Strategy Formation as Narrative-Driven Performative Praxis

Pavel Prokushenkov
Department of Management, Estonian Business School
Lauteri 3, 10114 Tallinn, Estonia
e-mail: pavel.prokushenkov@ebs.ee

Abstract
This paper seeks to research the performative dimension of strategizing at the individual level in the context of strategy-as-practice. The study focuses on narrative-driven praxis being formed by practitioners involved in strategic discursive practices. The interconnections within strategy discourse lead to interdiscursivity that influences strategic decision-making. Revealing interdiscursivity is crucial as it is the key to understanding the praxis of strategy formation. This is action research that involved 16 practitioners from 13 countries around the globe. Critical discourse analysis is applied to data collected through purposive sampling during online coaching sessions. The author acted as an executive coach. The theoretical and practical implications of this paper are presented as a non-normative model that describes strategy formation as narrative-driven performative praxis. The constructed model can be used as a theoretical basis for individual coaching sessions on strategy formation.

Keywords: action research, coaching, critical discourse analysis, decision-making, narratives, performativity, strategy formation.

1 Introduction
Being a dynamically growing stream of thought, strategy-as-practice (hereafter SAP) (Whittington, 1996; Johnson et al., 2003; Jarzabkowski et al., 2007; Golsorkhi et al., 2015; Jarzabkowski et al., 2021) opens new horizons for studying strategy formation. Whittington (1996) claims that SAP focuses on ‘strategists and strategizing, rather than organizations and strategies’. There has been a change in the strategy research agenda from how organizations should strategize to how practitioners actually do it. In this context, it is reasonable to view strategy formation as ongoing decision-making at all organizational levels (Simon, 1977; Andrews, 1980; Mintzberg and Waters, 1985; Wilson, 2015). Considering the concept of performativity originally formulated as ‘doing things with words’ (Austin, 1962), it could be argued that the performative dimension of strategizing involves strategy attainment through linguistic practices. It should be noted that the current research agenda on performativity in
relation to strategy is not limited to Austin's original approach (Allard-Poesi and Cabantous, 2021), but also includes such aspects of performativity as efficiency, self-identity, and sociomateriality (Gond et al., 2016). There is significant research interest in studying the practical aspects of strategy formation in relation to decision-making (Eisenhardt and Zbaracki, 1992; Schwenk, 1995; Wilson, 1995; Harrison, 1999; Prezenski et al., 2017; McElroy, 2020) and applying a narrative approach (Barry and Elmes, 1997; Vaara, 2010; Fenton and Langley, 2011; Corbett-Etchevers and Mounoud, 2011; Brown and Thompson, 2013; Küpers et al., 2013; de la Ville and Mounoud, 2015; Horst and Järventie-Thesleff, 2016).

However, the actual praxis of strategy formation at the individual level remains poorly understood. This is largely because uncovering mental constructs of strategists’ individual practices requires deeper understanding of the human mind and the functioning of the brain (Mintzberg et al., 1998), which is most often terra incognita for strategy researchers. Besides, a significant part of strategy research on decision-making relies heavily on theoretical models constructed by economists, operations researchers, or statisticians for their specific purposes. These models, with the possible exception for structural ones, are normative, that is, they prescribe what should be done, rather than describe how decision-makers act in reality (Beach and Connolly, 2005). This paper aims to fill this gap. The study is intended to contribute to a broad discussion about the practical side of strategy formation (Hax & Majluf, 1988; Slevin and Covin, 1997; Mintzberg et al., 1998; Wrona et al., 2013; Bouty et al., 2019) by constructing a non-normative model describing the ongoing praxis of strategic decision-making influenced by interconnections between strategic discursive formations. In terms of practical implications, the model can be the basis for establishing reliable coaching practices on strategy formation. Thus, the research question is:

How strategy is being formed at the individual level during the coaching sessions?

The structure of the paper is as follows. In the Introduction, the author clearly states which stream of thought research joins, what the research gap is, and why it is important to fill the gap. The Setting the Stage section presents the current state of affairs in research-relevant areas such as strategy formation, SAP, narrative approach, and decision-making. The Conceptual Foundations section contains five perspectives that form the basis for the subsequent data analysis. The Methodology justifies the application of action research, as well as provides the necessary clarifications regarding the critical discourse analysis. The
Data section describes purposive sampling and explains how the data was collected. By applying an abductive approach to data analysis, the Discussion reflects strategy formation as narrative-driven performative praxis. The Conclusion summarizes the main implications of the study as well as its limitations. Trajectories for further research are suggested.

2 Setting the Stage

The universe of strategy research seems to be evolving in accordance with the Hubble law discovered in 1929 for the physical universe. Evidence is that the universe is constantly expanding, and galaxies, as well as schools of strategy are moving further and further from each other. As a result, nowadays it is becoming more and more difficult to answer the question ‘What is strategy?’ However, both practitioners and strategy theorists want to be among the ‘nicest people’ by choosing and following the best school of strategy (Mintzberg et al., 1998). The problem is that it's hard to make the right choice, given that ‘we live in a world saturated by strategy’ (Carter et al., 2010). It is generally accepted that strategy has its roots in the art of war, beginning with David and Goliath and then expanding into politics, economics, and business (Freedman, 2013). While the similarities between the Trojan War and modern business are not clear enough, in any case, strategy involves finding ways to win. Strategy as an academic subject originated at Harvard in the 1920s, initially as a business policy course. It was only in the 1970s that strategy was identified as a subject of scientific research (Hambrick and Chen, 2008). The tools for researching and applying strategy arose from industrial economics, and although more recent strategy studies have developed their own agendas, the foundations of business strategy have long been influenced by assumptions and methodologies borrowed from economics.

Despite strategizing as formal planning often leads to either adapting outdated strategies or copying competitors' strategies (Mintzberg, 1987), for most practitioners, strategy remains a plan to achieve desired goals (Fletcher and Harris, 2002). Strategic planning involves analyzing the environment, formulating strategic goals as desired future (Locke and Latham, 1990), finding the best positioning, and selecting the necessary resources. Then the approved strategic plan must be implemented. Extensive discussion on the topic ‘Why strategy does not work?’ presupposes an inevitable gap between strategy formulation and subsequent implementation, while strategy formation, understood as an ongoing process (Sminia, 2009) driven by strategic intentions (Prokushenko and Wahl, 2022), can bridge the chasm between
strategy planning and execution. Strategy formation is about simultaneous change and fixation, individual exploration and social interaction, cooperation and disagreement, persistence in achieving goals and flexibility in responding to the environment. Strategy formation is ‘judgmental designing, intuitive visioning, and emergent learning’ (Mintzberg et al., 1998).

