

INTERPRETATION OF TIME AND FUTURE BY STRATEGY SCHOLARS AND PRACTITIONERS

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Abstract

Relation to time and future is a less reflected element of strategy research. The main purpose of this paper is to draw the attention of strategy scholars and practitioners to reflect upon their assumptions on time and future hidden, consciously or unconsciously, behind their everyday practices. The paper does not end up with final recipes on how to handle time and future. But it opens up new ways of thinking by reflecting upon time-orientation and future interpretation while doing research.

Key words: corporate foresight, future, strategy, time

Introduction

Mankind, the arts and the sciences, have long been concerned with our relationship to time and in particular to the future. The pre-modern societies saw the future as a series of events hardly affected by external, human, activities, but modern societies consider it a factor that can be influenced, planned and predicted (Giddens 1990 in: Tsoukas, Shepherd 2004: 1). This approach is discernible in the corporate strategy-making processes and techniques. Nevertheless, many philosophers and researchers (Popper 1988; Rorty in: Tsoukas, Shepherd 2004: 2) emphasise the open and unpredictable nature of the future.

The desire to control time has been a crucial motive of human activities and goals for thousands of years, the same as, for that matter, fear from the future, of passing away, of death. It is probably this duality that has made mankind “create” measurable time. (Adam 2006) In ancient times, the truly powerful and influential rulers created their own calendars, replacing those of their predecessors. Power meant also power over time. Future, the image

of a brighter or gloomier future, was mainly assigned to the transcendental world; future was looked for and “secured” in the present through religious, mythological, beliefs and action.

In business life, the possibility to exploit the future had moved to the limelight already in the Middle Ages. Tradesmen, in particular those who imported goods e.g. from overseas, assessed their potential gains and benefits over a longer horizon. They traded not only into the goods themselves, but also in their promise. That is, they realised their gains on later transactions in the present (Adam 2006). In other words: the process of discounting the future had already started at that time. The decision-makers of the present did not build “responsibility towards the future” into their decisions. But what does “responsibility towards the future” mean? Why do company leaders/owners feel responsible? Are such considerations as increasing shareholder value, survival of the firm, creating personal career paths, the prospect of a quiet life, sustainability of the natural environment, interests of future generations really integrated into the thinking of the strategy-makers?

Contemporary sociologist and philosopher Barbara Adam (2006) warns in her writings that “in today’s industrial society, the present has become transcendent and the future has become the ultimate limit that can still be colonised by permanent things, sets of beliefs and institutions, cultural and technological products, insurance and economic practices. The future has become persecuted, incidental, construed, polluted, torn between two interpretations: between time travel and total denial.” (Adam 2006: 125) Barbara Adam paints a gloomy picture not only of the future, but also of the economic activities of the present, through which we destroy the chances of the future generations in the present. It was my personal sense of responsibility for the future and my curiosity as to the specific process of corporate strategy-making – Is the picture really as gloomy as that? – that motivated the choice of the subject matter of this paper, i.e. my desire to explore how in the process and practice of strategic decision-making time is “interpreted” and future is “born”. I set as my primary task the identification of the various interpretations of time in strategy-making theory and practice, that may represent, in my opinion, an important basis for mapping the relationship between corporate strategies and the future.

1. Research of the content, process and practice of the strategy

First I will present briefly the characteristics of researches targeting strategy content, then I will discuss what the next step is in chronological order, i.e. the approach focusing on the strategic processes, to return finally to the strategy-as-practice approach.

Chakravarthy and Doz (1992) distinguish two different streams in their strategy theory: one focuses on the content of the strategy, looking for an answer to the questions “Which corporate strategic position is conducive to optimum performance; how can a company be successful under diverse environmental conditions?; and the other contemplates the strategic process: “How do the administrative systems and decision-making processes influence the strategy position?”.

The strategy content approaches came first. Case studies were made to describe best examples of corporate practice. The relevant researches present the road to success in retrospect, reconstructing, so to say, and re-explaining the former conditions. Scientifically speaking, the results of researches of this kind, i.e. where the outcome and consequences of a case are known to the researcher, are dubious and raise the issues of impartiality and validity (Van de Ven 1992).

The researchers observing and analysing the strategic processes (e.g. Mintzberg 1973, 1976; Pettigrew 1977) entered the scene at the end of the 1970s (Johnson et al. 2003). Let me highlight three fields where the process school proposed something new (based on: Johnson et al. 2003).

The process school breaks with the macro approach to strategy interpretation disregarding the inner dynamic or the organisations, and treats strategy as an integral part of the organisational environment. The analysis of the inner policy processes, the role of the human factor (Pettigrew 1989, 1990) appears, for example, in the a strategy-making processes and this opens up the firms regarded previously as black boxes.

