration of three domains; TMT actors, organisational structures and strategic activity. This analysis is used to form some propositions, regarding strategy as practice in continuity and change.

8.1 TMT strategic thinking and acting processes

There were two main findings arising from the TMT level of analysis:

1. The nature and role of team composition in the thinking and acting process; and
2. A series of inter-related constructs that tease out the mutually constitutive processes of top team thinking and acting.

These findings are discussed below.

8.1.1 Discussion of findings on team composition

The first finding concerns the case-specific nature of TMT composition. This represents a significant advance on the majority of TMT literature, particularly that dealing with team demographics. TMTs have been reified as a construct with inconsistent definitions of composition (Collin, 1998; Finkelstein and Hambrick, 1996; Pettigrew, 1992; Priem et al, 1999). In this research, a group specified as the top team was present in only one case, that of Oxford Brookes. In the other cases, it was possible to identify a group of people who could be termed the top team, albeit not a formal designation. This may be a characteristic of the higher education sector, where other terminology is perceived as being more applicable to a professional bureaucracy[2]. The case-specific finding on composition incorporated the notion that teams may be more or less hierarchical to the degree that an inner core, core and periphery may variously exist. Thus, this research suggests that composition is contextually-based, and may differ between cases, even in a single industry such as the higher education sector. Further studies on top team composition are needed to clarify whether typical membership may be established in different industries or different groups within the same industry.

The explanatory power of the relationship of composition to firm performance is enhanced by its relationship to other constructs of thinking and acting. This research has not focused on performance as a construct. However in the literature on team demography, composition is found to have a (supportable) link with firm performance. By directing attention to top team processes rather than to demographics, composition is given a more robust role in explaining team behaviour in terms of thinking and acting. Top team thinking and acting have a relationship with organisational action, for example in interpreting, choosing, or legitimating particular courses of action (see, for example, Bourgeois and Eisenhardt, 1988; Corner et al, 1994; Daft and Weick, 1984; Eisenhardt, 1989b; Eisenhardt and Bourgeois 1988; Gioia and Chittipedi, 1991; Gioia and Sims, 1986; Gioia and Thomas, 1996; Isenberg,

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[2] It is of interest to note the increasing use of business and management terminology within the higher education sector (see Deem and Johnson, 1999; Gioia and Thomas, 1996). The extent to which the use and meaning of these terms in the private sector translates directly to the university sector is yet to be examined.

1986; Lyles and Schwenk, 1992; Prahalad and Bettis, 1986; Ranson et al, 1980; Silverman, 1970; Thomas and McDaniel, 1990; Thomas et al, 1993). In Figure 8 - 1 composition is positioned as an essential component of top team thinking and acting processes as these are influenced, at least partially, by who is in the team. Teams may also influence their composition in terms of selecting members who they believe will complement current or desired future thinking and acting processes. For example, both LSE and Oxford Brookes deliberately expanded their teams during the period of study in order to extend their knowledge bases and capacity to act. Therefore, composition contributes to team thinking and acting, thereby adding to the explanatory power of composition as a construct in terms of process and, indirectly, in the TMT-organisational performance linkage. As such, the finding is complementary to the body of research on top team demography, which interpellates the relationship of composition to performance but fails to explain this nature of the relationship.

8.1.2 TMT strategic thinking and acting appears to be mutually constitutive

Across the three organisations, top team processes of strategic thinking and acting were found to comprise five analytically distinct, yet interwoven constructs, defined in Table 4 - 1. These constructs are:

1. Top team composition;
2. Knowledge-bases of the team in both tacit and explicit forms;
3. Strategic intent, in terms of both patterns of action and future vision;
4. Information-processing structures, both formal operating procedures and informal processes of team interpretative behaviour; and
5. Actioning, being patterns of putting strategy into practice.

These constructs help to elucidate the intricate, socially complex processes conceptualised in the various literatures on interpretation and action, sense-making and sense-giving, and thinking and acting (see Corner et al, 1994; Daft and Weick, 1984; Gioia and Chittipedi, 1991; Gioia and Thomas, 1996; Hendry, 2000; Keller and Keller, 1993; Lord and Foti, 1986; Thomas et al, 1993; Weick, 1979). Thinking and

acting are recursive processes, and are characterised by the attendant conflationist problems of recursiveness, which render analysis difficult (cf. Archer, 1982; 1995; Clark, 2000). However, the fine-grained nature of this research has enabled the identification of constructs which have discriminant validity (Leonard-Barton, 1995). That is, these constructs are related to, but distinct from, other constructs in the thinking and acting process. The constructs are found to interrelate in a dynamic, mutually constitutive process. Figure 8 - 1 attempts to model this interrelationship, indicating that thinking and acting are inter-linked, complementary behaviours which arise from and contribute to team composition, knowledge, intent, information-processing and actioning. While the two-dimensional nature of the diagram may imply causality, no linear sequence is intended. Rather, the intention is to comply with Weick's (1979) recommendation that researchers should think in circles in order to understand dense and mutual causality
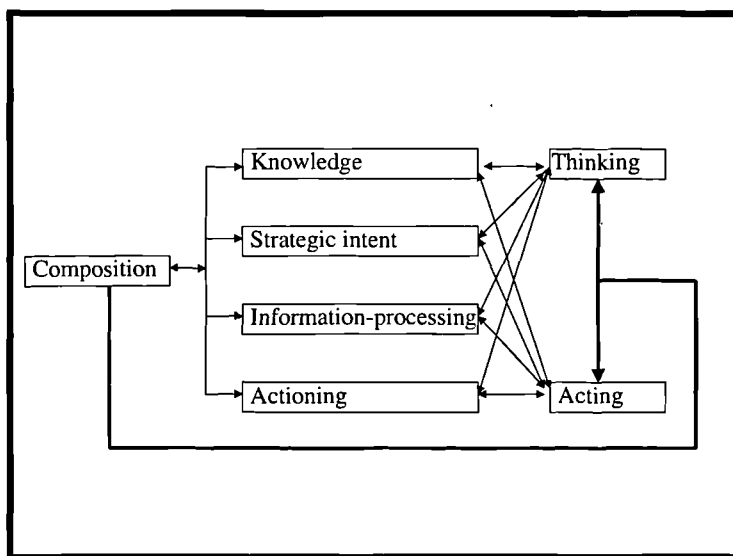
Figure 8 - 1: Mutually constitutive processes of TMT thinking and acting

Mutual constitution of the constructs was found in the idiosyncratic patterns displayed in each case. All five constructs were found to inter-relate. It is important to clarify these relationships. Strategic intent was found to serve thinking and acting both as a purposive set of goals but, equally importantly, as tacit assumptions guiding managerial thinking and acting (cf. Bartunek, 1984; Leonard and Sensiper, 1998; Ranson et al, 1980). Intent, while tacit, also had explicit components which could be articulated at interview, in strategic planning processes and documents, and in actions pursued. Additionally, the cases had strong concepts in structural areas related to

intent, such as position, path, image and identity. Furthermore, these concepts were present in action. Thus, even where strategic action is emergent, it is resident as some type of intent in the tacit knowledge banks of the TMT and the organisation. Thus, intent and action are inter-related. Intent fuels action, even emergent action, since many possible actions emerge in organisations but only some survive to the point of action. Reciprocally, action fuels intent. Actors 'know' what actions to pursue. They have a sense of the strategy-in-use, they interpret it at a tacit level as worthy, applicable, or in their own or organisational interests to pursue, and they enable those actions which will enhance it. While actors may choose unsuitable courses of action, this does not mean that they lack intent, so much as that their intent may have been misguided.

To better understand this interwoven nature of knowledge, intent and action, it is useful to refer to a contextual feature of the thinking and acting process, namely information-processing structures. Information-processing has both formal and informal characteristics. It was particularly present in formal structures such as committees and planning processes at Oxford Brookes and Warwick. These were found to be coherent with acting, involving frequent meetings of TMT members to work through strategic and operational issues. Such coherence has the advantage of an availability heuristic (Prahalad and Bettis, 1986). In other words, the team may easily draw upon the information made available from the planning structures and meeting procedures to minimise uncertainty and justify action. Furthermore, the presence of these structures and their attendant information-processing features provides a degree of confidence to act (cf. Bourgeois and Eisenhardt, 1988; Eisenhardt, 1989b; Isenberg, 1986; Lord and Foti, 1986; Lyles and Schwenk, 1992; Prahalad and Bettis, 1986). That is, top management assume that action is based on sound or thorough judgement. LSE showed a different approach to information-processing. There were fewer formal devices in place that were accessible to, or the exclusive domain of, top management. Indeed, information-processing seemed to be largely resident within the organisational collective in a diffuse pattern of checks and balances. Thus, the team drew less upon formalised processes, acting through informal webs of contacts. However, this was considered effective in leading to action. Thus, in a sense, the available heuristic was the informal information-processing behaviour occasioned by webs of contacts, as opposed to formal information-processing.

The final construct in the cycle was the case-specific routines or patterns of actioning. As an heuristic is "any principle or device that contributes to the reduction in the average search to solution" (Newell, Shaw, and Simon, 1962:85), actioning may be considered a contextually-situated managerial heuristic. Teams displayed some broad similarities of pattern and rationale in terms of direct interaction with the organisation. However, the underlying metaphors had localised meanings. At Warwick, interaction was perceived to cut bureaucracy and speed the time in arriving at a decision. It enhanced the power and centrality of the top team in achieving organisational action. Thus, it was perceived to be effective. At LSE, interaction was also deemed to be effective. Despite being considered a slow and iterative process, interaction was perceived as an important negotiation and persuasion tactic, collegially appropriate and necessary in order to generate collective support for action. Thus, interactive webs of contact were the primary heuristic which enabled action from a different underlying principal. Finally Oxford Brookes engaged in consultative, interactive routines which appeared participative at a superficial level. However, based on the top team's perception of accountability, collective participation in decisions was not considered possible. Interaction was a process for gaining organisational commitment to strategic goals and was used to get people on board so that action could progress smoothly. It was seen as slow but none-the-less important to action, and therefore was considered effective. Hence, different routines of acting were located in different interpretative schema about the nature of the organisation and the processes needed to pursue action. These schema were based on historical perceptions of the organisation, traditional methods of acting, and also a perceived effectiveness value arising from localised routines of actioning. That is, routines relayed a heuristic benefit to the team which was tacitly understood. Thus, actioning, experience and knowledge were inter-related in a recursively situated process of mutual constitution.

In teasing out the factors involved in top team thinking and acting, the research begins to address the recommendation to unpack the black box of TMT processes (see Pettigrew, 1992; Priem et al, 1999; Smith et al, 1994). The analysis shows that top team strategic thinking and acting comprises a series of inter-related constructs which are mutually constitutive, and located within a contextual framework of meaning (see Figure 8 - 1). Even where processes have superficial similarity across cases, their

underlying logic within a specific organisation may be different, based in local frameworks of meaning. While processes serve as an heuristic device, which also acts as a perceptual filter to top team cognition, they should not be seen merely as routine. Rather, they are reflexively monitored and consciously worked at in daily practice (see Giddens, 1984; Pentland and Rueter, 1994; Silverman, 1970; Weick, 1979). Actions are explained in terms of these thinking and acting processes, showing depths of experience and knowledge which is on-the-one-hand a perceptual filter and on the other, a sense-making, interpretative process renewed or transformed through action. This finding is more fully discussed in the dynamic framework below (see Figures 8 - 3 to 8 - 6).

8.2 The structuring influences of organisations on strategy as practice

The most distinctive finding arising from the second analytic level on characteristics of organisational context is the interdependency of the five constructs identified, which are defined in Table 4 - 2. These constructs are:

1. History, being the material and social factors of position and path;

2. Formal operating procedures, in terms of the committees, meetings and planning procedures used to pursue, legitimate, monitor and control strategic action;

3. Cultural factors of image and identity as they are perceived by the TMT;

4. Collegiality as it relates to perceptions of academic autonomy; and

5. Localised routines or patterns of acting, which are found to constitute a metaphor for action, strongly linked to other constructs and organisational frameworks of meaning.

In all three cases, interdependence was found between the operating procedures, culture, local interpretation of collegiality and localised routines. These constructs were consistent with the organisational history but, as seen in the two universities undergoing change, the path of history was not deterministic. It furnished organisational memory (see Walsh and Ungson, 1991) and knowledge structures

(Lyles and Schwenk, 1992), but also permitted alternative futures to be considered, as discussed below. Interdependent organisational structuring may be understood from two perspectives: the resource, capability or knowledge-based approaches to the firm; and the view of organisations as interpretative systems.

8.2.1 Resource, capability and knowledge-based approaches

This interdependence confirms the view of firms as idiosyncratic bundles of linked resources, knowledge structures, competences or capabilities (Barney, 1991; Grant, 1991; Leonard-Barton, 1992; Lyles and Schwenk, 1992; Prahalad and Hamel, 1990; Teece et al, 1997; Wernerfelt, 1984). The identified constructs tease out some elements of the bundle. Furthermore, interdependence supports the notion of deeply structured resources (see Teece et al, 1997). That is, organisational structuring was found to be intensive, deeply sedimented and recursive. Formal operating procedures gave superficial evidence of deeper structuring in terms of cultural and collegial constructs. The localised routines, occurring formally and explicitly through operating procedures and informally and tacitly through values, norms and practical consciousness, underpinned the whole bundle (cf. Grant, 1996; Spender, 1996; Teece et al, 1997). Any given action may incur only some of the operating procedures but all actions are underpinned by behaviour which is understood, and which becomes routine. The pattern is understood because of collective knowledge which is stored in the interdependent components of the bundle and which enables meanings to be shared (cf. Henderson and Clark, 1990; Lyles and Schwenk, 1992; Walsh and Ungson, 1991). Thus, the proposition that resources, competences or capabilities are hard to imitate or replicate is justifiable (Barney, 1991; Grant, 1991; Prahalad and Hamel, 1990; Teece et al, 1997). The components of organisational structuring are interdependent and their causality is socially complex. One element cannot be separated from the others and put under the microscope to explain the organisation. Furthermore, such structuring behaviour is chronic, a continuous state of incremental transformation and restructuring (cf. Giddens, 1984; Grant, 1996; Sztompka, 1991; Weick, 1979). Even at Warwick, where structures were highly coherent and linked to coherence at other levels of analysis, there was evidence of reflexivity occurring towards the end of the study as extant structuring proved unequal to the institution's

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needs. Thus the explanatory power of structuring lies in the inter-dependence, the bundle, and this is, at a deep level, knowable only in situation. Therefore, as theorised in the resource and knowledge-based views of the firm, the social structuring of organisations is idiosyncratic, and unlikely to be either codifiable or transportable.

