

## RESEARCH BRIEFS

# TALKING STRATEGY: DOES IT MAKE SENIOR MANAGERS VULNERABLE?

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### RESEARCH QUESTIONS

Organizing is talking, but what we say reflects our place in an organization. Workers at the lowest level (operations) talk mainly about technical and other processes that produce products and services for clients and customers. They also spend some of their time talking to supervisors to ensure the efficiency and effectiveness of those processes. In addition to the operational staff, supervisors talk to other supervisors about *their* technical processes as well as the policies and guidelines for those processes that were approved by senior managers. Those senior managers talk extensively with people inside and outside the organization about trends, regulations, and issues that shape the strategy and policies they create to take the firm forward. In turn, policies and strategies shape the processes used by supervisors and operational staff to make the organization successful and profitable.

What senior managers say is most consequential to organizations. They have the position and power to talk loudest, and their words are heard and appraised by the widest spectrum of people inside and outside the organization. But while we tend to examine the artifacts resulting from such talk, less is known about the internal power dynamics that shape and direct their discourse. That is the essence of a study by Penny Dick (University of Sheffield) and David Collings (Dublin City University). They propose that while senior managers have the authority to create and communicate organizational strategy, it may come at a cost. Specifically, Dick and Collings contend that the act of talking about strategy invites resistance, and exposes senior managers to setbacks and perceptions of weakness. In their study, Dick and Collings sought to examine how senior managers

attempt to minimize such disruptions when they talk about strategy.

Indeed, Dick and Collings discuss the shift from the notion of strategy as a linear and objective organizational product to a “linguistic construction” that is contextualized within the social and historical experiences of the firm and its employees. As a consequence, strategy discourse is not what the organization “does or is,” but reflects “specific categories of action and experience that act, recursively, to shape action and experience” (p. 1515). And so, terminologies that are often invoked when managers engage in strategy discourse are not fixed, but variable according to the rhetorical situations that inform and constrain them (Bitzer, 1968). Those situations may be fraught with uncertainty and ambiguity, thereby allowing supervisors, operational employees, and external players to resist strategy initiatives and to challenge the arguments upon which the strategy is predicated.

### STUDY DESIGN AND METHOD

To better understand the complex role of power among various participants to destabilize, resist, contest, and control strategy discourse inside the firm, Dick and Collings examined data using the framework of “discursive psychology,” which asserts that the substance of talk among the participants is not merely what the participants think, but more about what the conditions and constraints require them to share. Discursive psychologists chart the interaction among participants to determine the roles and turns taken, the shifting relations among them, and the use of the local or internal conditions to support their positions. The framework is best used in analysis of *in situ* discourse, as opposed to relying on the relics or recollections of participants.

Data was sourced from a larger project consisting of 17 interviews with senior managers as well as some middle managers and operational employees. The goal of that project was to determine how human resource management practices emanating from a multinational American firm were adapted at its Ireland-based subsidiary where the interviews were held. Subjects were selected for their deep knowledge of human resources and were interviewed for an average of an hour. For this study, Dick and Collings chose an interview with the vice president of operations because of the clarity of details about how the vice president constructed and used strategy discourse. The data analyzed consisted of two extracts of the interview with the vice president lasting about two minutes and 458 words—about one-tenth of the word count of the full interview.

### KEY FINDINGS

In the first extract, which came from very early in the interview, the vice president is asked to assess the firm's strategy in the last 18 months since his arrival at the company. His response construes the strategy as independent of its agents and execution, and the execution as a straightforward project. The vice president relies on standard, established discourse about strategy, yet seems to diminish the active role of senior managers in the development and discussion of that strategy. Dick and Collings conclude that the interview presents strategy in a passive way.

In the second extract, the discussion shifts to how the subsidiary is judged by the parent company using a scorecard of financial and operational metrics. The vice president seems to suggest that the scorecard can be used to detect problems, but that the success of the subsidiary is a reflection of the active efforts of the subsidiary's senior managers. His implication of such agency is more pronounced by the fact that the senior management team had replaced a previous team 18 months before. Put simply, in this extract the vice president seems to shift the discourse from the first extract where he presents strategy as a routine business model. In the second extract he makes a greater claim of agency and the role of the actions of the senior management team.

From their analysis of the interview extracts, Dick and Collings concluded that there can be tension in the representation of strategy by senior managers—between strategy as an objective standard based on facts that are independent of the actors (“you are not asked as senior management to strategize about the

future,” Extract 1, p. 1522), and strategy as acted on and the province of executives (“To take something and blueprint it the whole way...without due recognition of local management and to think it can be equally implemented in each area is a fallacy.” Extract 2, p. 1526).

### CONCLUSIONS AND IMPLICATIONS

The goal of this study was to evaluate the shifts and dynamics in the representation of strategy discourse, especially how those shifts undermine and contradict each other. Furthermore, such shifts can be exploited by resistance and disruptions, even an interviewer's incredulity. The context of this strategy discourse is particularly relevant as the vice president seeks to justify the localized action of his management cohorts, and not merely the presence of a strategy dictated from the parent company a continent away. The vice president's shift to more local accountability could be justified.

While it is difficult to determine the robustness of the results in this study due to the thin slice data chosen from the interview and the highly idiosyncratic style of analysis, Dick and Collings give some insight into the importance of analyzing the power dynamics of management discourse as it relates to business strategy. After all, strategy discourse has the most far-reaching impact on the life and success of the company. They believe that nonverbal indications such as tone of voice, gestures, eye contact, physical stance, and use of space can provide richer insights into the discursive practices of how managers talk about strategy. Dick and Collings demonstrate that even senior managers, while appearing to dominate strategy talk, can be as vulnerable as they respond to questions and challenges to the flow they attempt to sustain in their narrative.

The findings of the study continue and confirm aspects of the broader discussion of managerial discourse and its outcomes. For example, Kornberger and Clegg (2011) described strategizing as an aesthetic performance and sociopolitical practice deriving power from the interplay of facts and values. A decade before, Jameson (2001) wrote that managers use narrative to resolve conflicts and reduce situational and factual complexities, but that narrative can also damage trust between managers and their audiences because of the beliefs and values embedded in the discourse. More recently, Dulek and Campbell (2015) explored the “darker side” of strategic communication, where managers use deceptive and ambiguous rhetoric to (mis)represent

their discourse and overcome potential disruptions. In this study, while the level of resistance seems relatively slight, it is nevertheless discernible. Consequently, this appearance of vulnerability warrants further research and attention by management scholars.

For business practitioners, the study provides abundant insight into the nature of managerial discourse, and how such discourse is (or, can be) modified to meet the constraints of the circumstances. Senior managers must be aware that talking about strategy is not a static or predictable course, but that discourse must be constructed in ways that respond to different stakeholders using an array of rhetorical and conversational devices. In his book, *What the CEO Wants You to Know*, Charan (2001) stated that effective communication begins with dialog and that the best top managers find ways to distill the complexity to make it accessible to employees. On the other hand, "it's easier for frontline employees to object to management decisions. . .when everyone can use the same language to communicate" (Heath & Heath, 2007). Such is the danger, dilemma, and/or delight of talking about strategy.

## SOURCE

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