

The Segmental Categorization of Configurational Approach to Strategy Development

VITALIY SMIRNOV, YOSYP DANKIV, VOLODYMYR DANKIV

Uzhhorod National University

Narodna Sqr.3, Uzhgorod,

Ukraine

smirnov_v@yahoo.co.uk, yosyp.dankiv@uzhhorod.com, vdankiv@uzhhorod.com

Abstract

Configurational approach directed at categorizing the process of strategy development requires to be categorized itself now in order to parry a critique and to establish a unified framework with a set of definitions, relationships and principles which allow to re-establish configurational approach as a real force in the strategy development field. This paper introduces an attempt to solve accumulated contradictions by suggesting the systematic framework of configurational approach and categorizing its main concept, definitions and relationships among them. There is hope that the Segmental Model will succeed in cleaning up the mess of configurational approach to strategy development created by attempts to integrate a variety of theories and overspecialised approaches without any systematic framework.

Key words: Strategy Development, Configurational Approach, Integration Mess, Strategic Framework, Archetype, Segmental Model.

JEL Classification: M21

1 Introduction

Since the first strategy was developed businessmen, strategists and researchers have been aspiring to formulate an approach to strategy development that incorporates the multi-dimensionality of the incessantly more turbulent and changing business-environment. This aspiration eventually was realised when in the 1970s Khandwalla, Mintzberg and Miller laid the foundation of configurational approach to strategy development by formulating the interconnection between several organisational attributes and introducing concepts of “configurations” and “archetypes” into strategic management field. As a result, “the dam” that kept strategic research in separate frequently unconnected “reservoirs” (planning, positioning, political, cognitive, environmental, cultural approaches to strategy, etc) burst open. It triggered an ever-increasing torrent of empirical and theoretical attempts to integrate these different strategic perspectives using the multi-factorial nature of configurational approach. Accordingly, the process of strategy making can be one of conceptual designing or formal planning, systematic analysing or leadership imagining, cooperative learning or intricate politicking, responding to the factors of the external environment or influences of the internal environment; but they should be considered at its own time and its own context that will help to create the most relevant strategy for the current conditions of organisational reality (Mintzberg, 1978) [1]. A key assumption is that none of any possible strategic approaches is universally the right choice for developing the successful and

flexible organisational strategy. Only the amalgamation of their strengths allows to create the effective strategy.

Researchers previously contained within the limits of their own appropriate schools of strategic thought felt a stimulating freedom to explore “the neverland” of various interesting combinations of ideas which weren’t considered before. Needless to say that researchers from other branches of science previously not related to strategy development (psychology, sociology, history, etc.) saw new exciting opportunities and couldn’t restrain from adding more power to this formidable surge of research. Without any restrictions, this mix of approaches, ideas and methods allowed to weave a wide assortment of empirical findings into elaborate (sometimes unprecedented) theories.

From the one hand, it is very gainful for the strategy field to have configurational approach as an inexhaustible source of research by constantly blending a variety of attributes, variables, and notions. It allows to exchange ideas among different strategic approaches or with other branches of science, to introduce new ideas never thought before, to enhance the understanding of the already existing strategic knowledge, to investigate organisational strategy and reality through the lenses of general tendencies, neat theoretical categories and empirical clusterings of various variables.

From the other hand, the absence of the established united principles, methods, procedures and even definitions (for example, some authors does not differ configurations from archetypes or there is a dispute about revolutionary or evolutionary changes) for conducting configurational research was resulted in a massif of frequently unconnected research with different theoretical underpinnings. According to Donaldson (1996) [2], this unconformity created a blemished approach without a proven framework which maps a conceptual and methodological apparatus for strategy development and yields highly differentiated and gradated prospective advice.

Consequently, all this vagueness and many-sidedness of configurational approach hindered its further development and slowed down the force of the research torrent at the end of 1990s. At present, configurational approach is similar to the Tower of Bable and the confusion of tongues. The tower meant to be the highest point of the humanity achieved by combining efforts of all nations. Similarly, configurational approach meant to appease all other approaches and to unite their strengths in order to improve the strategy process but this aspiration ultimately caused the confusion of “strategic conceptual tongues”. The question of confusions, their real significance, their sources and causes of their formation arise in those areas of science where the process of reasoning has to construct a system of theoretical definitions. In cases of an unsystematic consideration of phenomena there is no question of confusions and contradictions. An elementary attempt to categorize and systematize immediately leads to confusions. Therefore, configurational approach directed at categorizing the process of strategy development requires to be categorized now in order to parry a critique and to establish a unified framework with a set of definitions, relationships and principles which allow to re-establish configurational approach as a real force in the strategy development field.

This paper was inspired by the lack of well-received attempt to solve these accumulated contradictions by suggesting the systematic framework of configurational approach and categorizing its main concept, definitions and relationships among them. The purposes of this theory-exploring “cleaning” venture are:

Firstly, to establish the causes of the existing mess: the origins of the integrative paradigm (configurational approach) to strategy development.

Secondly, to identify the key confusions of the mess and to propose their solutions: the main dilemmas of configurational approach.

Thirdly, to suggest the way for clearing up the mess: the systematic framework of configurational approach with the segmental understanding and ordering of the relationships among the configurational concepts (configurations, archetypes, transformations and organisational performance).

Toward the Integrative Strategic Paradigm: Life After Pluralism

The integrative strategic paradigm does not attempt to develop a single universal concept and law covering the entire strategic field management. Instead it is anchored in a few clusters of strategic management problems: developing dynamic capabilities (Eisenhardt and Martin, 2000; Lopez, 2005) [3] [4], defining organisational boundaries (Cross et al, 2000) [5] and finding viable strategy configuration (Parnell et al, 2000) [6].

The changing competitive environment forced companies in almost every sector to re-examine their strategies. There seemed to be a growing consensus among managers that the path to future success leads away from traditional strategy prescriptions advocating top-down control, formal planning and industry analysis. Managers and practitioners are heralding strategy revolution as the new hallmark of organisational excellence (Hamel, 2000) [7]. It gives rise to the integrative paradigm and the configurational approach to strategy development that make an attempt to unite prescriptive and descriptive paradigms into one coherent theoretical structure. The integrative paradigm is a way of thinking and communication that tries to make a productive, creative synthesis of the divergent elements, rather than searching which hypothesis is true and which one is false.

Although it is necessary to re-evaluate the assumptions of traditional static strategy models, there is a great unanimity among strategy scholars and the need for strategic integrative thinking in these hypercompetitive environments is even greater than ever (Hamel and Prahalad, 1994; Porter, 1996; Hamel, 2000) [8] [9] [7]. Considering the turnover of these new theories and concepts, one might conclude that any continuity in strategy is lacking (Miller, 1996) [10]. Some authors suggest that in a pre-dogmatic field such as strategy, it is necessary to accept such pluralism (Mahoney, 1993) [11] as theories and concepts from various related and non-related disciplines really expand and enrich the knowledge basis of the strategic theory. However, one needs to accept that exaggeratedly general research are poor scientific tools, but so too are exceedingly specific research. An optimal combination of generality and specificity maximizes a researcher's ability to account for data as well as to generate subsequent hypothesis of merit (Mather, 2007) .

Strategist and researcher in strategy development should seek to create a framework that integrates different strategic paradigms, its approaches, different strategic perspectives, varying levels of specificity various conceptual and methodological apparatus into an integrative model in order to get a large understanding of the strategy process and its complexity. Such integration helps strategic researchers to examine how organisational strategy is shaped, configured, modulated and transformed by various organisational and environmental factors of influence and vice versa.