While scholars in the United States tend to share common approaches to strategy (Nag et al., 2007), the European strategy research agenda appears to be more fragmented (Seidl, 2007). With all the diversity of research on various aspects of strategy such as power, networking, feminism, discourse and others, European scholars managed to demonstrate an ‘odd shard of sociological sophistication’ (Carter et al., 2010), but failed - with perhaps only a few exceptions - to create remarkable social/intellectual movements (Frickel and Gross, 2005). In this regard, the emergence of SAP (Whittington, 1996) looks like a promising strategy school with the total number of publications approaching one thousand. As an alternative view of strategy, SAP focuses on practice-oriented micro-actons of strategizing in a broad social context, going beyond economic efficiency. This approach allows for a comprehensive and deep analysis of strategic work at all levels in organizations. It is reasonable to link the emergence and success of SAP with a ‘practical turn’ in modern social sciences, since practice has become a central theme for understanding the functioning of all social institutions (Golsorkhi et al., 2015). For strategy researchers, immersion in the day-to-day practical activities provides an opportunity to interact directly with practitioners involved in strategy formation.

Of particular interest is revealing of how strategy is formed - as a new reality - using written and spoken words, given that narratives are textual modes of action (de Certeau, 1988). Understanding the nature of narratives paves the way for studying indistinctly articulated and even not fully conscious strategizing (Chia and MacKay, 2007). Immersion in the praxis of implicit speech acts allows researchers to study strategy formation in the context of a ‘dwelling’ mode, in which practitioners grope for an appropriate way to strategize through practical ‘coping’, opposed to a ‘building’ mode in which strategizing happens on purpose. Implicit strategizing is rooted in social practices such as looking for identity, gaining access to resources, and implementing appropriate initiatives to cope with the challenges of organizational development (Chia and Holt, 2006). A narrative approach to strategy formation in everyday interactions shows the importance of practical actions, which often
see inconsistent and even ungrounded (Rouleau, 2005). Narration uses plot and characters to structure disconnected physical and verbal actions which are meaningless if reported in a simple chronology. At the same time, ‘organizing makes narration possible, because it orders people, things and events in time and place’ (Czarniawka and Gagliardi, 2003).

Wilson (2015) argues that decision-making is at the heart of strategy. To make strategic decisions, practitioners assess possible alternatives by analyzing the economic environment, organizational capabilities and other factors, and then select the best option. To picture a generally accepted approach to strategic decision-making, it would be appropriate to use the metaphor of golf, since strategic decisions have been thought out over a long time (like preparing to hit the ball) and the success of any organization in the long run (victory in the golf tournament) depends on carefully considered decisions. Having the greatest impact on organizational performance, strategic decisions determine the most significant organizational actions. These decisions ‘are not easily changed once made’ (Coyne and Subramaniam, 1996). Strategy may seem like a grand concept, but any strategy is based on individual decision-making. Noting the importance of decision-making to the strategic process, Mintzberg, Quinn and Ghoshal (1998) describe five different approaches that strategists use: act intentionally (plan); be better than competitors (ploy), dive into emerging streams of ideas (pattern), adapt to the environment (position), and fulfill the mission (perspective). At the individual level, decision-makers achieve their goals through a certain sequence starting with diagnosing a problem, proceeding to selecting actions to solve the problem, and then implementing the selected actions until the problem is solved (Beach and Connolly, 2005).

3 Conceptual Foundations

If you only knew what kind of trash
Poems shamelessly grow in:
Like weeds under the fence,
Like crabgrass, dandelions.

(Anna Akhmatova. ‘Secrets of the Trade’) 
If the word ‘poems’ could be replaced by the word ‘strategies’ in the verses of an outstanding Russian poetess, then these lines convey the author's understanding of strategy formation at the individual level. Indeed, strategizing can be seen as a set of activities for groping a way that includes adaptive behavior, incremental changes, and all that everyday ‘trash’. The praxis
of performing micro-actions that involve spontaneous responses to numerous minor difficulties caused by unexpected circumstances to achieve relevant goals can create coherent and viable strategies (Bouty et al., 2019). Practitioners prioritize their strategic goals in accordance with their intrinsic values and characteristics of the environment. Decision-making occurs in three sequential structures called images (Beach and Mitchell, 1987), starting with personal principles and values, moving to the vision of an ideal future, and ending with determining how to achieve desired goals. Decision-makers act consistently, eliminating unacceptable options with the final choice of the best solution.

Perspective 1. Strategy formation is an ongoing search for efficiency focused on what is valuable (internal) and what is relevant (external).

The performative dimension of strategy formation concerns primarily the role of language in strategizing. Austin (1962) states that performative utterances are ones 'in which by saying something we are doing something'. The appropriate context and the seriousness of the speaker's intentions are basic conditions for performative utterances. The nature of performative speech acts can be locutionary (ostensible meaning), illocutionary (disclosing intention), and perlocutionary (actual effect). One of Austin's points is that it is necessary to pay more attention to the details of everyday language, which is of particular importance for analyzing the speech acts of practitioners involved in strategy formation. To paraphrase Wittgenstein's famous expression from the 'Tractatus logico-philosophicus' published a century ago, it can be assumed that the limits of the strategists' language mean the limits of their strategies. Indeed, strategies are formed in the language and evolve with the language. The concept of performativity suggests that the language is not so much describing as it is shaping reality (MacKenzie, 2006).

Perspective 2. Strategizing is a performative praxis formed by strategists’ utterances.

Strategy discourse (Knights, and Morgan, 1991) does not describe but establishes what is generally understood as the praxis of strategy formation. Viewed as la grille, discourse is constituted by groups of discursive formations - homogeneous structures that have similar features and functions (Foucault, 1976). During coaching sessions, strategic discursive formations can be seen as a variety of short-term mental structures formed by practitioners based on prescribed discursive practices (generally accepted, traditional approaches to strategy formation), as well as on intuitive discursive practices (situational, reactive, spontaneous strategy-making). This understanding of the functioning of discursive formations
is close to the mediating role of social cognition (van Dijk, 1993), drawn upon shared approaches to social phenomena, as well as mental operations leading to conclusions.

