

Strategy Science Special Issue

**Greatness takes Practice:**

**On Practice Theory's Relevance to "Great Strategy"<sup>1</sup>**

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**Abstract**

This paper draws on the Practice theory of Pierre Bourdieu, Michel de Certeau, Michel Foucault, Anthony Giddens and Alasdair MacIntyre to explore the origins of great strategies. Despite its' naturally rather modest approach to social life, Practice theory does speak to the question of greatness. In particular, I shall derive five principles capable of building great strategies: value the ordinary, see past markets, embrace diversity, allow for the bottom-up and accept different forms of greatness. The paper proposes ways in which Strategy as Practice researchers can be more ambitious with regard to issues of performance, particularly through ethnographic case studies of 'great' companies and of companies with different criteria of performance. The paper also identifies parallel research traditions with which Strategy as Practice researchers might work more closely, for instance those associated with Design thinking, non-market strategy and institutional entrepreneurship and innovation. It also identifies opportunities and risks in working with the psychological traditions of Microfoundational and Behavioral Strategy.

**Key Words:** Strategy formulation, decision making, top management teams

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**Introduction**

Great strategies are often associated with heroic individuals, grand visions and imaginative leaps. Just think of Apple's Steve Jobs, champion of "insanely great" products from the Macintosh to the iPhone. But Practice theory holds that even such great strategies are more complicated than this. Great strategies spring from the mundane as well as the extraordinary. They are about the shared, not just the unique. Heroes do not stand alone.

Practice theorists are not natural protagonists of greatness. In their different ways, Practice theorists such as Pierre Bourdieu, Michel de Certeau, Michel Foucault, Anthony Giddens and Alasdair MacIntyre prefer to look beyond top-level phenomena to celebrate the easily overlooked subtleties underneath. Yet this characteristically modest approach to social life can still be turned to the question of this special issue, the origins of great strategies. Practice theorists recognize value in the mundane, power in community, and advantage in pluralism. This article therefore derives from Practice theory a number of broad principles about where strategists should look for great strategies, how to save themselves from hubris and whether they should rethink "greatness" in the first place. Practice theory's big message for business is to wake up to the powerful substructures that underlie the extraordinary individuals, visions and imaginations that tend to get the headlines.

I start by introducing several key strands in Practice theory. The fundamental theme is Practice theory's insistence on layering - the layers that lie behind action in the moment and beneath events on the surface. I turn next to the practicality of Practice theory, particularly as considered in management research so far. This existing work has useful things to say, but generally fought shy of the problem of greatness. My job here, therefore, will be to tease out from Practice theory five coherent principles that speak to the origins of great strategies, as follows: value the ordinary; see

past markets; embrace diversity; allow for the bottom-up; and accept many forms of greatness. I will illustrate how these principles have helped to deliver great strategies with examples from around the world, with Apple in particular providing a consistent thread throughout.

My conclusion turns to various traditions within contemporary strategy research, especially Strategy as Practice (Golsorkhi et al, 2015). The issue of greatness takes Strategy as Practice research outside its usual comfort zone of strategizing and closer to the central issue of the strategy discipline, economic performance. I will therefore outline two important directions for Strategy as Practice researchers to pursue in relation to performance, the first accepting the standard criteria, the second querying them from a Practice theory perspective. In addressing performance, I shall point to links with other streams of strategy research that are already addressing the issue in sympathetic terms. However, there are also possible *faux amis*: theories that sound the same, but whose meanings are in fact very different. In this respect, I shall consider different strands in the psychologically-inspired Microfoundational and Behavioral traditions of strategy research, identifying both opportunities for collaboration and potential bear-traps. This cautious review will help also to summarize the distinct contribution of Practice theory to the problem of great strategy.

### **A Primer on Practice Theory**

The term “Practice theory” may seem a brazen oxymoron. Practically-minded executive are liable to be attracted by the first half but repelled by the second. But none the less Practice theory does offer powerful insights to practitioners. In a nutshell, Practice theory warns that social life is highly layered. There are layers both beneath and behind what is going on in the moment. These layers are practices, patterns of activity which resonate consequentially across time and sites. Practices are something to watch out for. There is advantage in grasping them, but peril in their neglect.