Frequently researchers in different strategic approaches notice that similar research is conducted in other branches of science (history, sociology, anthropology, etc.) that can have an influence on their own theoretical and empirical underpinnings. Consequently, researchers need to look beyond the limits of their own specialty to maximize the efficiency of strategy development as a

field. Therefore, the road to the success of the strategy theory and practice requires to create a framework that combines different strategic perspectives into one coherent theoretical structure while maintaining specialization.

So far it seems like a fairy-tale. A fairy appeared, waved her magic wand, and separated peas from beans, everything is in order, everybody is happy. One can wonder how nobody thought about integration before. However, the reality is different. Dissimilar approaches, methodologies, conceptual languages, historical backgrounds, egos prevent an integration from a combination of different approaches with equal chances for every approach.

Signing in Problems: Mess with Integration

Integrating (generality) is fundamentally different than specialization and developing theories and empirical research within separated approaches. A specific approach to strategy development with specific conceptual levels is required. While methods, concepts, definitions within specialized strategic approaches have matured and reached higher levels of the categorization of their specific issues, the integrative paradigm is still more of an intuition and improvisation than a reasoning and systematization. For evidence one can look at the unpredictability of integration efforts.

By definition, the integrative strategic paradigm has to deal with multiple variables based on multiple theoretical underpinnings formulated from different empirical findings. Consequently, it makes any hint about the simplicity of integration sound like out of this planet. The true challenges of the integrative strategic paradigm span across some important issues.

Firstly, integration of different strategic approaches requires a significant shift in research procedures. The process of strategy development generally focus on a specific functional factorial area (entrepreneurial, cognitive, social, power, positioning, designing, learning processes, etc.). As a result, many strategic solutions proposed within the organisational strategy are developed in alignment with these functional areas (strategic approaches). In an integrative framework a specific variable representing a specific strategic concept or approach should be a part of an overall flow of integrative process for developing the organisational strategy.

Secondly, one important constrain of developing the integrative perception is that frequently researchers do not have the same depth of knowledge concerning different strategic perspectives. This often leaves the integrative researchers in a situation where they have to apply their intuition to compensate any possible idiosyncrasies inside the strategic approaches and their variables or differences between them.

Thirdly, despite the wide-spread need for the integrative strategy only few standards and concepts established themselves in this domain (configurational approach to strategy development, dynamic capabilities and organisational boundaries). Configurational approach certainly marks the most significant advance of the unification in integrative attempts. However, the hype around the integrative paradigm and the surge of the integrative attempts had also given grounds to new fragmentation within configurational approach itself resulting in a number of new extensions and interpretations of the integrative grammar (configurations, typologies, taxonomies, archetypes, transformations). In its turn, that led to the lack of agreements even within configurational approach itself. Therefore, these contradictions of the approach should be tackled as well by resolving definitional differences of understanding configurational concepts.

Therefore, integration is one of the biggest problems facing the process of strategy development when one need to consider a variety of external and internal factors of influence that are researched and theorised within separated frequently unconnected concepts and approaches.

Traditionally, the problem with integration and the cause of the integration confusions and mess has been the lack of common standards, unified conceptual and methodological tools and a cohesive “grammar” of integration. Researchers often set off with a number of disjointed incompatible variables which are accounted for by different strategic approaches and didn’t “socialize” with one another. As a result, after such integration researchers ended with an integrative attempt that didn’t “socialize” with other integrative attempts and proposals.

The lack of the “unified grammar” for integration has actually resulted in a serious problem. The lack of the agreed standards for defining interoperability between different strategic approaches and variables has meant that it was difficult to model relationships between variables and their integration into transformed combinations or configurations. Essentially, all that the current integrative attempts can offer is a “stronghold”, when inside this stronghold you are secure and everything is right, but when outside, it is a mess of approaches, factors, methods, concepts, etc.

Accordingly, to effectively solve this problem with integration and a mess outside of the existing integrative research, the following criterion must be met: a set of unified “grammar rules”, jointed conceptual definitions and interface standards facilitating the categorization and systematization of the integrative strategic paradigm must be developed and agreed. It is important not to miss the forest for the trees. The key aspiration in the integrative attempts within the strategy theory should be a general and universally accepted grammar basis for integrating the variables and notions of various strategic approaches and paradigms that helps to introduce changes into the strategy process in the way that researchers from different domains of the strategy theory can “talk” to one another.

Now it is time to consider how the configurational approach of strategy development that enjoys the most extensive and integrative literature and practice at present meet the criterion for integration and attempts to “appease” specializations within the configurational framework.

Configurational Approach: Setting Up to Fail or Succeed?

Configurational approach is an established explanation for organisations, organisational changes and strategic directions of organisational development. The basis of this explanation is a multidimensional constellation of various dimensions of business-environments, structures, cultures, organisational members, organisational processes, organisational culture and stereotype of behaviour that cluster together according to an appropriate strategic logic or an interpretative scheme of organisational actions.

Configurational approach represents a systematic concept, an assertion that the parts of an organisational entity take their meaning and understanding from the whole and cannot be understood separately. It tries to explain how order emerges from interrelations of those parts. Configurational approach acknowledges that organisations are systems that develop consciously. It acknowledges that organisations are social systems that consciously evolve (Waldrop, 1994) [12]. They are complex adaptive systems, with the term adaptive indicating a decision-making capacity that influences the characteristics of self-organisation, non-linearity and emergence (McCarthy, 2003; Stacey, 1996) [13] [14].

This approach allows managers to order and make sense out of their business-environments by sorting things into discrete and relatively homogenous groups (configurations) that are corresponded with relevant strategic core logic (Doty et al, 1993; Ketchen et al, 1993) [15] [16]. Considering the multifaceted nature of organisational strategy and organisational development, however, it is neither desirable nor possible to use a single method of classification that would be

appropriate in all situations. Thus, the task is to integrate different analysed variables into strategic patterns as archetypes, configurations and transformations (Kald, Nilsson, Rapp, 2000) [17]. Therefore, configurational approach plays an important role in business decision-making tasks by classifying the available information based on a criteria or a research theme (Miller, 1996; Y. Kiang, 2003) [17].

There are two sides of the configurational process: if one describes states of an organisation and its surrounding context as configurations, the other describes the process of configurational transformations. There is a time for coherence of organisational elements and a time for change. The essence of the approach can be characterised by the following statement: it describes the relative stability of strategy within given states (configurations), interrupted by leaps (transformations) to new ones (Mintzberg, 1998) [18].

Configurations. The term "organisational configuration" helps to denote any multidimensional constellation of conceptually distinct characteristics that commonly occur together. The term configuration refers to the make up of an organisation, its form or defining characteristics (Meyer et al, 1993) [19]. Miller (1987) [20] and Mintzberg (1990) define configurations as commonly occurring clusters of characteristics that relate to an organisation's strategies, structures and processes (McCarthy, 2003) according to the general organising pattern. By using the concept of configurations, research on strategy development is able to illustrate complex connections among several variables without having to reduce complex impacts excessively.

Organisations may be clustered together into configurations based upon their similarities in organisational processes and results of these processes. Although organisational performance within a configuration is expected to be similar, different configurations are expected to experience different levels of organisational performance (Lee et al, 2002; Nair and Filer, 2003) [21] [22]. Thus, it is possible to suggest the existence of rigid interrelations between configurations and the levels of organisational performance. Thus, differences in performance among configurations should be based on organisational commitment to prior strategic choices and differing levels of environmental benevolence across the business-environment. Empirical evidence that environmental conditions moderate the archetypes-configurations-performance relationship (Boeker and Goodstein, 1993) [23] suggests that based on specification of the conditions in a particular business-environment (industry or region) researchers can make predictions regarding the relative performance of the configurations (Ketchen, 1993; Ferguson and Ketchen, 1999) .

