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RESEARCH ON STRATEGIC DECISIONS: WHERE DO WE GO FROM HERE?

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ABSTRACT

This chapter gives our personal view of the way forward for research on SDs. To do so it draws on a number of recent reviews of the field and synthesizes the views of many other researchers. We conclude that future research should focus on *outcomes* (both performance and other outcomes such as learning, innovation and commitment), be *integrative* (taking into account the context and content of SDM as well as the process and outcomes), and use more *rigorous and consistent methods* (type of research method, terminology, and measurement).

The main aim of this book has been to describe the current state of the art of strategic decisions (SD) research by asking leading researchers to summarize their own areas of interest within this field. Several of the authors have also made suggestions as to possible future directions for SD research, which we draw together in this chapter. We also draw on three excellent recent reviews (Eisenhardt and Zbaracki 1992, Rajagapolan et al 1993, Schwenk 1995) as well as on many other, mostly earlier, publications. The chapter gives our personal view of the way forward for academic research on SDs, based on a synthesis of these others' suggestions, plus our own emphasis on the need to make such research more relevant to managers, as discussed in Chapter 17. Our substantive proposals are grouped under the following five headings:

- Increasing focus on outcomes to increase relevance
- Exploring the influence of context on SDM processes and outcomes

- More generally, the need for more integrative research
- Bringing the CEO and top management team into SD research
- Three emergent themes: learning, implementation, and information systems

Our overall impression from the literature is that, while strategy content researchers have developed a common vocabulary and a cumulative body of knowledge, strategy process researchers, including researchers on strategic decision-making (SDM), cannot make the same claim.

One conclusion from our discussion in Chapter 17 is that the great diversity in the methods and measures of past studies has made it impossible to arrive at a clear set of undisputed empirical generalizations (Barwise 1995). Several of the chapters in this volume have referred to topics (eg the process-performance relationship, the environment-process relationship, the consensus performance-relationship, and the role of conflict) where different studies have produced contradictory results. In the sixth section of this chapter we therefore give a number of methodological suggestions to address these problems: large-sample field research, longitudinal studies, some laboratory studies, common terminology, better operationalization and measurement, and more validation of retrospective data.

The chapter concludes with a brief list of substantive and methodological suggestions for future research on SDM.

INCREASING THE FOCUS ON OUTCOMES

While strategy content researchers usually link competitive and/or resource positioning to performance, process researchers and especially SDM researchers have been less preoccupied with the impact on performance. Even when performance has been measured, there is often little convergence even among studies focused on the same constructs (eg Fredrickson and Mitchell 1984, Miller and Friesen 1983). Bower (1997) stresses that there is little work that tries to explain the relationship between such process characteristics as comprehensiveness or decentralization and performance. Rajagopalan et al (1991) reported that, although 19 out of the 31 SD research studies they reviewed included economic and/or process outcomes, the results provided little useful advice for practicing managers. For example, with some exceptions (eg Bryson and Bromiley 1993, Bourgeois 1980, Bourgeois and Eisenhardt 1988, Dean and Sharfman 1996, Dess 1987, Eisenhardt 1989, Fredrickson and Mitchell 1984) empirical research has not yielded managerially relevant results on the relationship between organizational performance and dimensions of SDM processes (Rajagopalan et al 1993).

As mentioned in Chapter 17, there is some evidence that the SDM process may hold the potential for building competitive advantage (Hart and Banbury 1994). This reinforces the argument for research linking SDM to corporate performance (eg what are the trade-offs between decision-making rationality, formalisation, participation, politics, timing, etc. in the pursuit of superior performance?) (Schendel 1992).