The process school integrates the human factor into the strategy development processes. It sees every process of change as being related to human activity, going beyond the previous exclusively demographic presentation of the top management groups. The human interest enquiries, the analysis of the social constructs have brought those describing the strategic processes closer to the micro levels (Pettigrew et al. 2002: 12).

Whereas strategy research used to be dominated by quantitative research based on large samples, small-sample in-depth analysis became legitimate thanks to the efforts of the representatives of the process school. Case study descriptions based on a single case (Pettigrew, 1989), or the observation of managerial work (Mintzberg 1973) have given new insights to the strategic processes and left room for the more holistic researches exploring the complexity of the processes.

As for the researchers describing the process of strategy planning, Quinn (1980, 1985) also realised that formal strategies are seldom born in practice: the direction and prospective scope of operation of the company is usually determined by everyday decisions, by the “small steps“ of the top manage-

ment. This, however, does not necessarily mean a “floundering” type of process based on the accumulation of spontaneous responses: the management often directs the company by deliberate decisions, doing their best to take into account both the internal changes and the external environmental effects. Quinn emphasises the same process of logical incrementalism in innovation, contrasting it with decisions triggering farsighted one-off radical changes (for more details, see e.g.: Quinn 1980; 1991).

Table 1. The strategy matrix

Strategy	1. Process	2. Content
1. Conception	1.1. Strategy planning (irrespective of its formalisation)	1.2. Intended strategy (ex ante strategy)
2. Action	2.1. Strategy-making (strategy, leadership, organisation)	2.2. Realised strategy (ex post behaviour pattern)

Source: Antal-Mokos (1990: 6)

Based on the logic of Mintzberg (2002), Antal-Mokos (1990) speak of intended and realised strategy when they discuss the various approaches to strategy along the dimensions of conception and action, respectively. (Table 1) I use that classification to sum up the different logics of the researches focusing on the content and the process of strategy, respectively. The content-oriented approaches examine the output of strategy-making, whereas the process-oriented approach explores the process of creation (here the action) in the fields of both conception-making (1.1.), and actual realisation (2.1.). However, this table – although it presents the strategy research streams along the dimensions of action and conception-making – still reflects a macro approach, and makes no reference to the investigation of the everyday practice of corporate strategy-making. It analyses decisively the outcome of the processes rather than intending to explore the simultaneous processes, i.e. the practices. The “strategy-as-action” approach assumes that the strategy can exit the processes and reflect on them (enactment, Weick 1979), whereas the representatives of strategy-as-practice deny the possibility of this external, reflective, perspective and assume internal understanding (dwelling engagement, Chia 2004), that is, that the process is being interpreted from within the given context. The previously indicated advantages of the process-based approach are reflected also in summary Table 1, but the strategy-as-practice approach develops them further.

In recent years, the “practice turn” has gained ground also in strategy research¹. The practice-based approach discards the “usual” linear logic,

¹ The European Management Review (2004) and the Journal of Management Studies (2003, 40:1) dedicated a special issue to the approaches of “strategy as practice” and “activity-based view”. There is a website that functions as the forum of the advocates of the strategy-as-practice approach (strategy-as-practice.org).

the search for causality, of the researchers and theory-makers. Practice separates from deliberate intention and planning: strategy in the operation of the firm means an “outlook”, a “set of beliefs”, rather than deliberate processes. To get closer to this logic (the local logic of practice), to understand and investigate *habitus*², and “style”³, one is to subject strategic practice to thorough analysis and observation. (For more detail, see: Jarzabkowski 2003; Whittington 2004.) That is, in this interpretation, reality cannot be described by complex correlations, but the researcher will focus instead on everyday activities, the inner logic of action, its micro processes and events. For example, he will not approach and track strategy-making and tracking from the side of the objectives, but will see it as the interplay of the activities of daily practice (Hrotko 2006).

The practice-based approach to strategy attempts to eliminate the strong dividing line between content and process research, assuming that content is an integral component of the strategy-making process. The researchers of the process school (Pettigrew, Quinn) mostly go as far as the description of the complex processes, the exploration of the contradictions, but they fail to present the outcome/output of the events and their linkage to the processes. The strategy-as-practice approach treats the two streams as an organic unit and wants to dive deeper in the strategy-making processes. So far the researchers have described strategic change and the strategic decisions (Johnson et al. 2003), but the presentation of the everyday activity of the managers, i.e. how and what they actually do, what techniques they apply and how is missing. The analysis of the role of the management may also be interpreted at several levels; for example, the top management working at the company headquarters is often attributed excessive importance, even though the management active in the peripheries may play a critical role (Regnér 2003).

In summary, it is a crucial objective of the practice-based approach to strategy to explore the deeper layers of managerial practice, its everyday routines and actions, and to feed back the relevant experience, maybe in the form of models, to the set of tools of the practicing managers. Therefore, it strives to tighten the links not only of content and process, but also of theory and practice.