Transformations. One of the most important things about a good configuration is the opportunity for further reconfigurations. Therefore, it is necessary to assess organisational configurations by examining its focus or simplicity, the fit among its elements, and the range of elements or parties subsumed by the central research theme (Miller and Chen, 1999; Miller, 1996) [25]. Thus, it can be suggested that developing configurations can add precision and power for developing successful and useful strategic recipes (Meyer et al, 1993).

Configurational transformations are triggered by alterations in the environment (internal or external). Such alterations include the introduction of new products, new technology, new legislation and new competitors. But they can be triggered by internal factors (changes in social and cognitive processes, or in activity of organisational members, or in organisational ideology).

One of the key insights that the configurational approach offers is that it indicates those characteristics an organisation must remove or devolve to achieve a desired configuration. Thus, any successful movement between configurations requires a dynamic view of the characteristics that determine an organisation's current configuration, and how these characteristics might inhibit

the successful adoption of the desired configuration. A reluctance to remove conflicting current characteristics can lead to an increase of organisational inertia (Okumus, 2001) [26].

To make progress on issues of the configurational transformations any researchers must continue to build their researches in systematic and holistic ways to offer broad insights about contingencies that shape how organisations break through transitions from one configuration to another, how exogenous forces, dynamic capabilities and organisational sociocognitive processes influence the interrelations among transformations and constraints to transformations, where constraints come from, when and how organisations break these constraints and when and why organisations fail to transform to another configuration. With these insights it will become much easier to analyse questions about why and how organisations transform to another configuration and issues of organisational development.

Archetypes. There is an interest in analysing processes of organisational development based on the concepts of archetype theory and usefulness of archetype theory as a general model for understanding organisational changes and strategic organisational actions. An organisational archetype is an interpretative scheme of organisational actions and strategic core logic that describe the relevant directions of organisational development based on current conditions and future perspectives of an organisation. There appears to be a growing attraction to uncover organisational archetypes and configurations and growing attention to their transformation and development (Greenwood and Hinings, 1993; Zanetti, 2002) [27] [28].

An archetype is considered as a set of structures and systems that reflect the strategic core logic of organisational development at the current circumstances. Switching from one archetype to another (Greenwood and Hinings, 1988) is a useful way of capturing the essence of the transformational process, which has been described in different ways.

An organisational archetype is a function of an underlying interpretative scheme of relevant strategic actions, or set of beliefs and values that is embodied in an organisation's structures and systems (configurations). Thus, an archetype is a set of structures and systems that consistently embodies a single interpretative scheme concerning organisational strategic actions. Defining an archetype in this way is a departure from the more common treatment of structures and systems as disembodied attributes of organisations related to context and performance in an adaptive way without a logic. However, many researchers simply forget that archetypes are not only structures for integrating a variety of research dimensions (similar to configurations) but also they are functions of ideas, beliefs and deep understandings of organisational processes. Therefore, the concept of archetypes undeservedly is equalled and downgraded to the concept of configuration and, as a result, it is an important requirement to divide clearly these two concepts within configurational research. This will define the idea of organisational archetypes and highlight their key role in organisational changes. In doing so, it clarifies the main ideas and assumptions of configurational approach of strategy development.

Consequently, it is more obvious now that the formation of organisational archetypes is a necessary step toward understanding of configurational transformations and organisational actions that should be made in order to change successfully within configurations and between them. Organisational archetypes can give this understanding, interpretative scheme and strategic core logic regarding organisational actions and perspectives. The main aim of organisational archetypes is an intellectual understanding of an organisation and its environment, and a self-improvement and a positive influence on current and future conditions and circumstances of organisational development. The strength and efficiency of organisational archetypes are their capability to motivate an organisation to further strategic search and development.

In general, this approach offers the opportunity for reconciling differences between approaches and integrating similarities in order to form the general integrative framework for strategy development using configurational concepts of configurations, transformations and archetypes. However, it contends that each of the other approaches only has its own specific time and place when it should be applied. The main benefit of this approach is that it sensitises us to the existence of all the aspects of the other approaches as well as to inherent and emergent patterns. It gives equal and distinct recognition to the value of each and all of them.

“At First Take the Log Out of the Own Eye!”

From the above-mentioned description of configurational approach and its main concepts the perspective for integration appears alluring and definitely the approach is created to succeed in combining strengths and solving contradictions among different strategic approaches. Thus, the essence of configurational approach is to integrate different strategic viewpoints by solving misunderstanding between them and developing the general integrative framework of the strategy process. Accordingly, this approach is interested in any logical contradictions frequently resulted in the existence of different definitions of theoretical terms and concepts. Contradictions in definitions are a fact independent from any researcher, the fact that is continually and with a fatal necessity reproduced in a research development. Moreover, contradictions most unambiguously reveal itself during the process of making integrative attempts and appealing different (often opposite) premises.

The critique of any theory is directed at discovering contradictions in it. A new theory asserts itself through demonstrating a method with which contradictions is solved that were insoluble within the frameworks of the old theories. Therefore, contradictions and their overcoming are important requirements and a “life road” for configurational approach in order to establish itself as a real force among other strategic approaches. This approach is meant to prosper in this ambiguous competitive environment of the strategy theory.

There are two fundamentally different attitudes to deal with contradictions. The difference between them, expressed in the most general form, is that the first one – call it the metaphysical – interprets contradictions as a mere subjectivity which regrettably recurs in strategic research due to its imperfections. At the same time the second attitude – the dialectical – considers these contradictions within the strategy theory as the necessary form of strategic theoretical and empirical development, as a transition to a higher level of strategy knowledge as the issue of contradictions, their sources and significance arise in those areas where a branch of science comes near the stage of systematic expressions of its subject-matter in concepts, where reasoning has to construct a system of clearly developed theoretical definitions. Accordingly, the strategy theory should invite not only the creation of contradictions (the truth is born from contradictions) but also the attempts to solve them in a systematic well-defined way.

Therefore, configurational approach to strategy development sticks to the second dialectical attitude regarding the existence of contradictions. It regards contradictions between a number of strategic approaches as a necessary form of strategy development and as a universal logical form. Configurational approach includes some important terms-concepts that allow to consider a variety of different (sometimes opposite variables, ideas and theories) within one integrative theoretical structure. They are configurations, archetypes, transformations and organisational performance’s effectiveness.

These terms form the essence of this approach, but there is not enough systemicity, which identifies the definition of these terms and relationships between these terms. Very often different

researchers interpret these configurational concepts differently and put frequently opposite meanings into these terms. Therefore, to solve contradictions among other strategic approaches (to see the speck in somebody's eye) configurational approach must remove any contradictions within its own framework (to take the log out of the own eye).

Thus, it is necessary to order the concepts of configurational approach in a systematic way, develop definitions and relationships between them very clearly and without any doubt, and propose a framework for this approach describing all this systemicity of the approach. Only after this has been done in a holistic way describing configurational approach as a single whole indivisible adaptable theoretical structure this approach can integrate different strategic research directions. Any appearance of the work in this way will help to increase usefulness of configurational approach in theoretical and practical aspects (Miller, 1996).

As a result, based on the existing literature concerning configurational approach the main types of contradictions and confusions in it can be described as a set of dilemmas.

The first dilemma (Archetype versus Configuration) is to understand relationships between the concept of archetype and the concept of configuration by clarifying their definitions whether they are the same concept or they are different theoretical entities.

The second dilemma (Archetype: Reality or Phantom) is to understand whether the concept of organisational archetypes has a right for considering itself as an independent conceptual form with a set of functions and meanings.

The third dilemma (Archetypal Stability versus Archetypal Change) is to understand the process of archetypes changes and switching from one archetype to another.