**Perspective 3.** Constituted by strategic discursive formations, strategy discourse is structured by strategic discursive practices.

It is reasonable to consider the speech acts of practitioners - as part of strategy formation praxis - as well as all the relationships that these speech acts generate, not so much as a set of formulated judgments, but as established connections between statements related to different approaches to strategizing, within which meaning is attained (Foucault, 1976). This approach involves examining only the set of "things said" as they arise and evolve. It is impossible to grasp the meaning of practitioners’ speech acts outside strategy discourse. At the individual level, the tension within strategy discourse is caused by interactions between complementary and even conflicting ‘strategic voices’, understood as intertextuality (Kristeva, 1967), which is resolved as polyphony (Bakhtin, 1984) or interdiscursivity that influences strategic decision-making.

**Perspective 4.** The interconnections between strategic discursive formations lead to interdiscursivity that influences strategic decision-making.

Coaching is a powerful technique to support decision-makers. As a method to achieve desired goals, coaching was first mentioned by Thackeray in his novel ‘Pendennis’ in 1849 (Garvey et al., 2021). In a playful friendly conversation described in the novel, one of the characters explained coaching by comparing it to moving with a horse-drawn coach from one point to another. However, it is also considered reasonable to argue that coaching - without being so named at that time - can be traced back to the narrative practices of the Stone Age or to Socratic dialogue in Ancient Greece. The Socratic method includes questioning with the aim of activating critical thinking to assess primarily different points of view, from which it is supposed to choose the best one. Many elements of this approach have a lot in common with modern coaching, although it is generally accepted that the starting point for business coaching is the book ‘The Inner Game of Tennis’ written half a century ago by Timothy Gallwey. The book describes a method for achieving maximum efficiency for tennis players. According to Gallwey (1974), the best result on the court is gained not through mental concentration, but, on the contrary, through a relaxed inner observation focused on changes on the way to success. The tennis player should initiate an internal duality, in which Self 1
who is called the ‘teller’ visualizes the desired goal and, based on trust to Self 2 who is the ‘doer’, allows the result to be achieved by practicing non-judgmental observation.

Perspective 5. Coaching supports strategy attainment.

4 Methodology

Action research emerged as a method of simultaneous studying and implementing of activities focused on transformational changes in the phenomenon under investigation. Lewin (1946) emphasized the comparative nature of action research intended to analyze the conditions and grounds for the emergence and development of various forms of social interaction. The choice of action research for this paper is due to the need for interactive questioning aimed, on the one hand, at practical strategizing for real organizations, on the other hand, at studying the praxis of strategy formation at the individual level. McNiff and Whitehead (2005) argue that over the decades of action research development, tension has arisen in the selection of research priorities, namely whether it should be paid more attention to actions under investigation, or to research as such as a way of analyzing actions. One of the obvious disadvantages of applying action research is that this method is often chosen by involved in organizational life insiders, for whom it is difficult to look at the studied phenomenon from the outside. As for the merits of action research, it is primarily that this method makes it possible to go beyond the knowledge created by external theorists. ‘Action science’ (Torbert, 1981) is focused on solving practical problems - by researchers in the role of active participants, not outside observers - it is empirical study in which knowledge is acquired through action.

The author's intention to apply action research is justified, since the stated goals are planned to be achieved through a pragmatic orientation towards interaction with practitioners for whom the research topic is highly relevant (Eden and Huxham, 1996). During coaching sessions on strategy formation, the construction of independent and unattainable realities is formed by coachees through individual and collaborative cooperation, for which assumptions, intentions, and tools are used within the practice-as-inquiry (Newman, 2000). Considering the critical importance of research validity in conditions of limited repeatability in a taken-as-given framework, the author enters the real praxis of strategizing not only to improve existing practices, but also to acquire knowledge (Checkland and Holwell, 1998). The use of action research is reasonable, since the answer to the research question is
supposed to be found through active collaboration with practitioners, and the author understands the need to be mainly in the action than to write about the action (Coughlan and Coghlán, 2002). Although Susman and Evered (1978) argue that action research should not justify itself in relation to alternative epistemologies and research approaches, and in addition Schein (1987) highlights that it is sufficient for action research to be justifiable within own terms, it does not seem possible to ignore the requirement for the rigor evaluation of the evidence, which is key to all research, since data, notes, outlines mean nothing if there is no analysis of the evidence (Memering, 1983).

The structure for coaching sessions was built to simultaneously initiate and observe strategic decision-making at the individual level in four sequential stages starting with strategic problem identification, then moving on to framing, then to interpretation and ending with strategy attainment. The basic questions for coaching sessions were designed to allow practitioners form strategy in different modalities. First the coachees identified which strategic problem should be solved, then they assessed the problem in the context of their intrinsic values, then they considered the meaning of the problem, and ended up formulating practical steps to solve the problem. Understanding the coaching session as a praxis of planned communication, the author paid special attention to building two-way interaction - as a discourse of dialogue - relying on cooperation. With a dialogic approach (Phillips, 2011), practitioners were more effective in strategy attaining through ‘individual empowerment’. Besides, one of the most significant author’s purposes was to initiate an internal dialogue, that is, a way to capture the differences - forming strategy from different angles - in different modalities of coaching sessions. Internal dialogue as part of strategizing is critically significant both from Gullway’s (1974) point of view and in the understanding of Bakhtin (1981), who considered meaning-making through language as dialectically formed by various dynamic forces.

Considering narratives as a tool for constructing reality, Bruner (1991) claims that human experience has narrative structure. Narratives are ‘the vehicle for cognitively constructing the past, present, and future’ (Beach, 2010). The coaching sessions were structured to encourage practitioners to share their stories related to strategically significant events that were happening, are happening and will happen in and around. This was done drawing on the theory of narrative thought (Beach, 2010; Beach et al., 2016; Beach, 2019), that aims ‘to fill the gap between the realm of neural activity and the realm of subjective experience and
action’. The theory states that the human brain builds causal relationships based on the chains of events leading from the past to the present in the form of narratives. This allows people to draw conclusions about what is reasonable to expect in the coming future. Building on this argument, coaching sessions on strategy formation were conducted as an ongoing narrative-driven praxis. This means that narratives were taken as a basis for strategy formation both in terms of prescribed theoretical approaches and situational intuitive responses. Thus, during coaching sessions, the coachees' cognitive processes were linked - through strategically meaningful storytelling - to the praxis of strategizing.