² The Logic of Practice goes back to Bourdieu’s work of 1990 (quoted by Chia, 2004; Hrotko 2006) claiming that the understanding of the theory of practice is deductible from the unconsciously inherited habits of the social constructs of local reality. And, the actors react to the environmental changes with the help of knowledge as a social construct, and despite the improvisational and non-intentional components, their reactions exhibit a certain regularity and consistent unity, a phenomenon that Bourdieu calls “*habitus*”.

³ Dreyfus (1991, 2001 quoted by Chia 2004) labels as “style” the complex phenomenon that is discernible as the unity underlying the set of activities. He does not speak of an “image” or a form of appearance, but of an incorporated cultural phenomenon ingrained in people through the processes of socialisation.

2. Time and future interpretations of the strategy schools

How does corporate strategic theory make its way to corporate practice? The answer proposed by Jarzabkowski (2003) is that the process is mediated by the models, toolkits and techniques created and published by the researchers, together with the efforts of the authors, consultants, management gurus and/or university/high-school teachers/courses to create and/or popularise the relevant models. Those who research the content, process and practice of strategy create theoretical models as the result of their activities and specify certain techniques during their operationalization that make their way/are fed back to practice once again. I will examine the strategy theories/schools providing the theoretical background of the specific models relying on the classification dimensions of Jarzabkowski (2003), Elfring and Volberda (1997), and of Mintzberg et. al. (1998), arranging them around some central logic. I will always highlight the research focus set as the objective of the paper, that is, the interpretation of time and the treatment of the future by the given strategy school (Table 2).

The mitigation of uncertainty, risk management and short- and long-term planning are but a few of the dilemmas encountered in strategy-making where the temporal dimension and the assumptions concerning the future play a special role. Of course, the researchers do not bypass these considerations either, and they do their best to find a “solid” point of some kind through their theories and explain the process, content and practice of strategy planning. The various strategy schools have different answers to such key questions as “What gives the company a competitive edge?”, “What does strategy, strategic planning and strategy-making mean?” and “What models can be used to describe these phenomena?”. Table 2 gives an insight to these different interpretations. The schools are grouped by four, according to their different relationships to time and to the future.

Table 2. Central logic of the strategy schools by time/future interpretation

Central logic	Characteristics – strategy interpretations	Toolkit, techniques, methods, models (e.g.)	Background theories	Mintzberg's schools	Time interpretation	View of the future
Positioning logic	Find a stable and defensible position where it is possible to earn superior rents Erect barriers to entry Deductive, analytic.	- Porter, 5 forces model (Porter, 1980) - Porter, generic strategy model (Porter, 1980) - BCG portfolio matrix - Value chain - Game theory	Principal-agent, Transaction costs, Industrial structures	Positioning Planning Cognitive	Endless (timeless) time in a static environment	By establishing a plan- nable, predictable, sta- ble market position, it is possible to create the future in the present
Capability building logic	Unique resources can be lever- aged for sustainable advantage Competition is relatively stable, permitting superior resource combinations to be exploited long-term “Path dependence” of capabili- ty building	- Core competences (Prahalad, Hamel 1990) - Dynamic competences - Knowledge management - VRIO analysis - Value chain - Resources, capabilities (Grant, 2002)	Resource-based corporate theory Learning theories	Planning Entrepreneurial Learning Environmental	Dominance of the past, permanent presence of the passing time	To invent and create the future in the past: creation/development of capabilities that will provide a competitive edge in the future
High velocity / Hyper-competition logic	Any advantage is temporary Continuous disruption of the key to competitive advantage Speed in reconfiguring re- sources and products is vital.	- Cycle-time reduction - Patching strategies –flexible and modular - organisational design for rapid entry ad exit of markets (Eisenhardt, Brown 1999) - Time-pacing (Eisenhardt, Brown 1998)	Social sciences Equilibrium models Catastrophe theories	Political / power, Environmental Learning Cognitive Entrepreneurial	The present is elusive, fast-changing; the future can be controlled	Realistic time-horizon for planning, short-term planning is dangerous; invention/creation/con- trol of the future is the secret of success: inno- vation processes play a key role
Complexity logic	Strategy in a complex ecosys- tem of positive and negative feedback loops is uncertain, non-linear and emergent Interdependence, symbiosis, co-evolution and requisite diversity increase the health of the business ecosystem Healthy ecosystems are key to competitive advantage in an uncertain and unstable world	- Supply chain integration - Porter's diamond model - Knowledge management tools	Evolution theories Non-equilibri- um models Chaos theories	Configuration Environmental Cultural Power	Only the present exists, in this com- plex world, the future is unpredictable, the past is present through the evolutionary logic	Impossible to forecast the long-term past in this non-linearly changing and complex environment, short-term adaptation in small steps, gradual and con- tinuous development are the requisites of survival

Source: Based on Jarzabkowski (2003), Jarzabkowski, Wilson (2006), Elfring and Volberda (1997); Mintzberg et. al. (1998); author's supplements in italics

Positioning logic Cautious and thorough industry analysis, the establishment and protection of a secure market position are the pledge of the long-term survival of the company. Static models reflect a static time perspective. Corporate strategy can be planned and predicted by mathematical and statistical tools and economic models (where time is an external factor, a linear variable). The time horizon is not relevant in this sense: the present is assigned a priority role, since a good current position (activity in a successful industry) that is well-protected (supported by high entry barriers) will ensure the survival of the company also in the long run.