The fourth dilemma (Continuity versus Discontinuity) is to understand the nature of changes within configurational approach between configurations, archetypes and levels of organisational performance's effectiveness.

Archetypes versus Configurations: Definitional Clarification.

A range of scholars consider configurations and archetypes as identical conceptual forms. Meyer et al (1993) refers to configurations as archetypes defining an archetype as structures and systems that best understood as overall patterns (similar to configurations). This caused some confusion. As an example of it, one research student submitted his proposals about researching the sociocognitive basics of organisational archetypes within configurational approach to strategy development. The comments on his proposals by one known professor were negative. The explanation was that the simultaneous usage of the words "archetypes" and "configurational" in one sentence creates a tautology as archetypes and configurations are two synonymous words explaining one concept – "configurations". As a result, the concept of archetype is denied a freedom of theoretical, conceptual and methodological independency.

At the same time other scholars (Greenwood and Hinings, 1993; Ferguson and Ketchen, 1999) [27] [24] doubt this definition of Meyer and consider an archetype as an independent theoretical definition reflecting not only the integration of different variables into one theoretical structure but also interpretative schemes of strategic actions and a function of ideas, beliefs, organisational values, stereotypes of behaviour and traditions explaining this integrative process. Having analysed contents of archetypes and configurations within this approach and their interdisciplinary meanings (Figure 1) composite "clear-cut" definitions of organisational archetypes and configurations can be proposed.

The Definition of Configuration in the existing literature on configurational approach:

- A configuration represents a number of specific and separate attributes, which are meaningful collectively rather than individually
- Configurations are finite in number and present a unique, tightly integrated, and therefore long-lived set of dynamics according to changes in interpretative schemes of



The Interdisciplinary meaning of Configuration and Archetype

Configuration:

Shape, Outline, Formation, Arrangement, Alignment, Structure

Archetype:

The Definition of Archetype in the existing literature on configurational approach:

- Organisational structures and management systems are best understood by analysis of archetypes as overall patterns of organisational properties.
- Archetypes are a function of the ideas, beliefs, and values - the components of an "interpretative scheme" - that underpin and are embodied in organisational structures and

Figure 1 Definitions without Confusion

Based on these definitions reflecting interdisciplinary meaning of these terms an organisational archetype is an overall pattern of organisational actions for certain conditions that determine the way of the integration of organisational attributes (research dimensions) that creates a consistency and completeness of relations between them. An organisational archetype can be thought of as a model after which other things can be patterned, a prototype or a permanent underlying structure. An archetype can be identified as the collective organisational unconscious. This collective unconscious can further be defined as a pool of shared imprinting experiences that unconsciously pre-organise and influence the behaviour of the collective, in particular, and the organisation as a whole. To know the archetype is to have crucial information on what motivates organisations and their members to act and make decisions the way they do and what makes different research dimensions and variables cluster in a specific way – configurations.

In turn, a configuration is a set of dynamic and specific organisational attributes (research dimensions), which are meaningful collectively rather than individually, are arranged and fit together. Configurations represent the integration of variables and attributes as a result of archetypal influences. The use of configurations in studies of organisations allows researchers to express complicated and interrelated relationships among many variables without resorting to artificial oversimplification of the phenomenon of interest.

Functions and Meanings of Archetypes.

Based on the above-defined definitions of archetypes and configurations the functions and characteristics of organisational archetypes according to interdisciplinary and configurational meanings can be presented as a number of explaining and clarifying statements (Table 1).

Table 1 Interdisciplinary Unified Characteristics of Archetypes
The Composite Set of Functions and Meanings of Archetypes

<ol style="list-style-type: none"> 1. archetypes are instinctive directions and the directed trend of development 2. archetypes are a form-building element which forms structural influences on any kind of organisational activities 3. archetypes can have different contents depending on the surrounding environment and specific features, therefore, they create their own context reflected in configurations 4. archetypes represent idealised schemes of behaviour, which can be expected and it is possible to get advantage following archetypes 5. archetypes imply repeatability and predictability 6. archetypes are categorical and conceptual potentialities for organisational development 7. archetypes are opportunities of ideas 8. archetypes mean the certain internal or external typical situation or processes of organisational development and that are researched within the framework of the analysed dimensions (configurations) and changes over time 9. archetypes do not dictate the certain decision, but they identify those criteria to which a decision should correspond or they filter a better decision from all possible ones 10. archetypes choose a paradigm in which there should be a decision, and organisational managers within the framework of this paradigm find the optimum decision for an organisation based on the available information
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It is more obvious now that the development of the system of organisational archetypes together with an appropriate configuration is a necessary step to understand strategy development and organisational actions that should be made in order to change successfully. The system of organisational archetypes can give this understanding and give strategic recipes regarding strategic organisational perspectives.

The fundamental peculiarity of organisational processes is a presence of certain patterns – invariable, scenarios, schemes, interrelations, qualities which are identified in different areas of an organisation at the different time. Such a repetition is often considered as a coincidence or in a better case as a set of undependable laws, but it is expedient to consider such patterns as a defined system. Two main principles of such a system of patterns can be formulated: everything that is capable of changing is not absolutely free in its manifestations and is always response to one of appropriate patterns the number of which is limited; and there is no situation that can be

developed absolutely spontaneously because there are a limited number of schemes according to which all possible situations are developed.

An organisational archetype is a good example of such schemes, which can be based on social and cognitive processes. They are capable of reflecting the fundamental characteristics of organisational processes in a concise way. They reflect the essence of organisational processes and help to understand their nature. Archetypes based on the sociocognitive basis can be considered as one of tools to understand the essences of an organisation and its environment. Every organisational archetype denotes certain internal and external typical organisational circumstances. An organisation (its members), which concentrate their attention on an organisational archetype address the organisational essence that is described by this archetype.

Archetypal Stability versus Archetypal Change.

After having solved first two dilemmas by considering and identifying differences between configurations and archetypes it is important to re-consider and establish their relationships with the concept of transformation and how changes occur in an organisation and what their character is.

While the most successful firms initiate these strategic reorientations prior to competition, mediocre firms initiate these changes only after performance crises, and failing firms are caught by inertia and never initiate reorientations (Tushman et al, 1986) [29]. The challenge for managers is to adapt the culture, the perception of reality and strategy of their organisations to its current environment, but to do so in a way that does not undermine its ability to adjust to radical changes in that environment. They must, in other words, create an ambidextrous organisation capable of simultaneously pursuing both incremental and discontinuous innovation (Tushman and O'Reilly, 1996) [30].

The solution for creating this ambidextrous organisational strategy can be found by solving a dilemma concerning the nature and character of archetypal transformations. Considering the concept of organisational archetypes within configurational approach different notions concerning the understanding of relationships between archetypes and transformations (including the nature of organisational strategic changes) exist in the literature.

The first way to consider these relationships is the notion of stability of organisational archetypes. It means that an archetype does not change itself. An archetype takes hold of an organisation and organisation cannot easily change it because an organisation is subject to strong inertial archetypal influences. It is suggested that under an archetypal influence organisations do not have an ability to change themselves according to changes in the business-environment. As a result, the adjustment to the changed circumstances of organisational environment is achieved largely by the death of old organisations and the birth of new ones. In other words, there are a set of existing organisational archetypes which are not interrelated, and if an organisation once adopts a particular specific archetype it cannot adopt any other archetype. Thus, the difference in organisational performance between organisations reflects the difference in organisational archetypes adopted by these organisations as some archetypes are more appropriate for current conditions of the business-environment and others are not favourable.