Considering the praxis of strategy formation within strategy discourse as social action (Fairclough and Wodak, 1997), as well as seeing language as access to reality, it is decided to apply critical discourse analysis (hereafter CDA) to the data obtained in online coaching sessions. In a broad sense, discourse analysis is a method of studying socially determined language manifestations, while the critical aspect of discourse analysis involves highlighting hidden connections and causes (Fairclough, 1992b). CDA ‘brings the critical tradition of social analysis into language studies’, focusing on discourse and the relationship of social phenomena revealed through language within discourse. The use of CDA is justified since this method is addressing the role of language in the construction and transformation of social reality (Jørgensen and Phillips, 2002). Besides, applying CDA, it is possible to ‘better map out and understand the role of discursive practices in the micro-level processes and activities constituting strategies and strategizing’ (Vaara, 2015). Fairclough (2013) claims that CDA should be understood as an explanatory critique that is used not so much to describe existing phenomena and relationships between them, but to explain studied phenomena as consequences of interactions between socially conditioned structures and forces manifested in language. In the context of narrative-driven praxis of strategizing, the use of CDA involves the analysis of practitioners’ speech acts as results of complex interactions between strategic discursive formations within strategy discourse at the individual level.

The methodological framework is presented in Figure 1. The analysis of strategists’ speech acts allows drawing conclusions about the nature of strategic discursive practices, understood as sets of techniques and established rules inherent in prescribed and intuitive approaches to strategy formation. The complex interactions of strategic discursive practices constuct strategic discursive formations - viewed as short-term mental structures - in which meaning is attained. Interactions between strategic discursive formations lead to interdiscursivity, which
influences strategic decision-making. Analyzing strategists' speech acts, it is crucial to take into account four sequential stages of coaching sessions, which activates different modalities of strategizing. It is also worth noting that speech patterns and linguistic features - through which interdiscursivity is manifested - should be considered in connection with the basic assumptions underlying various approaches to strategizing. An abductive approach (Wodak, 2004) was applied to data analysis - the author moved from conceptual foundations to data and then back from data to formulated perspectives for more detailed understanding of the strategy formation praxis. Research validity is ensured primarily by focusing on coherence of analytical statements (Potter and Wetherell, 1987). Another critically important validity indicator is the fruitfulness of the analysis. Thus, research methodology is aimed at an effective analysis of empirical evidence at the individual level using specific tools. Theoretical model building was incremental - from the general to the particular and then back to the general.

5 Data

The purposive sampling was focused on practitioners who strategize on a day-to-day basis in their organizations in various roles such as owners, co-founders, and top managers. Based on the author's personal network, selected strategists were invited to participate in hands-on coaching sessions to solve real-world strategic problems. The research involved 16 practitioners - 7 women and 9 men - from Armenia, Australia, Austria, Belarus, Canada, Estonia, Germany, Iceland, Lithuania, Portugal, Russia, United States, and Venezuela. Participants addressed the strategic challenges of their organizations, which varied significantly in ownership structure, maturity, size, geographic and operational characteristics. All practitioners were actively engaged in responsible strategizing in real settings. Online coaching sessions took place in video format via Skype from April 16, 2020 to June 10, 2021 and were recorded with the permission of the participants. In total, 22 sessions were held, that is, with some strategists there was more than one session. All
recorded video material has a duration of 16 hours and 15 minutes, that is, on average, each session lasted about 44 minutes, while the shortest session lasted 25 minutes, and the longest session was 1 hour and 5 minutes long.

Bergman and Coxon (2005) argue that data is interpreted observations while data collection is selective choice of empirical phenomena and attribution of their relevance to the research question. The structure of coaching sessions was built in such a way as to enable participants to strategize in different modalities, that is, to look at strategy from different perspectives. As a rule, after 3-5 minutes allotted for small talk to tune the coachees to the wave of strategizing, there was a switch to the first module, which activated the first modality - the identification of a strategic challenge. In the first module, it was crucial to determine what strategic problem should be solved. Such an approach made it clear what 'strategic' means for each of the participants. To better grasp the essence of strategy formation, coachees were suggested to choose and use a metaphor of strategy - that came to mind right at that moment. After it became clear what is strategy in the coachee’s perception and what kind of strategic problem she or he wanted to solve, the session smoothly flowed into the second module, focusing on participant's intrinsic values as a basis for strategic decision-making.

The logic behind the second modality, called framing, is based on image theory (Beach and Mitchell, 1987) arguing that personal values are the starting point for setting and achieving the desired goals. Along with other analogies, such as schema, script, mental model, stereotype, etc, the frame is essentially the lens for assessing reality (Beach and Connolly, 2005). Answering the second module questions, participants assessed strategic problems from the standpoint of their intrinsic values. Due to deep immersion in personal values, strategic challenges looked differently. The third modality was interpretation. At this stage, the final solution to the strategic problem was maturing - through the visualization of the desired future. The third module consisted of questions focused on stimulating critical thinking about the meaning of strategic problems to be solved. This was the moment of choosing alternatives among possible solutions that have been verified - during the previous module - by coachees’ intrinsic values. In turn, the fourth modality involved strategy attainment through articulation of practical steps leading to effective responses to strategic challenges. The fourth module was focused on questions to support strategists in formulating reasonable actions to achieve desired goals. Thus, the structure of coaching sessions on strategy formation consisted of the following basic questions that set the tone for each of the four modalities:
1. What is the strategic problem to be solved?
2. What are your personal values that influence the solution to this problem?
3. What is the meaning of solving this problem?
4. How to act to solve this problem?

6 Discussion

Data analysis is the interpretation of how strategy formation is reflected in practitioners' speech acts. Considering that the very nature of CDA is primarily interdiscursive and only secondarily linguistic (Fairclough, 2013), the analysis is largely focused on revealing interdiscursivity, which is the key to understanding the practice of strategy formation. Being embedded in strategists' speech acts, signs of interdiscursivity are the consequences of dynamic interactions within strategy discourse. Data is analyzed to identify differences and similarities in strategic discursive practices - manifested through speech patterns and linguistic features (Fairclough, 1992a).

