

Strategy as Simulacra? A Radical Reflexive Look at the Discipline and Practice of Strategy*

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ABSTRACT Over the past three decades strategic management has become a crucial aspect of business education and practice. At the core of strategic management – linking technique to worldview – is modelling (e.g. value chain, SWOT analysis) whereby the complex elements of strategic thinking are simplified. This accounts in large part for the apparent popularity of strategic management as complex interrelationships are pursued through relatively simple models. Yet has the field of strategic management realized the third order of simulacra? Is strategic management a model of simulation whereby reality has been replaced by hyperreality? A review of the extant literature on strategy explores the study and practice of strategy as a discourse, engulfed by its own truth effects. An examination of the concepts of reflexivity demonstrates the value of a postmodern radical reflexive account through the application of Baudrillard's (1983, 1988, 1991, 1994) simulation and simulacra. It is through the development of a radical reflexive discourse of strategy as simulacra, this paper critically examines the study and practice of strategy and the lessons we can take from this perspective.

INTRODUCTION

[Executive decisions involve] complex choices about corporate goals and the means to achieve them, choices that outline the strategic direction of the company. They define the rate at which companies grow in size and profits . . . [and] have a major impact not only on the individual corporation and the industry in which they operate but also on the United States' economy as a whole. Yet in spite of their importance to employees, investors, and the public at large, the forces that shape these decisions have not been wholly understood. (Donaldson and Lorsch, 1983, p. 6)

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Postmodernism challenges the foundations of knowledge and the myth that history reflects constant progress (Giddens, 1990). In a world where power and knowledge are intertwined, 'truths' become institutionalized (Foucault, 1980; Knights and Morgan, 1991). As our opening quote suggests, one such 'truth' is the notion of strategy, embedded in the institutional discourses of the business school, the corporate world, and the military. Unlike Donaldson and Lorsch (1983), we are interested in understanding the forces that *constitute* rather than 'shape' strategy, and the potential outcomes, not of strategic thinking but of thinking of strategy as reality.

Strategy occupies a privileged position within management theory and practice (Alvesson and Wilmott, 1995; Rumelt et al., 1994). It is often presented as the embodiment of rational thinking that incorporates logic, planning, monitoring, technique, and leadership (Alvesson and Wilmott, 1995). As such strategic thinking is seen not only as the key to organizational success but the hallmark of effective leadership (cf. Finkelstein and Hambrick, 1996). Critics contend that the teaching and practice of strategic management privileges rationality and technique at the expense of concern with human outcomes of subjectivity and workplace equity (Alvesson and Wilmott, 1995; Knights and Morgan, 1991). It is also argued that the theory of strategic management is in essence a discourse, rooted in corporate and military practices, that contributes to a grand narrative of technical competence and efficiency (Barry and Elmes, 1997; Hendry, 2000; Knights and Morgan, 1991). In this paper we will argue that the privileging of strategic management and rationality lies in large part with the process of simplification, simulation, and modelling.

Although there have been attempts to critically analyse this field (cf. Alvesson and Wilmott, 1995; Barry and Elmes, 1997; Booth, 1998; Hendry, 2000; Knights and Morgan, 1991; Stoney, 1998; Thomas, 1998; Whipp, 1996), the bulk of the literature fails to problematize the term or study of strategy. This paper presents a reflexive investigation of strategy to facilitate the surfacing of a particular set of 'truths' and the questioning of underlying assumptions. Richard Whipp (1996, p. 270) describes reflexivity as 'perhaps the most serious and potentially debilitating' silence in the field of strategy. He also contends 'critical self-appraisal of motivations or core beliefs by those in the strategy literature is not widespread' (Whipp, 1996, p. 270). Baudrillard's (1983, 1988, 1991, 1994) work on simulacra and simulation provides an interesting lens for us to examine the discipline and practice of strategic management. It is through this playful attempt to explore strategy as third-order simulacra that we gain a reflexive look at the field and we offer a means through which to question our acceptance of strategic management as an important problem-solving tool.

Knights and Morgan (1991) offer a compelling argument of the 'truth effects' of those studying and practicing strategy. They critically examine the tendency in industry and business schools to view the 'discourse of corporate strategy as a

“natural” rather than problematic feature of organization life’ (Knights and Morgan, 1991, p. 252). Further inquiry into the discursive nature of the discipline of strategy will prove fruitful in our understanding these ‘truth effects’. Hancock (1999), while noting the criticisms of Baudrillard’s work, traced the ‘progress’ of motivation and management research and offered a critical lens through Baudrillard’s simulation, implosion and hyper-reality. We hope to offer a similar contribution by ‘unsettling’ that which is understood and accepted as strategy.

To be clear, this is not an attempt to offer a better, more improved way of strategizing. Nor do we claim to present all ‘truths’, rather we hope to offer an alternative understanding on how interpretations of the real object are in fact a copy for which there is no original – a simulacral entity (Baudrillard, 1983; Gephart, 1996a). Incorporating Knights and Morgan’s (1991, p. 253) portrayal of discourse ‘as a set of ideas and practices which condition our ways of relating to, and acting upon, particular phenomena’, this paper will explore the discursive nature of the study and practice of strategy and strategic management.