The second notion of organisational archetypes' change means that the existing archetype takes hold of organisation similar to the previously discussed notion but the archetype can change itself according to changes of the surrounding environment. As a result, an organisation under influences of the archetype can adapt to the changed circumstances of the surrounding environment. However, at the same time the archetype changes some of its characteristics in

order to reflect the changed circumstances but it does not discard old incompatible characteristics in this way creating inertia. Therefore, although the performance of an organisation with its evolved archetype is better in comparison to an organisation with a stable archetype, it is worse than the performance of an organisation with an archetype that is primary for these current conditions.

However, in order to develop a truly ambidextrous flexible strategy required by the modern conditions of constantly changeable conditions of the business-environment both previously described notions are inadequate. Consequently, the third viewpoint of the relationships between archetypes and transformations can be suggested. There is a set of organisational archetypes available for organisations. An archetype takes hold of an organisation and an organisation cannot easily change it because an organisation is subject to strong inertial archetypal influences crystallised in organisational social and cognitive processes. Therefore, in order to adapt to the changing circumstances of the business-environment the organisation needs to adapt another archetype that is more suitable for the changing circumstances and characterised by appropriate levels of organisational performance and competitiveness. This reflects an ability of an organisation to switch from one archetype to another.

This third notion called “switching” between archetypes reflects the notion of stability as archetypes do not change themselves and also reflects the notion of change as the old archetype gives place to a new one and in this way an organisation adapts to the changed conditions. Therefore, when an organisational archetype ceases to reflect the organisational environment an organisation discards it and adopts a new one that is more appropriate. This process describes revolutionary changes or quantum leaps.

At the same time, the switching of archetypes forces rearrangement of organisational attributes, processes and structures (research dimensions and variables) according to interpretative schemes (influences) of a new archetype that is taking hold of an organisation. However, all organisational processes can not be changed so quickly because inertia cannot be discarded. As a result, this revolutionary “quantum” switching starts a process of incremental adjustment within configuration in order to reconfigure or adapt organisational processes, structure and attributes evolutionarily to a new archetype revolutionarily changed and environmental conditions.

After an archetype takes hold of an organisation completely, an organisation is stabilised and its level of performance is improved as the archetype reflects the current conditions. However, the business-environment is constantly changing and after a while the archetype stops corresponding with environmental conditions, but an organisation does not usually change an archetype till the moment when internal pressures for its switching becomes to strong and the process of revolutionary and evolutionary changes starts again.

The understanding of the nature of archetypal changes and subsequent re-configurations of attributes, variables or research dimensions reflecting changes in business conditions and resulting in different level of organisational performance’s effectiveness has constructing the theoretical basis for solving another configurational dilemma. This dilemma is a well-known debate concerning the nature of organisational changes (incremental changes supported by Quinn and “quantum leaps” advocated by Miller).

Continuity versus Discontinuity.

The dilemma of continuity and discontinuity means that within configurational approach to strategy development organisational conditions and factors of influence can change continuously or discontinuously. The research of continuity (Quinn, 1978, 1980a, 1980b, 1982) [31] [32] [33]

[34] is the piecemeal-incremental (evolutionary) way and the research of discontinuity (Miller, 1982; Miller and Friesen, 1980, 1982, 1984) [35] [36] [37] [38] is the “quantum leap” (revolutionary) way.

The results of the evolutionary way (continuity) are characterised by generality and universality, and the results of the revolutionary way (discontinuity) are characterised by an imprint of the original organisational individuality.

There is an opportunity to describe organisational phenomena for all moments of the past and future periods if continuity is used. Thus, the evolutionary way to configurational research gives us an opportunity to find the main features in organisational phenomena in order to:

Firstly, understand and estimate development of an organisation in its elementary manifestations.

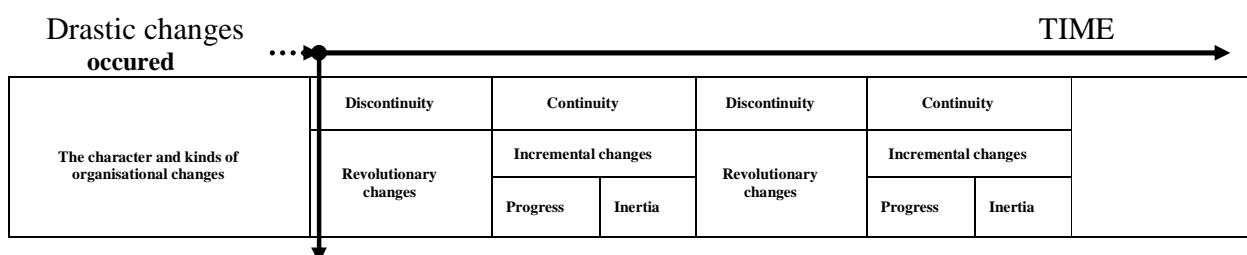
Secondly, consider an elementary development of an organisation as a holistic stance.

Thirdly, describe relevant organisational phenomena and processes for all the past and future periods of their development precisely and definitely.

The idea that organisational progress is made by slow and continuous development of all elements of an organisational system becomes stronger. Thus, frequently the evolutionary theories of strategy development dominate the revolutionary theories. Many researchers come to the conclusion that the development of an organisation is realised not by ‘jumps’, but consecutive and constant improvements of all organisational elements.

However, under influences of the evolutionary consideration of organisational phenomena the idea that during the development of an organisation only causality matters and expediency does not play any role can dominate. This consideration leads to determinism, and a danger can be seen in such a consideration. Thus, the evolutionary explanation of organisational phenomena and their changes only with the help of continuity is not sufficient.

Discontinuity is always identified where it is possible to identify an independent individuality and issues of expediency. The revolutionary way specifies that expediency also plays a role in the development of an organisation. Each of the mentioned ways to configurational research explains appropriate aspects in organisational changes. These two ways can form together two parts of the development of an organisation. Accordingly, the dispute between “incrementalists” and “revolutionists” has no theoretical and empirical underpinnings as they consider the same process of changes but from different levels of perception and cannot be investigated separately. “Incrementalists” observe organisational changes at the “microscopic” level and these evolutionary changes are not always obvious at once. As a result, they can occur without any notice and be missed. Otherwise, “revolutionists” observe organisational changes at “macroscopic” level. These changes are often unexpected, drastic and potent, and their consequences cannot be identified clearly. The process interrelating indisputably both these levels of observing organisational changes within configurational approach can be explained using the solutions of the previous dilemmas with the help of introducing the cycle of configurational repeatability (Figure 2).