8.2.2 Organisations as interpretative systems

Secondly, interdependence supports the view of organisations as frameworks of meaning or interpretation (see Bartunek, 1984; Brown and Duguid, 1991; Daft and Weick, 1984; Gioia and Sims, 1986; Ranson et al, 1980; Weick, 1979; Weick and Bougon, 1986). Interdependent linkages between components of structuring appear to have a cumulative effect, strengthening the framework of meaning (Lyles and Schwenk, 1992). Thus, at Warwick, where the linkages were strong and change was only a glimmer on the horizon, meaning, interpretation or perception was strong, consistently found at every level of analysis and still filtering out new meanings. However, at Oxford Brookes, where exogenous shock from the HEFCE migration policy and changes in the top team had occurred in quite rapid succession, interdependence was weakening. Some cultural traces were found to be less relevant. The new operating procedures were shaping and being shaped by the changes in meaning to the extent that cultural change was in evidence towards the "Winning Approach". The localised routines, while still strongly present, were being questioned in terms of the relevance and purpose of consultation, while formalisation was increasing. At LSE, which was also undergoing change, and which was figure-headed by a new Director, the nature of interdependence was altering from within. Collegial routines of checks and balances were subtly acquiring new meanings through the effective stimulation of webs of contacts to create action. These routines were perceived by the TMT as a means for acting, more than as a barrier to acting. At the same time, formal operating procedures were observed to be increasing so as to support the changing interpretative system.

Change in interpretative systems is a complex and socially embedded process. Strong frameworks of meaning arise from the collective properties of tacit knowledge, recipes, images, repertoires or scripts that are embedded in the social structuring of

organisations (cf. Gioia, 1986; Lyles and Schwenk, 1992; Weick, 1979). They provide effective learning about, response to, and understanding of, familiar problems, essentially forming a theory-in-use (Argyris and Schon, 1978). However, they also create a perceptual filter to unfamiliar information which can result in failure to recognise stimuli for change (Bettis and Prahalad, 1995). The perceptual barrier may be penetrated from exogenous shock, gradual awareness of ineffectiveness and sliding market position or changes in the top team. In such situations, the underlying assumptions which maintain the framework of meaning begin to change and this is indicated in the transformation of structural interdependence (cf. Bartunek, 1984; Gioia, 1986; Lyles and Schwenk, 1992; Ranson et al, 1980). Thus, an interpretative perspective assists in explaining the finding of a 'set' of interdependent constructs in the social structuring of organisations and also clarifies the capacity for continuity and change. This is discussed in greater detail in the dynamic modelling of the findings below.

As has been discussed in the literature review, the resource-based and interpretative perspectives on organisational structuring appear to be compatible, given that the latter explains the idiosyncrasy in the former. Together, the two approaches help to address Scarbrough (1998) and Spender's (1996) criticisms of the resource-based view as a non-dynamic, non-processual approach to organisational knowledge and resources. The interpretative approach also address a normative issue in the resource based literature. As the goal of strategic management is to understand competitive advantage, idiosyncratic resources, capabilities and competences are always portrayed as desirable assets of successful organisations (see Teece et al, 1997). Firms which have these rare, inimitable characteristics have a competitive advantage. However, given the finding of interdependence in this research, all firms may indeed have idiosyncratic resources located within their tacit, locally-understood frameworks of meaning. If so, the qualities of being inimitable, rare, and hard to replicate are not in and of themselves desirable, since they may be the norm. Thus, it may be useful to analyse the socially complex interpretative schema of organisations to see how these relate to unique resources which are more or less desirable in terms of competitive environments.

8.3 Processes which serve the interplay between the TMT and organisational context

Four main, interrelated findings on the processes of interplay between the TMT and the organisational context were discussed in Chapter 7. Three of these will be emphasised in this section, with the final theme regarding the role of processes in continuity and change discussed in section 8.5.

1. Situated and distributed processes can be classified by their strategic purpose.
2. Processes have routinised or patterned usage which is none-the-less effortful rather than a habitual accomplishment.
3. Processes are the practices of mediation between TMT actors, organisational structures and the activity.

The implications of these findings are discussed below.

8.3.1 Processes and strategic purpose

As noted in the literature review, processes are an ambiguously defined and still under-researched topic, despite the increasing interest in process research throughout the 1980s and 1990s. The main guiding principle arising from the literature is that processes serve reciprocal purposes of action, interaction, coordination, learning and transformation within organisations (see Chakravarthy and Doz, 1992; Garvin, 1998; Pettigrew, 1987; Pettigrew and Whipp, 1991; Teece et al, 1997; Van de Ven, 1992; Weick, 1979). Analysis in this thesis draws upon this principle, and finds that, from these data, processes may be classified according to four main strategic purposes.

1. Direction-setting processes establish organisational goals through purposively articulated intent, organisational image and identity, and the legitimation of emergent patterns of action arising from various stimuli.
2. Resource allocation deals with tangible, physical, financial and human resources which support strategic action. It has both purposive and habitual elements.

3. Monitoring and control processes monitor organisational performance and reinforce desired behaviour (Garvin, 1998). Monitoring and control is both passive, present within routine operating procedures, and active, involving top management in processes of gaining organisational attention (Simons, 1991; 1994). It has apparent reinforcement through sanction and reward, evidenced by formal rules and regulations, as well as weakly sanctioned but intensive elements, evident in deeply sedimented values, ideals and norms which govern behaviour (see Giddens, 1984; Lukes, 1974; Ranson et al, 1980; Sztompka 1991).

4. Interactive processes are defined as those that serve the purpose of regular personal contact between top management and other organisational members. Any of the above three processes may be made interactive through top management involvement. The literature suggests that this will focus organisational attention, increasing participation in organisational goals through negotiation, communication and persuasion (see Simons, 1991; 1994). Weick (1979) takes this notion further, conceptualising organisation as interaction. For Weick, interacts are double interacts, engaging individuals in evolving cycles of action and response resulting in a "consensually validated grammar ... of sensible interlocked behaviours" (*ibid*:3). Interacts form patterns that come to be recognised as collective patterns which can be known as organisational acting. This concept is justified by the importance that top team actors accorded interactive processes in each of the cases. Interaction was the key to organisational frameworks of meaning, underpinned by the localised routines or metaphors of action in each case study.

Processes were characterised as having situated and distributed properties. Thus, any separation of processes is somewhat artificial since their distribution suggests that they are frequently complementary and inter-twined in action. For example, it is difficult to conceive of direction-setting processes that do not require some commitment of resource allocation, or indeed arise from resource allocation processes. Significantly, interaction was particularly important in the mobilisation and integration of other processes, emphasising its role in developing and maintaining frameworks of meaning. One of the reasons that processes may be so hard to classify is their distribution and embeddedness within different levels of organisational action. No single component of structure or factor of TMT thinking and acting had one-to-

one correspondence with a single process, and ranged instead across the processes. This distribution illustrates how processes are located at the individual and collective levels in both tacit and explicit forms. Furthermore, they are realised through their purpose in action. Thus, processes are found to be resident within the actors, the structures *and* the activities. Any specific use of process may draw on different aspects of the top team or the organisational structure, in accordance with the given activity, all located within the idiosyncrasies of the particular case as an interpretative framework. However, at a more generic level, process may be understood by the four strategic purposes identified. This offers a potentially useful means of classifying processes which embraces their "nested layered quality" (Pentland, 1995:542) and their uniquely situated properties. Thus classification of processes by their strategic purposes is tendered as a useful taxonomy for future research.

8.3.2 Processes: Routinisation and organisational memory

Routines are stored as a form of distributed procedural memory (Cohen and Bacdayan, 1994; Walsh and Ungson, 1991). They have interlocking components which are located in different individuals and structures and are given meaning by the activity and context in which they are realised (see Cyert and March, 1963; Henderson and Clark, 1990; Nelson and Winter, 1982). Thus, routines may act as 'recipes' or repertoires for organisational action, involving both interpretation and action (see Clark, 2000; Prahalad and Bettis, 1986; Weick, 1979). Routines describe and, to an extent, prescribe a possible set of alternatives an organisation may have but they do not proscribe the alternative to be chosen since they have the potential to generate numerous complex patterns of interlocked behaviour (see Clark, 2000; Pentland and Rueter, 1994; Pentland, 1995; Weick, 1979). In this research, routines are identified as the preferred processes or behaviours which an organisation and its top team use to identify and implement a possible course of action. Such routines are found at each level of analysis and provide a localised framework of meaning for interpreting action. Even non-routine activities may show recourse to this consistent pattern of activities (see Pentland and Rueter, 1994). Pentland and Rueter thus substitute the term process for routine, and this enables them to indicate that patterns of acting may be more or less repetitive without being automatic.

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It is important to highlight the notion of routine as effortful rather than habitual. This is consistent with Weick's (1979) proposition that organisations "require chronic rebuilding" (*ibid*:44), occasioned through continual re-accomplishment of processes. As such re-accomplishment is enacted, it may be considered an interpretative process. Nonetheless, enactment is affected by memory traces and event histories, which Weick terms recipes. Thus processes of enactment are both recursive and evolutionary, enabling continuity and transformation. This is a strand of the argument advanced in Chapter 2, which notes the influence of habitus (Bourdieu, 1990) on action, but also incorporates the structurationist (Giddens, 1984) perspective that "the routinised character of most social activity is something that has to be 'worked at' continually by those who sustain it in their day-to-day conduct" (*ibid*:86). This 'working at' is liable to be comprised largely of tacit or practical consciousness, based on experiences within the organisation (Blackler, 1993; 1995; Brown and Duguid, 1991; Giddens, 1984 Lave and Wenger, 1991). Thus, processes are realised in action as effortful or heedful sets of situated, distributed interactions even where they show a routinised or patterned usage (see Giddens, 1984; Hutchins, 1993; Pentland and Rueter, 1994; Suchman, 1987; Weick and Roberts, 1993).

8.3.3 Processes as the interplay which mediates between agents, structures and activities

Thus far, processes have been:

1. identified by their strategic purpose;

2. located as resident in TMT actor, organisational structure, and activity; and

3. used in routinised ways that enable situated, distributed patterns of interlocked behaviours.

Given the definition in Chapter 2 of practices as the tacit, habitual and processual components of an activity system, it is plausible to identify processes as the practices which comprise multiple layers of the "living socio-individual field in the process of becoming" (Sztompka, 1991:95). Processes are posited as the practices which mediate between TMT actors, organisational structure and strategic activity, (see Figure 8 - 3).

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The concept of mediation refers to the way that the interplay between agent, structure and activity occurs, permitting both continuity and change.

While it is difficult to designate a one-to-one relationship between abstract theoretical concepts and empirical data, this is attempted in Table 8 - 1 in an effort to clarify the relationship between theory and data. Since processes have situated and distributed properties and these properties mediate in the relationship between actor and structure, processes may be conceptualised as Giddens' (1984) modalities or Sztompka's (1991) levels of social structure (cf. Chapter 2). These authors suggest that structuration or morphogenesis, that is, the ongoing production and reproduction of social order, is occasioned through processes referred to as modalities, or levels of social structure. In order to avoid conflation of agent and structure, it is necessary to examine how processes of interplay occur. Interplay has been shown empirically in the situated and distributed nature of strategy processes. The research now attempts to provide a theoretical basis for the situated, distributed and mediating nature of processes in the relationship between agent and structure.

Since power relationships are implicit in such relationships, Lukes' (1974) three dimensions are also incorporated in Table 8 - 1. Lukes considers power to be embodied in:

1. The first dimension: overt forms which are related to gaining power in the presence of conflict through the control of scarce resources;
2. The second dimension: covert forms which assume the presence of conflict yet prevent it from surfacing. Conflict is suppressed by control over the access to forums where decision-making and the decision-making agendas are formed;
3. The third dimension: the management of meaning to shape preferences and perceptions. In such situations, conflict does not arise because the members of society concur in the structuring of social order, even where it does not accord some of them with a favourable position.

These dimensions indicate the tacit and overt forms of power which underpin the structuring of social order. Hardy's (1996) analysis of these dimensions is included, since she provides an empirical interpretation of Lukes' (1974) three forms of power

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in the implementation of strategic change. This interpretation is helpful in understanding how theoretical concepts relate to empirical categories.

Strategy Process	Giddens (1984)	Sztompka (1991)	Lukes (1974)	Hardy (1996)
Direction-setting	Signification: Interpretative frameworks of meaning	Ideal level: Ideals, beliefs and images of social reality	3rd dimension: Shaping perceptions and preferences	Power over meaning: Underlying values, assumptions, norms
Resource allocation	Domination: Facilities of power in authorisation and allocation of resources	Opportunity level: Hierarchy and societal position = differentiated access to resources	1st dimension: Overt power by dominant groups through the control of scarce resources	Power over resources: deployment of key resources to modify behaviour
Monitoring and control	Legitimation: Normative or regulatory aspects of society which sanction behaviour	Normative level: Rules, norms, institutions prescribing proper and improper conduct	2nd & 3rd dimension Covert power over procedures and political routines, sedimenting into normative control	Power over process: Defining access to decision-making agendas. Regulations and rules of behaviour
Interaction	Signification & legitimation: Interpretative and normative frameworks of meaning	Interactional level: Reciprocal interaction between individuals in action	3rd dimension: Shaping perceptions and preferences	Power over meaning: Underlying values, assumptions and norms

Table 8 - 1: Theorising the processes of mediation

Direction-setting is classified at the level of signification, ideals, and management of meaning. This is because direction-setting is a process of interpreting strategic options arising from top team cognition. It also elucidates the meaning sedimented in the organisational structures, and the actions the cases take. As such it may be considered as both purposive and also influenced by underlying assumptions, extant in the social structuring. Thus, direction-setting is, essentially, an enacted process of sense-making and sense-giving (cf. Bartunek, 1984; Gioia, 1986; Gioia and Chittipedi, 1991; Ranson et al, 1980; Weick, 1979). Resource allocation relates to domination, primarily available to, although not solely the province of, those with greater power, commonly the dominant coalition. While resource allocation in this thesis is taken to refer to tangibles such as physical, financial and human resources, at the theoretical level this also refers to the rules and resources of social structure. Here it relates to more overt forms of power involved in the pursuit of strategic action. Access to such resources is particularly related to the opportunities which hierarchy and societal position afford to dominant groups, conceptualised in this thesis as the TMT (cf.