That said, Practice theory is a very particular kind of theory. It is not a theory that promises practitioners the trenchant certainties of law-like generalizations. Nor is it a theory with the comforting tightness of, for example, micro-economics. Practice theory is a body of related

perspectives in the capacious traditions of social theory (Schatzki, 2017): functionalism or Marxism might be equivalents. What Practice theory does, then, is offer a broad understanding of how life tends to work, with pointers about how to get things done. Here I shall pick out specific themes from Practice theory that will be particularly relevant to the question of strategy greatness.

For a start, Practice theory emphasizes the importance of local, everyday activity, especially as it congeals into repeated practices. Practices are gritty, rooted in the social and material reality of their contexts. In *The Practice of Everyday Life*, Michel de Certeau et al (1998) depict the ways in which ordinary French communities cook, shop and travel. There is always idiosyncrasy and adaptation, but underneath there is regularity – practices. It is this rooted regularity that can give apparently trivial practices unexpected significance. Thus the socio-material practices of buying and consuming wine by working-class inhabitants of a Lonnais *quartier* underpin the social identity of families, the dignity of their social relations, the rhythms of their weeks, and relative levels of sobriety. Change the loyalty system at the local, friendly wine-seller, and a great deal else falls down. This importance of local mundane practices carries over into apparently more dynamic spheres of the economy. Thus even in the late 20<sup>th</sup> Century, the frantic markets of the Chicago options exchange were characterized by cliquish trading between the same people, governed by the physical positions they habitually took in the trading pits, in turn influenced by seniority, voice strength and the very material factor of bladder capacity (Mackenzie, 2006). On a daily basis, smaller social cliques would be more favourable to the bids of fellow members than larger ones, and maintain lower volatility in market prices. Social relationships and trading routines matter even in free-market Chicago.

Thus practices exert a social drag on everyday activity. This influence can be enforced quite differently. In MacIntyre's (1985) variant of Practice theory, people seek the "internal goods" of practices, the personal satisfaction of doing their job well by shared standards of decent and professional conduct. Work is not just about the "external goods" of material reward; it's for the love as well as the money. For Bourdieu (1990), drag comes more from what he calls "habitus",

socialized norms of behaviour and thought acquired via the various interchanges of particular contexts. Habitus evokes both the regular behaviours of habit and the self-reinforcing ecosystems of habitats. It is typically highly local. Thus in Chicago's black ghettos, boxers' lives are governed by a "pugilistic habitus" of dedicated training and courageous performance, reinforced by the dangers of their neighbourhoods, the rigours of their gyms, and the collusive support of managers, friends and lovers (Wacquant, 1995). Foucault's (1988; 1990) characterization of practices is the most oppressive, highlighting their disciplinary power to define appropriate conduct and identities. Thus during the Nineteenth Century, new practices surrounding madness and sexuality transformed what it was to be a proper member of society, with behaviours minutely policed by doctors and scientists. In all these forms of Practice theory, there is a tendency towards conformity, whether through professionalism, socialization or discipline. One way or another, legitimate practices are a conservative force.

Yet Practice theorists usually allow at least some wiggle-room. Practices are guides to action, semi-detached from praxis as actual activity (Whittington, 2006). De Certeau (1984) uses the terminologies of "strategies" and "tactics" to capture different degrees of detachment: the first describes the discretion of the powerful, the second denotes the marginal manoeuvrings of the weak. In city travel, even what de Certeau calls the "common man" can tactically subvert the designs of the urban planner by his idiosyncratic meanderings. To use the jazz analogy, practices are always jammed, performed differently every time. Bourdieu (1990) evokes card-games to suggest the scope for the artful interpretation of practices according to circumstances: players play the same hand differently according to their skill and the flow of the game. Giddens (1984) is perhaps more systematic in identifying the grounds for reinterpreting and even changing practices. As our lives expose us to many different practices (through our families, education, religious groups, clubs and various employers), everybody acquires a range of ways of doing things, from which they may select and adapt as they see fit in the specific circumstances of the time and place. Innovation is the child of diverse experience.

In sum, Practice theory insists on the layering of life by practices. On the one hand, these layers lie *beneath* the busy surface of events. The myriad activities that crowd our attention are underpinned by socially-reinforced regularities. It is because they occur so widely that the small and the ordinary gain significance: the practices they exemplify are the subterranean glue holding together much bigger things - families, communities or markets. On the other hand, Practice theory adds a layer *behind* the immediate. People are not discrete and calculating choosers in the moment, but carry from their pasts the weight of given practices. Practices drag on the present. Repetition is the first reflex. None the less, there is typically some room for initiative, and even subversion. Indeed, for those who have access to many practices, there is also the possibility of innovation by import and synthesis. My argument next will be that these various summarizing statements contain seeds for greatness.