6.1 Conceptual and empirical strategic narratives

Narratives are temporal/causal structures consisting of actual and/or fictional plots and characters that coherently connect the past with the current present and expected future (Fisher, 1989; Beach, 2010). Dynamically lasting in time, narratives build relationships between past events and desired goals. People are used to telling stories to other people and to ourselves, going through personal and other people's experiences. Narratives are complex structures containing emotionally charged memories in the form of various images. Any attempt to translate these structures into the language of everyday communication makes them less profound. Essentially, the role of narratives is to explain and predict the future. The more plausible narratives are, the more effectively they deal with the uncertainty of coming challenges. It is decided to consider strategic narratives that are explanatory and procedural as conceptual - by analogy with paradigmatic narratives proposed by Beach (2010), while strategic narratives based on personal experience are seen as empirical - by analogy with chronicular narratives. Conceptual strategic narratives and empirical strategic narratives complement each other, but differ in function. Conceptual narratives are as ‘good’ as they can coherently explain the future and provide procedures for dealing with challenges. Empirical narratives are appropriate if they can correctly predict the future. Conceptual narratives complement empirical narratives to increase the plausibility and reliability of the latter.
There is an excerpt from the coaching session with Respondent 10 that sheds light on how conceptual and empirical narratives drive individual praxis of strategy formation.

Author (hereafter A): How to define the topic?

Respondent (hereafter R) 10: Maybe like a bit of reflection on my goals and my motives. So, I also struggled later to really analyze and understand if I am reacting good or I am proceeding in a good direction...If it’s far away from accomplishing my goals though...So,...right now...There’s a big pressure to understand what makes sense...[not saying the word to the end]...because we need to adapt all the time or specifically right now even more... That’s a bit hard to understand what makes more sense, because [illegibly] also can not predict the future (grinning bitterly) [illegibly] don’t know what will come. So,... Right now we are struggling to...understand if (sighing heavily)...which strategy is the best to follow.

The above excerpt is not from the first session with Respondent 10 - this is a continuation of conversation on strategy formation started earlier. During the session, it becomes clear that the very essence of strategy formation involves answers to questions about goals and motives, that is, what is the desired future and the reasons for achieving it. Apparently, for Respondent 10, to form strategy properly means ‘reacting good or proceeding in a good direction’ - in other words, coachee’s strategic choices and actions towards the desired future are expected to be consistent with the coming future. That is, strategizing is driven by empirical strategic narratives. Besides, the understanding of what makes sense (conceptual strategic narratives) for the actions taken is of great importance for Respondent 10. The need to build a logical/temporal chain to make sense of strategizing is rooted in conceptual strategic narratives. Another excerpt from the session with Respondent 3 shows how crucial it is to form strategy purposefully (conceptual strategic narratives).

R 3: I feel that it [strategy formation] is driven by the energy of doing something for a purpose. I need to feel that what I do it’s going to be useful or it’s going to be for a purpose. So, that’s why I try to find an application and if I don’t find an application I struggle.

It is worth noting that most participants tell their strategies as coherent stories - giving meaning to desired accomplishments. Respondent 9 describes expected milestones - such as confirming that the product can be profitable, seeking funding, gathering a team - in detail and consistently. Respondent 1 argues that it is critical for strategy that ‘everything is
included’, that is, the big picture is clear, including such elements as people, infrastructure and timing. This approach makes it possible to form strategy based on coherent and, consequently, plausible narratives. Forming strategy, Respondent 2 builds a time chain from undergraduate to postgraduate studies, and then to the desire to apply the acquired knowledge and skills in practice. This demonstrates the need to see strategizing as logically and temporally connected events. Giving meaning to strategy is a priority for Respondent 6: making a choice, which one of the What? Why? or How? questions is the most significant for strategy formation, the coachee states that this is the Why? question. When asked about the sequence of steps in strategy formation, Respondent 16 argues that data collection is followed by analysis to ‘get the sense of the information’ (conceptual narratives), and then it is necessary to study ‘examples in the past’ (empirical narratives). Besides, having spent over 25 years in business, Respondent 15 states that ‘strategy comes from experience’. Thus, strategy formation as narrative-driven praxis means that practitioners try to predict the future based on empirical strategic narratives, and ‘make sense’ to the future based on conceptual strategic narratives.

6.2 Identifying the problem as strategic
The first stage in strategic decision-making is to identify the problem as strategic. This is an excerpt from a session with Respondent 4 regarding the designation of a strategic problem to be solved.

A: What strategic issue is on your mind right now?
R 4: So you are asking for like a certain relevant and current strategic decision that I am dealing with...that is in relation to my work?
A: Absolutely right.
R 4: We are now... I can’t think of... because we have been working a lot on those challenges. Of course, you’ll never fully solve all strategic challenges. For now, I would think that our strategic challenge is mostly related to our human resources and the future because Covid 19 has changed the world dramatically.

Below is another excerpt on the same topic with Respondent 11 who is a social entrepreneur.

A: What is the most important strategic issue that needs to be solved?
R 11: I think that now for our project the main issue is to make partners. And kind of... how to go out to the market and how to make our name known. I don’t know how strategic these issues are... These are some of the main challenges we have. Perhaps partnership is one of the main challenges.
A: Why is this a challenge for you?
R 11: I guess we don’t have very well defined... what we offer partners.
A: What you offer to partners - how this relates to the core of your business?
R 11: What we offer is basically related to why we are doing this business.

Reflecting on strategic issues, Respondent 4 states that solving strategic problems allows the organization to ‘move forward’. Respondent 11 reveals that formulating a clear offer to potential partners leads to increased market presence, and this is of strategic importance. ‘Product development’ is the first thing Respondent 6 mentions when asked about the most critical strategic issue. Respondents 7, 9 and 12 consider product launching to be strategically significant. Being an engineering company founder, Respondent 13 sees overcoming strategic challenges as fulfillment of a personal mission. Most respondents note that the social impact of their businesses is among their strategic concerns. Based on the analysis of sessions with all respondents, it can be argued that such linguistic features as purpose, impact, achievement, self-satisfaction, and product are most closely associated with strategic problems and their solutions.