Child 1972; 1997; Hardy and Clegg, 1996; Whittington, 1989; 1992). Monitoring and control is principally concerned with processes which legitimate particular behaviours through rewards and sanctions, embedding over time as norms. Such processes involve strongly sanctioned systems, such as formal rules and regulations, and also weakly sanctioned, but possibly more intense or sedimented structures, such as culture, collegiality and locally understood routines (see Giddens, 1984). Sedimented structures which exert a monitoring and control influence are reinforced by modalities of signification and the management of meaning. As such, these forms of monitoring and control do not require overt enactment, due to the absence of conflict (see Lukes, 1974). Such controls may be accessed by the top team to support them in their agency. However, controls present in the societal norms and frameworks of meaning also exert influence on the interpretative schema of dominant groups, albeit possibly supporting them in the perpetuation of their role. Interaction processes are most likely to feature in all types of mediation. However, they are most implicated in legitimation and signification. This is because interaction supports the building of collective frameworks of meaning and these frameworks serve to legitimate behavioural norms. Interaction is an important mediating process in the relationship between agent, structure and activity since it provides the shared interpretations which enable the collective pursuit of action. Power has a role to play in this relationship since dominant actors will endeavour to ensure that interpretative schema that support their interests are adopted (cf. Bartunek, 1984; Child, 1972; 1997; Ranson et al, 1980; Silverman, 1970).

This section has attempted to provide theoretical support for the notion that the four strategy processes identified may be conceptualised as the practices of mediation between agent, structure and activity. Given the discussion above, processes will hereafter be referred to as practices.

8.4 TMTs and strategy as practice

Having established the mediating role of practices, these are now arranged in a framework which may be used to explain TMT engagement in strategy as practice as a process of inner structuration (Child, 1997) or internal morphogenesis (Sztompka,

1991; cf. Figure 2 - 5). At each level of analysis, a series of inter-related constructs were identified and described. In Figure 8 - 2, they have been bracketed in accordance with the three levels of analysis:

1. The TMT as agents, with processes ranging from thinking to acting;

2. The structures, ranging from material to social, which are products of collective human action over time; and

3. The practices of mediation, ranging from explicit to tacit, which establish an interplay between agent, structure and activity.
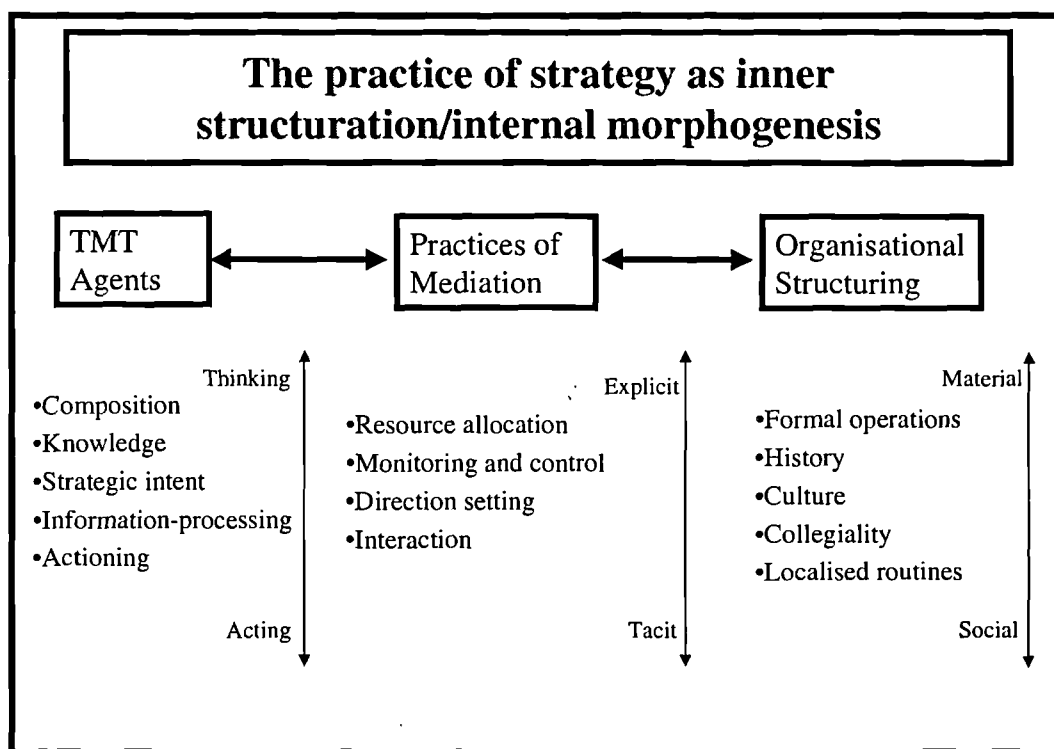
Figure 8 - 2: Explanatory framework for TMT engagement in strategy as practice

The incorporation of a ranging scale of dimensions within each bracketed level of analysis, these scales being:

1. TMT thinking and acting processes;

2. Formal and informal structures; and

3. Explicit and tacit strategic practices,

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is not intended to suggest polarities on a continuum. Rather, it expresses the complex, mutually constitutive ordering of constructs. As discussed in this and the preceding chapters, constructs are inter-dependent and mutually constitutive, although it is possible to conclude that they may have observable properties tending more towards one dimension than the other. For example, the construct of formal operating procedures is more apparently characterised by material properties when compared to the collegiality construct, which has more socially constructed properties. However, any one construct is not solely characterised by a single dimension and has properties of both dimension.

The framework positions the constructs in a manner which summarises the above discussion of strategy as practice. The role of situated and distributed practices which serve a mediating role between actor and structure is indicated by the arrows between brackets. This framework brings together the concepts at each level of analysis and positions them in a meaningful way which may also be used to investigate other situations. Using this explanatory framework, researchers and practitioners may tease out the elements of TMT strategic thinking and acting, the material and social structures of the organisation, and the processual interplay between the two in the daily practices of strategy. Strategy as practice occurs as interaction between these constructs and analytic levels in the pursuit of strategic activity, enabled by the mediation of situated and distributed practices.

With this framework and the fine-grained analysis and discussion preceding it, the research has answered its initial question; How do top management teams engage in the practice of strategy in three UK universities? Top management teams engage in strategy as practice through the use of situated and distributed practices which mediate between their behaviour, the organisational contexts in which they act and the activities which they pursue. However, it is possible to move beyond the initial question in an attempt to provide a more dynamic model of the relationships between the three levels of analysis as they occur in action.

8.5 Reproduction or transformation? The paradox of effectiveness and inertia

A recurrent theme in the thesis has been the notion of continuity and change. Recursiveness in the construction and reconstruction of social order indicates how continuity is maintained (see Bourdieu, 1990; Giddens, 1984; Sztompka, 1991).

> Recursiveness means the socially accomplished reproduction of sequences of activity and action because the actors involved posses a negotiated sense that one template from their repertoire will address a new situation (Clark, 2000:67)

Implicitly, recursiveness underpins the concepts of procedural memory (Cohen and Bacdayan, 1994), organisational memory (Walsh and Ungson, 1991), organisational genetics (Nelson and Winter, 1982), knowledge structures (Lyles and Schwenk, 1992), recipes (Weick, 1979) and repertoires (Clark, 2000; Cohen, 1991). These concepts discuss historical influences and the temporal persistence of social order in both actor and structure. Organisations develop a dominant logic (Prahalad and Bettis, 1986), an architectural knowledge (Henderson and Clark, 1990) or core capabilities (Leonard-Barton, 1992). Such characteristics are not only structural. They are also evident in TMT actors interpretative schema (see Bartunek, 1984; Bettis and Prahalad, 1995; Daft and Weick, 1984; Gioia and Sims, 1986; Prahalad and Bettis, 1986; Ranson et al, 1980), affecting their enactment-selection-retention patterns (Weick, 1979) and information-processing behaviours (Gioia and Thomas, 1996; Lord and Foti, 1986; Thomas et al, 1993). These managerial and organisational processes are perceived as capabilities (Teece et al, 1997), desirable to reduce uncertainty and increase efficiency in the route to action. That is, they act as managerial and strategic heuristics important to the effectiveness of the firm. Heuristics may be conceptualised as recurrent action patterns. "Recurrent action patterns contain the history-specific and firm-specific idiosyncratic elements ... representing both the pace and efficiency of the firm" (Clark, 2000:240). Such patterns form a tacit theory-in-use which serves to guide organisational identity and continuity (Argyris and Schon, 1978). However, continuity is also the source of inertia. Heuristic devices, whether managerially or structurally located, tend to sediment and dominate perceptions of strategic options (cf. Bettis and Prahalad, 1995;

Cyert and March, 1963; Nelson and Winter, 1982; Tushman and Romanelli, 1985), becoming core rigidities (Leonard-Barton, 1992) that inhibit learning (cf. Argyris and Schon, 1978; Bettis and Prahalad, 1995). In Chapter 2, this was identified as the paradox of effectiveness and inertia. The paradox is that the same routines and behaviours which represent effective behaviour may also lead to inertia.

The findings in this thesis support the notion of a paradox of effectiveness and inertia. The situated and distributed nature of practices enables them to mediate frameworks of meaning between actors, structures and activity in a mutually constitutive process. Thus, recursiveness in the constitution and reconstitution of social order is evident. Clark (2000) notes the problem of durability in recursiveness; that it constrains attempts at transformation. However, consistent with the theoretical framing of social order as a continuous state of social becoming (Sztompka, 1991), both continuity and change were found in the case studies (cf. Pettigrew, 1985; 1990). The cases showed both recursiveness and transformation in that active change was occurring in two cases, LSE and Oxford Brookes, and a sensing of change was developing at Warwick. To better interpret recursiveness and transformation or continuity and change, Figure 8 - 3 models strategy as practice as an activity system involving the dynamic inter-penetration of three domains; TMT actors, structures and activity, mediated by practices. Thus, the three levels of analysis, positioned in the explanatory framework, Figure 8 - 2, have been arranged within the context of activity. Incorporation of activity is relevant to both the empirical data and the theorising of practice. In the data, practices came into play in the pursuit of action. Theoretically, practice was conceptualised as a teleological notion, activity seeking a goal, sustained and enabled by the practices. The concept of activity system is drawn from Blackler (1993; 1995) and Engestrom's (1993) use of activity theory to model the integration of object, subject and community. The mediating nature of practices is expressed in Blackler's (1993:875) discussion of the nature of activity systems.

> Mediating mechanisms, such as tools, language, social rules and the division of labour, transform the relationships between individuals, communities and shared endeavour. Such factors are interwoven in a complex web of mutual interactions.
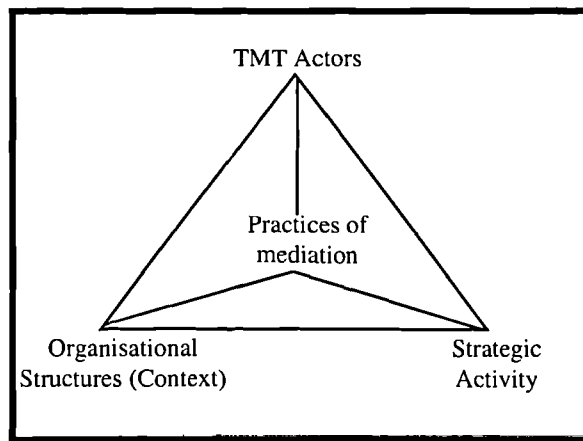
Figure 8 - 3: Strategy as practice: Dynamic inter-penetration of TMT actors, organisational structures and strategic activity, mediated by practices

In this model, the situated and distributed nature of practices mediates both continuity and change by enabling tensions between the domains in an activity system. Activity systems are posited, in the literature, as continuously contested (Blackler, 1995; Engestrom, 1993; Lave, 1993), which is important to their survival. Indeed, Weick (1979) proposes that the human capacity to engage in ambivalent activity in terms of the opposed capacities for flexibility and stability is important for organisational survival. By opposition, the tendency to chronic flexibility, with the resultant lack of identity, or to chronic stability, with the lack of attention to new stimuli and changes in practice, are counter-balanced, leaving the possibility of adaptation open. In the contested nature of activity systems, the concept of mediation is important. It suggests that activity systems will seek change when they move too far from balance in an effort to sustain tension between the domains. If this model bears testing, while a single domain may attain temporary dominance, it will not be able to sustain domination indefinitely as the distributed nature of practices will also mediate towards the other domains. Indeed, it is expected that tensions between the three domains will be almost continuous, which may be playfully termed a 'tri'-alectic of control (see Giddens, 1984, on the dialectic of control between actor and structure).

This dynamic framework is explored more fully by its use in interpreting continuity and change in the cases. Each case is found to be in a different state of balance between the three domains of interaction. It is an over simplification to talk of pre- and post-change since this is a synchronic view which does not reflect the dynamic nature of activity systems posited here. However, for the purposes of developing

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propositions regarding recursiveness and transformation, Figures 8 - 4 to 8 - 6 display earlier and later phases of the cases generated from this longitudinal study. As with any theoretical proposition, there must be some trade-off between accuracy, generality and simplicity (see Weick, 1979). For case descriptions rich in the nuances of interaction, return to Chapters 5 to 7.

London School of Economics and Political Science
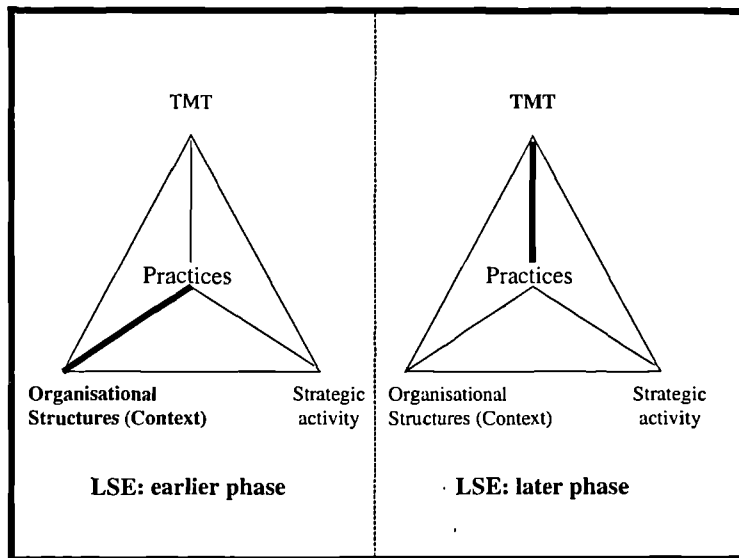
Figure 8 - 4: Interpreting continuity and change at London School of Economics (Bold text and degree of thickness of lines indicates degree of dominance in domains.)