Radical reflexivity ‘questions the basic assumptions underlying all worldviews and even the possibility of worldviews as human means of conceptualizing the world’ (Gephart, 1996b, p. 212). It addresses the creation and reproduction of the ‘natural’ (Pollner, 1991). It is through radical reflexivity that we can extend our inquiry of strategy beyond its usual investigation. First, the paper will present an overview of the field of strategy and strategic management. Following this an understanding of the ‘creation’ of ‘strategy’ and extant literature in the area will provide the basis for the inquiry into strategy as a simulacral entity. An examination of the concepts of reflexivity will demonstrate the value of a postmodern radical reflexive account through application of Baudrillard’s (1983, 1988, 1991, 1994) simulation and simulacra. Our exploration will then illustrate the three orders of simulation of strategy as we visualize it and the contribution of such a reflexive look at the field.

STRATEGY: DEFINITION AND DEVELOPMENT

Generally, the term strategic management has been used to symbolize the entirety of the discipline, incorporating business policy and strategy (Alvesson and Wilmott, 1995). In our exploration, reference to strategy and strategic management will be used interchangeably. We adopt a similar application as that of Alvesson and Wilmott (1995) in the notion of strategic management and strategy as incorporating all activities that involve the monitoring, planning, and implementing of actions to strengthen the position of the firm relative to competitors. This entails strategy as a research discipline in academia, the practice of strategy by senior managers and the amplification of strategy beyond its traditional scope (e.g. HRM practices, everyday conversation). This investigation will delve into this widespread representation of strategy, the militant and competitive nuances of the term and its use in praxis.

Despite the early existence of the word strategy, its reference in the corporate world is relatively recent. There have been several accounts depicting the origins of strategy in the corporate world (cf. Bracker, 1980; Mintzberg et al., 1986; Rumelt et al., 1994). It is difficult to pinpoint the definitive roots of the discipline – that is not our intent – however the integration of several key points in history is predominant in the accounts. The word strategy has masculinist roots (Kanter, 1989), coming from the Greek word, *strategia*, meaning ‘generalship’. The Greek verb *stratego* means to ‘plan the destruction of one’s enemies through effective use of resources’ (Bracker, 1980, p. 219). It was first used in English in 1688 (Bracker, 1980; Whipp, 1996) and its modern day equivalent reflects its antiquated definition. Thomas (1993; quoted in Whipp, 1996, p. 263), for example, defines strategy as ‘something an organization needs or uses to win, or establish its legitimacy in a world of competitive rivalry. [It] is what makes a firm unique, a winner, or a survivor’. The military link is evident in the corporate development of the notion of strategic thinking. Rumelt et al. (1994), for example, claim that the field of strategic management first surfaced as a teaching area in business schools, specifically Harvard around the time of World War II.

Arguably, in some ways the notion of strategy has moved away from its earlier military connotations. Indeed, it could be contended that the technological language of business has influenced extant military uses of the term. Witness the 2003 war on Iraq in which the notion of ‘regime change’ was constantly communicated as a *goal* and much of the ‘war’ described by US Central Command as a *planning operation* that was ‘on course’. On the other hand, the prominent reference by the military to strategic thinking must surely continue to shape the ideas of embedded management theorists and practitioners: witness Thomas’ (1993) definition quoted above.

Despite the fact that strategy has become part of the institutional landscape of business education and practice over the past half century it remains unclear what the rationale for its development was except rationality itself. Rumelt et al. (1994, pp. 9–10), for example, offer at best a circular argument for the existence and prominence of strategic management:

Strategic management as a field of inquiry is firmly grounded in practice and exists because of the importance of its subject . . . like medicine and engineering, it [strategic management] exists because it is worthwhile to codify, teach, and expand, what is known about the skilled performance of roles and tasks that are a necessary part of our civilization.

Such claims privilege strategic management without articulating or demonstrating the apparent value of the discipline and practice. Nonetheless, it is clear that the concept of strategy/strategizing, is accepted ‘wisdom’, an unquestioned phe-

nomenon that is a part of the identity of managers and workers (Knights and Morgan, 1991).

Arguably the idea of strategic thinking owes much to what Ralston Saul (1992) calls 'the dictatorship of reason in the West'. His description of the link between the rise of rationality and knowledge mirrors our concerns about the role of strategy in modern corporate thinking:

[Since] the beginning of the Age of Reason, there has been a parallel growth in both knowledge and violence . . . Does this mean that knowledge creates greater fear than does ignorance? Or that the rational system has distorted the value of knowledge? Or something else? One thing it does demonstrate is that the separation of philosophy from real events has encouraged the invention of mythological obscurantism. (Ralston Saul, 1992, pp. 40–1)

As we shall argue, strategy draws much of its strength and privileged positioning from its roots in rationalist reference points (i.e. logic, objectivity, technique) and abstractions (i.e. modelling, simplification). It presents such abstractions (e.g. SWOT analysis) as key elements of the 'real world' yet, as we shall later demonstrate, they are more likely to obscure than illuminate.

