

### ***Lesson eleven \_The Cognitive School and the learning school***

This one focuses on the mind of the strategist. The school includes work on cognitive bias, the information-processing view of strategy and the idea of strategic cognition as a process of construction. The picture here is one of an individual thinking through what is required and what the options are, and coming to a grand design all of his/her own. Mintzberg and his fellow critics do not afford much credence to this school but recognize it as a distinct approach to strategy formation and it is perhaps significant that they do not acknowledge brainstorming amongst a group as a sufficiently viable alternative to the individual 'mental giant'. A more radical approach is represented by the idea of strategy as interpretation, based on cognition as construction. To proponents of this view the mind imposes some interpretation on the environment –it constructs its world.

The premises of the Cognitive School are summarized as follows:

- \_ Strategy formulation is a cognitive process that takes place in the mind of the strategist.
- \_ Strategies thus emerge as perspectives – in the form of concepts, maps, schemas and frames.
- \_ Inputs flow through all sorts of distorting filters before they are decoded by the cognitive maps or else are merely interpretations of a world that only exists in terms of how it is perceived.

It is self-evident that the ideas of this school are less likely to find favour with practising managers than the preceding ones.

### ***The Learning School***

Proponents of this school see strategy as an emergent process. This school 'took off' with the publication, in 1980, of James Brian Quin's *Strategies for Change: Logical incrementalism*. The radical idea of this school is that the traditional image of strategy formulation was a fantasy, one that may have appealed to managers but did not correspond to what actually happens in organizations. Proponents of this approach ask how strategies actually get formed in organizations. Researchers found that in practice strategies could be traced back to a range of actions and decisions by people other than members of top management. A scientist in a laboratory might come up with a new product or a sales team's efforts could change a company's market position. Mintzberg's own work falls into this category. He defines strategy as a pattern or consistency in action and distinguishes deliberate from emergent strategy. The seminal work of Hamel and Prahalad (1994) fits into this school. They conceive of strategy as a collective learning process aimed at developing and exploiting 'core competences'. Their concept of 'strategic intent' is one of an approach that defines emerging market opportunities and provides a rallying cry for employees. (This concept might better fit the Entrepreneurial School, with its emphasis on visionary leadership.) Hamel and Prahalad's other concepts are 'leverage' and 'stretch'. Stretch is to do with having high aspirations (BHAGs or big, hairy, audacious goals). Leverage is to do with various ways of making the most of available resources. Hamel has also argued for 'revolution', the need for companies to seek to change the basis of competition in their industries. The ideas of this school are closely allied with writings on the subject of the 'learning organization', such as Senge's *The Fifth Discipline* (1990).

The premises of the Learning School are:

- \_ The complexity of the environment precludes deliberate strategy making. It must involve a process of learning over time in which formulation and implementation start to merge.
- \_ There are many potential strategists in most organizations.
- \_ The learning proceeds in emergent fashion as people think retrospectively and make sense of actions.
- \_ The role of leadership is not to create strategy but to manage the process of strategic learning.
- \_ Strategies appear first as patterns out of the past, and only later as plans for the future or as perspectives to guide overall behaviour.