There is a high interest in revealing how practitioners distinguish strategic and non-strategic issues. Here is what Respondent 11 has to say about it.
A: How do you understand the difference between strategic and non-strategic choices?
R 11: I don’t think I can clearly define the difference. In the end, because I think whatever you do, you have that strategy in your mind that you want to reach this goal. And what I really do basically - in one form or another - leads to that final destination.

Below is another excerpt on the same topic with Respondent 4.
A: What do you think is the difference between strategic and non-strategic decisions?
R 4: Well. This is an ever relevant question... You sometimes find people struggling with exactly this: ‘When am I making a strategic decision and when am I not?’... It’s a tough question (smiling) because it’s not black and white completely. I mean you are sometimes situated somewhere in a gray area. But if your objectives are clear and you directly tie decisions to objectives to reach some milestones then it becomes clearer.

Thus, it can be concluded that strategic issues are primarily related to the most relevant and significant aspects of organizational development, but does not seem to be a clear criterion for determining what is a strategic problem and what is not.

6.3 Prescribed and intuitive strategic discursive practices
It is not hard to predict that strategists are well aware of how to ‘strategize properly’. That is why answering the straight question ‘What is strategy?’ the vast majority of practitioners refer to prescribed strategic discursive practices, which are - not without the influence of business schools and consulting firms - generally accepted strategic tools and techniques. It may be surprising or not, but almost all respondents literally word for word, except for minor variations, define strategy as planned actions to achieve long-term goals. In addition, coaching sessions revealed another significant attribute of prescribed strategic discursive practices such as distinction between strategizing and daily business routine. Being a strategy officer in a large energy company, Respondent 4 clearly articulates this approach.

R 4: Strategic project is something that is moving the company forward to its future position and it’s something that your day-to-day business doesn't hinge upon. You can do your day-to-day business, but if you want to move the company forward, you need a strategic initiative and you need strategic objectives.

It is worth noting that the distinction between ‘appropriate’ strategy formation practices and everyday business activities that are not perceived as strategic is clearly stated by the majority of respondents. According to Respondent 1, the very essence of ‘strategic’ implies ‘defining specific steps or milestones towards desired goals or solutions’, while ‘non-strategic’ means ‘impulsive’, that is described as ‘take things as they happen and react to things’. However, the subsequent analysis of actual strategizing does not confirm that practitioners apply theoretically rigorous strategic tools and techniques to real life situations. On the contrary, following the line of strategic decision-making from strategic problem identification to strategy attainment, practitioners tend to strategize spontaneously and reactively, relying on their own experience and intuition (Baldacchino et al., 2022). Being embedded in situational responses to strategic challenges, intuitive strategic discursive practices manifest themselves in such speech patterns as focus on humanity, aspiration to be influential, action-oriented approach, readiness for the unexpected, and continuous improvement. Having an academic background, Respondent 9 sees strategy formation practices as aimed at proving the correctness of the business concept, that is, checking “how it works” in reality. Respondent 13 states that strategy is the story he writes. During the session, the coachee compares strategy formation to mountain climbing, describing all possible obstacles and how to overcome them. Emphasizing such a significant aspect of strategizing as ‘learning through journey’, Respondent 8 defines strategy as ‘a way of thinking together’. Respondent 15 approaches strategy formation practices as preparation for combat. As an entrepreneur with
over 30 years of experience, Respondent 14 compares strategizing to building a house, emphasizing the importance of a solid foundation, long-term intentions, and the importance of creating value for others. Respondent 1 states that there are ‘different strategies for different goals’. The coachee argues that strategy formation practices are not about planning, but about ‘possible reactions’.

It is essential that in many sessions, coachees are observed using specific - inherent in certain approaches to strategizing - speech patterns and linguistic features borrowed from prescribed strategic discursive practices, filling them with reactive responses based on the rule of thumb. For instance, as an esports entrepreneur, Respondent 6 is strategizing in search of ways to increase cash flow, considering the possibility of establishing his own standards that could be recognized by industry regulators. The expectation is to be ‘indispensable in the value chain and gain a competitive advantage’, while the coachee does not apply specific tools in accordance with prescribed practices, but clearly relies on his previous experience and intuition. Thus, practitioners seem to refer to prescribed strategic discursive practices to validate or even justify their strategizing - giving meaning and procedural rigor to their praxis. However, actual strategy formation occurs with the use of intuitive strategic discursive practices.

6.4 Framing

Framing is assessment of strategic problems. The basis for this assessment is strategists’ intrinsic values, placed in the context of strategic discursive practices. Common sense says that the proper assessment of the problem is a significant part of the solution. Apparently, there is no universally correct assessment of problems when applying a non-normative approach to decision-making. The following shows how practitioners identify their most significant value drivers.

Respondent 16 claims that his assessment of strategic problems - as part of the subsequent solution - is based on the pursuit of achievement and self-satisfaction. Respondent 13 states that at the heart of his assessment of strategic challenges is his passion for correcting social injustice by providing opportunities for undervalued engineers to earn more. Assessing strategic challenges, Respondent 6 finds it valuable to pay back because he has gained a lot from esports and he would like others to have the same opportunity. Respondents 4, 7, 9 and 12 evaluate strategic issues in terms of their ability to impact society by changing the lives of
as many people as possible. Responsibility, striving for productivity and excellence are the basis for assessing strategic challenges for Respondent 1. According to Respondent 14, the ability to create value for others has the greatest impact on assessing strategic issues. Evaluating strategic problems, Respondent 10 notes that it is valuable for her to keep in mind the opportunities to improve people's lives. Freedom, satisfaction and impact drive Respondent 8 in assessing strategic challenges. Evaluating strategic problems, Respondent 2 takes into account the opportunities to get away from the daily grind and dive into adventure. Respondent 4 states that he is driven by the helper syndrome.

Analysis of the respondents' speech acts shows that strategic problems as such and the evaluative lens come ‘in the same package’. That is, the strategic problem identification already implies that there are personal priorities and principles behind it. Subsequent articulation of intrinsic values - answering the questions of the second module of coaching sessions - helps practitioners to bring the hidden to the surface, which in turn makes the next stage of the strategy formation praxis more conscious. The performative aspect of strategizing is manifested in the comprehension of personal values through verbalization.