Despite attempts to construct the appearance of typologies of strategy in the literature (cf. Chaffee, 1985; Huff and Reger, 1987; Miles and Snow, 1978; Rajapopalan and Spreitzer, 1997) for the most part the aggregate of scholastic research falls within the mainstream paradigm, within modernist themes. A large body of the literature, exemplified by the work of Chandler (1962) and Ansoff (1965), stems from the rational school of thought wherein strategy is perceived as a set of rational techniques for managing complex business in a changing environment (Chaffee, 1985; Huff and Reger, 1987; Rajapopalan and Spreitzer, 1997). Most of the extant literature in strategy, including processual views (Mintzberg et al., 1986; Pettigrew, 1985), adopts a modernist account. These modernist accounts are 'functional' in nature and take for granted the legitimacy of managerial preferences and the conditions under which this 'knowledge' is determined and enacted (Alvesson and Wilmott, 1995; Knights and Morgan, 1991). The hegemonic nature of strategy as a discipline capable of 'solving' organization 'problems' is prevalent in the widely accepted literature and practice of strategy management. We contend that, in a time defined by many as postmodern/high-modernity (Giddens, 1990; Jameson, 1991), postmodern accounts of this era would be insightful (Rosenau, 1992).

Studies of the discursive nature of strategy are limited in comparison to the vast literature enveloping the field of strategic management. However, the work of Alvesson and Wilmott (1995), Barry and Elmes (1997), Booth (1998), Hendry (2000), Knights and Morgan (1991), Stoney (1998), Thomas (1998), and Whipp

(1996) problematizes the notion of strategy. These researchers draw attention to the 'grand narrative of progress' that is inherent within mainstream accounts of strategy (Hassard, 1996, p. 51), with the prime purpose of this discourse serving as a means to justify their actions (Hassard, 1996; Lyotard, 1984). Alvesson and Wilmott (1995) view strategic management as a form of domination in which the accepted wisdom has been overwhelmingly focused on rationalizing managers' ideas about and 'how to do' strategy. Although insightful, Alvesson and Wilmott (1995) do not move far beyond a modernist perspective in their allusion to a 'better' way of strategizing once the present hegemonic notion of strategy is released. This paper attempts to extend beyond this type of critical analysis and address the creation and reproduction of the 'naturalness' of strategic management (Pollner, 1991). Knights and Morgan (1991, p. 254) study strategic management as a discourse in which the 'effects are not to be understood as the inevitable result of the dominance of a particular set of values and norms but as the contingently produced outcome of the actions of subjects who could "do otherwise"'. It is through such an account that we begin to question the very existence of strategy and 'conceptualize strategy as a discourse that also constitutes the problems which it then claims to have an exclusive expertise in solving' (Knights and Morgan, 1991, p. 267). This study will extend this line of inquiry in an attempt to problematize strategic management as a discourse using radical reflexivity and Baudrillard's (1983, 1988, 1991, 1994) notion of simulation. Has strategic management become that in which the real has become the hyperreal?

REFLEXIVITY AND BAUDRILLARD'S WORK

Pollner's (1991) account of the rise and decline of radical reflexivity draws attention to the distinction between reflection and reflexivity. Reflection involves the exploration of concepts so as to present alternative views of those concepts. It attempts to 'mirror' the true image of the natural or social world that has been constrained by established conceptual or empirical boundaries (Gephart, 1996b; Pollner, 1991). Reflection offers a new line of inquiry to be understood within the boundaries of extant literature and resources (Pollner, 1991). The ontological assumptions that create these boundaries or 'outer rims' are not the subject of inquiry in reflection, rather it is reinterpretation of the 'inner rims' that is the subject of inquiry (Pollner, 1991). It is through reflexivity that the presuppositions of the 'outer rims' are problematized (Gephart, 1996b; Pollner, 1991). Reflexivity is a critical approach that problematizes the entity under study. It is the ability to be suspicious of our own assumptions (Gephart, 1996b; Johnson and Duberley, 2003; Pels, 2000; Pollner, 1991). Pollner (1991, p. 372) identifies 'two related but distinct understandings of reflexivity. Endogenous reflexivity refers to 'how what members do in, to, and about social reality constitutes that reality' (ibid). It assumes realist ontology, yet the world can only be understood by humans through sense-