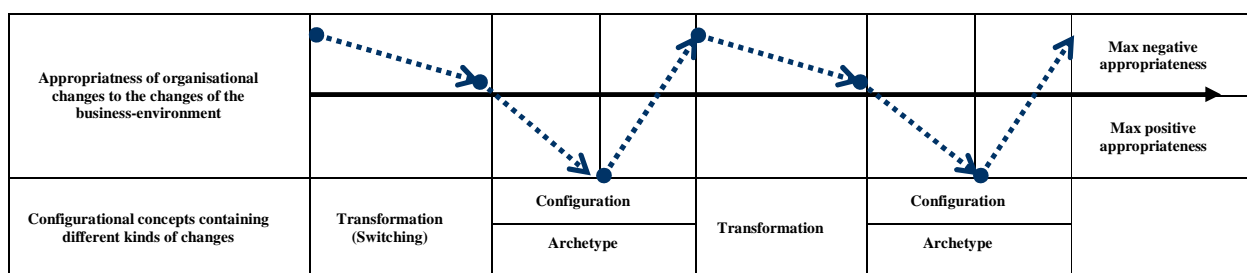


Figure 2 The Scheme of Configurational Changes' Cyclicity

The following concise explanation to this scheme and configurational changes' cyclicity describing relationships between configurational concepts and the character of organisational changes can be suggested. Let's assume that the organisational business-environment are underwent some drastic changes. These changes resulted in the decrease of an effectiveness of organisational performance. This decrease can be explained with an inappropriateness of an organisational current archetype to the changed conditions of the business-environment. As a result, there is a necessity to switch from this existing archetype to a new archetype that corresponds and are more adequate to the changed business-conditions. This switch is realised through revolutionary changes or the concept of discontinuity. After that incremental changes are adjusting the organisational appropriateness to the business-environment through the re-configuration of organisational variables, attributes, processes according to archetypal interpretative schemes – a progressive part of organisational incremental changes. This progressive changes results in achieving the maximal correspondence with the business-environment and increasing an organisational effectiveness. Later, inertial elements incorporated in organisational social and cognitive processes begin to hinder further progressive development. This is an inertial part of organisational incremental changes. It is caused by good performance, self-complacency, market munificence, etc. The inertia of incremental changes slows down the perception of business-conditions and consequently their understanding and reaction. It leads to an increase of an inappropriateness between organisational processes and the business-environment. Reaching a maximal level of inappropriateness an organisation again requires revolutionary changes or discontinuity in order to interrupt the inertia and switch to a more appropriate archetype. The sequence repeats and forms the circle of configurational changes. It is necessary to understand an importance of the configurational approach as an integration of the evolutionary and revolutionary viewpoints that expand our understanding of the essence of strategy development. Considering the differences in perceiving organisational changes in this way it is possible to solve the dilemma of continuity and discontinuity within configurational approach.

The Segmental Model of Configurational Approach: Toward Unified Integrative Strategic Framework

After having taken out the log from the own eye by clarifying configurational dilemmas we can move further and see a dust in somebody's eye by developing a unified basis-grammar for integrating different strategic perspectives. As a field, the strategy theory has strength through its diversity of empirical findings, theories and methods. Therefore, it is important not to lose these individual strengths. On the contrary, an integrative model should be synergistic: a variety of

different strategic approaches and perspectives acting together create the strategy the efficiency of which is greater than the efficiency of the strategy created only by using one specialised approach.

Therefore, a new integrative attempt with the help of the integration process is suggested in order to combine and identify relationships not only between different strategic approaches but also between configurational concepts into really one theoretical structure – a segment. The goal of the segmental model is to categorize within configurational approach, to go beyond all the hype of different perspectives and to outline formal definitions of the main configurational concepts, general principles and practices associated with integration. In this new segmental model, integration is expected to be the process of integrating multiple strategic ideas and solutions that were independently developed. Or simply, the integration purpose is to make multiply independently developed strategic approaches “work as a team” in order to create a flexible organisational strategy that reflects the complexity and multi-dimensionality of the business-environment and deals with the inertial nature of the organisational internal environment.

Modern Demands to Strategy: the Constructivist Sociocognitive Basis of Segmentation

The modern business-environment in which organisations compete is dynamic and rapidly changing. It requires constantly changing strategies and operations. Despite this, few organisations appear to have the internal processes in order to ensure that their development continue to reflect changes of the business-environment (Kennerley et al, 2003) [39]. Quinn (1992) [40] argued that effective corporate strategies increasingly depend more on the development and deployment of intellectual resources than on the management of physical assets. Kaplan and Norton (1996) [41] added that financial indicators of business success are no longer sufficient. Companies in the modern information society have to invest in their intellectual capital and have to assess new indicators beyond conventional financial results in order to succeed.

As a result, organisations are conceived as active learning institutions that can develop according to goals and intentions of their founders and members and that also learn to move beyond these original goals (Banerjee, 2001) [42]. The sociocognitive perception of strategy development allows to consider organisational development not only as an adaptation to various factors, but also as development through insight, understanding, interpretation and general patterns of organisational members (Lipshitz et al, 2002) [43]. The sociocognitive basis grounded in the constructivist theory describes strategy development as a dynamic active problem-solving process in which existing organisational conditions are modified or re-constructed reflecting changes in sociocognitive processes at all levels.

There are different interpretations of constructivism. However, their common denominator seems to be a belief that strategy development is influenced by organisational members’ cognitive preferences, values and stereotypes of behaviour. Configurational modelling – segmentation – that proceeds from this constructivist perspective should consider the centrality of the following tenets (Weinstein and Rogers, 1985) [44]:

Firstly, strategy development is a sociocognitive, active process. This process is not the passive acceptance of the organisational reality by organisational members, but organisational members construct the organisational reality.

Secondly, strategy development is an interaction of past experience, personal intentions of organisational members and new experience

Thirdly, strategy development includes constructing the system of meanings that helps to classify organisational phenomena.

Fourthly, strategy development is contextual. It is impossible to isolate an organisation from its business-environment.

Fifthly, organisational members' motivation is a key component in organisational development and the strategy process.

Sixthly, the crucial aspect is to provide the understanding of the organisational members' cognitive preferences and perceptions of the organisational reality.

As a result, the sociocognitive context (basis) is recognised as a crucial element in the strategy making process. These constructivist tenets appeal to modern views of strategy development reflecting sociocognitive processes as an indicator of organisational success (Whetten and Godfrey, 1998) [45].

The introduction of the sociocognitive basis of segmentation is the first step in effectively integrating and applying different strategic paradigms and approaches as it can be considered as an orchestrating theme (Miller, 1999) that aligns and explains changes in the strategy. The sociocognitive basis is a powerful tool in establishing control and monitoring strategy development through sociocognitive preferences at the individual, group and organisational levels. However, the sociocognitive basis is merely a beginning point in a quest for a better understanding of strategies as complex segments comprised of a unique and dynamic collection of experiences, learning environments and attitudes influencing the organisational present and future perspective.

Multi-dimensional Nature of Strategy Segmentation.

Therefore, it is expected that strategy, its simplicity, complexity, inertia or flexibility are influenced by some essential factors which should be analysed, investigated and taken into account during the process of strategy development in order to manage and direct an organisation successfully in terms of configurational segmentation. As a whole, four interrelated conceptual research dimensions with which strategy development deals. Each conceptual research dimension examines different sides of the strategy development process.

First, strategy is a function of searching for incentives in organisational culture and behavioural patterns within the organisational collective that induce managers to look for and embrace additional ways of development (Miller, 1996) by analysing interrelationships between organisational members within the organisational collective (social research dimension) with the purpose of identifying the dominating stereotypes of behaviour (social research variable) in an organisation. A stereotype of behaviour is understood as a set of standards of behaviour that is naturally developed during the process of adaptation to the organisational environment. Actually, the stereotype of behaviour is perceived by organisational members as the unique standard of social relationships and behaviour in the organisational collective. It is the basis of the organisational culture including different norms and values, forms of relations and actions. This research dimension is presented with ideas and findings of cultural and power approaches in the strategy theory.

Second, strategy is a function of organisational members' knowledge and mental preferences about the different ways of organisational development. This function is realised by analysing cognitive processes and schemes of organisational members (cognitive research dimension) presenting the level of organisational and individual internal flexibility (cognitive research variable) with the balance shifted towards centring stability. The aim is to establish their influences on the strategic decision making process and consequently on success or failure of the

development of an organisation. This research dimension is advocated by premises of learning, cognitive and entrepreneurial approaches to strategy development.

Third, efficient performance (organisational performance research dimension) can decrease the incentive to search by pushing up organisational members' confidence in their favourite activities and thus narrowing their range of active problems. It leads to simplicity and can be followed by inertia of organisational changes which result in the decreasing of organisational competitiveness (organisational performance variable). At the same time, bad organisational performance can force an organisation to replace existing structures, policies, processes and fight organisational inertia in order to push the level of organisational competitiveness up. Planning and Positioning approaches claimed their authority over this dimension.