6.5 Deductive argumentation and inductive reasoning
Beach and Connolly (2005) claim that events hardly occur in isolation: decision-makers usually have a fairly good idea of the causal connection of what is happening in the surrounding world. This understanding forms the context in which the praxis of ‘thinking about’ solutions to decision problems occurs. Accepting scenarios and stories as part of decision-making, argument theory (Lipshitz, 1993) considers how a certain option is thought both before the decision is made and after: potential actions are evaluated by weighing the arguments for and against. In determining a course of action, decision-makers form coherent stories that are consistent with knowledge related to the current situation and basic assumptions behind it.

The evolution of the art of war in ancient China, shows that the most successful strategies are formed in a combination of both prescribed practices and intuitive ones (Sawyer and Sawyer, 1996). Although systematic, Chinese martial art is based on such principles as flexibility, variability and formlessness. One of the most significant implications of ‘unorthodox strategies’ is that there are no universal rules that could be applied to all situations. That is, to form successful strategies, it is necessary to take into account both given characteristics, such
as the terrain of the battlefield and the type of troops, and variable ones, such as enemy
behavior and the mood of soldiers. The bottom line is that strategists should follow the
strategic canons, but at the same time be ready for constant adaptation and even act
differently than prescribed if it seems to be reasonable. Below is evidence of how
practitioners deal with uncertainty during coaching sessions, drawing upon both prescribed
practices (deductive argumentation) and intuitive ones (inductive reasoning).

R 10: Should we try to survive through these difficult times with the product we have? Should
we invest because right now it is a bit hard to get new fundings (sighing)? Or... And we...we
get more into the sleep mode but not sleep mode because we are full-time working for
this...but not expanding the team - getting more developers that we will need right now to
improve the product itself. And...yeah...this is a bit of struggle right now to try to understand
what makes more sense: to survive and see what we[illegibly]and we have and try to
understand if this is already enough or really try to bring it to the next level without even
testing it.

As can be seen from the excerpt from the session with Respondent 10, a significant part of
strategy formation is the search to reduce uncertainty and gain clarity. Below is another
example of how Respondent 1 went through deductive argumentation and inductive
reasoning when strategizing at the very beginning of a business.

R 1: The idea arose out of need, out of mess. I asked: what should I do after training? I would
like to work on what I have learned and improve it. I had options to go to the lab and teach
people or provide services. And I decided not to go to the laboratory, because if people know
the whole lineup, then I won't be needed at the end. I decided to find a way for people to
learn something by interacting with me while being ‘permanently pregnant’. I saw a great
opportunity to solve a medical problem, that is, to take it to a new level and not be stuck with
research alone.

The analysis of strategists' speech acts reveals how they use deductive argumentation and
inductive reasoning to deal with uncertainty. According to Respondent 3, formulating a ‘best
case scenario’ - as a result of reducing uncertainty - can be achieved through ‘thinking of a
good idea combined with potential possibilities’. Respondent 3 argues that strategic
decision-making under a high level of uncertainty - which can be called 'no exit stage' - is for
her the most emotionally charged part of the strategy formation praxis. She claims that
making decisions at this challenging stage helps her move on. Analyzing the demand for the
product and its value, Respondent 16 relies most on intuition, focusing on feedback through subjective indicators of strategy success such as good mood, energy, and readiness for the next step. Making strategic decisions, Respondent 6, on the one hand, relies on the rules of the game accepted for the industry, on the other hand, he is strongly motivated to improve other people's lives and leave a positive mark on history. Respondent 13 views strategic decision as a turning point, after which the story goes differently - that is, at this point the scenario changes. He argues that the reduction of uncertainty - taking into account finances, facts, previous experience in making similar decisions - occurs on a basis in which he believes ‘unconditionally as an axiom’. Thus, deductive argumentation and inductive reasoning deal with uncertainty, allowing practitioners to clarify the situation by modifying their practices of strategizing. As part of strategic decision-making, deductive argumentation relies on prescribed strategic practices, while inductive reasoning is related to intuitive strategic practices.

6.6 Interpretation of the strategic problem within discursive formations

As the third stage of strategic decision-making, interpretation gives meaning to strategic problems. Prior to strategy attainment, strategic problem interpretation occurs under the influence of interdiscursivity, which in turn is a consequence of the complex interaction between strategic discursive formations. Signs of interdiscursivity are most clearly manifested in strategy metaphors created by practitioners during coaching sessions. Respondent 16 chose strategy metaphor as a compass that ‘always shows the right direction to the desired goals’. From the coachee's explanations, it follows that his ‘strategic compass’ orients itself in such magnetic fields as cooperation, dedication, family values, and pride in achievement - these fields are the basis for a complex mix of mental structures (strategic formations) in which the interpretation of strategic problems occurs. For Respondent 9, the chosen strategy metaphor is the ‘gate that provides access to potential possibilities’. In this context, strategizing - like ‘looking for proof of a business concept’ - is ‘the key to this gate’. The metaphor of the gate and the key to it reveals the complex interplay between strategic discursive formations. The garden is a strategy metaphor for Respondent 10. Considering market conditions and funding as external factors like poorly predictable weather, the coachee gives meaning to strategic issues by prioritizing organizational goals - maintaining the garden as a core value - through analogies, linking prescribed and intuitive practices.
Chicken for dinner is a strategy metaphor for Respondent 1. In this context, the coachee states that there is little chance of finding a chicken in the woods.

**R 1:** You should know where to be for the greatest chance of meeting a chicken (laughing) and you should have a tool to get that chicken for dinner. Simply put, if you want to have chicken for dinner, you should know how to catch it.

In the speech acts of respondent 1, interdiscursivity is revealed as interactions between prescribed practices to know the market and striving to achieve desired goals. Keeping in mind such basic assumption as "people should just benefit from it," the coachee adapts the prescribed practices for setting strategic goals to her personal approach based on intuition. In this case, signs of interdiscursivity are small steps towards desired goals.

**R 1:** I move from one milestone to another, realizing that most of the time my expectations don't work out. So you need to constantly adjust your goals. This usually allows you to determine the milestones as accurately as possible, but in my experience I most often fail, because big steps cannot be performed exactly as I would like to do it.