making and interpretation (Gephart, 1996b). Radical or referential reflexivity is a second form of reflexivity and it challenges the 'natural' by problematizing the bases and reproduction of the phenomenon (Gephart, 1996b; Pollner, 1991). Woolgar (1988) depicts reflexivity on a continuum ranging from radical constitutive reflexivity to benign introspection. At one end of the continuum, radical constitutive reflexivity, that which is similar to Pollner's (1991, p. 22) radical reflexivity, 'representation and object are not distinct'. At the other end of the continuum, benign introspection presents alternative views of the same reality or the 'inside story' on a particular research study (Woolgar, 1988). Benign introspection operates within the established boundaries of the fundamental issue – reflection (Woolgar, 1988). Radical reflexivity or radical constitutive reflexivity extends normal inquiry into a realm whereby 'it recovers the hidden ontological practices that create the domain where reflection and endogenous reflexivity can occur' (Gephart, 1996b, p. 205). It is through radical reflexivity that the acceptance of strategy as discourse constituting 'the problems for which it claims to be a solution' can be explored (Knights and Morgan, 1991, p. 255).

Radical reflexivity problematizes that which constitutes 'social reality', 'truth', and 'knowledge' without presenting a discourse that might replace it (Pollner, 1991). It is likely that this is the reason that radical reflexivity is challenged as groundless and futile attempts from those within established boundaries. If radical reflexivity does not provide another framework from which to 'operate', then of what value is it to academics in the field of strategic management, and more specifically to practitioners?

Reflexivity is an 'abnormal discourse' (Rorty, 1979, p. 320) necessary to disrupt the boundaries of ordinary inquiry. Radical reflexivity can 'unsettle' versions of reality. It is through this 'unsettling' that the creation and maintenance of contradictions and truths can present inquiries for further exploration (Pollner, 1991). This exploration attempts to 'unsettle' the 'outer rim' of strategic management through Baudrillard's (1983, 1988, 1991, 1994) simulation and simulacra as the bases for postmodern radical reflexivity.

Baudrillard contends that we have entered an era of 'sign value', of simulation, 'in which computerization, information processing, media, cybernetic control systems, and the organization of society according to simulation codes and models replace production as the organizing principle of society' (Best and Kellner, 1991, p. 118). Baudrillard (1988, p. 166) describes simulation as 'the generation by models of a real without origin or reality: a hyperreal'. Simulation encompasses the entire sphere of representation. Thus, in 'a society of simulations, the models or codes structure experience and erode distinctions between the model and the real' (Best and Kellner, 1991, p. 119). Society and culture have become 'ordered' by simulations where objects have no foundations or origins (Poster, 1988). Signs depict meaning and give apparent order to society while providing individuals with a fantasy of independence and freedom (Poster, 1988). Baudrillard (1988, pp.

167–8) illustrates the notion of simulation through comparing it to feigning or dissimulating.

Someone who feigns an illness can simply go to bed and pretend he is ill. Someone who simulates an illness produces in himself some of the symptoms. Thus, feigning or dissimulating leaves the reality principle intact: the difference is always clear . . . whereas simulation threatens the difference between ‘true’ and ‘false’, between ‘real’ and ‘imaginary’. Since the simulator produces ‘true’ symptoms, is he or she ill or not?

In simulation, objects have no clear, definitive origin and it becomes impossible to distinguish between that which is real and that which is a sign. Poster (1988, p. 6) uses the example of a soap opera to illustrate a simulation wherein the events are both referential and reality for many. Simulation encompasses four successive phases; the incorporation of images as representations or reflections of basic reality defines phase one (Baudrillard, 1988, 1994; Gephart, 1996b). In phase one the image is a good manifestation or appearance (Baudrillard, 1988, 1994). The masking of reality in representation is phase two – an evil appearance (Baudrillard, 1988, 1994). The masking of absence of a reality in representation marks the third phase – the image plays at being an appearance (Baudrillard, 1988, 1994; Gephart, 1996b). In the final phase, images bear no relation to reality (Baudrillard, 1983, 1994; Gephart, 1996b). In this final stage, the entity has become ‘fully simulacral, a characteristic of signs in postmodernism. Simulacral simulation and postmodernity thus undermine “the reality principle” (Baudrillard, 1983, p. 43)’ (quoted in Gephart, 1996b, p. 212). Simulation jeopardizes the difference between true and false (Baudrillard, 1988, 1994). Baudrillard (1983, 1988, 1994) uses science, religion, Watergate, the Gulf War, and Disneyland as exemplars of simulation. The latter, Disneyland, is seen as ‘a perfect model of all the entangled orders of simulation’ (Baudrillard, 1988, p. 170). It exists so that we can enact a ‘real’ world outside of Disneyland, a ‘real’ world comprised of adults, void of childishness. Baudrillard (1988, 1994) contends Disneyland exists to conceal that childishness is everywhere, within and beyond the so-called boundaries of Disneyland. The object emerging out of the simulation, the simulacrum is the copy or truth that conceals that there is no truth (Baudrillard, 1983). Reality becomes projected onto ‘the copy, the displaced, the reproduced: the simulacral’ (Gephart, 1996b, p. 213). Baudrillard (1994) depicts the ‘sign’ as the representation of the object. In this world held captive by the hegemony of the media, the ‘power of signification’ has meant signs are ‘now the sole determinants of what was regarded as valuable and what was not’ (Hancock, 1999, p. 166).

