Concept-Driven Strategy as a Management Paradigm: Theoretical Foundations and Implications for Strategic Leadership

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ABSTRACT:

This paper examines concept driven strategy as an emerging management paradigm that redefines how organizations formulate and enact strategy in conditions of uncertainty, complexity and rapid change. Moving past traditional analytically driven models with a focus on prediction, optimisation, and positioning structures, the work places concept driven strategy in a cognitively and socially grounded universe with a focus of strategic concepts, sense making, and interpretive framing. Drawing on theoretical foundations from strategic management, organisational cognition, and constructivist theory, the paper argues that strategic concepts perform a generative function together with generating attention to participate in decision making and enabling coordinated action across stakeholders (Weick, 1995; Walsh, 1995).

The analysis calls out the role of concept driven strategy in enabling leaders to deal with ambiguity by making sense of environmental signals, organisation identity and long term aspirations by creating coherent narratives (Mintzberg, 1994). Rather than viewing strategy as a plan, this paradigm views strategy as a dynamic system of meaning (which evolves over time via learning and reinterpretation) (Sarasvathy, 2001). The implications of this shift for strategic leadership are further discussed in the paper with a strong emphasis on the role of leaders as sense-makers, frame setters and architects of shared understanding instead of being merely an analytical decision maker (Eisenhardt & Sull, 2001).

By using a synthesis of insights from across disciplines, this study brings a contribution to the scientific field of strategic management by elucidating the conceptual basis for using concepts in formulating strategy as well as establishing its practical relevance for leadership in the context of volatile environments. The paper concludes with some important challenges involved, such as risks of abstraction and limitations of measurement and possible avenues for future empirical study to measure the performance and organisational outcomes associated with concept-driven strategic approaches.

Keywords: Concept-driven strategy; strategic leadership; sensemaking; strategic cognition; management paradigms; organizational framing; complexity and uncertainty.

1. Introduction

Strategic management scholarship has been concerned for some time with how organisations form and maintain competitive advantage in dynamic environments. Traditional strategy frameworks, most of which were developed during the context of relatively stable industrial environments, focus on the importance of analytical rigour, forecasting and rational decision-making as the basis for effective strategy (Porter, 1980). While such approaches have offered powerful tools for understanding industry structure and competitive positioning, their assumptions have been questioned more and more by the issues of accelerating technological change, globalisation and systemic uncertainty (Mintzberg, 1994; Eisenhardt & Sull, 2001).

Contemporary organisations work in a context made up of ambiguity, lack of linearity and high levels of disruption, where some history information provide little guidance for future decisions. In such contexts strategy cannot be reduced to problems of optimisation or linear planning processes. Instead, it is increasingly a matter of interpretation, judgement, a matter of making meaning under the condition of incomplete information (Weick, 1995). This shift has led to increasing scholarly interest in alternative perspectives highlighting cognition, sense making and framing as key features of strategic activity.

Within this changing context, concept-driven strategy has become a new and interesting yet unexplored management paradigm. Rather than viewing strategy as principally a collection of analytical decisions or resource portfolio selections, concept-driven strategy focuses on the role of overarching

strategic concepts, such as platforms, ecosystems, digital transformation, or shared value, as organising frameworks for the way organisations see their environments and how they correlate action. These concepts do not merely describe strategic intent, they are an active process of structuring organisational attention to such an extent as to be able to guide decision-making and enable collective alignment of different stakeholders (Walsh, 1995).

The theory underpinning concept-driven strategy is informed by several intellectual traditions. Strategic cognition research is concerned with the role of mental models and schemas in managerial interpretation and choice (Sarasvathy, 2001). Constructivist perspectives would imply that organisational realities are socially constructed in terms of language, stories and frames of reference (Berger & Luckmann, 1966; Weick, 1995). From this perspective, strategy is also not something organisations possess, but something that they do through a process of constant sense-making and sense-giving.

This reconceptualisation has important implications for leadership at the strategic level. As environments become more complex and less predictable, the role of leaders is moved from that of detached analyst to active sense maker who enunciates compelling concepts that serve to orient organisational action (Mintzberg, 2009). Strategic leadership is in this paradigm the ability to create and communicate integrative frames that align competing demands above all while inducing learning and facilitating adaptation over time (Eisenhardt & Sull, 2001).

Despite its increased relevance in practice, concept-driven strategy is not sufficiently theorised in the academic literature. Existing studies tend to refer implicitly to strategic concepts without analysing systematically their epistemological assumptions or leadership implications. This paper aims to fill this gap by establishing concept-owning strategy as a unique management paradigm and explain how it changes the way we conceptualize strategic leadership both theoretically and in practice.