Capability-building logic One of the predominant theories underlying the approach focusing on capacity-building is the resource-based view (RBV) that is a mixture of past and future orientation in terms of its interpretation of time, with the present being sidelined. This approach implies a retrospective logic, assuming that the value of the company depends on the resources and capabilities acquired/developed by it in the past, and the same past orientation is underscored by the path-dependence of capability-building.

Future orientation appears in two critical components of the resource-based views: one is the issue of the sustainability of economic profitability, and the other is the field of the dynamic capabilities.

High-velocity/Hyper-competition logic This new school was brought to life by the inability of the existing strategies to explain corporate strategy in high-velocity environments. With the acceleration of the innovation cycles, the role of the complex groups (Quinn 1985) appreciated; the author Quinn (1985) mentions among the hindrances to innovation short-term thinking (fast market returns cost-trimming arrangements.), the isolation of the top manager, intolerance to entrepreneurially minded persons, the accounting practice, excessive rationality, excessive bureaucracy and inadequate incentives. As for the innovative large companies, he emphasises the importance of organisational culture and the foresight capacity of the upper management. He quotes many large enterprise leaders (Akio Morita – Sony; Gordon Moore – Intel) aspiring to make “their companies the most successful in the industry”, who actually implemented some specific practice underlying their ambitious plans, placing innovation in a realistic time horizon consideration of market realities, small-size organisations, operation of project teams, complex groups by professional as well as hierarchy levels, mutual learning process). Ambitious conceptions, feasible by adopting the policy of small steps. It is a new finding that knowledge no longer exists exclusively within the company, so expert groups are involved in strategy-making, and contacts are established with consumers, universities, research centres.

Table 3. Potential strategies in a high-velocity environment

	Timing (proactive)	Event-timing (reactive)
Characteristics	Regular, rhythmic and proactive strategy, predictable, scheduled changes ⁴ .	Strategy decisions taken in response to events (e.g: technological change, modification of economic indicators, new consumer demand in sight).
Advantages	Easy to predict and plan, focussed attention, proactive	Method of change management in stable markets.
Drawbacks	No time for anything else Almost no need for thinking	Often leads to hurry

Source: Based on Eisenhardt, Brown 1998.

The dilemma of reactive vs proactive strategy-making can also be linked to this approach. A company reacting to change will find it difficult to survive in a such a fast-changing environment, so it directs and anticipates the latter by forecasting or influencing its changes. Table 3 depicts these two potential strategies.

Complexity logic Strategy researchers assuming complex (eco)systems say that the competitive advantage of companies derives from their position occupied in the natural, social and economic ecosystem. This situation is neither stable, nor predictable or programmable, and its complexity makes it impossible to foretell the future. An adaptive strategy comprising the social and ecological time perspective may be successful.

The approaches presented above differ inter alia in that some assume that strategy creates/shapes the future, whereas others are of the opinion that strategy is shaped by time. Tari (2006:5) distinguishes five periods in strategic analysis based on deliberate foresight activity, future orientation:

- “theoretical beginnings of strategic modelling (approximately 1965-1970);
- era of the classical portfolio models (around 1970-1980);
- typical period of the analysis of the industrial structure (around 1980-1990);
- spread of the first resource-based approaches (around 1990-2000);
- period of inter-organisational relationships, corporate networks (approximately 1995-2005).”

Some additional criteria could be the following decisive trends of the modern age that exert a major influence on strategic thinking and future conscious strategizing:

⁴ 3M, for example, makes it a must to collect 30% of the annual revenues from new products, Netscape releases a new product every month, and British Airways renews its service packages every five years (Eisenhardt, Brown 1998).

- practice turn in strategy-making (Golsorkhi, Rouleau, Seidl, Vaara (Eds.) 2011);
- re-intensification of the issues of market shrinking and of sustainability, awareness-raising of processes in effect for a long time such as economic and ecologic crises, wars, existence and effects of the lagging and impoverished regions. This has gradually brought to the limelight the issue of corporate sustainability (CS) (Benn et al. 2014), and resulted in the appearance of new conceptions in practice e.g.: 'Bottom of the Pyramid' (Prahalad 2004), Blue Ocean' (Kim, Mauborgne 2005).