Baudrillard (1983) describes three orders of simulacra. The first-order are ‘natural simulacra’ wherein imperfect representations reflect basic reality – counterfeit images (Baudrillard, 1983; Gephart, 1996b). These are optimistic and aim

to reconstitute the 'ideal' (Baudrillard, 1991). Second-order simulacra are 'productive simulacra' based on energy and force (Baudrillard, 1991). Their goal is worldwide application through mass-produced copies, in which reproduction replaces the counterfeit (Baudrillard, 1983, 1991; Gephart, 1996b). Third-order simulacra are 'simulation simulacra' or models of simulation whereby 'third-order simulacra are the circulation of the model; they no longer transcend the real' (Gephart, 1996b, p. 213). The objective of third order simulacra is total control – hyperreality (Baudrillard, 1991). Once the third-order of simulacra is realized it is impossible to manufacture the real from the unreal. The process will entail situating the 'decentred' occurrences, models of simulation, and then attempt to give them the sense of the real, 'to reinvent the real as fiction, precisely because the real has disappeared from our lives' (Baudrillard, 1991, p. 311). Gephart (1996b) reconceptualized nature, ecology and environments using endogenous and radical reflexivity. He interprets the ecosystem as first-order simulacra. The ecosystem represents 'an interaction system between living things and the nonliving habitat' (Evans, 1969, p. 56, quoted in Gephart, 1996b, p. 214). The ecosystem is a means through which to view certain attributes of the world, a way of viewing the natural world. It is an imperfect representation of the natural world where the reality principle is maintained (Gephart, 1996b). For Gephart (1996b) models of the ecosystem emerge as second-order simulacra (i.e. models of the transfer of energy across subsystems) as these models mask reality and present only a limited number of possibilities. Interestingly, Gephart (1996b) does not commit himself to third-order simulacra, rather he presents several interpretations of third-order simulacra as possibilities for future research. One of these possibilities is through the naturalist literature lens. He uses the work of Krutch (1951) to challenge the simulacral nature of naturalist texts. Krutch (1951) rescues spadefoot toad tadpoles to study them. By removing the tadpoles from their natural habitat the process becomes artificial. Yet the only way to observe the 'natural' aspects of this species is in an 'unnatural' setting. Gephart (1996b) argues that nature as investigated and understood by Krutch and others is simulation simulacra.

In a similar vein, the concepts of simulation and simulacra can be used to develop a radically reflexive discourse on strategy to disrupt the discourses that perceive it as 'natural' and 'progressive'. But has the field of strategic management realized the third order of simulacra? Is strategic management a model of simulation whereby reality has been replaced by hyperreality? This paper will attempt to explore these concepts as it pertains to strategy and explore the realm in which we exist in this simulacral entity.

STRATEGY AS SIMULACRA

The organizational world is a first-order simulacrum whereby it is an imperfect representation of existence. The corporate world, defined more narrowly than the

organizational world, is another counterfeit image of existence. We use these simulacra as a way of viewing the world. The organizational world as representation differs from the entirety of the natural world and is therefore an imperfect representation (Baudrillard, 1983). The same applies to the corporate world as a first-order simulacrum, it is 'an image founded on reality where a difference with reality is maintained' (Gephart, 1996b, p. 214). The organizational and corporate worlds are ways of viewing particular attributes of the world – partial imitations of the entirety of the natural world. The discipline and practice of strategy use these worlds to represent and frame analysis. As representation it is an image founded on reality (the natural world) while the reality principle is still intact. It serves to represent the nature of existence. In this order the image is a good representation of reality.

Models of these first-order simulacra are second-order simulacra. These models simplify reality, that is, the idea that organizational life can be understood through strategy and strategic management. Second-order simulacra strive for worldwide application and in simplifying reality; the embodiment of the counterfeit (first-order simulacra) is misplaced (Baudrillard, 1988; Gephart, 1996b). These models include only a limited number of possible features of the counterfeit and mask the basic reality (Gephart, 1996b). The rational and processual schools of thought depend on scientific methods of inquiry to represent and understand the organizational world. Porter's (1985) 'SWOT analysis' as representation of a particular organization and its industry, is a second-order simulacrum. In no way can these tools represent the edifice of the corporation or corporate world as they distort the entity by simplification. These techniques are mass-produced copies of the counterfeit. 'Reproduction of the original requires obliteration of this original by the copy that absorbs and displaces it' (Gephart, 1996b, p. 213). Hill and Westbrook (1997, p. 51) assert 'frameworks like SWOT are seductive as they tend to "overlay corporate diversity with generic solutions"'. The endless claims to understanding a firm's resources through the application of a 'value chain' (Porter, 1985) are empty, limited at the very least, as examination of all factors is an impossibility. Yet it is discussed in extant literature and taught in business schools as a tool for making decisions. Attempts to prescribe 'generic' strategies to firms are exemplary of the world-wide application of second-order simulacra. Porter's (1995) competitive strategies and Miles and Snow's (1978) typology become models that are the bases for managerial decisions. The assumption and acceptance that these typologies 'fit' all organizations in all industries is remarkable. Furthermore, the use of terminology such as core competencies, competitive advantage and cycle time contributes to the development of identity and social reality (Thomas, 1998). Thomas (1998, p. 11) maintains, 'the repetition of phrases and words, without even struggling to understand and define them, will allow managers to control the destiny of their organizations'. We would argue that this perceived 'control' of their organizations is a movement into the third phase of simulation. The use of