### **From Theory to Practice**

The conundrum of the “practicality of practice theory” has been approached already. Talking generally, Feldman and Worline (2016) argue that Practice theory is useful for managers in highlighting the importance of local rather than universal forms of rationality and the organizational value of informal “communities of practice”. In other words, managers should be highly sensitive to context and look out for hidden pockets of expertise. Turning specifically to strategy, Feldman and Worline (2016) use Practice theory’s focus on activity to re-conceptualize the Resource Based View in terms of “resourcing”. The verb is significant. In Feldman and Worline’s (2016) example, a resource such as a bundle of \$100 bills can either be used to pay for stuff in a market or be burnt to keep someone warm. The value of a strategic resource depends on what you do with it, in particular circumstances.

The Strategy as Practice community too has useful things to say, though by no means does it assume that value-maximization is the only concern for practitioners (Jarzabkowski et al, 2016a). A common

theme rather is the kind of “tactical” manoeuvre featured by de Certeau (1984). By close examination of micro-practices, Strategy as Practice researchers show how all kinds of details can shift the outcomes of strategizing work. Small things make a difference, whether it is the deft use of strategy discourse (Balogun et al, 2014; Wentzel and Koch, 2017), the artful sequencing of agendas (Jarzabkowski and Seidl, 2008), the manipulation of standard strategy tools (Kaplan, 2008; Knight et al, 2017), control over emotion and exhaustion (Liu and Maitlis, 2012; Clarke et al, 2012), the location of strategy retreats (Johnson et al, 2010), and even the choice of seating positions (Jarzabkowski et al, 2015). This kind of Strategy as Practice research helps make the manager a shrewder strategy practitioner, able to dodge distractions and outmanoeuvre rivals in order to advance their own agendas.

So Practice theory can be practical. But nothing so far directly addresses the specific question of “great strategies”. This is not natural territory for theorists of the modest. None the less, I shall draw from the earlier strands of Practice theory five guiding principles regarding greatness. The first three directly serve the quest for greatness; the second two are more cautionary, warning against over-confidence on the one hand and monomania on the other.

1. *Value the ordinary*. For a great deal of the strategy literature, greatness is about drama - the capture of “blue oceans” (Kim and Mauborgne, 2005) or the launch of “disruptive innovations” (Christensen, 1997). Practice theory is about prose. Yet the prosaic may be a surer basis for success. Granted, there are inspiring cases of bold imaginative leaps, but any lessons drawn from these are liable to survivor bias (Denrell, 2003). Practice theory looks for opportunities based on the ordinary and routine. By virtue of its taken-for-grantedness, the ordinary may be just as under-recognized as the extraordinary; by the sheer weight of repetition, the routine can provide a solidier platform than blue oceans or disruption. The ordinary gains multiplicative power as it congeals into widespread, recurring practices.

For Practice theory, therefore, greatness is often hiding in plain sight. One lunchtime in 2004, Apple's Steve Jobs observed the characteristically "angsty" behaviour of restaurant-goers hunching over their old-style phones: what was banal to others, Jobs saw as the inspiration for the user-friendly iPhone (Forstall, 2017). Like Jobs, Practice theory recognizes the huge potential in rescuing people from their everyday, small frustrations. Firms such as Intel and DaimlerBenz systematize this insight by hiring anthropologists to uncover the otherwise taken-for-granted problems of ordinary people in their day-to-day lives. Anthropological focus on the mundane practices of consumers in their daily lives can yield surprising insights – for instance, that domestic appliances might follow the principle of computer games and be designed to add challenge to users, rather than just to increase efficiency (Bell et al 2005). Where the small-scale is multiplied by the practice of many ordinary consumers, there is the potential to build great businesses. This ordinariness was precisely the origins of M-Pesa, Vodafone's mobile-phone banking business. Vodafone's unforeseen entry into financial services was sparked by researchers on the ground noticing that unbanked Africans had solved their problem of money transfer by creating a virtual currency through the everyday exchanging of small amounts of airtime credit on their mobile phones (Batchelor, 2012). Building on this insight, Vodafone developed a business that now has 30 million active customers in ten emerging economies around the world. By attending to ordinary practice, a phone company became a bank.