Accordingly, the objectives of this paper are three-fold. First, it presents the theoretical underpinnings of concept-driven strategy by drawing on insights from strategy management, organisational cognition and sense-making theory. Second, it puts the defining characteristics of concept driven strategy into the context of a coherent management paradigm. Third, it discusses the implications of this paradigm for strategic leadership especially in contexts characterized by uncertainty and complexity. By developing a deeper understanding of strategy as a process of conceptual and social construction, this work adds to current debates on the future of strategic management theory and practice.

2. Literature Review and Theoretical Foundations

2.1 Strategy thought: The Evolution of the Strategy thought of Planning to Interpretation

Strategic management as a field of study has gone through a line of intellectual metamorphoses, indicative of the economic state and firm realities. The initial literature was mainly dominated by rational planning and economic theory, which viewed the concept of strategy as a conscious, top-down procedure that focused on long-term planning and competitive positioning (Chandler, 1962; Porter, 1980). These paradigms assumed rather stable environments where managers could have analysed industry structures, trends and chosen the best courses of action.

Towards the end of the twentieth century, there was more questioning of the suitability of such assumptions by scholars. Empirical research showed that strategies were more frequently developed in steps instead of an agenda way of carrying out and often informed by learning, experimentation, and adaption (Mintzberg and Waters, 1985). This criticism led to a change in perspective on strategy as a dynamic process, socially situated and not an exercise that is purely analytical in nature. With increasing turbulence and uncertainty in the environment, the weaknesses of prescriptive planning models started to show themselves more and more (Mintzberg, 1994).

This intellectual development provided the foundations of concept-driven strategy as it provided the name with interpretive cognitive and process-oriented perspectives. Strategy was no longer to be seen merely as a reaction to external forces but this process is a continued construction determined by the way that the managers frame and perceive those forces.

2.2 Strategic Mental Model and Cognition

One of the key theoretical bases of concept-driven strategy is the literature on strategic cognition. This research literature underscores the fact that cognitive forms of thinking mediate managerial decision-making and such cognitive forms include mental models, schemata and belief systems (Walsh, 1995). Instead of handling information in an objective manner, decision-makers selectively focus on and make interpretations of environmental information over the past experiences and in common assumptions.

The process of effectuation by Sarasvathy (2001) is another example of how entrepreneurs and managers act in the face of uncertainty because they base on flexible mental frames instead of predictive logic. These results imply that strategy formation is a problem inherently interpretive and influenced by the conceptualisation of the decision-makers regarding opportunities and constraints. Concept-driven strategy is based on this observation, it uses strategic concepts as the main cognitive anchors to direct organisational behaviour by enhancing the centrality of the abstract but actionable ideas.

In this sense, the strategic concepts are the higher order mental constructs, which combine a wide range of information into consistent patterns. They assist organisations to make sense of complex situations by streamlining the reality without eliminating nuances, which means that coordinated action takes place in the absence of all the information (Gavetti and Rivkin, 2007).

2.3 Organisational Framing and Sensemaking

Another important critical foundation of concept driven strategy comes under sensemaking theory. Weick (1995) writes that organisations do not simply respond to their environments but are processes of creating meaning through continuous construction processes of meaning-making and sense-making. Sensemaking places an emphasis on retrospection, plausibility and social validation as opposed to accuracy and prediction.

Strategic concepts are important in these processes since they are common frames directing a collective knowledge. According to the theory of framing, issues are conceptualised to introduce legitimacy or sometimes make actions possible (Goffman, 1974). In strategic settings, the concepts of an ecosystem, disruption, or resilience present issues and the opportunities in a way that allows to define strategic priorities and actions.

The concept-driven strategy is therefore consistent with the perspective that strategy does not simply access choices of action but also conceptualizes meanings. Leaders practice sensegiving by expressing ideas that shape the perceptions of the organisational members, of a strategic situation and their roles in that situation (Gioia and Chittipeddi, 1991).

2.4 Interpretive and Constructivist Views.

Constructivist theories can be conventionally termed as the epistemological roots of concept-driven strategy because they assume that social reality is built using the shared meanings, language and symbols (Berger and Luckmann, 1966). In this perspective, strategic realities (markets, competitors and even organisational identities) are, therefore, not objective given but interpretive achievements.