Fourth, external sources (contextual research dimension) include macro conditions, market conditions and industry conditions, which are investigated by identifying different stages of industry development (contextual research variable). High levels of competition in the industry, for example, combat simplicity and inertia by increasing organisational members' knowledge about a wide range of development's options. By contrast, the business-environment's growth or munificence may lull managers into complacency and discourage a search for improvements within an organisation. Finally, any environmental uncertainty may stimulate a search and combat simplicity and inertia by improving the organisational internal creative environment. Environmental (or population ecology) approach together with designing approach are interested in this strategic perspective.

As a result, in order to propose and develop organisational strategy with the contents relevant for current organisational conditions and develop an organisation successfully it is important to consider all these factors (research dimensions and variables), which incorporate organisational inertia and simplicity, in a complex interrelated and systematic way and not separate internal factors from external ones. Such multi-factorial (multi-dimensional) configurational segmentation of the process of strategy development should allow the issues of organisational flexibility and overcoming organisational inertia to be kept in mind.

The Four-dimensional Segmental Model of Configurational Approach.

This section proposes a segmental framework of configurational approach for ordering its concepts. This order is important as a basis for integrating ideas of other strategic approaches. The analysis of the existing models of configurational research shows there are certain distinctions among these models in the form of knowledge presentation. These distinctions can be foreseeable enough if based on many-facets evaluations that are presented as a "morphological" conceptual complex. This presentation includes a special set of characteristic "morphological dimensions" and their manifestations. Typical morphological dimensions can be illustrated with the help of the segmental knowledge model submitted by Krushanov (1997) [46]. He considers two important assumptions:

Firstly, knowledge around us has a segment structure in its essence. In other words, knowledge is a set of ontological segments with different scales.

Secondly, the knowledge of any scientific discipline or approach being a part of knowledge around us (the segmented world) is formed also according to the segmental scheme (Figure 2)

The auxiliary model helps present the specificity of a "morphological" conceptual complex more evidently. The construction on Figure 2 is a segment. Krushanov distinguishes the following components in the structure of a segment:

" The Basis of a segment " – a unit A

"Additions" of the basis - separate lines AB, AC, AD, AE and others, each of which connects the basis A with internal and boundary points of an oval

"The Collection of additions" – a set of additions as a whole

"Realisations" of the basis - separate points of an oval (B, C, D, E and any other internal points)

"The Field of realisations" or "domain" - an oval as a set of realisations.

"The Evolution of knowledge" – an oval around the segment.

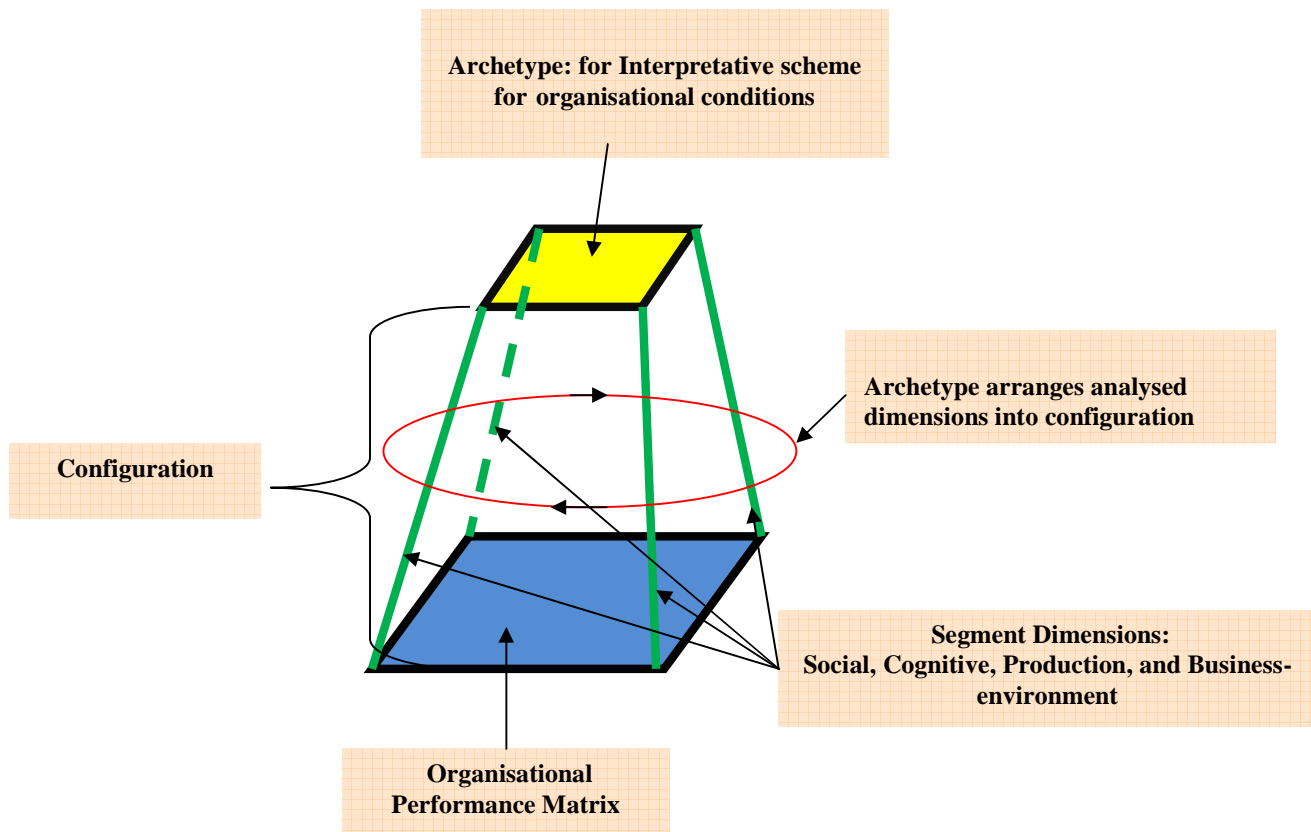


Figure 2 Segmental System Model

The peculiarity of the basis A is that it acts as the most significant, powerful and primary component of a segment. It is a determining factor for the segment and a basis according to which all the other parts of a segment is being built. Here we can see a similarity to the concept of archetypes that was defined clarified previously by solving configurational dilemmas. The additions of the basis of a segment act as secondary extensions to the basis, which allow to receive new combined objects that are named as a collection of additions (similar to a configuration integrating various research dimensions - additions).

The use of the segment model of scientific knowledge for describing configurational research allows to establish and express in a systematic way a unity of configurational concepts, which are usually fixed in rather a vague image. This is the first attempt to consider configurations, archetypes, transformations, organisational performance and research dimensions representing different strategic approaches as a truly unified complex structure by introducing into configurational approach the concept of segment.

The following conformities between segment model and concepts of the configurational approach can be established (Figure 2):

The basis with interdisciplinary meaning as the content of concept, an archetype, an essence, laws, a function, a dividing concept correlates with an archetype in configurational approach.

Addition as a distinctive attribute, a condition, a restriction correlates with research dimensions representing different strategic approaches and perspectives.

Collection of Additions as a concept, a class, a set, a taxon, a type, an object correlates with a configuration integrating research dimensions in a meaningful way.

Realisations as an event, a phenomenon, a manifestation, a condition, a consequence, an element, the fact, a value, a point correlates cells of the Organisational Performance Matrix.

Domain as a volume, a subject domain, a set of elements, an area of conditions, a set of consequences, a set of essence's manifestations, an area of values, an empirical basis of the theory, a set of events, an area of the phenomena, the phase portrait correlates with organisational performance.

