

Strategy education is under siege. It is heavily criticised both from outside and from within. As a way forward, **Jeroen Kraaijenbrink** makes the case for teaching integrative strategy methods and illustrates what such methods could look like

# The case for teaching integrated strategy



**T**he traditional way of teaching strategy is to make students learn a significant number of analytical frameworks – the five forces framework, SWOT analysis, the BCG matrix and so on – and apply these to a number of cases, mostly representing large and successful western companies.

This is also what best-selling textbooks such as Johnson & Whittington's (with varying co-authors) *Exploring Strategy* look like: thick colourful books containing a catalogue of analytical frameworks in the first half and a large set of cases in the second.

Obviously, this is a bit of a caricature but it is also not too far off from how strategy is taught in many business schools across the globe. And it has been like this for the past four decades.

On one hand, we could see this as a remarkable success story. After all, a format that survives that long, must be good. On the other hand, it is this format that is heavily criticised – not just by outsiders or by the media but by strategy professors themselves. When we read their articles in respected journals there is a host of criticism of the content and quality of this type of strategy education. The most important criticisms levelled are that it is:

- Too fragmented into too many tools and frameworks that at best only loosely connected
- Too instrumental and focused on immediate usefulness
- Too much emphasising economic analysis at the expense of more synthetic and artistic skills.
- Not enough value-based, or focused on the wrong values, thereby fostering individualistic unethical behaviour
- Too simplistic and prescriptive in its reliance on case-based solution finding
- Too much based on folk wisdom, gurus and a pretence of knowledge rather than valid theory
- Losing its relevance in today's world with its content mostly being decades old

“”

*On one hand, we could see [how strategy is taught] as a remarkable success story. After all, a format that survives that long, must be good. On the other hand, it is this format that is heavily criticised – not just by outsiders or by the media but by strategy professors themselves*

Taken together, these concerns form a broad, deep and quite coherent critique. While they differ substantially, they share their response to the same core of the dominant, traditional approach to strategy education: the textbook-based learning and application of a large repertoire of analytical tools and techniques.

Of course, there are many exceptions, variations and alternatives across the thousands of strategy courses that are offered around the globe. However, with such broad and consistent concerns directed at the core of the dominant mode of teaching, there is wide agreement that innovation is needed.

Avenues for improvement can be sought in every aspect of education. One could, for example, look for improvements regarding: *when* strategy education is offered (undergraduate or postgraduate?); *where* (in the classroom, online or elsewhere?); or *how* (through case-based teaching or action-learning?).

Such choices have a crucial influence on the delivery and effectiveness of education. If we really want to improve strategy education, though, we also have to look deeper at what is being taught.

If, as the criticisms jointly suggest, the core of strategic management education should not be a repertoire of analytical tools then what can we put in its place? One answer to this question is teaching more integrative strategy methods (ISMs).

“

To be truly integrative ISMs also need to bring together the various people that have a stake in the strategy process. This means not only including senior management but also middle management and employees from throughout an organisation, thereby fostering interaction and dialogue

Rather than fragmented analytical tools, ISMs reflect comprehensive, coherent approaches to strategy. They bring together a significant portion of the complexity of strategy in a coherent manner and guide their users – leaders, managers, students, educators – through the strategy process in a systematic way.

Leaving the notion of strategy aside, defining ISMs requires an explanation of what is meant by “integrative” and what is meant by “method”.

Starting with the latter, a method is “a particular procedure for accomplishing or approaching something, especially a systematic or established one” (*Oxford Dictionary*). This indicates that a method contains a systematic approach by which the user can achieve something specific. Along that line, a strategy method is a systematic approach that someone can use to manage strategy.

An *integrative* strategy method, then, is a method with an integrative character. ISMs are integrative in four ways: with respect to the content, process, tools and people involved in strategy.

- First, they are integrative in the sense that they bring together a significant portion of the complexity of strategy *content* in a coherent manner. This means that an ISM should include key elements of strategy such as goals, values, customers, competitors, risks, resources and competences and bring those all together in a systematic way.
- Second, an ISM needs to be integrative with respect to its coverage of the strategy *process*. It needs to cover the entire strategy process, or at least a significant part of it, and combine the various parts into a coherent and systematic approach. Should key strategy processes be