In the earlier phase, the activity system at LSE was dominated by organisational structuring. Deeply sedimented routines and formal operating procedures, based in the history of anomic but excellent collegial culture, led to the support of these structures by the aforementioned practices. This structuring proved quite resistant to change. For example, the previous Director attempted to make changes in the activity profile. Both the Director, as a TMT actor, and the activities, were blocked or resisted by the structural domain, amounting to a structural inertia. Thus, in its earlier phase, the emphasis in the model was structurally dominated, with practices mediating in their favour. This may be noted in the localised routine of checks and balances and specific structural developments, such as the creation of the APRC to serve collegial governance procedures. In the later phase at LSE, changes in the TMT, originating with a new Director, provided an opportunity for change in the strategic activities and, progressively, the organisational structures. Many new strategic initiatives were in the

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process of implementation in the final year of the study. Some minor structural changes were also observed towards the end of the period of study, as is suggested by the gradual move from collegium towards enterprise forms of organisation (see Chapter 6). Subsequent conversations, which were held after data collection ceased, suggest that further structural change is taking place. Such change has been facilitated by the expansion of the TMT. Thus, change at LSE may be said to be influenced by emphasis moving towards the TMT. This is reflected in the way practices of mediation are becoming manipulable by the TMT rather than by the structures. Indeed, the structures and practices may be perceived as serving the TMT, a point which is indicated by this exchange during the investigator's presentation of results.

1. "The role of the APRC is to do what we want to do. That's what it's there for. It does what we want, in my opinion."
2. "I don't think it thinks of itself in that way and it certainly didn't behave that way for a period of time."
1. "It's much better now."
3. "Yes, much better now."
1. "I don't mind it too much because we can always do what we want and get people to agree to it."
4. "I think the one thing that's changed is having two P-Ds, with one being responsible for Vice Chair of APRC, APRC is now better disciplined. In a sense more groundwork is being done before the meetings take place and there's a stronger steer (Investigator report, LSE, 1999).

However, change should not be understood simply as emanating from the appointment of a new Director. Such an interpretation would assume simple causality, and this misses the point of the inter-penetrated nature of the activity system and the mediating role of practices. Throughout the earlier phase of the analysis, the TMT and the strategic activity domains had been struggling to re-assert tension within the system, away from the structural domain. While they had not been successful at that period in time and space, the activity system was in a receptive state for the advent of a new Director. This Director had the personal skills and characteristics to effect changes in the strategic activity profile, the top team and, subsequently, the structures as the practices became more equally distributed and change gained in momentum.
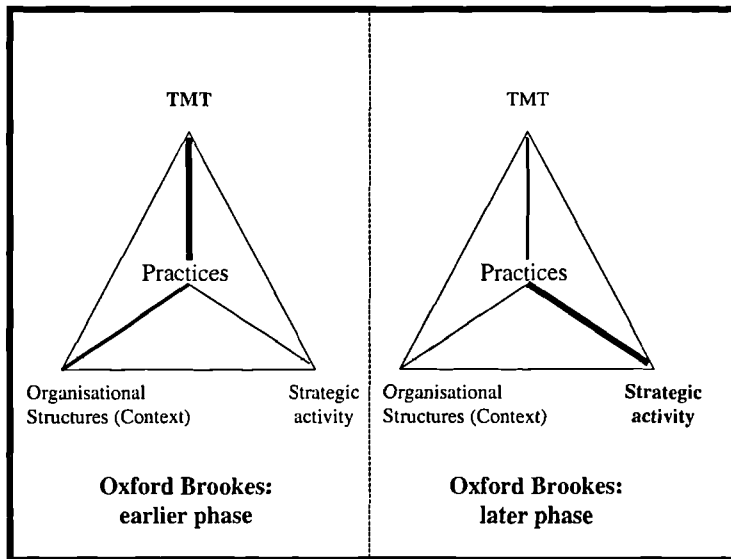
Figure 8 - 5: Interpreting continuity and change at Oxford Brookes University

In its earlier phase, the activity system at Oxford Brookes was dominated by its TMT. Practices tended to mediate in favour of the TMT, with some resistance from, or tension towards, the organisational structures. In 1992, the University had a small TMT, of which 3 members had been with the organisation, in the case of the DVCs, since the early 1980s and the VC since 1986. All had been in top management posts since incorporation, and hence were involved in the establishment of many practices that were developed to support an autonomous, as opposed to NAB-governed, organisation. Structurally, there was some evidence of inertia, as indicated by the 1988 Coopers and Lybrand report and the retrospective interviews. In 1993, top management, in the form of the outgoing DVC, Academic Affairs, took an active role in developing practices that would mediate towards a new activity profile and away from structural inertia by initiating Agenda for Brookes. While this did not achieve any substantive change, it was an indicator of tensions in the activity system mediating towards a state of change. Thus, the climate was ripe, with a change in the DVC, Academic Affairs, in 1994, for the development of the strategic planning cycle, which is a practice which mediates very strongly towards the TMT (cf. Figure 7 - 3; Strategic Artifact Box 6.4). As evidenced in the planning cycle documentation, this practice was progressively mediating shifts in the structures towards more goal-setting behaviour. Simultaneously, the structures were pushing for top team change, which

occurred with the advent of a new VC who had specific remits in terms of research intent and expansion of the TMT. Thus practices were beginning to mediate tension between the domains that was gradually gaining momentum.

In the later phase, such changes were accelerated by the imposition of an exogenous shock, the HEFCE migration policy, which stimulated changes in the activity portfolio. This strengthened the use of practices of mediation to support new strategic activities designed to meet the migration strategy, for example, efficiency gains in staff time, and the regionalisation strategy. As emphasis shifted towards certain activities, they began to dominate the practices of mediation. The dominance of the strategic activity profile has stimulated structural change such as increasingly formalised performance targets, rationalisation of specific Schools, and the rise of the 'Winning Approach', complemented by changes in the composition of the TMT. Thus the University was observed to be moving from the bureaucracy towards the corporation archetype. This was accelerated by an exogenous shock increasing the pace of change. However, exogenous shock did not 'cause' change as the activity system was already engaged in the momentum of change. External stimuli increased focus and emphasised particular components of the activity profile, dominating practices which were already mediating tension across the domains.

Warwick University
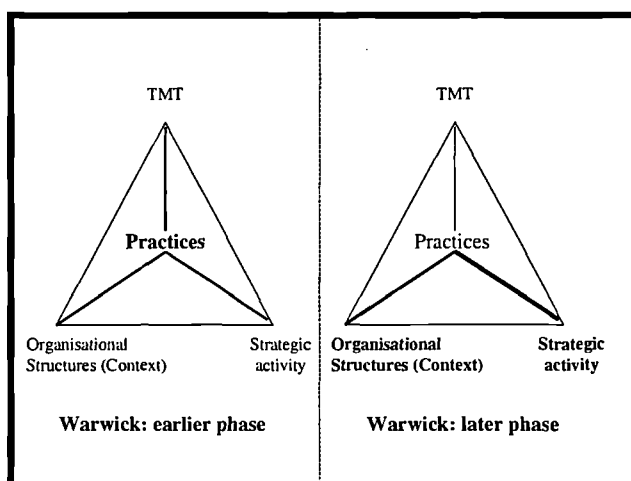
Figure 8 - 6: Interpreting continuity and change at Warwick

In the earlier phase at Warwick, which was found to be a highly coherent organisation, continuity rather than change was apparent. The three domains of the model were in balanced tension insofar as the TMT, the structures, and the strategic activities were mediated by the practices to form a coherent activity system which appeared effective at pursuing strategic activity. As such, practices have been posited as dominant, mediating effectiveness in terms of known and accepted behaviours in each of the domains which were returning the activity system a level of performance acceptable to its goals. At this stage, the activity system could be considered to be in a period of effectiveness. While Warwick was not observed during a period of active change, in its later phase it was observed during what may be termed a phase of sensing change. This was arising from two sources. First, the organisational structures were no longer responding as effectively to the traditional mix of practices in areas such as achieving the targeted surplus and maintaining returns on research grants and contracts. Indeed, the earned income activities were making a stable rate of return over the last 5 years of the study, despite attempts to leverage greater performance. As such, the activity system may be seen to be moving from effectiveness towards inertia during the study. Secondly, the strategic activity domain was stimulated by falling rates of State funding which required the organisation to perform at higher output to maintain its desired activity profile. This was compounded, as data collection came to a close, by the advent of a new activity, a Medical School, which will incur an increased drain on resources over the mid-term. The two domains, structure and activity, began to dominate the practices. The structure through inertia or incapacity to generate greater effectiveness and the activity through increasing demands which exacerbated tension in the system. Acting conjointly, these domains gained top team attention during the final stages of the research and feedback to participants.[3] Interestingly, within two years of the close of active observation, there will be a complete renewal of the inner core of the TMT, which may result in practices mediating towards the team and/or the activities of change. This strengthens the model, as, during its effectiveness phase, Warwick was characterised by a team with high longevity and stability. As change becomes pre-eminent, changes in the team are occurring. The activity system is re-asserting tension in the top team domain.

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[3] This may account for the top team's high receptivity to the investigator's findings, which exposed underlying assumptions about the entrepreneurial culture at Warwick and the strong coherence which could pose a barrier to learning.

8.5.1 The activity system contribution to recursiveness and transformation

Using this model and its explanation of continuity and change in the three cases, it is possible to elicit three propositions about recursiveness and transformation within an activity system.

Proposition 1: While the three domains of an activity system are in balance, practices serve to mediate in a recursive fashion, providing a continuity which may be termed effectiveness.

Thus, at times of balance, practices are heuristic devices which serve effectiveness, enabling the activity system to persist and adapt continuously. It is probable that, as at Warwick, practices will be widely-distributed and reflected in multiple constructs at an agent and structure level, providing complex interdependence that enhances their capacity to mediate balance between the three domains.

Proposition 2: When imbalance occurs, practices will shift emphasis towards one or more domains in the activity system, disrupting continuity and occasioning change.

Imbalance may have many causes. For example, in the case studies, structural inertia, top team dominance, gradual sensing and exogenous shock were all sources of imbalance in the tensions. Thus, change may not be an immediate occurrence. It is probable that crisis or exogenous shock is more likely to result in rapid response, whereas organisational sensing or progressive decline in performance are likely to be associated with a more gradual response to change (cf. Donaldson, 1999; Gersick, 1991; Johnson, 1987; Levy, 1986; Quinn, 1980; Tushman and Romanelli, 1985). The main point here is to suggest that change is occasioned by imbalance, with the model having the capacity to explain both incremental and transformative change.

Proposition 3: While practices will mediate in favour of the dominant domain, this is not exclusive because practices are situated and distributed across the domains.

Thus, to some extent, an activity system carries a capacity for balance within its practices. As an activity system is, by its nature contested (Blackler, 1995; Engestrom, 1993; Lave, 1993), the domains are in a continuous state of tension which resists domination indefinitely in any one domain. As discussed above, the importance of tension in organisational survival is embodied in Weick's (1979) capacity for opposition in terms of flexibility and stability and Giddens (1984) dialectic of control. Such theories of opposition underpin various models of change. For example, Tushman and Romanelli's (1985) influential discussion of punctuated equilibrium between periods of convergence and reorientation is an example of the way in which a progressive onset of inertia leads to decline in performance to the extent that the organisation then requires reorientation or radical change. This is, indeed, the paradox of effectiveness and inertia. That is, recursiveness leads to a state of inertia which is then followed by transformation.

The concept of balance is a tenet of Donaldson's (1999) performance-driven approach to change, in which he conceptualises the organisation as a portfolio of interrelated components which interact to create organisational performance. He proposes that management conceptualises a target or satisficing (cf. Cyert and March, 1963), level of performance, arising from former experience. When the components of the portfolio are sufficiently in balance for this level to be maintained, practices become conservative, re-creating the status quo. When performance falls below the target, risks are taken to attempt to achieve the target, leading to change. "Hence success leads to relatively conservative organisational practices, whereas the stimulus of poor performance leads to organisational risk taking and change" (Donaldson, 1999:38). Within this theory, Donaldson (1999) notes that satisficing levels are subject to adaptation, based upon the experience of success, resulting in higher expectations, or decline, leading to lower targets. Nonetheless, his theory is predicated upon the stimuli of decline in performance, referred to as therapeutic crisis.

> ... meaningful organizational change comes as the result of therapeutic crisis. The crisis is uncomfortable but also therapeutic in that it shocks the system into addressing the need for change and gives it the impetus for taking the developmental step forward (*ibid*:12).

However, Gersick (1991) notes that radical change may not be preceded by crisis or performance decline. Some organisations have self-imposed signals or sensing of change which are sufficiently influential to result in radical change. Tushman and Romanelli (1985) also suggest that while most reorientation is led by a change in top management, some organisations are able to reorient without dramatic decline or crisis, using the existing executive leadership. Furthermore, they propose that change is more prone to successful implementation in such circumstances.

Both the portfolio theory advanced by Donaldson (1999) and, more particularly, the suggestion that organisations may contain their own change-sensing mechanisms prior to serious performance decline, have much that is compatible with the activity system approach to strategy as practice presented in this study. With the exception of the exogenous shock at Oxford Brookes, none of the cases experienced a decline which could be perceived as a performance crisis. However, consistent with Donaldson's (1999) view, it could be argued that top management in all cases perceived components of performance as below the satisficing levels, which is likely to be a factor contributing to the internal-sensing mechanisms. The Warwick system displayed an ability to sense decline prior to crisis. Both, LSE and Oxford Brookes were in a state of change-sensing and change initiation throughout the study. While change may have been accelerated at Oxford Brookes by an external stimulus, the system was already engaged in a change process. Thus, as incorporated in the notion of balance within an activity system, continuity and radical change may be encompassed within the same social movement.