I align the dominant theoretical and practical logics underlying the strategy interpretations and the applied models (Table 2) with this classification, for the sake of providing a chronological taxonomy. The approach putting positioning, planning, in the focus expanded to the full in the 1980-1990s (Points 1-3); whereas the logic focussing on capability-building returned by the end of the 20th century (4.); and the high-velocity external and internal environment, and the trends and dilemmas highlighting and experiencing the complex systems and assuming their priority appeared in the 21st century. (5-7)

Time is in constant motion: the present, the future and the past, although they are not concepts having a fixed meaning, are present in everyday life at the conscious as well as the unconscious levels. My intention is to grasp the relationship to time and to the future in mature and in nascent state in the life of the companies, in strategy-making, that may appear with little reflection, in the form of assumptions; and in a more conscious form, as e.g. through the methodology of foresight that will be the topic of the next section.

3. Corporate and organisational foresight

Since Fayol introduced the statement regarded as an axiom in management literature (1916, 1949 in: Stark 1961: 31), viz. that "management means looking ahead", the ability of strategic foresight has become an attribute of competent corporate leaders (Fayol 1949, in: Cunha 2004: 133). The concept of executive and entrepreneurial foresight relates to corporate foresight activities. Looking for the 'place' of foresight in the organisation (Hayward 2003), one wonders whether there can be a foresightful organisation without the foresightful conduct of its manager. The outstanding role of top managers in this detection and preparation process is indisputable, but the dynamic and unpredictable environmental changes, and the increasing complexity of knowledge associated with the operation of organisations triggered

a change, whereby the foresight ability of a company is now interpreted at organisational level and no longer at individual level. It refers to the process where a company identifies and integrates into its operation the assumed future changes of its environment (whether they are acts of competitors, modification of consumer demand, a new technology or a natural disaster).

Outlining and accepting an individual future image is a key aspect of top management practices and may also be an important part of a development process aimed at the coaching of a professional individual. Senge (1998) takes the same idea forward, and in his book dedicated to the development and practice of learning organisations he mentions the development of a common vision among the basic principles of building learning organisations, indicating that this is not merely an individual capability, but a tool of common caring. In his book, he outlines the way from an individual to a common vision of the future (Senge 1998: 233-263; Senge et. al. 1994: 201-212).

The corporate foresight programmes can be analysed with two different approaches (Cunha 2004: 133-139):

- Foresight as a prediction assumes that “There is a future which is independent from us and which is waiting to be predicted.” The future is the extrapolation of the past, which can be predicted with a certain accuracy by using adequate (e.g., statistical) tools.
- Foresight as resourcefulness: refers to a learning process “where participants create their future visions in practice”.

Cunha who used the ‘foresight as time travel’ metaphor (2004), explains the difference between the two paradigms so that in the first case we travel from the past into the future with the help of statistical predictions, while in the second phase we move forward as a result of the analysis of the correlations of past, present and future, and the ‘understanding’ of the role of the time.

Instead of focusing on the forecast, the approach rather follows a straight-line time concept, where the sequence of past, present and future is the starting point. The approach focusing on resourcefulness and innovation skills analyses the joint appearance of different time lines.

More and more researchers try to reveal the future-forming activities of companies. Laura Costanzo (2004) examined a British bank with qualitative methods, through interviews with the decision-making group and observing the participants of the decision preparation process. Her case study focuses on the strategic decision as to whether the bank should enter the world of e-business and develop their online services by creating an online banking network.

The factors used by the strategy-building group are summarised in the right hand side of Table 4, while the techniques and approaches rejected by them are indicated in the left side. The group did not attempt to project the future, they aimed at developing common understanding about the current and estimated future, sectoral and corporate, situation. They began that educational and understanding process with external factors (international and national tendencies, search for benchmark companies, review of other industries, involvement other external stakeholders, e.g., consumers in decision preparation) and internal factors (involving also the employees of the company [engagement] in the vision building process). And as consensus ‘on the future’ was developing within the strategy-forming group, they got closer to the ‘future-building’ activity. They began to institutionalise the learning process, with some mistakes made during the introduction, but deliberately learning from them once they were identified, and thereby also increased their risk assumption capacity.

Table 4. Different approaches to organisational foresight

Foresight as (or/or; and; both.../and)	
Prediction	Invention, navigation
Planning	Not thinking on planning the future
Extrapolation	innovation
Developing scenarios	Probing the future ⁵
SWOT analyses – position/fits in a competitive environment	Making sense for the future having learned from external environmental effects
	Consensus
	Creativity in the future vision processes
	Risk-bearing attitude
	Learning process

Source: Costanzo’s research results (2004) included in Cuhna’s typology (2004) (case study)

Overall:

- a sufficiently wide vision-building process evolved, which was inspired primarily by the diversified ideas of creative top managers;
- followed by the thorough understanding of the industrial and cross-industrial trends and tendencies and ‘making sense’ of change process;

⁵ “Probing the future” means studying, researching, testing, deep-drilling into the future with thorough analyses. The Layered Complexity Analysis (LCA) procedure by Inayatullah is based on that; that expression was transferred to foresight from the literature of critical future research by Slaughter (1995). In their research Andriopoulou and Gosti (2006) prepared qualitative case studies on companies the operation of which is influenced by ‘permanent’ production innovation. The researchers used the multi-product innovation company, presented in the case study, to describe the important components (critical success factors) of a deliberately sustained foresight process, embedded into organisational learning and of ‘probing the future’ in an inductive theory building manner (Further details: Andriopoulou, Gosti 2006).