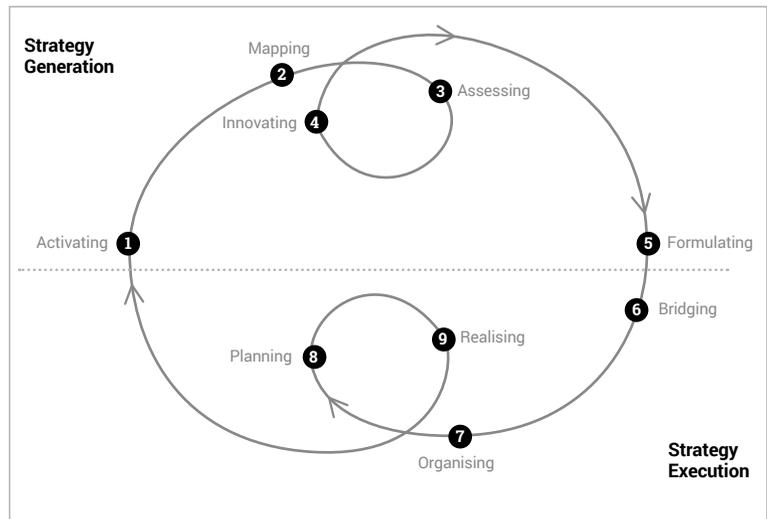


Figure 1 The Strategy Process (Source: Kraaijenbrink (2018), *The Strategy Handbook, Part 2*)

missing – such as strategy execution – this limits the integrative nature of the method, since strategy generation and strategy execution are intertwined.

• Third, ISMs also need to be integrative in the way they bring together a variety of *tools*. Even though the toolbox character of the current approach to strategy education is criticised, this does not render tools useless. Despite their limitations, tools can have substantial value in practice. However, rather than using them in a fragmented or stand-alone manner, ISMs can bring them together in a coherent and integrative process so that their purpose, role and relationship to other tools is clear.

• Finally, to be truly integrative ISMs also need to bring together the various *people* that have a stake in the strategy process. This means not only including senior management but also middle management and employees from throughout an organisation, thereby fostering interaction and dialogue. This involvement is important because, as research shows, it leads both to analytically better strategy as well as socially more acceptable strategy that people can and want to execute.

Given the concerns that are raised about the state of strategy education, arguing for ISMs is almost a truism.



By their integrative content and tools, ISMs address the critiques of fragmentism and oversimplicity; by their integrative process they address the critiques of instrumentalism and lack of synthetic and artistic skills; and by their integrative participation of people they address the critique of individualism.

And, even though ISMs *per se* do not directly address the critiques of the pretence of knowledge and lack of relevance, their careful development should address these concerns too.

The field of strategy is certainly not short of analytical frameworks — there are literally hundreds of them. But when it comes to ISMs, there are only a few. A reading of the strategy literature — articles, monographs and textbooks — reveals only two that are integrative and distinctive enough to be truly called ISMs: Michael Porter's "dynamic theory of strategy" and Robert Kaplan and David Norton's "closed loop management system".

Porter's approach is reflected in his books *Competitive Strategy* (1980), *Competitive Advantage* (1985) and *The Competitive Advantage of Nations* (1990) and accompanying articles, most notably his 1991 article "Towards a Dynamic Theory of Strategy" in *Strategic Management Journal*.

In his publications, Porter constructs an integrative approach that moves from a macro-level understanding of the determinants of national competitive advantage, via a meso-level understanding of industry dynamics and a positioning relative to the competition, to the choice and alignment of the activities within a firm's value chain.

Kaplan and Norton's integrative approach is described in three consecutive books: *The Balanced*

*Scorecard* (1996), *Strategy Maps* (2004) and *The Execution Premium* (2008), as well as accompanying articles, especially their 2008 article “Mastering the Management System” in *Harvard Business Review*. Based on the idea that “what you measure is what you manage” they introduce a framework with four dimensions to measure: the balanced scorecard.

Subsequently they bring a causal logic into this framework in the form of strategy maps that reflect cause-effect relationships between the four dimensions.

Finally, they develop a five-step approach that they call the closed-loop management system that outlines a cyclical strategy process.

One might argue that the ever-popular ‘mission-vision-SWOT’ approach that we find in many strategy and marketing textbooks is integrative as well. But it is less complete and integrative than the previous two and it is hardly substantial.

Finally, a more recent approach around the work of Alexander Osterwalder and Yves Pigneur on “business model generation” might be considered too. While not an ISM yet, it is wildly popular in education and practice and there are seeds present of an integrative approach to strategy.