One such role is played by language. The metaphors and narratives concealing strategic ideas are built in collective sense of thought and allow certain justifications to act (Cornelissen, 2005). To illustrate, by positioning an organisation as a platform as opposed to a product company, value creation, relationship with stakeholders and logic of growth is redefined. These changes in concept tend to be forerunners of structural or working transformation.

Focusing on the performative nature of ideas, concept-based strategy puts an emphasis on the fact that strategic ideas do not define the world but a strategy creates it. Such an opinion questions pure positivists perspectives on strategy and reminds us of the significance of judgment as part of strategic leadership.

2.5 Strategies as a Paradigm: A merger of Ideas and Action

By relying on the concept of the paradigm suggested by Kuhn (1962), the concept-based strategy may be viewed as a subset of the wider change in the management thinking. Paradigms articulate what questions are posed, ways that are acceptable and characterization of problems. The analytical-planning school was dominant in most of the twentieth century strategic research, although the realization that it was inadequate to deal with complexity has led to the emergence of alternative approaches to strategy choices.

Concept-based strategy is a paradigmatic inclination, which incorporates thought, explains things, and takes action. It does not deny analysis but puts it in wider frames of concepts which inform judgment and learning. By so doing, it provides a point of coherence between the abstract theorising and pragmatic decision-making by allowing organisations to stay coherent whilst adjusting to change (Eisenhardt and Sull, 2001).

2.6 Summary

To conclude, such theoretical backgrounds as strategic cognition, sensemaking, and constructivist theory underlie concept-driven strategy. Previous studies show that the nature of managerial thought as well as managerial framing of reality as much influences what comes out as strategy as much as the conditions of external environments or models of analysis. When these lenses are synthesised, concept-driven strategy becomes a management paradigm which anticipates meaning and interpretation and mutual understanding as key strategic action mechanisms.

3. Concept-Driven Strategy as a Management Paradigm

3.1 The Conceptualization of Strategy as the University Strategy goes beyond Analytical Planning

Concept-driven strategy refers to a shift against traditional strategies of strategic management, which lay emphasis on analytical planning, foreseeing and maximization. The traditional models assume that the strategic issues can be modernly specified and addressed with the help of the systematic examination of markets, competitor, and internal factors (Porter, 1980). Such models may still have value in less dynamic environments, but have less explanatory and practical effectiveness in more dynamic environments marked by change, ambiguity and interdependence (Mintzberg, 1994). Concept-driven strategy, on the other hand, gives prominence to the role of conceptual framing as the best mechanism by which organisations interpret their environments and direct strategic action. Instead of beginning with tiresome analysis, this strategy begins with integrative stratagem concepts which harmonize the thinking and give direction. These ideas are interpretive lenses that determine what should catch the attention of decision-makers, the manner in which they interpret emerging matters and the strategic alternatives that should be perceived as legitimate or desirable (Walsh, 1995).

3.2 The Strategic Concepts as Cognitive Anchors

The fundamental assumption of the concept-driven paradigm is that the strategic concepts as cognitive anchors the concepts stabilize meaning in complex and uncertain situations. The evidence has been provided by studies in the field of strategic cognition to show that managers make use of mental models and schemas in simplifying complexity to facilitate decision-making (Walsh, 1995). Concept-driven strategy builds on this observation by focusing more on the fact that these mental frameworks are collective in that shared concepts allow coordinated action to occur across organisational units. Such concepts like the idea of eco system or platform or digital transformation are all strategic concepts that sum up the assumptions regarding value generation, the relationship with the stakeholders, and the competitive logic. These notions are not simply explanations of organisational reality, but pro-active constructions shaping the reality both with respect to what attention is drawn to, and what resources are invested to give rise to, as well as in declaring a certain course of action legitimate (Gavetti and Rivkin, 2007). That being the case, strategic concepts act as core constituents of organisational sense-making.

3.3 Sense giving, Sense making and Strategic Coherence

The concept in sense-making theory provides a critical view of the way concept-driven strategy is practiced. As indicated by Weick (1995), organisations are building meaning all the time by employing the interpretation and interaction process and especially where ambiguities prevail. These processes are aided by strategic concepts which offer common frames through which the organisational members are able to make sense of such events. This is where leadership is involved as it has a central role by sense-giving, the dynamic process of articulating and reinforcing strategic concepts to shape how other parties view strategies (Gioia & Chittipeddi, 1991). Leaders create a sense of alignment and commitment through communication of compelling narratives that are based on strategic concepts, even in the face of no detailed plans or inaccurate predictions. This is clearly seen in the fact that concept-based strategy emphasizes more on coherence, rather than control compared to more mechanistic versions of strategic management.