- finally, the company's foresight process is closed (or re-started) by the creation.

In terms of dilemmas, the two different organisational foresight paradigms (foresight as intuition and foresight as prediction) can be connected with the disputes taking place in the literature on strategic management. They criticise the robust and static strategic planning models and look for renewal opportunities (Mintzberg 2002). There are some researchers who look for the renewal of the methodology by analysing successful corporate practices (e.g., Prahalad and Hamel 1994), while others reveal theoretical correlation between various schools and scientific disciplines (e.g., Major et al. 2001). In this particular case they made an attempt to connect the literature on foresight and strategy (Table 5):

Table 5. Central logic of strategic schools and different corporate foresight approaches

Central logic	Characteristics – strategy interpretations	Future interpretation – Foresight links	Identification and engagement of stakeholders
Positioning logic	Find a stable and defensible position where it is possible to earn superior rents Erect barriers to entry Deductive, analytic.	<i>Predictable, plannable, studyable at present</i>	<i>Key role of the owner, corporate governance (narrow interpretation)</i>
Capability building logic	Unique resources can be leveraged for sustainable advantage Competition is relatively stable, permitting superior resource combinations to be exploited long-term “Path dependence” of capability building	<i>Vision-building can be a core competence of the company; adaptation to future processes, incrementalist changes, often extrapolation of the past (Major et. al. 2001)</i>	<i>Role and knowledge of employees, development of their capabilities are also present</i>
High velocity /Hyper-competition logic	Any advantage is temporary Continuous disruption of the key to competitive advantage Speed in reconfiguring resources and products is vital.	<i>Recognition and management of uncertainties and risks (Courtney 2001)</i>	Deliberate channelling of consumer demand

Complexity logic	Strategy in a complex ecosystem of positive and negative feedback loops is uncertain, non-linear and emergent Interdependence, symbiosis, co-evolution and requisite diversity increase the health of the business ecosystem Healthy ecosystems are key to competitive advantage in an uncertain and unstable world	<i>Foresight as navigation and intuition (Cunha 2004)</i>	<i>Stakeholder management, stakeholder engagement, corporate governance (wide interpretation)</i>
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Source: Jarzabkowski (2003), based on Elfring and Volberda (1997); Mintzberg et al. (1998), with the author's supplementary remarks in italics

In their "Competition for the future", Hamel and Prahalad (1994) intended to identify, through practical corporate examples, the driving force of companies in looking for new opportunities. What could be the roots of their dynamism and subsequent success? Thy authors concluded that the foresightfulness of manager groups was the key to success. Foresightfulness means that they are capable of inventing and creating products, services and industries that did not exist before; they do not look after the past, but invent the future; instead of positioning the company on an existing competitive market, they create a completely new marketplace.

The biggest step in connecting the concept of foresight to the literature on strategy was taken by the study by Major et al. (2001). They define foresight as a core competence. Thus they built a bridge between foresight approaches and the literature on strategy, pointing out how the two disciplines could enrich each other.

Improving competitiveness, the survival of the company and reducing uncertainties stemming from the environment are the main motivations when launching any corporate foresight activity. The issue of responsibility for the stakeholders, the natural environment, and the future generation or even for local communities appears only in a few cases. However, the responsible conduct of the participants may have a role in the foresight practice, expressing moral dilemmas, fears and desires and thereby moving the organisation towards more responsible operation.

In Table 2 I analysed the time and future interpretation of various schools, classified according to certain dominant logics, here (Table 6) I selected related fields from the literature of 'corporate foresight':

- the positioning logic is applied most often in the forecast approaches;

- the logic, focusing on the development of abilities is the most popular; the individual's future-building capacity also relates to it, but corporate practice researchers and theory makers also seem to justify foresight as an approach recognising individual and organisational capabilities;
- in the high-velocity environment, the analysis focuses on the management of uncertainties and risk assumption;
- whereas those following the logic of complex systems rely primarily on the adaptive capability of the organisation, on considering its external and internal environment, and on mutual cooperation.

Those who analysed organisational foresight did not only look for correlations with the literature on strategic management, but also tried to interpret the temporal concept-making and future-forming activities in terms of theory and practice. Table 6, in which Cunha et al. highlight the differences between macroscopic analyses and microscopic practices, relates to a different interpretation of time, presented earlier in relation to the research and practical aspects of the strategy. In a macroscopic analysis, the focus is on the analysis of trends, tendencies and the external environment, while the microscopic practice assumes active and acting participants.

