Open Strategy: Rhetoric or Reality?

Josh Morton
Loughborough University
School of Business and Economics
Epinal Way, Loughborough,
Leicestershire, LE11 3TU
J.Morton@lboro.ac.uk

1. INTRODUCTION

The increasing relevance of openness in academic research has been driven by the advent of the internet and fundamental advances in information technology (IT). The way in which people use technologies to exchange information and knowledge has also been a catalyst for openness, and has enabled wider, low or no-cost access to such sources. This has in turn created new possibilities for more open approaches and practices in organizations and society in general. Theories such as open-source software, open innovation, and crowd wisdom and crowd activities have been integrated increasingly as operational concepts of open, IT-enabled business models. Increasingly, openness is also being used in a strategic context through open organizational strategy processes. Whereas strategy has more traditionally been regarded as the exclusive role of top management, there has been growing interest in the concept of strategy making involving more participatory and transparent practices. This phenomenon has appeared in literature most commonly as 'open strategy', ignited by a seminal paper by Chesbrough and Appleyard [1], based on Chesbrough's earlier work on open innovation. The term has been widely used to highlight the open practices which organizations might be using to help define their strategies, with the basic idea of open strategy making to pool the knowledge, ideas or opinions of certain audiences [3].

Also relevant to open strategy is the practice turn in social theory, dating back to the 1980's, in particular the strategy-as-practice domain, which associates more closely with the micro level of strategy, investigating the everyday actions of strategists, and the activity of 'strategizing'. IT and social technology use is also a recurrent theme in open strategy literature, with open strategy typically being facilitated by collaborative type technology platforms to enable conversation between multiple actors [3].

2. GOALS

This research intends to extend research into the open strategy phenomenon by establishing a 'rhetoric or reality' approach to analyzing primarily one in-depth, longitudinal case study. This means a main objective of finding out more about the process of open strategy initiatives and to establish how the ideas collected from a wider range of organizational actors do, if at all, lead to new strategic directions. Our primary research question therefore asks 'What practices do organizational actors engage in to construct strategic ideas in open strategy initiatives, and how are these ideas subsequently used by the organization?'. Addressing this question and emphasizing the episodic nature of open strategy will be especially important as open strategy becomes a more ubiquitous feature of organizational life, and needs not only a more confined definition, but also means of systematic analysis, helping to discover more about how those involved in open strategy contribute, and to what extent the actual initiatives are effective in informing future strategies.

3. METHODS

3.1 Data Collection Methods

The goals of the research mean that a qualitative approach was decided as being most appropriate for the research methodology, to provide a detailed account from stakeholders who have experienced open strategy within participating organizations. Applying a qualitative framework also enables in-depth discussion and investigation when gathering opinions on a broad subject area. The methods used so far have included semi-structured interviews, non-participant observation, questionnaires and collection of data from social media and online collaboration platforms. Other documentation data includes reports, analysis output and draft and final strategies resulting from open strategy activities in the chosen case organizations.

3.2 Proposed Data Analysis Methods

Data analysis is an area where most value could be sought from the doctoral symposium at OpenSym 2016. The research intends to use a strategy as practice framework, meaning analyzing the data collected to identify the significance of different practitioners and practices in the open strategy process, and relating this back to the main research question introduced in section two. We also intend to adopt the theory of strategic episodes [2], and use this as a lens to help emphasize the practices of initiation, conduct and termination in open strategy.

However, what needs further consideration and development is how to bring all of the rich data collected together, to be able to relate back to the chosen research aims and question. For example, it might be useful to use or extend an existing framework which might work in this context. It is hoped that scholars and fellow doctoral researchers at OpenSym might be able to offer advice and generate discussion regarding this.

4. RESULTS

Although the research is still at a relatively early stage in terms of results, data has been collected from primarily one main case, with a total of 30 in-depth semi structured interviews, 5 days of non-participant observation, access to online platforms used for open strategy collaboration (including all posts and content, such as strategic ideas generated) and around 600 questionnaire responses.

In addition, as mentioned, the case is complemented by rich documentation data.

Additionally, a further 18 exploratory interviews were conducted with a number of different organizations. These were useful in informing the focus of our research, through discussion with those who have experienced open strategizing in different contexts. It would also be interesting to discuss these interviews with the OpenSym community, and how best to use these in the PhD thesis.

5. QUESTIONS

As already mentioned, it would be valuable to receive feedback around the methods aspects, particular data analysis methods, for this research. It would also be useful to hear ways other researchers think the current research question could be tweaked, and whether other researchers, from experience of working in open collaboration and open innovation areas, know of interesting theoretical frames or lens' that could be introduced. Open strategy research also has a strong IS/IT theme, and any input from practitioners interested in technology driven forms of openness would be especially beneficial. Getting these different perspectives will be greatly valuable as this research progresses, and as the data collection is finalized and the data analysis and write up commence.

Overall, it would be valuable to be able to discuss this research at length with academics and fellow Ph.D. students who are currently working in similar areas and those relating to open collaboration, open innovation and crowd activities more broadly. With open strategy being an emerging topic, it will also be interesting to introduce this to researchers who might not yet be aware of this growing area of research.

6. REFERENCES

[1] Chesbrough, H. and Appleyard, M. M. (2007). Open Innovation and Strategy. California Management Review, 50 (1), 57–76.

[2] Hendry, J. and Seidl, D. (2003). The Structure and Significance of Strategic Episodes: Social Systems Theory and the Routine Practices of Strategic Change. *Journal of Management Studies*, 40 (1), 175–196.

[3] Morton, J., Wilson, A. and Cooke, L. (2016). Open Strategy Initiatives: Open, IT-enabled Episodes of Strategic Practice. In *Twentieth Pacific Asia Conference on Information Systems* (Chiayi, Taiwan, June 27-July 1, 2016).