To explain more adequately the model of the dynamic inter-penetration of actor, structure and activity, mediated by practices, it is helpful to turn to theories dealing with situated action (Suchman, 1987), distributed cognition (Hutchins, 1993; Blackler, 1995) and heedful inter-relating (Weick and Roberts, 1993) in communities of practice (Brown and Duguid, 1991; Lave and Wenger, 1991). The key terms here are 'situated', 'distributed' and 'heedful'. To re-emphasise the discussion in Chapter 7, situated action "is an emergent property of moment-by-moment interactions between actors, and between actors and the environments of their action" (Suchman, 1987:179). This has an inherently conflictual element (Lave, 1993). Distributed action refers to the overlapping knowledge actors have regarding their activity system, such

that knowing and action are distributed throughout the system enabling collective activity (Blackler, 1995; Hutchins, 1993). This may be conceived as a type of knowledge redundancy or slack (March, 1991; Spender, 1996), in which overlaps enable actors to respond to those parts of the activity system which are outside but connected with their own task. The concept of distributed used here adopts the activity system views of Blackler (1995) and Spender (1996), that knowing is collective as well as individual and may be distributed in structures and actions as well as individuals. In this research, practices serve this purpose, being situated and distributed within, and mediating between, actor, structure and activity. Finally, 'heedful' inter-relating refers to the way individuals construct their own actions within an activity system with heedful consideration of the other components of the system (Weick and Roberts, 1993). In other words, consistent with the human capacity for reflexive monitoring of action (Giddens, 1984), actors are conscious of, and effortful in, constructing the interactions and inter-relationships which comprise the activity system (cf. Pentland and Rueter, 1994). Heedfulness in this research is given a broader conceptualisation than that of Weick and Roberts' (1993), which locates interactions within the individual. It is assumed that, just as with practices, heedfulness may be distributed across the domains of actor, structure and activity, such that domains may be heedful in constructing the interactions and inter-relationships which comprise the activity system.

The distributed character of practices enables the inter-relating of domains to be heedful, such that the activity system is able to display continuity or to sense change and respond accordingly. When the system becomes 'heed*less*', that is, domains fail to adequately construct or heed the other in action, the system is prone to error. At such times, one or more domains may become dominant, constraining the distribution of practices. This predisposes the activity system to heedless inter-relations, resulting in inertia and non-perception of change stimuli because of habitual action and insufficiently distributed practices. From a communities of practice perspective on reproductive cycles of continuity and displacement, heedlessness is most likely to happen when the community lacks sufficient diversity of actors at different trajectories of community participation, engaged in a wide range of ongoing activity (Lave and Wenger, 1991). In such situations, inertia will build until it creates sufficient tension and decline within the system that radical change will occur (cf.

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Donaldson, 1999; Gersick, 1991; Tushman and Romanelli, 1985). However, the essential tenet of communities of practice is that they have the capacity for ongoing development through generative cycles of continuity and displacement. While this is expressed as cyclical, it is not expressed as stimulated by fluctuations of high and low performance since the trajectory of action may be continuous, theoretically occasioning continuous adaptation.

This is helpful for interpreting the findings of the case studies. At LSE, in the earlier phase the structures may be considered to have become heedless, failing to adequately conceptualise the activity profile or the TMT, hence building barriers and resistance to change stimuli. As change-sensing began to build momentum, displacement and renewal in the top team was a suitable stimuli to re-commence the generative cycles. In its earlier phase, Oxford Brookes was in a generative process in which all three domains displayed both heedfulness in incrementally adapting behaviour but also some traces of heedless behaviour occasioned by historical traces of activity and structure and long-term tenure in the top team. An exogenous shock resulted in the activity profile becoming dominant and the other domains paying it greater heed. At Warwick, an initially heedful system became prone to heedlessness through habitual action and a lack of displacement in the TMT. That is, its top team actors were of long tenure, lacking diversity in their trajectories of community participation and becoming sedimented within existing knowledge and behaviours. Similarly, the activity system was, generally, continuing to pursue its customary activities, using its customary practices, in an habitual rather than effortful re-accomplishment (Giddens, 1984; Pentland and Rueter, 1994). Thus, the institution was progressively lapsing into inertia. However, it retained sufficient heedfulness in the three domains to sense inertia and begin to conceptualise change at the close of data collection. It is currently, in the post-research period, on the brink of change which incorporates a new top team and external and internal stimuli for new activity.

In conclusion, tension or opposition in an activity system enables continuity as long as each domain has relatively equal influence or is working in balance with the others. Changes in any one of the domains, perhaps due to external stimuli, may result in imbalance in the tensions, weighting the practices towards that domain. This domain may then become dominant for a period, as practices mediate towards it. However,

either gradually or radically depending upon the stimuli and inertial forces, tensions from the other domains will assert their influence, maintaining the dynamic nature of activity systems that allows them to be in a continuous state of social becoming. The tendency to adaptive or radical change may be better understood by conceptualising the situated, distributed, heedful and continually contested nature of activity systems. This proposition of tension between three domains in an activity system, and the tendency of practices to mediate in favour of, although not exclusively, the dominant domain at any given time, illustrates that recursiveness need not equate with inertia and non-transformative behaviour. As Sztompka (1991) suggests, continuity and change are embodied in the same social movement, in interaction with its wider context. Thus, activity systems are involved in a continuously evolving chain of praxis in which many of the characteristics of the past are reproduced in the future, whilst maintaining the capacity for adaptation.

8.6 Conclusion

This chapter has further analysed and discussed the findings from each level of analysis as a series of building blocks leading to the overarching findings. As is, perhaps, inevitable, with such a richly detailed, embedded study, there are numerous small findings. However, the main findings at the top team level were:

1. The case-specific nature of top team composition and its role in TMT thinking and acting, indirectly increasing the explanatory power of this construct in relation to organisational performance;

2. The identification of five mutually constitutive constructs which enable the processes of top team thinking and acting to be more effectively interpreted.

Thus, such findings complement extant research on top team demography and make a contribution to unpacking the black box of top team processes, an under-researched area (Pettigrew, 1992; Priem, 1999; Smith et al, 1996).

At the second level of analysis, the identification of five inter-related, mutually constitutive constructs comprising organisational structuring, contributed to:

1. Confirmation and enhanced understanding of the bundle of idiosyncratic tangible and intangible structures which feature in resource, capability and knowledge-based views of the firm;

2. An understanding of organisations as interpretative systems.

Together these approaches provided a more dynamic explanation of inimitable resources and knowledge within firms, and how these contribute to the localised or firm-specific practices of strategy.

The third level of analysis resulted in three main findings:

1. As processes are located in organisational structures and TMT thinking and acting, realised through action, they may be usefully classified by their strategic purpose. Four main strategic purposes were identified; direction-setting; resource allocation; monitoring and control; and interaction;

2. Processes have recurrent patterns of usage which, although routinised, are also realised through effortful or heedful daily practice;

3. In theorising strategy as a social practice, processes may be conceptualised as the situated and distributed practices which mediate between actors, structures and activity.

Findings from each level were brought together so as to propose that strategy as practice occurs as action across three inter-penetrated levels of analysis: TMT actors; organisational structures and mediating practices. These levels of analysis were placed into an explanatory framework which incorporated the constructs identified at each level. In this thesis, it is posited that this explanatory framework may be used to analyse the components and inter-relationships involved in strategy as practice. Thus, the framework may be used to answer the question guiding the research; how do TMTs engage in the practice of strategy within three UK universities? Top management teams engage in strategy as practice through the use of situated and distributed practices which mediate between their behaviour, the organisational contexts in which they act, and the strategic activities which are pursued. To better model the dynamic nature of these relationships, strategy as practice was

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conceptualised as occurring within an activity system. The activity system comprised three domains, top team actors, organisational structures and strategic activity, mediated by practices which are situated and distributed across the domains. This modelling was used to explain the presence of both continuity and change within the case studies. The implications of the findings, for both scholars of strategy and practitioners, are discussed in greater detail in the following chapter.

CHAPTER 9

CONTRIBUTIONS, IMPLICATIONS
AND LIMITATIONS OF THE RESEARCH

The purpose of this chapter is to summarise the main contribution of the research to theory and interpretation of top teams and strategy as practice. The relevance of the study to existing trends in organisational and strategic management research is also discussed. Two main implications of the thesis for theory and practice are expressed: its implications for the study of strategy; and its implications for counteracting the paradox of effectiveness and inertia. The limitations of the current study are also acknowledged, with respect to four main premises. These relate to issues of research design and outcomes. Finally, potential avenues of interest arising from the study are outlined as a future research agenda.

9.1 Main contribution of the research

The finding:

> that strategy as practice occurs as the dynamic inter-penetration of TMT actors, structure and activity, mediated by practices;

and the subsequent proposition:

> that situated and distributed practices mediate for recursiveness and transformation in activity systems within time and over time;

are the central contributions of this thesis. The first is a powerful conceptualisation of strategy as practice which is posited as a substantively grounded theory of the three case studies in this research (see Glaser and Strauss, 1967). It advances a theoretical interpretation of strategy as practice which is closely linked to data. That is, the theory

explains the data and the data explains the theory. This empirically grounded theory has internal validity and also gains external validity, and with it, a potentially wider application, from its consistency with theories of structuration (Giddens, 1984), habitus (Bourdieu, 1990) and social becoming (Sztompka, 1991) that interpret the nature of social order. The subsequent proposition regarding the role of practices in mediating recursiveness and transformation is a plausible explanation of the data, which also coheres with social science theory. However, further analysis is required to posit this as theory. At this stage, it is a plausible proposition which has academic and practical implications, discussed below, and offers potential for future research.

In keeping with its grounded nature, this theory may be broken down into smaller constituent parts, or constructs, which, taken as a gestalt, explain the whole, but fragmented, enable analysis of the composition of the whole. Each of these constructs explains some specific factor of strategy as practice, grounded in data. The constructs themselves are not significantly new as many of them have been the topic of investigation in diverse fields of management research such as decision-making, knowledge management, strategic planning, strategic intent, formal analysis, monitoring and control systems. The novelty of their use lies in their positioning within an explanatory framework, Figure 8 - 2, bracketed according to the three analytic lenses; TMT actions, organisational structures, and practices of mediation, to illustrate the inter-relationships involved in the practice of strategy. Constructs within the bracketed levels of analysis variously explain TMT processes of thinking and acting, the idiosyncratic nature of organisational structuring, and the mediating purposes of strategy practices. Brought together in an explanatory framework, they allow an order to be attributed to interactions between a complex set of processes, offering a powerful tool for the analysis of strategy as practice.

9.2 Links with existing research

In this section, links are drawn with existing research in organisation studies and strategic management. As is inevitable with such a rich study, both the data and the analytic constructs can be applied to a diverse field of literature. However, this section

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discusses only the major contributions of the study in terms of their relevance to extant research.

9.2.1 Top management teams

Building upon Hambrick and Mason's (1984) influential article, many researchers have established a relationship between TMT demographic variables and the strategic outcomes of organisations (for example, Bantel and Jackson, 1989; Boeker, 1997; Wiersema and Bantel, 1992). More recently, such research has incorporated process variables such as top team agreement, consensus, and social integration, in an attempt to understand the mediating effect of behavioural characteristics in the relationship between TMTs and firm performance (for example, Iaquinto and Frederickson, 1997; Smith et al, 1994). However, while such research raises many interesting questions, for example in terms of the relationship between team tenure and the propensity for strategic change, it leaves many questions unanswered. Indeed, many of the articles on top teams remain at a theoretical level, giving rise to propositions which have yet to be empirically tested (for example, Finkelstein and Hambrick, 1996; Flood et al, 1996; Hambrick and Mason, 1984; Priem et al, 1999; Smith and Kofron, 1996; Wooldridge and Floyd, 1997). In both empirical and theoretical papers, there is considerable demand for fine-grained analyses and longitudinal processual research which can provide explanations of top team impact upon strategic performance (for example, Boeker, 1997; Hambrick, 1994; Pettigrew, 1992; Priem et al, 1999; Reger, 1997; Smith and Kofron, 1996; Smith et al, 1994; Wooldridge and Floyd, 1989). Fine-grained analysis is needed to determine whether a top team exists and, if so, what roles and positions comprise team membership (Collin, 1998; Pettigrew, 1992; Finkelstein and Hambrick, 1996). Such research will also investigate the role of top team processes in implementing strategy; an area which has received little attention (Hambrick, 1994; Smith and Kofron, 1996). Hence, the results of this research are relevant to the above body of literature, particularly in addressing some aspects of the research agenda outlined. The in-depth investigation and high quality of data collected in this study offer a rare insight into the black box of top team processes. The results of these three cases show that, even where it is not labelled as such, a TMT is present, with both generic and case-specific aspects of composition. If a top team is found to

exist in university settings, where the strategic apex is presumed to be of less importance than in more commercial organisational forms (see Mintzberg, 1979), it is probable that the top team is a valid analytic construct in many settings. However, the majority of studies, assuming as they do that the top team comprises generic organisational levels or roles (cf. Collin, 1998; Finkelstein and Hambrick, 1996), are likely to be insensitive to context and top team dynamics, both of which influence team membership and team integration.

The aforementioned points of context and dynamics are indicated in the research into team processes. Eisenhardt and Bourgeois (1988) note that alliance formation in teams may be associated with political behaviour and constraints upon team participation in decision-making. This research indicates hierarchical barriers to information-sharing within two of the top teams studied. Hence, hierarchy may be a valid indicator of team members' power and political behaviour (cf. Finkelstein, 1992) and the extent of team behavioural integration (cf. Hambrick, 1994; 1997).

However, the main contribution of this research is that top team behaviour is found to be inextricably linked with the context in which it occurs. Consistent with the limited studies of relationships between structural and processual variables and top team behaviour, patterns of top team thinking and acting in the three cases are associated with case-specific organisational context in a reciprocal process of interpretation and action (cf. Daft and Weick, 1984; Gioia and Thomas, 1996; Keller and Keller, 1993; Thomas and McDaniel, 1990). Thus, the study interprets the theoretical relationship between interpretation and action (Bettis and Prahalad, 1995; Daft and Weick, 1984; Gioia and Sims, 1986; Prahalad and Bettis, 1986; Ranson et al, 1980) and confirms other studies, which have found that leadership is closely linked to context (for example, Bartunek, 1984; Leavy and Wilson, 1994; Pawar and Eastman, 1997; Pettigrew and Whipp, 1991). In particular, this research contributes to the notion that leadership is bound up with the conditioning features and characteristics of context which constrain or enable the degree of organisational receptivity to action (cf. Pawar and Eastman, 1997; Pettigrew and Whipp, 1991; Tushman and Romanelli, 1985). Essentially, for top teams to act strategically, they must be able to mobilise contextual support which justifies action, and creates sufficient momentum for it to be implemented (cf. Pettigrew, 1985; 1987). Thus, the capacity for purposive TMT

action is reciprocally related to context. The findings here also illustrate contextual influences on action in terms of top team interpretation, particularly in longer-tenured members, derived from extant processes, structures and traditions. Hence, the research also provides some interpretation of the concept of dominant logic, which is still relatively under-explored empirically (cf. Bettis and Prahalad, 1995; Lampel and Shamsie, 2000; Prahalad and Bettis, 1986). In particular, the propositions related to the capacity for continuity and change in an activity system indicate how top team actors may 'learn' or adapt, whilst acknowledging the tendency towards continuity. This is discussed in greater detail below, as an implication of the research.