Table 6. Types of appearance of organisational foresight

	Macroscopic analysis	Microscopic practice
Future in focus	Strategic planning <i>Beginning:</i> 1960s Represented by: Ansoff <i>Basic assumption:</i> forecasting is a distinguished organisational capacity, which is based on analyses and reasonability.	Vision-building <i>Beginning:</i> First half of the 1990s Represented by: Collins and Porras <i>Basic assumption:</i> Organisations build their future on a complex vision and do not wish to state it in advance.
Present is in focus	Thinking in scenarios <i>Beginning:</i> 1980s Represented by: Wack, Van der Heijden (2004) <i>Basic assumption:</i> the future cannot be predicted but in the course of strategic conversions and collective, adaptive learning processes, the development and phenomenon of important uncertainty factors can be identified.	Planned 'occurrence' <i>Beginning:</i> Second half of 1990s Represented by: Brown and Eisenhardt, Grant <i>Basic assumption:</i> organisations may be capable of establishing a structure that supports adaptation in order to avoid chaos.

Source: Cunha et. al. 2006: 948

Strategic planning follows an instrumentalist model, according to which the authors of the strategy know what objective they are aiming at and what instruments they need for it. On the contrary, a corporate foresight is

a practice-oriented approach that does not operate with strategic plans, but expands the conditions of operation and makes sense of the processes of operation internally and not externally.

4. Foresight instruments in corporate strategy building

Accepting the impossibility of reliable forecasts, the foresight activity is currently being re-positioned: corporate future research is being brought closer to organisational learning (Senge 1998). The instruments are also renewed parallel with the change of paradigms. Below I present a two techniques that are used in corporate foresight programmes.

Having accepted that it is impossible to predict events with a great impact and low probability, companies ‘try to prepare for anything’ at present. The question is, however, how the strategy builder and his organisation can respond most effectively to a natural disaster or the appearance of a new technology. Among the foresight instruments, wild card management could be a solution.

Wild cards are low-probability events that may cause strategic changes in the activities of a particular organisation or community if they do occur. Events like the 11 September 2001 are defined as wild cards. How can companies prepare for such unexpected events that will have a great impact? According to Mendonça and his colleagues (Mendonça et al. 2004) it is impossible to include such events in the corporate strategy. The uncertain, unpredictable and unforeseen events are not integrated into the traditional planning processes, the same as there is no strategic plan for the hit by a meteorite either. The group of such unexpected events also includes numerous options that no corporate top manager can ignore. There may be cases when the different responses of a fast and hectic management and the affected environment did not mitigate but in fact increased the impact of a specific ‘wild card’

The purpose of wild card management (Mendonça et al. 2004) is to enable companies to discover and prepare for unexpected events and to integrate that preparation process into their everyday operation. How can a company recognise and prepare for similar wild cards? Mendonça and colleagues (2004) proposes the development of organisational improvisation capabilities and a search for weak signals. The analysis of external and internal environment, increase of organisational flexibility, potential transferability of structures could be the result of a learning process that reforms the operation of an organisation.

There may be many *weak signs*, including e.g., the movement of the earth core and its structure before an earthquake, or the composition of a corporate strategy building group prior to an important decision defining inter-

national expansion, or the fluctuation of exchange rates. In terms of theory, it may also be said that they refer to fragmented data which are recognised and interpreted and then converted into information by the decision-preparation and decision-making group. With the systematic analysis of the external and internal environment, which is generally the task of the strategic and marketing department, some weak signs can be recognised, but sometimes there may be several signs that do not develop into wild cards and the organisation cannot detect the weak signs that precede wild cards.

Organisational improvisation means real-time reaction to any unexpected event with a great impact. The improvising capability of people may be developed in an inspiring and safe environment. The same analogy is used by Mendonça and his colleagues (2004) when they discuss the improvising capability of an organisation and stress that a foresight process can create an ideal medium for improvisation. In practice, e.g., when we improvise, we wish to use an unexpected opportunity in a short time or eliminate a risk very quickly. Weick examined the behaviour of fire-fighters in the Mann Gulch fire (1993 quoted by Mendonça et al., 2004: 211) and noticed that the fire-fighters who followed a predefined plan all died in the rescue operation, while those who diverted from the plan and threw away their tools survived it. By connecting the two approaches, perhaps we can conclude that an organisation needs plans, but it also has to recognise the moments when it has to divert from them, and make a decision according to the specificities of the local environment.