such 'expert' terminology marks the third phase of simulation, in which there is a masking of absence of a reality in representation, the image plays at being an appearance (Baudrillard, 1988; Gephart, 1996b). It is here we begin to see the simulacrum developing into that, which bears no resemblance to reality.

Third-order simulacra are models of simulation where objects are entirely within simulation (Baudrillard, 1983, p. 147). Strategy no longer refers to the top management decisions. As Lyles (1990, p. 363) puts it, "strategic" has become a buzz word for all disciplines trying to stress the importance of their work'. References to strategic human resource management, for example, envelop the HR literature (Hagan, 1996; Schuler, 1990; Strauss, 2001). Interestingly, in the translation of Baudrillard's (1988) 'Simulacra and Simulations', 'Strategy of the Real' is a heading within the text. Strategy has become ubiquitous, the acceptance and unquestioning of its existence and significance masks the absence of reality. Alvesson and Wilmott (1995, p. 99) see strategy talk as a 'powerful rhetorical device'. Prefacing verbs and nouns with 'strategy' or 'strategic' makes 'regular' or 'normal' objects and circumstances significant or unique (Alvesson and Wilmott, 1995; Thomas, 1998). Legitimatization of strategy becomes a situation whereby strategists create a world in which problems defined by them, can only be 'solved' by them (Alvesson and Wilmott, 1995). Mission statements and strategic leadership are other simulacra of the third-order. It is here that the simulacrum comes to bear no resemblance to reality. 'The real becomes the hyperreal: "that which is already reproduced"' (Baudrillard, 1983, p. 146, quoted in Gephart, 1996b, p. 213). The replacement of the object by the sign means the 'real' is no longer discernible.

This results in a society where *simulation* becomes the guiding principle of social and cultural relations whereby simulated models of the real replace the real itself: 'It is no longer a question of imitation, nor of replication, nor even of parody. It is rather a question of substituting signs of the real for the real itself'. (Baudrillard, 1988, p. 167, quoted in Hancock, 1999, p. 167)

Hitt et al. (2001, p. 27) define the strategic mission as 'a statement of a firm's unique purpose and the scope of its operations in product and market terms'. They maintain that an 'effective mission statement establishes a firm's individuality and is exciting, inspiring, and relevant to all stakeholders' (ibid). There has been a wealth of empirical work conducted on mission statements (cf. Bart et al., 2001; Denton 2001; Mullane, 2002), as well as models to analyse and guide management in designing and implementing them (e.g. Ashridge Model) – a second-order simulacrum (Campbell and Tawadey, 1990). While most researchers acknowledge that there are variations in the definitions, implementation and value of mission statements, they conclude that mission statements should be taken seriously (Mullane, 2002) and can even impact firm performance (Bart et al., 2001).

However, the fact that these inconsistencies are dismissed is problematic. Total Research (1999), a UK international marketing research firm, conducted a study on 55 randomly selected mission statements of global Blue Chip companies. Total Research (1999, p. 41) concluded that mission statements are interpreted differently by different organizations, so much so that the purpose of these statements becomes fuzzy, disconcerting and 'they raise far more questions than answers'.

Despite the overwhelming confusion of what mission statements are and their value, the popularity of mission statements is unquestionable (Baetz and Bart, 1996). Baetz and Bart (1996) concluded that 90 per cent of the 135 organizations they studied either had or was working on a mission statement. Baetz and Bart (1996, p. 527) claim this level of participation is much higher than previous studies and that mission statements have become 'more fashionable in recent years'. Even the *Electronic Journal of Radical Organization*, which encourages interpretations of 'the broader societal contexts in which organizations are embedded' (<http://www.mngt.waikato.ac.nz/ejrot/>), has a mission statement on its web page and is exemplary of this hyperreality. This journal aims to 'stimulate leading edge discussion around radical ideas in the study and practice of organization and management' (ibid) and is an outlet for expressions of strategic management as a discourse (cf. Volume 4, Issue 1, 1998). Thus, why is it that even though there are such inconsistencies in and about mission statements, they exist as a relatively unquestioned truth? Hackney and Pillay (2002, p. 32) contend while mission statements tend to imply shared understanding throughout the organization, 'a mission statement will always mean different things to different audiences or individuals'. Furthermore, they highlight the argument of Gergen and Whitney (1996) that mission statements are representations by 'vanishing authors' – it becomes unclear who created it and how it has been created. Despite all this, mission statements come to stand as proclamations that envelop the entirety of the organization, they are researched, practiced, and preached, and there is no longer fiction or reality (Baudrillard, 1983, p. 122). However, it is no longer clear what it represents or why it represents the organization.