3.4 Adaptation, Learning and conceptual evolution

Concept-driven strategy is fluid as opposed to the stagnant strategic plans. Strategic concepts are not prescriptions that are set in stone but frames that are constantly improved, based on organisational experience and learning. The outcome feedback during the process of organisations operating on the conceptual frames results in reinterpretation and necessary customisation, which allow strategic renewal and revitalisation to continue (Mintzberg and Waters, 1985). This process of iterating is compatible with the effectuation theory, whose features are action, learning, and adaptability, and not prediction in the uncertain environment (Sarasvathy, 2001). Concept-based strategy promotes experimentation because it grants a logical line of thought, yet has room to be done differently. This way, it is able to combine the strategic consistency and stability with flexibility, which is essential in unstable and complex environments.

The performative and constructivist dimensions represent another facet of the previously mentioned aspects. Constructivists constructs view strategic concepts as performative, i.e. they are processes that create organisational realities and not just reflect them (Berger and Luckmann, 1966). Language and symbolism are very important in this process because in terms of concepts embedded within narratives and metaphors, how the organisational members understand the opportunities, threats and identities are perceived (Cornelissen, 2005). Conceptualisation of strategic intent can help organisations mobilise resources, develop legitimacy and coordinate efforts among the internal and external stakeholders. It is this performative aspect that highlights the reason why concept-based strategy matters especially at the top management level, where meaning and purpose are the key elements of the strategic effectiveness.

3.6 Concept-Driven Strategy as a New Paradigm Orientation

Based on Kuhn concept of paradigms (1962) concept-based strategy may be perceived as a wider approach to strategic management than a specific tool or technique. It is an expression of a change in underlying assumptions on the nature of strategic problems, whereby the paradigm on strategy no longer assumes that it is an analytical challenge, but it is also inherently an interpretive and social process. This paradigm does not refute analytical rigor they simply place it in a broader conceptual and cognitive model. The use of strategy becomes a supportive tool and not a driving force to analysis, enshrined in overall conceptual stories that give meaning and focus (Eisenhardt and Sull, 2001).

3.7 Summary

In short, concept-driven strategy is a paradigm of management, which focuses on conceptual framing, sense-making, and social interpretation as the key providers of strategic action. It is based on the strategic cognition, sense-making theory, and constructive viewpoints, which lead to a reshaping of strategy as a dynamic process based on meaning, which allows organisations to confront uncertainty and still achieve strategic coherence. The concept-driven strategy provides a strong perspective on strategic management theory and practice in dynamic settings based on its focus on generative ideas rather than fixed plans.

4. Implications for Strategic Leadership

4.1 Strategic Leadership as Sensemaking and Framing

In one of the theory-based strategy paradigm, strategic leaders do not just help to make decisions analytically but actively to construct and convey meaning. Instead of viewing themselves as planners or controllers, leaders find themselves becoming more and more sense-makers in the sense of interpreters of ambiguous indicators of the environment and converting these into a coherent strategic idea (Weick, 1995). This interpretive role becomes especially imperative in situations where uncertainty and complexity negatively affect the usefulness of predictive models.

Leaders are able to express and elaborate strategic ideas through senses giving, and the manner in which the organizational members interpret their priorities, risks and opportunities (Gioia and Chittipeddi, 1991). Posing strategic intent conceptually allows leaders to help the organization achieve alignment together without resorting to the inflexible plans and shapes coordinated action without sacrifice of flexibility. This change highlights the importance of cognitive and communicative abilities in the field of strategic leadership. The student should have the ability to comprehend information and apply it creatively in practice.

4.2 Cognitive Capabilities and Conceptual Competence

A concept driven paradigm requires a unique set of mental capacities to be a proficient leader. Conceptual competence which is the ability to create, integrate and change abstract strategic conceptions leading to sense of direction in times of uncertainty needs to be demonstrated by leaders. Strategic cognition research indicates that this competency is about pattern recognition, analogy drawing as well as problem refraining but not necessarily relying solely on deductive reasoning (Gavetti and Rivkin, 2007).

In addition, leaders should be open-minded enough to enable them to update or discontinue the strategic ideas after environmental feedback dictates that the strategic ideas are misaligned. This ability conforms to the logic of effectuation that engages adaptability and learning as opposed to prediction in uncertain situations (Sarasvathy, 2001). As a result, strategic leadership is not based on keeping down already existing plans, but it is always perfecting conceptual frames.