How can a company increase its improvising capability? How can an organisation control its fear, curiosity and uncertainty related to the occurrence of unexpected events and how can the company transform them into 'energy' that is useful to it? There are still no clear answers to these questions. The minimum organisational structure (that is the medium of an improvisation activity), i.e. a corporate environment that gives a safe background and freedom to improvisation and innovation, and the application of processes that assist liberal thinking could be the direction that companies should follow according to researchers.

In addition, the culturally embedded other factors and events, constituting 'wild cards', could be surprising and new to anyone coming from a different culture or socialisation background. Productive cooperating of employees coming from different backgrounds could facilitate the organisational learning process.

5. Cultural embeddedness of time and of the future

Several researchers have dealt with the cultural embeddedness of the perception of past – present – future, attributing a priority role to the di-

mension of time in their cross-cultural researches. One of the first to describe time as a “secret language”, one of the most fundamental forms of communication of members of a given cultural medium, an organisation was American anthropologist Edward T. Hall, in his work “Silent language” published in 1959 (Schein 1992, Trompenaars 1996).

Trompenaars makes a distinction between synchronous and sequential conceptions of time (1996: 107-124), and summarises their main features as presented in Table 7. (This is partially overlapping the monochronic – monochronic and polychronic-polychronic time concept of Schein (1992)), where the belief and practice of the succession of past, present and future appears on one side, and the combined appearance of the time planes on the other.

Table 7. Typical time orientation of a given national culture

Sequential	Synchronous
One activity at a time	More than one activity at a time
Time can be grasped and measured	Subjective time perspective
Strict observance of the deadlines, no delay	Flexible treatment of deadline and time given to human relationships
The schedule has priority over the relationships	Priority of relationships over timing
Gives preference to monitoring the plans developed in the beginning	The relationships shape problem solving and the implementation processes in progress

Source: Based on Trompenaars 1996: 123.

Kluckhohn and Strodtbeck (1961, quoted in Schein 2002: 106) claim that the cultural value of temporal orientation is shown in which element of the trio of past, present and future prevails for the group of people of organisation⁶. For example, in a Japanese company, planning implies turning towards the past and also the future: strategic planning reflects the almost one-century-long process in which the company management guided the company towards the future (Mosakowski, Earley 2000).

Conclusions

Organisation psychologist Edgar H. Schein illustrates the temporal orientation of organisations by several examples taken from corporate practice

⁶ An investigation of ethnic groups in the US registered different temporal typologies, depending on the priority order of present, past and future. Americans of Spanish origin focus primarily on the present (the rank order being present-future-past), the same as the Navajo and Zuni Indians, but the latter rank the past second, whereas the Chinese ethnic group is decisively past-oriented. For the white North Americans, future orientation was the decisive attitude, and adherence to the traditions played a smaller role in their case than for the British, for example. (Kluckhohn and Strodtbeck, 1961 in: Lőrincz 2002: 17; Schein 2002: 106).

(1992: 105-115): “Working at a high-tech company, he came to the conclusion that only the present counted there. The employees faced enormous workloads day by day, and they sensed nothing of the past of the company and did not give a thought to its future either. Several people at the planning department complained that the plans were made according to a daily routine, and despite the long list of to-dos, none of them reached the implementation phase.”

Schein (1992) distinguishes organisations that live primarily in the past and contemplate what things used to look like; companies focusing on the present, urging to complete the tasks as soon as possible, and those concerned with the near future, preoccupied with the quarterly reports, or looking at the more distant future and investing high amounts in research development and in raising their market share, even if that means cutting their immediate gains.

It is well-known that the main components of strategy-building process are the strategy builders, the decision-makers, whose vision will determine the operation and activities of a company or organisation. The decisions concerning the future of an organisation are primarily power issues, claims Child (1972), and the individual or individuals, or dominant coalition holding power in an organisation (Child 1972) will decide on the strategy to be followed by the organisation (coordination of individual and organisational objectives). It depends on numerous opportunities how dominant the leader is in forming strategy directions or a common time or future interpretation, and whether or not he will build or operate a group around himself which is authorised and, in particular cases, also sufficiently powered to determine corporate objectives. It is important to state that the team members definitely have an impact on each other in developing joint interpretations.

In this paper a long journey was made: starting with a summary of the different modes of strategy research (content, process or practice oriented approaches); followed by discussion on the dominant logic of strategy schools with an emphasis on time-focus and future-orientation; than corporate foresight, a presumably future-conscious approach to strategy-making was introduced; and finally two additional aspects were added: cultural embeddedness of time and future in strategizing; and the role of the leader in influencing temporal issues. All of which were meant to enrich the perspectives on time-focused and future-oriented strategizing. The purpose of this paper in this sense was not to defend a certain point on how to handle time and future in strategy research. The real aim was to raise awareness to the fact, that hidden assumptions, conscious or even unconscious orientations of time and future have great influence on the content of strategy, on the strategy making processes, and practices. So let us reflect on time and

future perspectives while doing research, in this way a deeper understanding of strategy making can emerge.

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