Strategic leadership is another archetype of the hyperreality of strategic management. The notion of strategic leadership focuses on the executives who are 'responsible' for the overall functioning of an organization (Finkelstein and Hambrick, 1996). Hitt et al. (2001, p. 489) define it 'as the ability to anticipate, envision, maintain flexibility, and empower others to create strategic change as necessary'. There has been a wealth of research that has investigated the importance of strategic leadership (cf. Hagen and Hassan, 1998; Ireland and Hitt, 1999; Rowe, 2001). These notions tend to ascribe almost superhuman powers to top management without problematizing the underlying assumptions and boundaries of such 'truth' claims (Alvesson and Wilmott, 1995). Brown (1978, p. 376) asserts 'there comes to be not only a concentration of control over the contents of reality (the means of production), but also over the definition of reality'. The leadership

literature in general has been reproached for its lack of criticality (Calas and Smircich, 1991; Gordon, 2002; Hunt and Dodge, 2000). Hunt and Dodge (2000) challenge leadership scholars for enacting the 'leadership-followers' relationship as a vacuum, thus ignoring the organizational and environmental contexts in which 'leadership' exists. While the intent of this article is not to 'unsettle' the leadership discipline, this may be another discipline that would benefit from such an exploration. Hitt et al. (2001) developed a strategic leadership model comprising six critical components, two of which – strategic direction and strategic controls – they label 'strategic' to describe that which is supposed to be 'strategic' leadership. This reiterates the earlier point that 'strategic' comes to represent all that is important, unique and/or significant (Alvesson and Wilmott, 1995). What's more, strategic is apparently so all-encompassing and knowledgeable that it can now be used to define itself. It is in this circularity that it becomes impossible to isolate or identify reality. Again, we raise the question: how is it that this concept, strategy/strategizing, is accepted and unquestioned as a phenomenon that is a part of the identity of managers and workers? (Knights and Morgan, 1991).

These third-order simulacra are the circulation of the model in which it becomes impossible to 'isolate the process of the real, or to prove the real' (Baudrillard, 1983, p. 41). Three spheres envelop this circulation of the model: academic work, consultancy and strategic management practice within organizations (Thomas, 1998). In reviewing the 'history' of strategy management in this paper we referred to the varying accounts of the origins of this phenomenon. Booth (1998, p. 2) referred to strategy as 'a particularly slippery field to pin down'. Following Knights and Morgan's (1991) genealogical analysis of strategy discourse, it is not possible to pinpoint a specific event, cause or factor that is a starting point or the definitive 'development' of the discourse (Thomas, 1998). The intersection of these spheres generates the circularity of the model. It is impossible to definitively state if one of the spheres is the cause or creation of the others. It is through their intersection that the simulation 'displaces, colonizes and anticipates the real' (Baudrillard, 1983). Strategy management has become the hyperreal: 'that which is already reproduced' (Baudrillard, 1983, p. 146). As in Baudrillard's (1988) exemplar of Disneyland, strategic management is a model of the entangled orders of simulation. Strategic management exists to make us believe that there are 'problems' to be solved in the 'real' world, that there is in fact a 'real' world in which 'problems' exist. Similar to Baudrillard's (1988, 1992, 1995) commentary on 'war', presently it can be argued that the US government was effectively able to argue that they had the strategic answer to problems posed by the regime of Saddam Hussein, while being much less convincing about what those 'problems' actually were. To paraphrase Baudrillard (1995), although real people were killed and injured, the 'war' on Iraq was primarily a media event about strategy.

Our intent here is not a 'solution' to this 'problem' of strategic management. In our exploration of strategy as a discourse, we have already made 'sense' of