2. *See past markets.* Traditional strategy starts with stripped-down market analysis. It is the prices achieved amongst buyers, producers and suppliers that matter in Five Forces analysis (Porter, 1980); it is the relative costs of markets and hierarchies that determine the scope - vertical integration or diversification - of the firm (Williamson, 1975). Everything is stripped away but egotistical calculation of economic advantage in the moment. But if even the financial markets of Chicago have an underlying layer of regular relationships, so should we dig deeper for the hidden substructures of other kinds of markets. Enduring patterns of connection may muddy the calculation of costs or prices at a particular moment. Thus Porterian understandings of market power do not explain



everyday pricing decisions in the international insurance market, where brokers deal with the unmodellable on the basis of continuous relationships (“we all grew up together!”) (Jarzabkowski et al, 2014: 103). Transaction cost economists conjure up exaggerated risks of opportunism between buyers and suppliers even where, as in their famous Fisher Body illustration, long-standing collaborative practices, pride in reputation, brotherly loyalty and strong friendship render such behaviour implausible (Coase, 2006). Behind markets, Practice theorists point to connections and communities. In many regions, the scope of the firm is determined by “kineconic” relations rather than pure market rationality, as for example with the kinship networks that govern the diversification strategies of Chilean conglomerates (Zeitlin et al, 1974). The most valuable company in the world, Aramco, is controlled by a royal family, the House of Saud (Baxter and Said, 2016): state and business are connected by blood. Apple owes its origins to a community, the Homebrew Computer Club, where the company’s co-founder Steve Wozniak had to be dissuaded from giving away his computer designs for free (Isaacson, 2011).

The kind of great strategy that can be built upon nonmarket relationships is exemplified by the longstanding success of investment bank Goldman Sachs, sometimes known as “the Vampire Squid” on account of its tentacular connections (Taibbi, 2010). Senior Goldman executives Robert Rubin and Henry Paulson were Treasury Secretaries to, in turn, Presidents Clinton and Bush (Junior). By 2010, Goldman alumni included the Treasury chief of staff, the head of insurance giant AIG, the heads of the Canadian and Italian central banks, the head of the World Bank and the head of the New York Stock Exchange. These kinds of connections paid off in policy terms, for instance, the deregulation of the 1990s and the bail-outs of the Global Financial Crisis. They are also valued on the stock markets: after former senior Goldman executives Gary Cohn and Steven Mnuchin were announced as respectively chief economic advisor and Treasury Secretary to President Trump, the Goldman Sachs stock price outperformed the already buoyant S&P Financials index by a fifth (McLannahan, 2017). The practice of hiring from Goldman Sachs is of financial consequence.

3. *Embrace diversity*: Whereas traditional economics highlights the efficiency advantages of specialization, Practice theory points to the innovation gains from diversity. As earlier, Giddens (1984) notes how diverse experiences provide the means to acquire a range of practices, which can be selected from and synthesized according to circumstances. Innovative strategies are born where distinct communities are brought into contact, allowing new combinations of existing practices. Thus Apple has long combined its Californian hi-tech culture with European design sensibilities: the Macintosh was shaped by the German designer Hartmut Esslinger, while the iPhone (and much else) relies on the British style purist Jonathan Ive (Isaacson, 2011). This kind of synthesis is a common springboard for entrepreneurship too. In the U.S. economy, immigrants account for 27 percent of entrepreneurs (against just 15 percent of the workforce) and immigrant-run firms tend to grow faster in terms of employment and payroll (Kerr and Kerr, 2016). From a Practice theory perspective, migrant success is traceable not to isolated individuals, but to the harnessing of diverse social practices.

An example of great strategy built on diverse experience comes from Alibaba, the Chinese e-commerce company that in fifteen years became bigger than Walmart. Alibaba was not founded by an individualistic entrepreneur, but by a group of 18 co-founders, amongst whom the original chief executive Jack Ma was just one. Ma however was the leader in bridging cultures. He had been a guide to foreign tourists and an English teacher at a local university. His visit to the United States in 1995 exposed him to the internet for the first time, inspiring a new business on his return home. When he came to found Alibaba itself, he reinforced diversity by quickly recruiting to its board Yahoo's founder Jerry Yang, Goldman Sachs' former vice-chairman Michael Evans, and Masayoshi Son, founder of the Japanese internet giant Softbank (Barbazon, 2014). Ma fended off eBay's incursion into the Chinese market by combining his understanding of the American internet business with an intimate knowledge of local consumption, media and technology habits. Facility with both Chinese and international practices has helped Ma create a corporation with a 2017 market capitalization of more than \$400bn.