Using the metaphor of cooking, Respondent 3 argues that everything starts with craving for something, followed by choosing a recipe, selecting ingredients, and then analyzing how the recipe could be improved. The coachee explains that she simultaneously follows the cooking procedures (prescribed practices) and at the same time adjusts the cooking praxis to her needs and tastes by customizing it. This approach allows her to dive deeper into the strategic problem and give it the required depth of comprehension. Respondent 7 makes sense of the strategic issue through the metaphor of a tailor who takes into account the individual needs of each person in a global context of new technological opportunities. Respondent 8 grasps the meaning of strategic problems through the metaphor of an ambitious young man climbing mountains - this praxis requires both knowledge of the prescribed rules of team work and a passionate pursuit of personal satisfaction. According to Respondent 14, strategy metaphor is human life. In this regard, the coachee comprehends the meaning of his strategic problems through reflection on the cycle of life: from birth to the acquisition of knowledge and skills and then to their subsequent application. Unfolding the meaning of strategic problems, Respondent 12 uses the metaphor of swimming against the flow, which reveals the basic assumptions of high competition combined with the search for operational efficiency. In addition, interdiscursivity can be observed when Respondent 11 gives new meaning to the strategic problem, changing the perspective of looking at the problem from internal to
Thus, short-term mental constructs (discursive formations) - induced by coaching sessions - constitute strategy discourse in which practitioners interpret strategic problems.

6.7 Strategy attainment through performative praxis

Taking performative perspective, strategy formation is viewed as finding solutions to strategic problems through linguistic practices. Strategists’ speech acts are replete with manifestations of performativity. Respondent 16 states that strategy rules are formed from communication with others. The coachee concludes that when he speaks ‘it becomes clearer’. Besides, Respondent 3 argues that strategy formation begins with the verbalization of an idea.

R 3: Get the idea, verbalize the idea, and I’m starting to think that yes it might be possible. I can't manipulate it. It just comes up. And then I improve what came right away, but this is not something that I force. It comes naturally.

Respondent 13 claims that for the first time he formed his strategy - influenced by the books of Drucker, Mintzberg and Porter - simultaneously with launching a business. At that time, the coachee drew a pyramid on an A4 sheet where he placed all his strategic goals, and shared this picture with everyone who asked about his strategy. In case the interlocutors did not understand what ‘the essence of this strategy’ was, Respondent 13, editing the picture during the conversation, explained his strategy to others and actually attained it himself. In addition, Respondent 1 states that talking about strategy helps her get a clear picture of her desired future. The coachee claims that while in many cases the idea is clear, not all of its parts are visible, so ‘it needs to be worked out to build the whole picture’. Besides, Respondent 5 argues that the first step in strategy formation is to ‘put all things into writing’.

Although manifestations of performativity can be observed in all modalities of coaching sessions, ‘doing things with words’ is most clearly seen at the fourth stage of strategic decision-making. This is the strategy attainment stage, when coachees formulate practical steps to achieve their desired goals. According to Respondent 8, the strategy attainment praxis is explicitly action-oriented.

R 8: We are sticking more with the action plan rather than with our strategy.

Using undercut - when a Formula 1 driver decides to change tires a few laps before the car in front of him in order to overtake a rival later - as a strategy metaphor, Respondent 6 finds solutions to his strategic problems precisely at the moment he gropes for the wording of practical steps to achieve desired goals.

23
R 6: Now I understand that I should change my approach, change my activities. For me, the most important things are to be useful for others, to leave a positive mark on history, and make money. And right now, as a Formula 1 driver, I realize that in order to achieve my strategic goals, I need to overtake not the competition, but myself.

Respondent 10 also attains strategy at the moment of formulating action steps.

R 10: We continue working with the minimum resources we have - it's clear to us. We are continuing without a bigger team and trying to do everything by ourselves.

Thus, practitioners attain strategy by formulating necessary action steps within strategy discourse.

7 Conclusion

Answering the research question, it can be argued that during individual coaching sessions strategy is formed as narrative-driven performative praxis. Theoretical and practical implementations are presented in the form of a non-normative model in Figure 2. Essentially, strategy is a plausible story leading to desired goals. Unfolding along the line of strategic decision-making, personal strategic stories are driven by conceptual and intuitive strategic narratives. The ongoing praxis of strategic decision-making followed by four modalities of coaching sessions - is starting with the strategic problem identification, going through framing and interpretation, and ending up with the strategy attainment. The individual praxis of strategizing - being focused on what is valuable (internal) and what is relevant (external) - is structured by strategic discursive practices, both prescribed and intuitive. Applying strategic discursive practices, practitioners assess strategic issues on the basis of their individual values. Deductive argumentation and inductive reasoning are aimed at reducing uncertainty. Strategic problems are interpreted under the influence of interdiscursivity as a result of complex interactions between strategic discursive formations. Signs of interdiscursivity are most clearly seen in strategy metaphors created by practitioners during coaching sessions. The performative dimension of strategizing is manifested at the strategy attainment stage - when practitioners formulate the necessary action steps.
The limitations of this study are primarily caused by the choice of data collection techniques, the data itself, and its subsequent analysis. Although practitioners from all over the world - for whom strategizing is their daily praxis - were invited to participate in the study, neither their socio-cultural diversity nor differences of organizations they belong to, were taken into account. In addition, the data analysis is limited not only by the chosen methodology, but also by the author's explicitly biased interpretation of strategy formation. It is also important to note that although practitioners formed their strategies in real settings, they were not completely free to choose their authentic approaches to strategizing, being limited by the structure of coaching sessions proposed by the author.

As for the further directions of research, in a narrow sense, it is critically significant to test the constructed model in more empirical studies, as well as to look for opportunities to extend the model application - taking performative dimension of strategy formation - outside of coaching sessions. In a broad sense, it is time to get to the very essence of strategy. The current state of affairs is such that if in any written or spoken text the word ‘strategy’ is replaced by any of the phrases like ‘path to success’ or ‘a set of coherent actions’ or something like that, then in no case the meaning of the text changes. And if this is true, then what is strategy in the modern world? Such a question ‘muss gestellt werden’.

Figure 2. Strategy Formation as Narrative-Driven Performative Praxis
References


Beach, L. R. (2010). ‘The psychology of narrative thought: How the stories we tell ourselves shape our lives’. Bloomington IN: Xlibris.


Bouty, I., Gomez, M.-L. & Chia, R. (2019). 'Strategy emergence as wayfinding'. M@n@gement, 22(3), 438–465. doi: 10.3917/mana.223.0438


https://doi.org/10.1002/9781118785317.weom120115