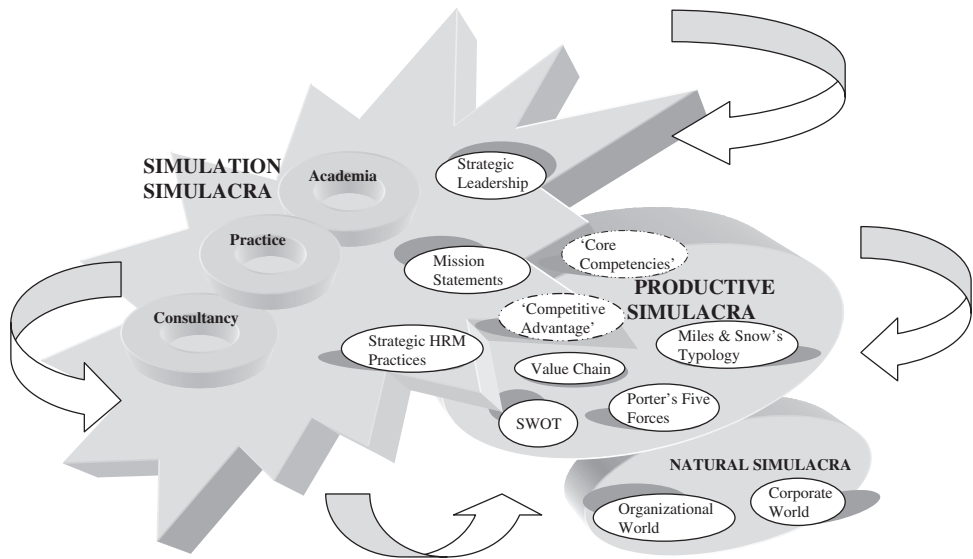


Figure 1. Three orders of strategy as simulacra

strategic management (endogenous reflexivity), therefore it is another part of this circularity (Woolgar, 1988). Figure 1 depicts an ironic visual representation of this simulacral entity. Baudrillard would likely argue that the creation of such of a depiction is a further illustration of the hyperreal. Such models and representations are part of the circularity of the simulation. We would argue that while we may very well be intertwined in the simulation, the representation is intended as ironic; facilitating a playful reading which is simultaneously illustrative and critical of the problematic of strategy, simulation, and representation.

CONCLUSION

The simulacrum is never that which conceals the truth – it is the truth which conceals that there is none. The simulation is true. (Ecclesiastes, quoted in Baudrillard, 1988, p. 166)

This paper explored the study and practice of strategy as a discourse, engulfed by its own 'truth' effects. Through a postmodernist review of the literature and practice of strategy and strategic management we suggest that strategy is revealed as a seemingly natural phenomenon, an unquestioned truth. The problematic nature of such 'truth' claims in their effects on organizational actors has been explored in greater measure elsewhere (cf. Knights and Morgan, 1991). Our interest was in exploring the representation of strategy and the theoretical outcomes for management theory and practice. Drawing on the work of Baudrillard (1983, 1988, 1991, 1994), we contend that the theory and practice of strategy has reached a stage of

third order simulacra. Most, if not all, models of strategic thinking have attained a level of representation that is disconnected from reality, they are hyperreal. This at one and the same time explains their power and their limitations. As disconnected representations they are incapable of addressing the supposed realities they claim to represent. Yet their very power lies in their hyperreal quality, which serves to represent underlying realities as real (i.e. the relationship between strategic thinking and organizational success). Arguably, the very layering of representation to the point of hyperreality lends itself to the construction of strategy as a powerful truth claim, it being difficult to unravel the layers to glimpse the underlying (or lack of) reality. Strategy as simulacra means that it is impossible to rediscover 'an absolute level of the real' (Baudrillard, 1994, p. 19). Baudrillard (1994, p. 19) would argue 'illusion is no longer possible, because the real is no longer possible'.

Applying a Baudrillardian lens to the study of strategy runs the risk of epistemological trauma as the reader attempts to unravel our focus on simulacra from Baudrillard's philosophical stance. We share criticism of Baudrillard for his level of abstraction and esoteric nature (Turner, 1993), the disconnection of power from political economy (Alvesson and Skoldberg, 2000), the trivialization of violence, and the marginalization of women and people of colour (Best and Kellner, 1991). Nonetheless, as Best and Kellner (1991, p. 143) argue, much of Baudrillard's work on simulation, hyper-reality, and implosion is 'extremely value for illuminating some of the development of contemporary techno-capitalist societies', categories that 'have been immensely productive in analysing contemporary media and cultural trends' (see also Jameson, 1991). It is at that level, of 'illumination', that our application of Baudrillard should be read.

At a minimum, a look at strategy with this lens does make one question the hegemony of strategy as a tool for all organizational problems. Pollner (1991) implied that radical reflexivity's efforts to move beyond established boundaries without prescribing another discourse to replace it will likely be interpreted as a groundless attempt by those entrenched within the ontological and epistemological outer rim. As with Gephart (1996b) in using the notions of simulation and simulacra to challenge our assumptions about the reality of nature, ecology and environments and Hancock (1999) who challenged the 'progress' of motivation and management research through Baudrillard's simulation, implosion and hyper-reality, we offer a similar 'contribution'. A similar lens could also be used to view other disciplines entrenched by 'truths' (i.e. leadership, organizational learning) so as unravel and unsettle that which is accepted as 'reality'. Undoubtedly, this attempt to use radical reflexivity in an exploration of strategic management as a discourse will be faced with challenges from those studying and practicing strategic management within the established ontological space (i.e. content and processual schools). It is through this exploration of strategy as simulacra however that we anticipate and welcome the challenge of those [us] entrenched in the circularity of the model so as to disrupt the mundane acceptance of strategy as 'natural'.

NOTE

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