4. *Allow for the bottom-up.* Many strategy scholars nowadays concede that hierarchical strategic planning is largely ineffective. But the blame is often put on the increasingly dynamic nature of external environments (Grant, 2003; D'Aveni et al, 2010). Proponents of transaction cost economics and agency theory are confident that internal compliance to top management plans can be ensured by the design of appropriate structures and incentives (e.g. Oxley and Pander, 2016). Practice theorists tend to assume a good deal more internal waywardness: the challenge for top-down planning is as much people as environments. The quirky manoeuvres of de Certeau's (1984) "common man" are liable to subvert carefully-designed plans. MacIntyre's (1984) proud professionals will not bend easily to structures and incentives concerned only for the "external goods" of material reward. Thus Practice theory warns leaders against hubristic over-confidence in top-down control, while allowing for benefits in resistance from below. Even the autocratic genius Steve Jobs was subject to a range of subversive bypassing, sequencing and timing practices. Often these workaround practices proved critical to Apple's success. For example, the Macintosh team bypassed Jobs by secretly substituting a Sony disc drive in place of the defective device he had originally specified (Isaacson, 2011); Tony Fadell unveiled his iPod prototypes in an ascending sequence that placed his own preference deliberately last (Isaacson, 2011); and Jonathan Ive protected the iPhone touchscreen from premature Jobsian scorn by hiding early versions from view (Merchant, 2017).

The advice from Practice theory is not wholly to abandon top management direction, but rather to plan loosely, leaving scope for initiative and reinterpretation on the ground (Balogun and Johnson, 2004; Chia and Holt, 2009). This looser approach is reflected in the ecological processes at Intel, Oticon and elsewhere (Burgelman, 1991; Lovas and Ghoshal, 2000), where successful strategies emerge from the selection of bottom-up initiatives according to broad strategic frameworks. The development of Gmail at Google followed something like this bottom-up process (Garud and Karunakaran, 2017). Gmail's initial spark was the professional instinct of an engineer, Paul Buchheit, who had spare time at the end of a project and old code from a previous employer. Without formal

approval but with a professional's dedication, Buchheit developed a Gmail prototype in the face of at least three discouraging factors: Google's co-founder Larry Page had pronounced against service projects that would distract from the core mission of search; AOL, Microsoft and Yahoo already had dominant free email services (Microsoft's Hotmail had 170 million users); and the package was written in JavaScript, technically attractive but a taboo language within Google because of its association with pornography sites. None the less, Buchheit persisted, testing Gmail internally for nearly three years, finding out what actually worked. When its launch was announced on 1 April 2004, many speculated it was just another April Fool's hoax. By 2016, Gmail had acquired one billion users. Moreover, Gmail helped re-orientate Google's overall strategy towards services, funded more directly by advertising. Google's great new strategy had its origins in an engineer stubbornly pursuing the internal goods of his professional practice, with scant regard for the "external goods" associated with formal plans, structures or incentives.

5. *Accept different forms of greatness.* In the consensus definition, strategic management is all about the constant improvement of economic performance (Nag et al, 2007). Profit maximization is the assumed objective (Levinthal and Wu, 2010; Feldman and Montgomery, 2015). But even the great CEO of General Electric, Jack Welch, admits reservations about such monomania in purpose: "shareholder value is the dumbest idea in the world" (Guerra, 2009). Practice theory encourages a more pluralistic approach to greatness, emphasizing the diverse rationales of practice and the different ways of achieving it (Jarzabkowski et al, 2016a). Within the perfectionist culture of Apple, commercial success was not the immediate purpose: as the software architect for the Macintosh recalled, "The goal was never to beat the competition, or to make a lot of money. It was to do the greatest thing possible, or even greater" (Isaacson, 2011: 113). In their *Built to Last*, management gurus Collins and Porras (1994) seem to echo Practice theory in recognizing the different forms of greatness, the indirect routes by which it is achieved and the value of the collective over the individual. Durably great companies such as 3M, Johnson & Johnson and Marriott took time to establish themselves, emphasized broad ideologies rather than narrow profits, and eschewed

charismatic individuals at the top. By almost always choosing their leaders from within, they maintained continuity with the firm-specific practices that allowed lasting success. Profit maximization is not the only measure of greatness, and directness not the only means.