The brief review above immediately shows the main problem strategy education has if it wants to move forward along the lines suggested: there are hardly any ISMs available that can be taught—or at least that have made it into the mainstream literature. And as far as they are present, their core has been developed in the 1980s and 1990s — over 30 years ago.

Furthermore, while they address some of the critiques, they hardly cover strategy execution or social and participative aspects of strategy making. And they are not exactly dynamic either. This means there is work to do. Not merely in terms of upgrading strategy education but also in terms of research and developing ISMs.

Given the credo “practice as you preach”, I embarked on a journey seven years ago to develop an ISM better able to address the critiques than existing approaches.

By adopting an action and design-research way of working in my teaching, consulting and research, I have developed an approach to



strategy that aims to be truly integrative in all four meanings of that term: content, process, tools and people.

Throughout these years I have attempted to integrate the theoretical insights present in the strategy literature with practical experience in an iterative design process receiving feedback from students and managers while teaching and applying the emerging approach.

The result is a nine-step cyclical and integrative approach covering the complete strategy process, both strategy generation and its execution (see Figure 1). This process is guided by a “canvas”-like template that I have called the “Strategy Sketch” See Figure 2.

This sketch lays out the 10 key elements of strategy in a visual way, thereby offering an integrative view on strategy content. The way of working throughout the nine-step process is inherently participative in nature, including all



key persons in and outside an organisation that affect or are affected by the strategy.

This makes the approach also integrative with respect to the people that are involved.

Finally, as part of the approach, other (new or existing) frameworks can be used to deepen any of the 10 elements, for example, for competitive analysis or value proposition design. This makes the approach integrative in terms of tools as well.

Critiques can, of course, be levelled at this approach as well. It is undoubtedly far from perfect but that is not the point. It illustrates what strategy approaches could look like if we focus on developing and using ISMs.

The advantage of using an ISM like this in strategy education is that it offers students an integrative oversight of the complexity of strategy generation and execution while at the same time providing them structured guidance in how strategy can be actually generated and executed in practice see Figure 1. The learning that can take place by having students study and apply such an approach has significantly more depth and practical relevance than the traditional approach.

Therefore, it is key for progress in strategy education that more—and perhaps better—ISMs are revived, developed and adopted. And when this refocus of what is taught in strategy education is combined with advancements in when, where, and how strategy is taught, we can even expect further improvements in addressing the criticism. Not only concerning the quality of strategy education, but also and ultimately more importantly, that of strategy in practice.

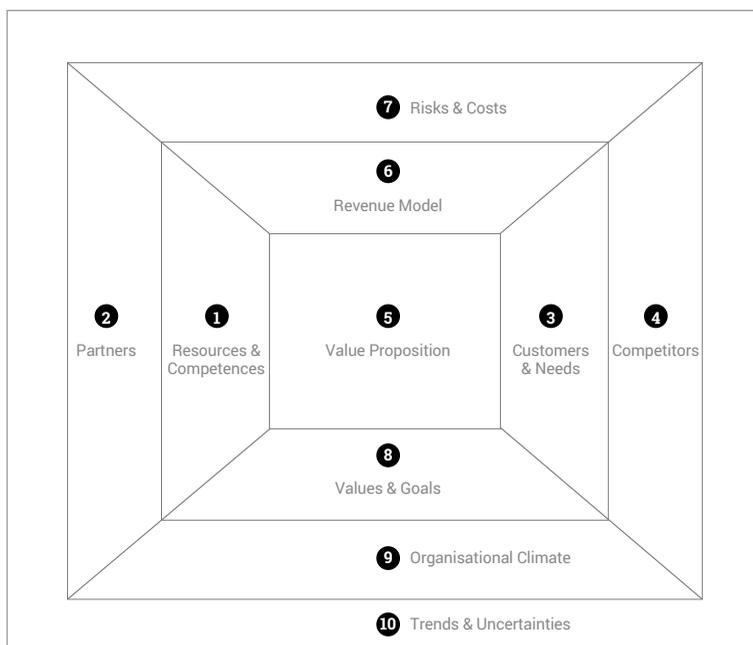


Figure 2 The Strategy Sketch (source: Kraaijenbrink (2015), *The Strategy Handbook*, Part 1)



**About the Author**

Jeroen Kraaijenbrink is an independent strategy writer, speaker, trainer and consultant, lecturing at the University of Amsterdam Business School and TSM Business School in the Netherlands. He has authored several books on strategy, is a Forbes.com contributor and initiator of the online learning platform [betterasstrategy.com](http://betterasstrategy.com).