4.3 Leadership, Learning and Strategic agility

The concept-based strategy is of huge relevance to organizational learning and strategic agility. Treating strategy as the dynamic system of concepts and not a predetermined plan, leaders promote experimentation and systematic learning. This style helps in fast adaptation and maintaining coherence because strategic ideas will be given to offer a steady point of reference despite the change in actions at particular actions (Mintzberg and Waters, 1985).

Strategic leaders are very important in institutionalising learning through legitimising reflection, dialogue, and reinterpretation. Instead of perceiving the deviations in plans as failures, leaders that work according to the concept-based paradigm can see them as a chance to develop the insight of the strategy. This form of learning makes organisations resilient and responsive to volatile environments (Eisenhardt and Sull, 2001).

4.4 Conceptual Leadership Cultural and Social Implications

Organisational culture is also redesigned with the application of concept-led approach. Strategic concepts are symbolical resources that affect the shared values, norms, and identities. Strategic leaders that can communicate and reinforce conherent strategic ideas are involved in a culture of shared meaning and as such enhance commitment and lower coordination expenses (Schein, 2010).

Socially-constructionism view on leadership entails influencing the manner in which the language and narratives about the organisational realities are structured (Berger and Luckmann, 1966). The strategic leaders should therefore be aware that concepts have different interpretations among various organisational groups they have to be inclusive, credible, and adjustable to various contexts. Inability to cope with this social aspect may result in fragmentation or opposition and derail strategic congruency.

4.5 Stakeholder Engagement and Strategic Legitimacy

Concept driven strategy is visionary of strategic leadership relative to the boundaries of organisations. Strategic concepts give a foundation upon which the external stakeholders, such as partners, customers, investors and regulators are met. It is possible to promote collaborative effort among organisational ecosystems through framing strategy around eminently appeal concepts (Suchman, 1995).

This is an external aspect of strategic leadership, and is especially relevant in networked and platform-related scenarios ensnared by value creation on the basis of the coordination of various actors. Strategic concepts need to be conveyed to internal audiences but also to provide early warning and credibility to external audiences (Cornelissen, 2005).

4.6 Strategic Leaders risks and limitations

Although concept-driven strategy has its benefits, it has a number of challenges to strategy leaders. Over-abstraction where strategic ideas get disconnected with reality in operational levels is one of such risks. Hypotheses that lack enough justification through action and feedback are likely to degenerate into rhetoric mechanisms instead of useful tools in decision-making (Mintzberg, 1994).

The other dilemma is in finding the balance between stability and change. Strategic concepts offer coherence however, excessive adherence to a given frame can limit learning and adaptation. A successful strategic leadership requires that the leaders should be keen on maintaining watch with regard to any signals within the environment and that they should not be resistant to the revision or addition of prevailing ideas in response to demands of various circumstances (Gavetti and Rivkin, 2007).

4.7 Summary

Strategic leadership in a concept driven strategy paradigm is concerned with the fundamental meaning of making, learning, and adaption. The ability to be able to sail organisations within uncertainty involves leaders developing conceptual competence, developing cognitive flexibility and skill in communicating. Through the derivation and transformation of the strategic ideas, the leaders enable harmonisation, encourage agility, and enhance organisational resilience. At the same time, they have to be aware of the pitfalls of abstraction and rigidity and keep conceptual frames grounded in action and responsive to change.

5. Challenges

5.1 Risk of Conceptual Over-Abstraction

The risk of conceptual abstraction arises when the claims made by the developers of the entity-relationship diagram cause the consumer to become ill-posed, thereby leading to a malfunctioning system. It also occurs where the statements of the creators of the entity-relationship diagram result in the consumer being ill-posed, thus resulting in a malfunctioning system.

The most commonly mentioned criticism of concept-driven strategy is the danger of being too abstract. Although strategic concepts are supposed to offer integrative frames that makes complexity easier to understand, they can rather turn vague and ambiguous when they are not properly anchored on the realities of operations (Mintzberg, 1994). Unless concepts have strategies which are suited to action, they may end up becoming mere rhetoric devices that cause obscuration of priorities in strategy other than making them clearer.

This criticism goes with general issues in strategic research on the disjuncture between strategic discourse and practice. Researchers warn that abstract ideas can conceal those tensions or trade-offs that have not been resolved yet and create an illusion of synthesis without providing practical direction (Porter, 1996). Through this, it might be difficult to put conceptual clarity into tangible decisions, which can actually impair the practical utility of concept-based approaches in the organizations.