The team approach to leadership provides empirical interpretation of Penrose's (1959) theorising, and confirms Pettigrew and Whipp's (1991) finding regarding the importance of coherence and collectivity within the top team for generating action. It may be seen in this research that collective team thinking and acting are important in putting strategy into practice. This was exemplified in the coherence observed at Warwick, the capacity for LSE team to act collectively, even in diffuse collegial circumstances, and in the strong team capacity to act at Oxford Brookes, except in the area of research intent, where, initially at least, collective intent was not achieved. Hence, information-sharing, coherence and collectivity in the team are important to action. However, taken in conjunction with notions of dominant logic, and the evidence that teams tend to draw upon extant heuristic devices at both the team and organisational levels of analysis, such coherence may also provide barriers to action. This is an area worthy of further empirical investigation to determine the extent to which coherence facilitates action, and the point at which it becomes a barrier to action.

9.2.2 Process, structure and action

This research is clearly in the tradition of strategy process research, which deals predominantly with the interrelationships between process, structure and action. Pettigrew (1985; 1987; 1990; 1997a) is a frequently cited exponent of this style of research. Consistent with the discussion on leadership and context, he notes that context is "not just a source of constraint but also a source of opportunity for

managerial action" (*ibid*, 1985: 455). Additionally, he conceives of managerial action as a process of shaping, yet being shaped through interaction with context in the long term, rather than through single episodes. Hence "the need is to explore the cumulative and unpredictable effects of the interplay between managerial decisions and changing contexts" (Pettigrew and Whipp, 1991:285). For such research, context is critical in providing the infrastructure and interpretative framework for processes to occur. Indeed, it is suggested that action stems from the capacity to work within existing structures and processes and to move from within the organisational context (cf. Chakravarthy and Doz, 1992; Johnson, 1987; Whittington, 1996). From this perspective, strategy is a matter of emergent actions being realised over time as the outcome of complex processes of interaction (cf. Mintzberg and Waters, 1985).

Such views may be informed by Child's (1997) revisitation of strategic choice theory which he suggests as a "theoretical bridge ... between the actors who learn and the organisational structures and routines which both impact upon and are modified by the learning process" (*ibid*:66). Child draws upon structuration theory to conceptualise the relationship between a dominant coalition and "a *consciously-sought adaptation to, and manipulation of*, existing internal structures and environmental conditions" (*ibid*:67, emphasis in original). He argues that organisations, via the choices of the dominant coalition, are involved in an ongoing, adaptive process of cycles of inner structuration, embedded within outer structuration. This research makes a theoretical and empirical contribution to the strategy process and strategic choice fields. It highlights the relevance of structurationist forms of interaction and, similar to Pettigrew (1990), adds a dimension of social becoming (see Sztompka, 1991), which extends the understanding of reciprocal processes between agent and structure over time in order to embrace continuity and change. The study provides an in-depth, empirical investigation of such processes. Findings from this investigation are theoretically interpreted as the inter-penetration of TMT actors, organisational context and strategic activity, mediated by process. Hence, the findings here confirm earlier strategy process research and suggest that such research is applicable to wider contexts, such as the university sector.

9.2.3 Resource, capability and knowledge-based views

This research makes a contribution to resource, capability and knowledge-based views of the firm in two ways. First, it provides a discussion of socially embedded characteristics of the TMT, which give the team distinctive patterns of acting that may be considered a resource (cf. Flood et al, 1996; Leonard-Barton, 1992; Penrose, 1959). The patterns of top team thinking and acting found in the three cases suggest that TMT processes are specific to context, and are derived from the knowledge and experience bases of the team (cf. Penrose, 1959). As such, they are unlikely to be easily imitated or substituted. Where such teams are effective in pursuing action, or are located within 'successful'[4] organisations, that is, those that have competitive advantage, the team may be considered as a resource. Furthermore, the evidence from the few cases in this research suggests that top team processes, being context-specific in nature, may be unique resources. Further research should examine the extent to which idiosyncratic, and hence, unique, processes are a widely applicable property of teams and the circumstances in which various forms of team process may be considered a resource.

Secondly, in examining the relationships between process, context and action, this research has transcended the static view of the firm as "a container of competencies", interpellating it as "a complex social institution" (Scarbrough, 1998:227), which is difficult to imitate or replicate. This research has not focused upon organisational context as a resource. However, the identification of specific constructs and the finding of inter-relatedness between them in the social structuring of each case, extends comprehension of organisations as bundles of idiosyncratic, intangible resources (cf. Barney, 1991; Grant, 1991; Wernerfelt, 1984). As such, the research contributes to a growing research agenda in strategic management which turns its focus upon the internal dynamics of the organisation, so as to understand competitive advantage. The empirical interpretation of strategy as practice provided here, while not linked specifically to competitive advantage, does help to interpret dynamic

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[4] While 'success' and competitive advantage are ambiguous, ill-defined terms in the university context, it may be assumed that the three cases display these characteristics, since they consistently perform at the top of, or close to the top of the Times league tables, comparative to their sectoral equivalents (cf. O'Leary, 1998).

capabilities, such as the interaction of process, position and path (see Teece et al, 1997). Furthermore, the modelling of inter-penetrated domains within an activity system makes an empirically grounded contribution to Spender's (1996:58) theoretical proposition that "a system's core competencies, which are systemic, do not inhere in its components ... they emerge from its activity".

9.2.4 The university sector: the influence of context?

With the exception of Gioia and Thomas' (1996) study on the relationship between top team interpretative behaviour and strategic action in the USA higher education sector, much of the research cited above has been conducted in commercial organisations. For example, Pettigrew and Whipp (1991) studied the automobile, book publishing, merchant banking and life assurance sectors, while Johnson (1987) investigated a clothing retail company. Given that many parallels have been drawn with these studies, contributing to and interpreting extant research, it is possible that the findings in this study into the UK university sector have wider application. Indeed, in their study of strategic change in the NHS, Pettigrew et al (1992) suggest that the divide between public and private sector models may be unhelpful, since there are areas of cross-fertilisation between the two. Similarly, in a wide-ranging study of strategic decision-making in public and private sector organisations, Hickson et al (1986) found that professional organisations are not sharply different from other service organisations. More specifically, they note that strategic decision-making at the top level in universities is no more complex and political than in other organisations. As such, some convergence between extant strategy literature and this study of three UK universities may be expected, and has been found.

While it is beyond the scope of this research to examine areas of convergence and divergence between the public and private sectors, some issues appear particularly relevant. The mission of universities has been, and still is, avowedly intellectual. However, issues of declining State funding, increased commercial activity and changing global conditions have made the sector more prone to market influences than ever in its history (Clark, 1998; Hague, 1991; Halsey, 1992; Miller, 1995; Sporn, 1999). Hence, the evidence in this research that top teams exist and engage in

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strategic activity of a university-wide nature, which seems counter-intuitive to earlier concepts of the professional bureaucracy (see Clark, 1977; Mintzberg, 1979), suggests that examples from universities may have application in the private sector. This is particularly apposite at Warwick, which has a tradition of income-generating activities (Clark, 1998). However, all three cases are engaged in, and are expanding, their portfolio of commercial activities, albeit of an intellectual capital nature, in order to sustain their 'core business' of teaching and research (cf. Sporn, 1999). Indeed, studies of universities have noted an increasing tendency to use 'management' and 'business' language (for example, Deem and Johnson, 1999; Gioia and Thomas, 1996; Parker and Jary, 1995; Prichard and Willmott, 1997). While the extent to which this language is transferable, or replaces traditional knowledge and practices in universities is unknown, it strengthens the case for cross-fertilisation between public and private sector research on strategic management. In this research, the identified construct of collegiality may be considered to be a particular feature of the university context. In fact, consistent with Sporn's (1999) proposition, some form of academic participation was considered an important factor in the strategy processes in each case. However, the finding of three distinct models of collegiality, including the Warwick model, which contained elements of stakeholder buy-in to centralised sources of power and control (cf. Hackman, 1985), suggests that even this construct is not sector-specific. Indeed, LSE has the only form of collegiality which could be considered 'traditional' in type (cf. McNay, 1995). As such, collegiality could be considered similar to other discussions of centripetal and centrifugal forces within organisations and the tendencies towards loose-tight coupling (see Peters and Waterman, 1982). Hence, this research is relevant to recent studies on the entrepreneurial (Clark, 1998) and adaptive (Sporn, 1999) capacities of universities and current work on new managerialism in the UK university sector[5]. However, it also has relevance to the private sector, suggesting transferability between the public and private sectors; a topic which, while beyond the scope of this thesis, is worthy of further investigation (cf. Ferlie et al, 1996).

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[5] Current Economic and Social Research Council (ESRC) funded project. New Managerialism and the Management of UK Universities. Principal investigator: Professor Rosemary Deem, Department of Educational Research, Lancaster University.

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9.3 Implications of the research

In this section, the implications of the research are discussed. The approach taken in this research, using the techniques of both induction and deduction, is such that theory is used to interrogate empirical data. Additionally, those data provide the investigator with a means to interpret and construct some theoretical frameworks, within the limitations of the specific data set. Hence, it can be difficult to distinguish between implications drawn directly from the data and those conclusions which arise as potential avenues of intellectual endeavour, generated from the increased theoretical awareness of the analyst. Where possible, such distinctions will be drawn. In addition, however, this section of the thesis engages in some theoretical conjecture, built upon the a priori theoretical orientation and the patterns and themes which arise from the data. First the thesis examines one of the main stays of this study, they study of strategy and, in particular, the examination of strategy as managerial practice.

9.3.1 Implications for the study of strategy

If strategic management scholars are to respond to the call for more complete or integrated approaches to strategy, (Chakravarthy and Doz, 1992; Mintzberg et al, 1998; Pettigrew, 1990) it is useful to consider bridging approaches to theory development and analysis (cf. Chapter 2; Child, 1997; Gioia and Pitre, 1990; Schultz and Hatch, 1996; Spender, 1998) . For example, Hendry (2000) notes that, in practice, strategic decision-making has intentional, instrumental or, essentially, rational components as well as interpretative components. Hence, he recommends structuration theory, supplemented by the discourse psychology of Harre and Gillet (1994, in Hendry, 2000), as theoretical approaches which may encompass multiple perspectives, thus enabling an internally-consistent, composite picture of strategic decision-making to be drawn.

It is at this juncture that it is possible to discuss the contributions which a study of strategy as practice may make to the field of strategy research. "Treating strategy as practice implies a new direction in strategy thinking ... the issue is how managers and

consultants act and interact in the whole strategy-making sequence" (Whittington, 1996:732). While Whittington suggests that the practice approach offers a means of encompassing the whole strategy-sequence, Hendry (2000) is even more specific about the integrative potential which a study of strategy as practice may offer to the field of strategic management;

> what kind of thing [are we] to take strategy for if the word can be used legitimately to describe entities as diverse as an idea, an object and a set of actions. Once we treat strategy as a social practice, however, the different 'strategies' referred to in the definitions appear naturally as the various products of such a practice (ibid:29).

Such authors imply that practice may provide the basis for integrating diverse strategic management perspectives. Strategy will be the outcome of a range of complex social practices involving both actors and the contexts in which they act. However, neither of these authors presents empirical data to support their propositions. This thesis has attempted an empirical examination of strategy as practice. In order to interrogate and interpret the data, it has drawn upon many fields of strategic management, such as planning, interpretation, learning, decision-making, control systems, knowledge, and strategic intent. Such literature, and the resultant constructs which were developed in conjunction with analysis of the data, have been positioned within an explanatory framework, (see Figure 8.2). This framework begins to address some of the components of strategy as practice, and attempts to delineate them in a way which provides some links to the strategic management literature specifically and social science theory more generally. As such, a focus on practice appears useful for examining the complementarities between wide-ranging but possibly compatible areas of strategic management research. Naturally such an approach has some weaknesses. For example, the research may suffer from a degree of superficiality with regard to any specific field of strategic management (the depth versus breadth issue). Secondly, the research takes a particular theoretical orientation to the question of strategy as practice. Inevitably, such theoretical framing acts as both a facilitator to interrogate the data but also may act as a constraint, placing paradigmatic blinkers over the research, discussed in greater detail below (see 9.4.1).

The thesis has not been able to assess fully the contribution that strategy as practice may make to the field of strategic management research since this would be an overly ambitious task in such an under-explored area and one which is beyond the scope of a doctoral thesis. However, the research has attempted to build a composite picture of strategy as practice. The empirical data are used to interpret this composite picture through a discussion of the situated and distributed nature of strategy practices. This represents an attempt to understand the complex, contextually-situated nature of strategic action. Where possible, data have been used to exemplify or identify links to strategic management theory and social science theory. While predictive conclusions about the nature and outcomes of strategy as practice are not possible, the findings imply some interesting avenues for future investigation arising from both theory and data. One of these, the paradox of effectiveness and inertia, is discussed in greater detail below (see 9.3.2). However, arguably, the most important contribution of the thesis is that it provides a solid foundation of empirical research, largely of a descriptive nature, which illustrates some components of strategy as practice. This empirical study may serve as the basis from which to build further research. Building on this platform of evidence, it will be possible to assess more fully and extensively the contribution which the practice approach may make to an understanding of strategic management.

9.3.2 Coping with the paradox of effectiveness and inertia

Chapter 2, identified the so-called paradox of effectiveness and inertia. That is, in order to be effective, firms generate managerial and strategic heuristics to streamline their processes of production and to cope with the massive amounts of information with which they are bombarded. These features are considered to be resources, competences, and capabilities which provide a 'successful' organisation with competitive advantage. However, such features also predispose organisations to inertia. That is, experience and increased effectiveness in a particular set of behaviours remain 'sticky' and slow to shed for two main reasons. First, heuristic devices form a perceptual filter, which prevents new options from being recognised. Secondly, resources are heavily invested in the effective ways of performing. This investment is tangible, yet also intangible, residing in the current processes and

position of the firm and its historical paths. Thus, to overcome inertia, organisations must unlearn obsolete habits, acquire or undergo new learning and, possibly, invest in new resources and activities.