Knowledge Evolution as a development, a change, a genesis, a movement, progress correlates with the cycle of configurational repeatability or transformation.

The developed specifications and additional differentiations based on the segmental presentation of scientific knowledge define the elements of a new configurational concept “a segment” which explains, orders and clarifies familiar traditional concepts of configurational approach: a configuration and transformation, an archetype, the interpretative schemes, and organisational performance. The use of a segment allows to form a multi-tier interrelated presentation of strategic approaches and ideas in which every tier of a segment represents different configurational concepts with appropriate functions in the strategy process. In other words, there is a hope now that the mess of integration, a vagueness of configurational definitions, and an absence of a unified “strategic grammar” are left behind in the past. Moreover, by identifying segments as universal theoretical structures with common configurations and transformations of strategy and their internal complementarities it is possible to go beyond the approach of “one variable at a time”. One can begin to integrate different strategic approaches as research dimensions within a configurational segment.

The segment systematic model is an effective and convenient tool to allow framing important traditional terms of configurational research of strategy development consistently and methodically in order not to break the principles of conformity. Further, the opportunity is created for a natural definition of conceptual forms of configurational approach, which are distinctly expressed with the help of the segment model.

The essence of configurational approach to strategy development within the segmental model can be described according to the following sequence of events reflecting three-tier structure of a segment.

The First Tier. The differences between the conditions of the business-environment and characteristics of organisational internal environment and processes accumulated till a critical level within the cycle of configurational repeatability (Figure 1) force a configurational segment as a whole to start the process of transformation (revolutionary changes) to switch from the existing archetype to a new archetype more appropriate for the current business-conditions. The peculiarity of an archetype is that it acts as the most significant, powerful and primary component in interrelationships between all configurational concepts. It is a determining factor and basis according to which all the other concepts (configurations and organisational performance) are being built.

The Second Tier. Therefore, the switching of archetypes triggered then the process of incremental changes (adaptation) that re-configure a set of research variables and dimensions representing different strategic approaches and ideas into a new configuration in order to reflect changes in the business-environment and archetypal switching.

The Third Tier. In its turn, this reconfiguration impels a new efficiency of organisational performance and another level of organisational competitiveness in the business-environment. As a result, the segment reflecting the current business-condition is formed. Then the constant environmental changes create new differences and the segmental transformation starts again.

In other words, a configurational segment describes constant changes (revolutionary or incremental) and there is no debate now concerning when and where these changes occur. The changeable nature of a segment creates the flexibility necessary for developing and implementing successful strategy. As a result, Strategy is a set of different segments, which describe different conditions of external and internal environments and use different combinations of various strategic ideas and approach to achieve organisational efficiency at every period of organisational development.

Methodological and Research Aspects of the Segmental Model.

The various classifications of research methods referred to in the configurational research literature do not necessarily categorise research methods in a systematic way using mutually exclusive categories and hierarchies and are not necessarily complete. It is apparent that there is no unique classification scheme and various approaches to such a classification are possible. A readily available classification of research methods, as necessary for developing the four-dimensional segmental model, may not exist and may need to be derived. Research methods' selection is based on theoretical or simply practical considerations. However, some general methodological and research aspects should be observed in every configurational research.

At least four research dimensions and ideas should be investigated in configurational research according to the present demands to strategy development:

Firstly, organisational adaptations to the environment through creative people generating ideas and making decisions (social dimension).

Secondly, the process of formation of organisational knowledge, abilities and skills (cognitive dimension), which are required by changes in the environment (contextual dimension).

Thirdly, the understanding of the effectiveness of organisational performance (performance dimension) in relation to the above mentioned three dimensions.

The choice of variables for every research dimension can vary as they are related to interests of researchers and strategists. As an example, some variables can be suggested: for cognitive dimension - psychological personality traits of organisational members or their creativity; for social dimension - stereotype of behaviour in the organisational collective; for contextual dimension - stage of industry development; for performance dimension – the level of organisational competitiveness. These variables should represent the area of the realisation of organisational strategic decisions.

The process of segmentation is conducted according to three stages of configurational research:

Modelling the sociocognitive basis to understand the character of changes in sociocognitive processes according to changes in the individual perception of organisational reality and time, changes in characteristics of conflicts within the organisational collective, changes in reactions to crisis and transformational situations. This helps to establish how all these changes influence organisational development strategy formation.

Modelling fit between research dimensions to establish the inter-dimensional relations and investigate empirically these relations. The purpose is to describe the characteristics of contextual, organisational performance, cognitive and social dimensions in the analysed organisations by creating a profile or “snapshot” of these characteristics in order to find patterns and connections between them.

Modelling Segmental Equifinality (Archtypes and Configurations) by finding a pattern of interrelations between research dimensions among the analysed organisations. Configuration theorists adopt a system assumption of equifinality (Doty, Glick and Huber, 1993). They examine how a pattern of several dependent variables relates to each other. This assumption allows to create a feasible set of equally effective, internally consistent patterns of context and structures. Developments within these stages are presented in a form of classifications reflecting three levels of analysis:

The individual level: the suggestion that different types of organisational members reflect different sociocognitive characteristics (interpretations of personal qualities, interpersonal relations and their influences on organisational processes)

The group level: the suggestion that different groups of organisational members reflect differences in the characteristics of types of members and their ways to support their distinctiveness through inter-group comparisons

The organisational level: the identification of interdependencies between the research dimensions, the construction of configurations and the uncovering of archetypes based on the interdependencies identified

Accordingly, the realisation of all these steps will allow formulating the four-dimensional segmental model that provides integration of the research dimensions, their interrelationships between one another, configurations, archetypes and transformations into one coherent structure – a configurational segment. Such integration gives a better understanding of the multidimensional essence and complexity of the process of strategy development and to create a truly multi-factorial flexible strategy.

3 Conclusions

The development of the segmental model within configurational approach to strategy development can yield exciting new interrelations of configurational concepts and different strategic conceptual research dimensions. These new interrelations within the segmentation process facilitate a search for answers on critical strategic issues that cannot be dealt with adequately by other strategic approaches. Configurational research investigates whatever is important about how organisations transform toward particular patterns of organising and toward different levels of organisational performance over time by focusing multiple components and tiers of the segmental model simultaneously on organisational phenomena. This paper illustrates some ways according to which configurational researchers can pursue important research issues that arise across and outside the bounds of configurational approach of strategy development.

We need to accept that in the constantly changing and developing modern business-environment there will be no universal unified strategic framework that has all answers. It is just surrealism. The segmental model even does not try to claim this. However, what it claims is that some integrative frameworks will be more comprehensive, better and flexible than other specialised frameworks. A strategist with a multiple strategic perspective has more explanatory ability than one with a limited arsenal of strategic tools as the segmental model allows to generate complex theoretical explanations, to explore various interrelations among different conceptual research

dimensions and to identify possible deterministic connections between various strategic phenomena.

Fortunately, the strategy theory has brought together such a diversity of perspectives that strategists can use in their quest for successful strategy. However, this diversity is an additional responsibility as strategists need to be familiar not only with their areas of research but also with areas of related research. As a result, the segmental model seeks to maintain balance between specialization and integration as specialisation does harm to the strategy theory if it is unaware of other strategic perspectives.

The segmentation process with its own unified model is directed at the development of the coherent integrative framework that uses multiple conceptual and methodological apparatus to explain multiple effects and specify conditions under which strategic changes occur.

There is hope that the Segmental Model will succeed in cleaning up the mess of configurational approach to strategy development created by attempts to integrate a variety of theories and overspecialised approaches without any systematic framework. And Configurational Approach to strategy developed will realise its integrative destiny programmed by its founders such as Khandvalla, Miller, and Mintzberg.

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