5.2 Challenges of Operationalization and Measurement

The second significant difficulty is associated with the impossibility to operationalize and measure concept-driven strategy. Conventional strategy systems tend to be based on measurable metrics and performance measures which can be evaluated in a relatively easy way. Concept-driven strategy, on the contrary, focuses on meaning, interpretation, and learning which, in turn, are hard to measure using a standard measure (Weick, 1995).

This measurement difficulty makes it difficult to engage empirical research and even the managerial evaluation. In the absence of quantifiable measures, it is hardly impossible to determine whether strategic ideas are successfully leading to action or serve as a cause of performance. Critics suggest that such ambiguity could contain the use of concept-based approach in organizations, which stick to accountability, control, and performance benchmarking (Eisenhardt and Sull, 2001).

5.3 Biases of Cognition and Framing

Whereas conceptual framing has the advantage of enhancing sensemaking, it is also a source of cognitive biases. Strategic ideas can create a blind alley whereby their decision-makers fail to pick up other understanding or new threats emerging outside the predominant frames (Walsh, 1995). Strategic concepts once institutionalized may be taken-for-granted assumptions thereby limited to learning and innovation.

According to cognitive psychology research, framing effects can not only facilitate but also bias decision-making especially when faced with uncertainty (Kahneman and Tversky, 1979). Leaders in a concept-based paradigm have to be alert on the dangers of confirmation bias and conceptual lock-in, which can lead to a failure in responding in time in strategy (Gavetti and Rivkin, 2007).

5.4 Power, Politics and Strategic Discourse

The other criticism is that of concept-driven approach, which has political aspects. The strategic concepts are not neutral but they represent interests, values, and power positions of people who express and propagate them. Critically speaking, concept-driven strategy can be used in order to justify managerial power or harness perhaps alternative opinions (Pettigrew, 1985).

Narrative and framing also lead to an issue of symbolic management and manipulation. Instead of genuine understanding and learning, the leaders can use the strategic ideas to gain the obedience or repressed the opponents (Alvesson and Karreman, 2000). These relations highlight the importance of investigating the situation when strategies are controlled by whom and their interpretations are favored in organizations.

5.5. Cultural and Contextual restrictions

The concept-driven strategy might prove effective in some organizational and cultural situations but not in others. In organizations it is highly likely to be skeptical with a conceptual framing or can be rejected as not being rigorous in nature due to deeply entrenched traditions with either of analytical or hierarchical traditions. Equally, cultures that focus on formal planning and control can be adverse to interpretation-focused and ambiguous approaches (Schein, 2010).

Besides, concept-driven strategy can be ineffective in an environment where high level of standardization or compliance with regulations are required and deviations should be costly. Such contextual constraints imply that concept-based strategy can be considered as a paradigm of complement as opposed to an all-purpose solution.

5.6 Finding the balance between Conceptual Coherence and Strategic Flexibility

One of the main contradictions in concept-driven strategy is the need to balance between coherence and flexibility. The strategic concepts give stability and common ground, although too much commitment to one prevailing concept can be a hindrance to reacting to the environmental change. This conflict is an instance of a more comprehensive paradox in strategic management: exploitation of current and exploration of new opportunities (March, 1991).

To ensure that concept-driven strategy is appropriately applied, strategic concepts must be challenged and revised on a period basis. In the absence of these mechanisms, the risk is that the organization will become strategicly stagnant whereby conformity to the old frames pushes the delay of required change (Mintzberg, 1994).

5.7 Summary

Overall, although concept-oriented strategy is an impressive approach to work through the complexity and uncertainty, there are extensive challenges and criticism related to the concept-driven approach. The fact that there are risks of over-abstraction, measurement problems, cognitive biases, political politics and contextual limitations complicate its use. Such critiques do not refute the concept-oriented paradigm, but provide the importance of disciplined leadership, reflexivity and complementary analytical instruments. To achieve the full potential of the concept-based strategy both in theory and practice, the challenges need to be confronted.

6. Future Research Directions

6.1 Moving onto Empirical Research on Concept-Driven Strategy

Although the theoretical focus on concept-driven strategy has been rising, empirical examination is still meager. The literature that remains is much more inclined to discuss strategic concepts in an implicit, or peripheral way, than as objects of analysis. Therefore, the investigations that need to be conducted in the future are to be anticipated by developing empirical studies that explicitly outline the manner in which strategic concepts are developed, conveyed, and performed in organizations (Walsh 1995; Weick 1995).