This problem, while not specifically referred to as the paradox of effectiveness and inertia, has been conceptualised in various literatures through theories which interpellate opposition. For example, single and double loop learning (Argyris and Schon, 1987), first and second order learning (Lant and Mezias, 1992), the trade-off between exploitation and exploration (March, 1991), tendencies towards convergence or reorientation (Tushman and Romanelli, 1985), stability or flexibility (Weick, 1979, and recursiveness or transformation (Clark, 2000). The problem is that the first set of categories are related to effectiveness, which is important to allow an organisation to survive and gain competitive advantage, particularly in the short run. However, such short run effectiveness also tends to inhibit the second set of categories, which are conceptualised as important to organisational renewal and competitive advantage in the long run. There is also the probability that the longer an organisation has been successful with the first set of categories, the harder it will be to shed their properties, creating a detrimental experience curve. This is a vicious circle, presenting a logical argument that successful firms are doomed to failure, carrying in their success the seeds of their own self-destruction (cf. Donaldson, 1999; Miller, 1991). However, many firms continue to survive and to make change. Thus, such firms are able, in varying degrees, to overcome the paradox of effectiveness and inertia.

In the theoretical introduction to this thesis, social science theory was used to interpret this paradox in relation to the problems of recursiveness and transformation or continuity and change in social order. While this research was unable to directly address the enduring debates regarding the constitution of social order, the notion of movement, as observed in the case studies, may help to inform this complex theoretical arena. The next section explores this paradox in greater detail, particularly conceptualising the role of the TMT in the continuity and change of strategy as practice. As this discussion is largely theoretical, it cannot be strictly defined as implications arising from the research. However, the discussion is intimately informed by the empirical research and, in offering some potential avenues of thought, it may also provide a platform for future research.

The thesis addressed strategy as a dynamic, multi-layered, and nested set of practices. Thus, the paradox of effectiveness and inertia should, ideally, be addressed at multiple levels. However, this research took a primarily TMT perspective. Hence it is pertinent to conceptualise the role which top management may play in the continuity and change of strategy as practice. Top teams with long tenure are liable to display similarity of experience and commitment to the status quo (Bantel and Jackson, 1989; Finkelstein and Hambrick, 1996; Hambrick and Mason, 1984; Leonard and Sensiper, 1998; Priem et al, 1999; Tushman and Romanelli, 1985). This is important in terms of achieving a collective knowledge-base and both tacit and explicit forms of consensus on action. However, such teams may also be prone to groupthink effects (Janis, 1972) which create perceptual barriers to learning. In particular, successful performance is liable to lead to greater reliance on available heuristics and potential barriers to learning (Bettis and Prahalad, 1995; Prahalad and Bettis, 1986; Tushman and Romanelli, 1985). For example, Wilson et al (1996) find that long, successful industry experience may expose management teams to over-familiarity. Such over-familiarity is associated with decision over-reach and potential failure. That is, success may lead top teams to take strategic decisions which are largely leaps of faith, based upon scant information. Once embarked upon, these processes become difficult to reverse, even if the early warning signs of failure are apparent to outside observers. Such strategic decision failures can lead to organisations' demise, at worst, or expensive recoveries from decline, at best (Wilson et al, 1996). The prescriptive implications of this prior research and theorising are that TMT composition should be considered in terms of the diversity of tenure and experience within the team. The diverse contributions members may make to the whole thinking and acting process, when combined with the capacity to achieve collective action, may be important factors in the capacity to generate reproductive cycles of strategic practice. In Figure 9 - 1, this implication is expressed in matrix form which, while over-simplified, summarises the concepts which may help to identify teams with a capacity to balance effectiveness against inertia. Continuity and displacement in the top team is conceptualised as diversity of experience and tenure (cf. Lave and Wenger, 1991). When this is associated with a capacity to achieve collective thinking and acting processes, the top team is liable to have greater capacity to embrace organisational renewal (cf. Boeker, 1997;

Finkelstein and Hambrick, 1996; Hambrick and Mason, 1984; Iaquinto and Frederickson, 1997; Wiersema and Bantel, 1992).
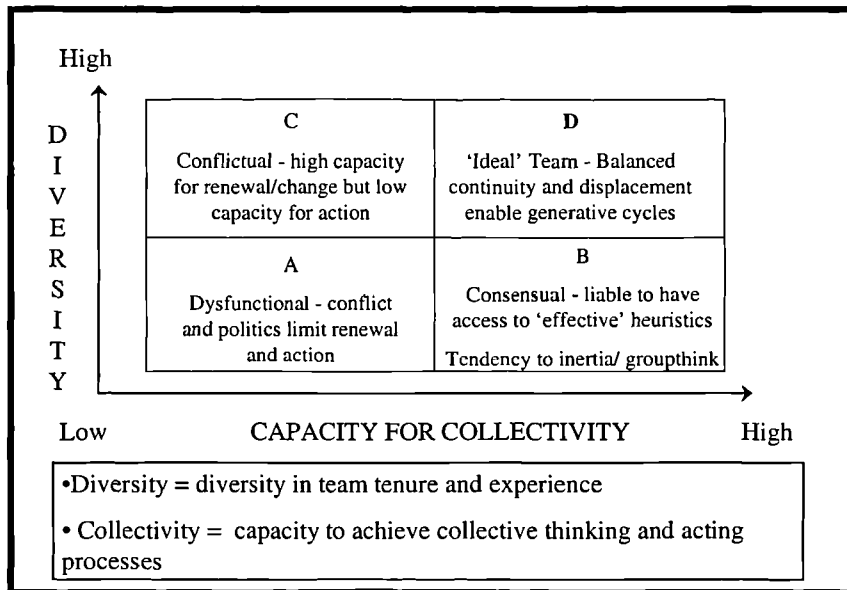

	C	D
	Conflictual - high capacity for renewal/change but low capacity for action	'Ideal' Team - Balanced continuity and displacement enable generative cycles
	A	B
	Dysfunctional - conflict and politics limit renewal and action	Consensual - liable to have access to 'effective' heuristics — Tendency to inertia/ groupthink

High

D
I
V
E
R
S
I
T
Y

Low   CAPACITY FOR COLLECTIVITY   High

•Diversity = diversity in team tenure and experience

• Collectivity = capacity to achieve collective thinking and acting processes

Figure 9 - 1: Implications for team composition and process in the paradox of effectiveness and inertia

While detailed and in-depth, the current data are not able to attribute causality to the team (and that was not the intention of this thesis). Nevertheless, findings were not inconsistent with this conceptualisation of the role of the TMT in organisational continuity and change. That is, the Warwick team was characterised by long tenure associated with a strategic activity profile that met the articulated top team objectives and, as much as the analysis could infer, a relatively stable organisational context and practices. At LSE, change at the top team level was associated with change from a period of perceived[6] drift in the activity profile and inertia in the organisational context. Such top team changes were considered to relate to a period of new strategic initiatives and changes to the organisational context. Finally, Oxford Brookes in its earlier phase was characterised by a stable top team, later changing in composition to synchronise with changes in the activity profile, albeit that these strategic initiatives were largely stimulated by an exogenous shock. These phases of continuity and change at the top team and the other levels of analysis, occurring in such an in-depth,

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[6] The perceptions and considerations discussed here are based upon the researcher's interpretation of the various top teams' perspective. Such interpretation is supported by longitudinal analyses of specific strategic activities from 1992 to 1998.

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but necessarily limited sample of cases cannot, of course, provide conclusive evidence on the role of the top team in changing strategic practices. None-the-less, these data, in conjunction with existing literature, suggest some possible interpretations (see Figure 9 - 1) and these may bear further investigation. However, since the top team is only one component of strategy as practice, the paradox of effectiveness and inertia warrants investigation at other levels of analysis, particularly in attempting to draw associations between movements at each level and, ultimately, between levels.

9.4 Limitations of the research

As is the case with much social science research, this study brings with it inevitable limitations which need to be set alongside its findings. This necessary counter-balance focuses on two main limitations. First, the research is unavoidably limited by the dominant theoretical stances taken, those of structuration theory (Giddens, 1984) and social becoming theory (Sztompka, 1991). Secondly, the top management team perspective is central but also 'local' (Cyert and March, 1963). This view may not be congruent with the views of others in the organisation. These limitations are discussed in greater detail below.

9.4.1 Theoretical stance

Any theoretical stance will render some phenomena more pertinent than others, thus shedding light on these data and leaving others un-explored. The dominant theoretical stance in this thesis has been structurationist, supported by social becoming theory to explain the ongoing or evolving nature of social order, particularly in relation to continuity and change. The attraction of theories which deal with the continuous interplay between agent and structure, and the development of a consistent argument focussing upon such theories, was based upon an assumption that there are degrees of commensurability between paradigms. Specifically, a bridging approach was taken, assuming that paradigms have some permeable components (Child, 1997; Gioia and Pitre, 1990; Schultz and Hatch, 1996; Spender, 1998). Such approaches are open to at least two criticisms. The criticism of scientistic authoritarianism (Jackson and Carter,

1991) is essentially an attack on the scientific rigour of approaches which assume paradigm commensurability. In adopting some "middle ground" (*ibid*: 120) between different approaches, the investigator may subject the data to his/her own interests without exposing such subjective interests to critical interpretation. Thus, by not adhering to the rigours of a particular paradigm, particularly in terms of the representation of reality that such a paradigm provides, there is a tendency for the analyst's interpretation of the world to be posited as reality. Secondly, where the bridging approach results in a synthesis of compatible elements between meta-theoretical approaches, such as may be found in the framing of this research (see 2.2), it may also be considered to display theoretical shallowness. This is due to the eclectic nature of such theory-building which fails to acknowledge the theoretical completeness of separate approaches and ignores fundamental dissonances between different approaches (Alvesson, 2000).

As this study of strategy as practice attempts such a synthetic or bridging approach in order to integrate diverse fields of social science theory and of strategic management research, these criticisms need to be highlighted. It is extremely difficult, as the holder of a particular view of reality, to dissect objectively that view in order to expose its weaknesses and limitations. However, the paradigmatic stance taken in this research will inevitably influence and, to some extent, colour what is focussed upon as the problematic, as well as what is emphasised in the analysis. Indeed the literature, presentation of the data and discussion of the relationships between data, social science theory and strategic management theory, are all grounded within and structured by the approach to interplay between agent and structure. Possibly, the dominant effect of a theoretical stance which, a priori, assumes paradigm commensurability is that possible dissonance and the identification of competing voices and interests cannot figure at centre stage. The approach taken in this research has focussed on synergies at the theoretical and the empirical levels in order to develop a composite picture of strategy as practice. As such, this research has not questioned the nature of reality, taking the empirical artefacts of reality as a given state from which to conduct analysis.

9.4.2 TMT perspective

The above approach to analysis is implicated in the second main limitation of this thesis; that of taking a TMT perspective. The investigation has been able to address the world of strategy from a top team perspective because their view of reality was not specifically problematised. However, this has also prevented the examination of potentially interesting avenues relating to the political, cultural and interpretative nuances of strategy-making. As such, the thesis, while clear in its theoretical origins and consistent in using these to structure the data and the argument, may present an overly partial view of strategy as practice. That is, possible competing views of reality or voices which do not resonate with those of top management are not examined. Hence, if the top management team act in particular ways because of their assumptions about the organisation, the veracity of these assumptions, particularly for other organisational participants, is not examined. While the thesis does attempt to deal with the relationship between top management assumptions and the actions they take, this is not undertaken in a conclusive manner. Thus, the research may discuss the way that strategic actions occur in interplay with top team assumptions about the organisational routines and culture. However, as the accuracy of those assumptions, or their underlying premises are not examined, it is not possible to draw conclusions about the effectiveness of strategic actions in relation to TMT assumptions about the context in which that action occurs. Of course, context itself is perceived through the eyes of top management, who may have a biased view of reality. As such, context is presented from a particularly singular viewpoint. When we consider the literature on strategic emergence (for example, Mintzberg and Waters, 1985) and the discourses of power associated with that emergence (Knights and Morgan, 1991), the non-critical presentation of the TMT perspective may be considered a significant limitation of this research. It is for future research to investigate the possible incompatibilities or competition between interests and their implications for strategy into practice. This research has, at least, provided a platform for such further study.

While the thesis draws some inferences about the relationships between strategic activity, organisational context, top team actors and strategic practices, these are theoretically plausible conjecture rather than being empirically substantive. This is

particularly the case where the investigator attempts to draw conclusions about effectiveness at the activity system level. Such conclusions would constitute a 'performance variable' or outcome of the activity system in terms of firm performance. This tension is evident in the thesis, where the three cases may be considered successful by external industry criteria. As such, there is the temptation to draw causal links between observed data and performance criteria, such as effectiveness. Indeed, such links are potentially rich areas for further investigation. An adequate empirical examination of the effectiveness construct would require data collection at multiple levels of the activity system and a substantially deeper analysis at each level. That was beyond the scope of the current study

However, the approach taken does offer internal consistency and enables a wide range of data and theory to be integrated in the analysis, which are important considerations in an under-developed or exploratory area of research (Eisenhardt, 1989a). Furthermore, the TMT perspective demarcates the area of study sufficiently that it may be contained within boundaries that may be feasibly undertaken in a PhD thesis.

9.5 Future research agendas

In Chapter 8, the relationship between top team perceptions and the effectiveness, or lack of effectiveness, of the strategic actions pursued by their organisations was discussed as theoretically plausible. Hence, the predictive power of this research would be greatly enhanced by the incorporation of some empirically substantive link between top team perceptions and the extent to which strategic actions may be considered effective. In other words, the addition of an outcome variable, or variables, would allow the exploration of possible process-outcome relationships. A research agenda which could examine this problem would need to be carefully designed both theoretically and empirically.

Such future research would need to develop an adequate, theoretically-informed measurement and definition of the effectiveness construct. Such a measurement is likely to be related to some indicator of firm performance and competitive advantage. As such, it would be contextually-specific at a number of levels from outer context to

firm level context (cf. Pettigrew, 1987; Pettigrew and Whipp, 1991). For example, in the university context utilised in this research, traditional private sector measures related to return on investment, growth, or market-share may not be as relevant indicators of effectiveness, performance and competitive advantage as a more qualitative measure such as status (cf. Ferlie, 1992). Hence league tables may well furnish some criteria for effectiveness. However, the university sector encompasses a diverse range of institutions which may only loosely be defined as competing with each other for recognition by such externally-determined criteria as league tables. Furthermore, universities are pluralistic in nature and, thus, have multiple goals. Therefore, effectiveness may have case-specific components at the over-arching organisational level as well as different interpretations in accordance with the various, sometimes competing goals to be pursued. It is probable that the effectiveness construct, in most contexts and particularly in the university context, will have both industry-level and firm-specific criteria. These criteria would need to be established as relevant for a particular group within the study since it is hard to conceive of a definition which would adequately cater for the multiple competing voices in any organisational analysis. Since this research agenda is concerned with top management perceptions, the effectiveness criteria would be determined in accordance with both more objective industry-level measures and subjective, top-team articulated, goal-satisficing levels of attainment (cf. Donaldson, 1999).