Bourdieu's (1990) notion of habitus particularly captures the power of longstanding patterns and local loyalties in defining plural criteria for greatness. Habitus is what both drives and constrains the patient, embedded strategies of Germany's "hidden champions", the mid-sized companies of the Mittelstand (Lehrer and Cello, 2016). Mittelstand companies are family owned and controlled, with long-run investment and deep roots in local communities. The demands of social and reputational capital rank alongside those of financial capital. The Würth Group is archetypical: founded in 1945, it has gradually built itself up to be the world's largest distributor of fasteners and tools. But its practices are not those of an impatient profit-maximizer. Across more than seven decades, leadership has passed in stately succession from founder Adolf Würth, to his son Reinhold Würth, and latterly to grand-daughter Bettina Würth. The headquarters remains in the small town of Künzelsau – about 100 kilometers from the nearest large city, Stuttgart – and the family is a generous supporter of local cultural and educational institutions. Bound by habitus, the Würth Group's family leadership has found its own path to greatness.

Each of these five principles finds echoes elsewhere, but what Practice theory does is provide an underlying coherence. Practices give significance to the ordinary and provide substructure to markets. Practice diversity is the well-spring for innovation and entrepreneurship. The internal goods of practice can inspire new products and services, so long as protected from autocratic over-confidence. Indeed, practices can define different forms of greatness, and different routes to its achievement, as embedded in the distinctive habitus of each management team. Whether with regard to Vodafone's African banking business, Goldman Sachs' non-market tentacles, Alibaba's cultural diversity, the professional instinct behind Gmail or the global pre-eminence of the Würth Group, a practice sensibility can help explain – and deliver – great strategies.

## Conclusions

The question of great strategies challenges the modesty of Practice theory. However, understanding the layers of practices that stand behind and beneath all activity does have managerial implications. At its briefest, the modest gains significance as it is multiplied over time and across sites. Diversity delivers innovation. There is a lot more going on than market economics, top-management leadership and profit-maximization. These broad intuitions are enough to underpin general principles for greatness - some directive, others cautionary.

The five principles developed in this article add complexity to popular tales of entrepreneurial vision and bold imagination. The origins of Apple's "insanely great" strategies are partly to be found in the everyday frustrations of phone users, the hackers of the Homebrew Computer Club, the synthesis of Californian tech culture and European design, the workaround practices of Jobs' managers, and an indirect approach to money. Without the extraordinary individual that was Steve Jobs, all these would not have been enough for Apple's success. On the other hand, without the diversity, pushback and pluralism valued by Practice theory, the company would also have been very different. Greatness takes practices too.

My response to the question of great strategies remains a tentative one, of course. Although Strategy as Practice researchers have always signalled concern for the mainstream issue of economic performance (e.g. Johnson et al, 2003; Regnér, 2008), in effect this has been left largely on the side-lines. The traditional strength of Strategy as Practice research has been in elucidating the micro-practices of strategizing, with an eye to the fate of particular practitioners and initiatives (Vaara and Whittington, 2012; Golsorkhi et al, 2015; Burgelman et al, 2017). The links from such micro-practices to successful strategies have been little explored. The five guidelines proposed here are therefore speculative, based on theory but backed only by illustrations. This of course opens up opportunities for more substantial work on the part of Strategy as Practice researchers.

Practice theory points empirical researchers in two key directions related to performance. First, there are opportunities relevant to traditional economic measures of performance. Here of course Strategy as Practice researchers can undertake large-scale statistical studies of the performance effects of theoretically-favoured practices – for example more bottom-up ecological or ‘open’ strategy practices (Hautz et al, 2017). But more consistent with their strengths in close ethnographic investigation - and in line with the ambition of this article - Strategy as Practice researchers could also engage in rich case studies of organizations with ‘great’ (or high performing) strategies, inspired by the examples perhaps of Kunda (1992), Orr (1996) or de Rond (2008). Here the distinctive contribution would be to look beyond putative visionaries at the top. Recalling the workaround practices of Apple’s managers, Practice theory would sensitize investigators to the power of the mundane, the collective and the quirky. The second, more radical direction is to take seriously different kinds of performance, as for example in the Practice theory of MacIntyre (1984) or Bourdieu (1990). The universal relevance of the economic performance outcomes typical in strategy research should not be assumed. Family or state-owned enterprises may have other purposes than simple profit-maximization (Peng et al, 2016; Whittington, 2012). Research should therefore start by investigating the performance criteria of the organizations in hand. It is only once the relevant metrics of success are understood that strategies and practices should be evaluated. This kind of research is also likely to lend itself to case study analysis; statistical research would require samples tightly-defined by desired performance outcomes, perhaps proxied by ownership types or contexts