Another potential research opportunity is investigating the relationship between concept-based strategy and various organizational success factors, such as strategic coherence, flexibility, novelty and long-term performance. Instead of establishing causality as such, the investigators can find it rewarding to map out processual relationships that will prove the impact of conceptual framing on decision-making and action courses of action over time (Mintzberg and Waters 1985). This methodology is in line with the demand of more context-sensitive, rich approach methodological designs in strategy research.

6.2 Qualitative and Interpretive Methodologies

Theories which recognize the interpretive and socially constructed character of concept-based strategy indicate towards qualitative research methodologies as particularly fruitful in terms of promoting domain knowledge. The case-related studies may be conducted on an in-depth level and help learn more about the development, progress, and organizational implications of strategy concepts in various settings (Yin 2018). The longitudinal designs are especially useful since they will help to capture the dynamic interplay of conceptual framing, action, and organizational learning.

The ethnographic research and discourse analysis can provide further possibilities to explore the place of language, narratives, and symbolic practices in strategic leadership. Through a methodical examination of speeches, strategy formulations and internal reports, researchers shall be able to measure the extent to which the leaders are involved in the acts of sense-gifting and how the strategic ideas are received by members of an organization (Gioia and Chittipeddi 1991; Cornelissen 2005). The approaches allow considering the performative aspects of strategy in a sophisticated way.

6.3 Quantitative and Mixed-Methods Approaches

Although the main objective of concept-driven strategy research revolves around the qualitative inquiry, quantitative and mixed-methods studies are also essential in order to supplement the understanding of the issues and increase their generalizability. The prevalence of concept-driven practices and their connection with any of the mentioned leadership behaviours, organisational culture, or perceived strategic clarity can be assessed through survey-based methods. The design of instruments should however be done cautiously so that the captured idea and cognitive constructs are not oversimplified (Eisenhardt and Graebner 2007).

Mixed-methods research design is especially prospective, given that it enables researchers to combine deep qualitative understanding with more comprehensive trends. As an example, qualitative case study research can be used to inform the building of survey measures, which may later be validated using larger samples. This cyclic approach promotes the building of the theory as well as the issues of rigor and replicability.

6.4 Multilevel Research and Levels of Analysis

Alterations of future studies should take the form of the multi-level organization of concept-based strategy. Strategic concepts act at an individual cognition, team interaction, organisational culture and inter-organisational ecosystems. Multilevel research designs may help to explain how the strategic ideas may be conveyed at these levels and how the lack of coordination or bad fit affects the strategic performance (Felin, Foss and Ployhart 2015).

A research agenda that could be used as an example could consider how concept frames in the executive-level are perceived by middle managers and frontline professionals and the impact of such interpretations on the implementation processes. Equally, researchers may seek to understand the role of shared strategic ideas in coordination between organisations in networks or platforms.

Within the Critical Inquiry design, a meta-analysis aims to establish a comparison between variables or target groups and conduct a more detailed examination of the means employed to represent them.

6.5 Comparative and Contextual Studies

A meta-analysis in the Critical Inquiry design would seek to provide the establishment of a comparison between the variables or target groups and a more in-depth analysis of the means that are hereby used to present them.

Another critical area of research is comparative research that cut across industries, organisational forms, as well as cultural orientations. The concept-based approach to strategy can take a variety of forms in a set of entrepreneurial firms, large incumbents, governmental organisation, or non-profit organisations. The relationships between variables of setting and the development and effectiveness of strategic concepts can be identified through comparative analysis (Schein 2010).

The cross-cultural research is especially relevant, because there are differences between the national and institutional conceptualizations of abstraction, leadership, and ambiguity. This kind of research would be helpful in terms of a more detailed, globally conscious perception of concept-based strategy as a management paradigm.

6.6 Methodological Problems and Reflexivity

Research in concept-based approach strategy poses methodological issues that should be carefully considered. Due to the nature of strategic concepts that are often implicit and continuously changing, scholars should not be overly unmindful of their own interpretive frameworks and theoretical assumptions. Data collection, coding, and analytic procedures should be highly favored towards transparency to ensure that they are credible and not rigorous (Alvesson and Skoldberg 2009).

Further, researchers are advised to be careful when tempted into retrospective rationalisation where strategic ideas are re-constructed post facto to stamp some sense of coherence to processes of complex nature. This risk could be overcome by longitudinal and real-time research design because strategic sense-making would be captured in its evolution (Weick 1995).