The second consideration is one of research design in order to access top management perceptions in relation to strategic actions pursued. A real-time, longitudinal, case method would yield the rich data necessary to identify a series of strategic actions over time, thus encompassing both on-going actions and those at the preliminary or emergent stages. A series of interviews with top management, undertaken at sequential intervals (cf. Barley and Tolbert, 1997), preferably supported with observation, would also be necessary to establish top managers' perceptions in relation to specific strategic actions. The development of managerial perceptions during the course of strategic action would constitute a rich seam for research within the context of effective or less effective outcomes. This does not assume that there is a rational or linear causality between managers and strategic action since such action has emergent properties (Mintzberg and Waters, 1985). Rather, the aim is to examine the nature of managerial perception about strategic action and, where possible, to

penetrate those managerial assumptions which are associated with effectiveness or lack of effectiveness. Such an analysis may provide an empirical basis for interrogating theories of dominant logic (Bettis and Prahalad, 1995; Prahalad and Bettis, 1986), perceptual filters (Starbuck and Milliken, 1988), and elaborate on existing empirical work upon the relationships between interpretation and action (for example, Gioia and Thomas, 1996; Thomas et al, 1993).

Clearly, the outcomes from, or progress of, the strategic actions would need to be examined against the pre-established definition of effectiveness. There are two particularly pertinent considerations at this stage. First, as actions unfold over time, they may not have reached an 'outcome' by the end of a feasible period of data collection, even given a substantially-resourced longitudinal research project. For example, an action may appear effective at a given period in history but may, at a future stage, be interpreted as leading to organisational decline. Therefore, analysis will need to incorporate an understanding of the time dimension in relation to action, acknowledging that all research is constrained by such limitations. Secondly, the analysis of strategic outcomes may either refute or elaborate the pre-established definition of effectiveness within the particular industry and firm context.

Such a research agenda was beyond the scope of this thesis for the following reasons. It has elements of positivistic methodology associated with the measurement of the effectiveness construct, especially in according the effectiveness of strategic actions with the unproblematic status of reality. The research is supplemented by an interpretative methodology associated with the subjective and qualitative analysis of managerial perceptions. Furthermore, the two approaches are brought together using a longitudinal, processual method. This is an inherently complex research agenda which mixes methodologies in order to convenience the research goals of the investigator. While this has potential for theory development, it is also an approach which should be treated with caution, acknowledging the potential for such studies to lack theoretical rigour (Alvesson, 2000; Jackson and Carter, 1991). Secondly, in its focus upon top management the research may be construed as privileging this group in the construction of strategic action, perhaps to the extent that an unproblematic causality between top management and strategic action will be presumed. This criticism may be partially mitigated by resorting to critical forms of interpretation in order to penetrate

the assumptions of both the informants and the investigator. However, with these cautions omnipresent in the conduct of the analysis, confidence should be drawn from works such as that of Gioia and Thomas (1996). These authors investigate the relationships between managerial interpretation and strategic action utilising both positivistic and interpretative methodologies, in their case facilitated by quantitative and qualitative methods in order to access appropriate data. The scope of the methods and methodologies, the interesting conclusions, and the apparent rigour of the analysis offers a tantalising glimpse of the possibilities embodied within such bold research designs. The research reported in this thesis has provided the platform for such a journey to begin.

APPENDIX A

BRIEF HISTORIC OVERVIEW OF THE

HIGHER EDUCATION SECTOR: 1900s – 1990s

Turn of the century to the 1960s

The turn of the century was a period of growth and change in the university sector. The redbrick institutions were developed for the purposes of serving the sciences which had been viewed with suspicion by the ancient universities, primarily Oxbridge, who perceived the traditional role of the university as provision of classical education at the undergraduate level (Halsey, 1992). It is in this period that LSE originated, as a college of the University of London, with a remit to develop the social sciences and contribute to public policy. At this stage universities were primarily private institutions, existing on fees and endowments, with relative institutional autonomy from the state. In 1919, when the Universities Grant Council (UGC) originated as a body to distribute governmental funds to institutions, government funding was, on average, only 30% of institutional recurrent income (Shattock, 1994). Government funding of universities increased in the post second world war period, possibly as a precursor to the expansion of higher education in the mid 1960s. During this post second world war period, the UGC membership was extended to incorporate practising academics; an important point in establishing professionals to serve upon their own sectoral self-governance and regulating mechanisms.

Technical and higher education colleges were also developed during this period for the purposes of serving industrial society. These institutions did not enjoy the autonomy of the universities, being accountable for resources and policy to their Local Education Authority Boards from 1902. Some of these colleges, such as Oxford Brookes which developed as the Oxford City Technical School in 1894, were the precursors of the polytechnics, instated in 1967 to cope with the massification of higher education.

Massification and the Robbins Report

The Robbins Report of 1963 heralded the expansion of higher education during the late 1960s and 1970s. An expressed aim of the Robbins Report (1963) was "that courses of higher education should be available for all those who are qualified by ability and attainment to pursue them and who wish to do so." This promotion of mass higher education was due to an underpinning belief that development of the nation's intellectual capital through research and increasing the qualifications of its workforce was important for national prosperity in post-industrial society (Moser, 1988, Halsey, 1992). While not directly a consequence of Robbins, seven 'new' or 'campus' universities were developed during this period, one of which was Warwick University. These universities were not created with the idea that they would offer something substantially new or different in higher education. Rather, in the late 1960s and early 1970s a second tier of higher education was brought about through the formation of some 30 polytechnics to cater for more applied and industry-based courses, as well as flexible programmes for non-traditional students. Oxford Brookes became the Oxford Polytechnic in 1970 and pioneered modular learning.

This binary system of the university sector, comprising ancient, redbrick and new universities, and the polytechnics expanded rapidly over the next decade, with a two-tiered system of administration and funding and, notionally, different markets and outcomes. Administratively, universities, while not all on the collegial model of the Oxbridge institutions, had considerable autonomy in the use of funds and internal development. Even the new, campus universities, while perceived as more bureaucratic than the ancients and redbricks, tended to have a co-opted scholar in roles such as Dean, Pro-Vice-Chancellor and Vice-Chancellor, with a managerial concept of 'bureaucrat-as-committee-servant' (Eustace 1994). Polytechnics were administered by a local authority board, comprising regional members of industry, and a Head of Department (HOD), Principal, or Chief Executive Officer (CEO), supported by a senior management team (Robertson 1993). In 1982, the local authority boards for polytechnics were replaced by the National Advisory Board (NAB), giving the institutions more freedom and placing greater authority in the hands of the CEO. As such, polytechnics developed an association with

managerialism in their administration whereas universities tended more towards a model of scholarly self-government, in varying degrees.

Funding for the two sectors also differed. The university sector was funded by the State via the University Grants Council (UGC) which acted as a buffer allowing the universities considerable autonomy in the use of allocated funds (see Shattock, 1994). For this reason, universities were able to preserve an image of being distinct from the public sector despite becoming largely dependant upon public money (Salter and Tapper 1994). During the 1960s, the UGC took on a more active role in the determination of university strategy and resource allocation, advising on the development of new universities, subject distribution within the sector, and administering block grants of government income (Shattock, 1994). Thus universities were already beginning to enjoy less professional autonomy and develop greater dependence on the State and professional bodies for both resources and regulation. The polytechnics were funded by the State via local authority boards and later the NAB which had considerable influence over the educational character as well as the management of resources and expenditure of the institutions (Bastin 1990). As such, polytechnics were more clearly accountable for their funding and were considered public sector organisations.

Differences in educational processes and outcomes could also be observed on each side of the binary divide. The universities were considered to be engaged in research and teaching of undergraduate and postgraduate students, not necessarily with an applied industry focus. It was assumed that polytechnics would be responsible for teaching and applied research and consultancy, and would align themselves with the needs of industry and commerce (McVicar 1994). Their emphasis on non-traditional students led to more flexible educational offerings such as part-time degrees, sub-degree studies, bridging courses, continuing vocational education and credit transfer. Throughout the 1970s these two sectors of higher education flourished in enrolments and funding, side-by-side but not convergent, in theory equal but different.

Interestingly, Halsey (1992) questions this concept of difference in educational outputs between universities and polytechnics, finding, through surveys in 1976 and 1989, that the differences were in emphasis, rather than in categories of study. It is

possible that this blurring of distinction may have occurred due to a situation of 'academic creep' wherein polytechnics were rewarded for mimicking university behaviour, being higher funded for full-time honours degree students and also keen to attract research funding (Williams 1988). Nonetheless, differences in emphasis were quite substantial, particularly in the pursuit of research, as evidenced by figures even as late as 1988/89 when there were already suggestions of dissolving the binary divide. At this stage polytechnics had a research expenditure of £80 million compared to £770 million in universities.

1980s: The rise of the quasi-market

During the 1980s, particularly the latter part, government in Britain undertook massive reforms within most areas of the public sector (Le Grand 1991). The rise of the new public management (NPM) within Britain coincided with the Conservative government, so that many of the changes have been associated with Thatcherism. However, similar changes have been noted in the public sector in a number of OECD countries (Bartlett et al 1994, Foster and Plowden 1996, OECD 1993), perhaps based in the fiscal crisis created by increased public expenditure, increased technological innovation and a decline in industrial society (Hague 1991).

Essentially the changes involved the importation of private sector models into the public sector with the intention of creating a market-driven approach, termed quasi-markets. The underpinning belief regarding the value of a market economy is encapsulated by Karlof (1995).

> The key factor that makes market economy so greatly superior to planned economy is that customers can choose freely among alternative suppliers. The ones who are not chosen, or are chosen too seldom, must either become more efficient or go out of business (*ibid*:150)

The "rationalist economic philosophy" (OECD 1993) of the quasi-market is based in the premise that increased competition will result in:

- increased efficiency;

- performance incentives;
- improved customer choice and therefore service;
- better value for money (Le Grand 1991, Ferlie 1992); and
- market-based accountability. (Ferlie et al 1996)

These notions of quasi-market were first manifested in terms of funding cuts to create efficiency gains across the sector. Universities experienced a cut of 8.5% in their recurrent funding over the three year period from 1981/82 to 1983/84, with some, such as Aston, Bradford and Salford experiencing cuts in excess of 30% (Shattock, 1994).

Polytechnics were identified as operating at a lower unit cost than universities, which universities attributed to the minimal role of polytechnics in research. The Jarratt Committee of 1985 was developed to investigate efficiency in universities. Among other findings, the Jarratt Report recommended significant changes to the administration of institutions within higher education, based upon a rise of managerialism, a development of performance indicators, and substantial restructuring of the UGC. Further investigations led to the 1988 Educational Reform Act which had significant outcomes, such as the replacement of the UGC by the University Funding Council (UFC). This was the beginning of a more market-driven, or business-oriented approach to funding of universities by the State, in that the membership of the UFC was required to include persons with industrial, commercial or financial backgrounds. There was also some suggestion of funding based upon a form of contracting, or provision of services, and an attempt to introduce competition through a process of bidding for tuition fees although the universities successfully blocked this action (Johnes and Cave, 1994). At this time, polytechnics were incorporated, becoming self-governing, and the NAB was replaced by the Polytechnics and Colleges Funding Council (PCFC).

Decline of the binary divide

In 1991 a White Paper, Higher Education: A New Framework, was issued, proposing the dissolution of the binary divide and the establishment of a national system of

higher education. This led to the 1992 Further and Higher Education Act, in which polytechnics were given university status and the UFC and PCFC amalgamated into the Higher Education Funding Council (HEFC). These changes also marked an increase in the market-driven approach with the introduction of the Research Assessment Exercise (RAE) of 1992, to determine research activity with a view to establishing funding policy. Naturally, the former universities with their tradition of research had a much stronger basis for competition from the outset, although polytechnics were given a weighting in order to 'level the playing field' and encourage them to develop a research culture. Research activity was further constrained by policies which ensure that funds were earmarked for purposes aligned to perceived areas of State need (Solesbury, 1994). The unified sector has become increasingly competitive and, concurrently, accountable, stimulated by formalised sectoral performance appraisal, not only through the RAE but also through the Teaching Quality Audits (TQA). Annual league tables, containing increasingly detailed comparisons on institutional performance in everything from teaching and research to entry qualifications and accommodation provision, expose university performance to public scrutiny. Growth in regulatory bodies such as the Quality Assurance Agency (QAA), continuation audits, and requirements for annual returns of financial, strategic and operating plans ensure that universities are required to take a self-governing attitude in response to sectoral requirements. At the same time, student growth has been capped, except for bids in select areas, by the Maximum Aggregate Student Numbers (MASN), preventing institutions from growing in areas of state resource allocation whilst the unit of resource per student continues to decline. Thus, universities have been exposed to greater regulation and accountability, increasing market forces, and declining State resources. They are responding by diversifying their traditional portfolio of activities to generate income from non-governmental sources.

The post-Robbins era of the late-1960s and 1970s can be seen as a time of considerable change and growth in the higher education sector. The 1980s, with the rise of the quasi-market, shows the sector entering a period of stress which could be considered ongoing to the present study. Perhaps the most important inference to draw from this brief historic overview, is that each of the three case studies in this research project have been developed at different periods of history for distinct

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purposes. As such, structures of governance, academic ethos, culture and ideology may be presumed to be different. However, all are exposed to the increasingly illiberal and competitive environment which typifies the current higher education sector.

APPENDIX B

EXAMPLE OF FEEDBACK FROM PARTICIPANTS REGARDING RESULTS

The London School of Economics and Political Science

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The Secretary
Christine Challis BA PhD

20 July 1999

Paula Jarzabkowski
The University of Warwick
Coventry CV4 7AL

Dear Paula,

Thank you for your letter of 15 July about the access we offered you during your period of data collection at the LSE. I know my colleagues have found their discussions with you stimulating.

I thought your presentation on 13 July was very good. I thought you portrayed the LSE fairly in respect of the subject of your thesis. The only criticism I have is that you didn't take sufficient account of the senior administrative network. i.e. the effort made at the administrative level to try and get more cohesion through the networking of people with different functional responsibilities, into the planning and formulation of strategy.

I found your remarks on the apartheid culture helpful and I have used them in response to some observations by one of our colleagues who has now moved from academic to mostly full-time administrative work!

I would very much like to see the full thesis and I wish you great success in gaining further funding to continue your research in this important field.

Yours Sincerely,

Christine

Secretary

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