This further research need not be pursued in isolation. The Practice theory themes discussed here are relevant to many existing traditions in strategy research. Researchers on advantageous firm-specific routines already draw on Practice theory (see Feldman et al, 2016). More specifically, the three principles of valuing the ordinary, embracing diversity and seeing past markets could feed into dynamic capabilities research on ‘sensing’ (Teece et al, 2007). The immersive need-finding practices associated with Design thinking resonate well with the anthropological sensitivities of Practice theory (Seidel and Fixson, 2013). Similarly, the importance of relationships and the respect for

different kinds of rationality opens up links to the growing field of non-market strategy (Mellahi et al, 2016). The value of diverse practices has already been approached in research on institutional entrepreneurship and innovation, as for example in the work on hybrid organizations (Pache and Santos, 2013). Thus there are good prospects for advancing Practice theoretic research in tandem.

At the same time, Strategy as Practice researchers should beware incompatible ontologies. Practice theory's underlying coherence may be jeopardised by careless collaboration. This is the risk of *faux amis*. For example, the psychological Microfoundational and Behavioral traditions have labels that sound reassuringly similar to Practice theory: microfoundations evoke micro-practices, while behavior and activity are nearly synonymous. Of course, each of these traditions comes in several flavours (Powell et al, 2011; Ocasio, 2011; Gavetti, 2012; Felin et al, 2015). 'Contextualist' approaches accept the layering of social life in a manner not incompatible with Practice theory, while also offering insights into cognition that are highly complementary to Strategy as Practice research on strategic agendas, discourse and tools. However, both traditions also contain so-called 'reductionist' tendencies in which the origins of strategy are traced to the mental processes of individuals, and stop there. For reductionists, psychology is fundamental; for Practice theorists, practices ground all. This difference matters.

Methodologically, psychological reductionism allows for the experimental laboratory and the brain-scanner. Practice theorists, on the other hand, insist that strategizing is only found in its real-life expression. The laboratory and the scanner capture little of an activity which, in Practice theory, relies on social groups jamming and jostling socio-material practices over extended periods of time. The difference has practical implications too. For Microfoundational and Behavioral theorists, better strategies are to be looked for first by improving cognitive processes. The priority is correcting bounded rationality, cognitive bias and wandering attention. Greatness will come from enlarged visions and bolder imaginations. But Practice theorists are less sanguine: strategizing is rooted in engrained socio-material practices. Addressing individual cognition touches few of the entrenched



constraints of Foucauldian disciplines or Bourdieusian habitus. Indeed, MacIntyre's (1984) proud professionals, or de Certeau's (1984) common tacticians, may wilfully choose to ignore even those opportunities that they have been taught to recognize: cognitive failure does not drive what they do. For Practice theorists therefore, change is less about removing blind-spots or designing nudges, more about the concerted transformation of practices whose roots drag deep and wide. To this extent, while Microfoundational or Behavioral approaches do introduce important cognitive insights, they would be *faux amis* indeed if they distracted Strategy as Practice researchers from investigations in the field or led them to underestimate the embedded force of practices.

In sum, Practice theory represents a distinct and coherent perspective on strategy, with a layered approach that reinforces the importance of patterns of mundane activity across time and communities. As at Apple, greatness takes a combination of the ordinary with the extraordinary, the middle with the top. In this sense, Practice theory offers ample theoretical resources for extending the Strategy as Practice research agenda towards a greater concern with performance, by both economic and less conventional measures. There is also much to be gained by cautious collaboration with other research traditions in strategy, including those that stress psychology. Meanwhile, Practice theory suggests the following five guides for the pursuit of greatness: value the ordinary, see past markets, embrace diversity, allow for the bottom-up and accept different forms of greatness.

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