6.7 Theory Development Implications

Theoretically speaking, more theoretical research on concept-driven strategy has a potential of filling the gaps in the research of strategy-as-practice, strategic thought, and leadership. With strategic concepts as a key unit of analysis, scholars can develop more integrative theories, and they include structure, agency, stability, and change (Whittington 2006).

It is also possible that such work contributes to more general discussion on strategic management paradigms, and provokes existing assumptions of rationality, control, and predictive skill. By so doing, concept oriented strategy research can add to the practice relevant and pluralistic knowledge on strategic management.

6.8 Summary

Altogether, the research of concept-based strategy in the future must adopt a variety of methodological strategies that demonstrate the complexity and interpretation nature of the phenomenon. The qualitative, quantitative, and mixed methods research at various levels and settings are needed to develop the theory and practice. Addressing the issue of reflexivity and rigor as methodological challenges will be central to the development of concept driven strategy as a sound, empirically based management paradigm.

7. Conclusion

Concept strategy is one such evolution in the strategic management arena and provided a paradigm that brought about a focus on both the meaning-making, interpretation, and framing of the stimulus as opposed to the previously used approaches to strategic planning which relied on analytical forecasts. Contrary to the traditional strategies that base their main two strategies on the use of formal analysis, forecasting and optimisation, concept-based strategy places strategic concepts as key processes in organizing meaning, leading action, and facilitating action in the levels of the organisation (Mintzberg, 1994; Walsh, 1995). Such notions, in which we describe an organisation as an organisation seen as a platform, an ecosystem, a digital-first enterprise, etc., can be seen as cognitive anchors, helping leaders and teams navigate complexity and uncertainty, as well as to continue to be coherent and purposeful (Gavetti and Rivkin, 2007).

Concept-based strategy conceptualizations have their theoretical underpinnings based on strategic thought studies, sense-making, and constructivist approach. The focus on the interpretation, mental models and socially constructed meaning that this paradigm makes the shift in perspective away form the static strategic plans towards active, emergent learning and adaptive processes (Weick, 1995; Berger and Luckmann, 1966). Executives are sense-givers and sense-makers, defining strategic ideas that influence organisational knowledge, building coherence, and approving action among different stakeholders and through diverse individuals (Gioia and Chittipeddi, 1991; Cornelissen, 2005).

Conceptually speaking, concept based strategy has far reaching strategic leadership implications. The ability to develop conceptual competence, cognitive flexibility, and narrative skill is necessary in leaders so that they can interpret the signals provided by the environment, communicate strategic intent, as well as enable organisational learning (Sarasvathy, 2001; Eisenhardt and Sull, 2001). The strategy encourages organisational nimbleness, allowing organisations to experiment, adapt as well as react to shifting environments without losing strategic coherence. Nevertheless, it also comes with several problems, where there is the possibility of over-abstraction, cognitive biases, politics, and operationalisation and measurement problems (Mintzberg, 1994; Alvesson and Karreman, 2000). To overcome such challenges, stiff leadership, reflexive practice and supporting tools of analysis are necessary to keep the strategic ideas on actionable knowledge.

Future research possibilities also allow concept-based strategies to discover new opportunities. The recent empirical research needs to study the process of strategic concepts development, their evolution, and pathways to the results in various organisational and cultural environments. Qualitative and quantitative methods, and mixed-methods approaches may shed some light on the sense-making, sense-giving, and conceptual adaptation processes, and longitudinal and multilevel designs may help realise the dynamic interdependence between conceptual framing and decision-making, as well as performance of the organisation (Yin, 2018; Felin, Foss, and Ployhart, 2015). This possible research could be used to fill the gaps between the cognitive, practice-based, and leadership approaches of strategic management as well as promote more integrative and context-sensitive theories (Whittington, 2006).

Finally, concept-based approach is a powerful and diversified management philosophy that stretches the dimensions of the conventional strategic thinking. It prepares organisations to survive in complex, uncertain and dynamic environments through foregrounding meaning, understanding and interpretation processes. Although it needs to be well-lead and reflexive in terms of its implementation, the paradigm provides a powerful context of conceptual and practical strategy as an endeavour. With all the recent changes in strategic environments towards being more volatile and interconnected and more mediated by technology the applicability of concept based strategy, and the role of a leader as an interpreter, framer and facilitator will only compound in importance both during theory and practice of strategic management in the twenty first century (Eisenhardt & Graebner, 2007; Schein, 2010).

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