Managerial Seniority and Strategic Development

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ABSTRACT:

This research is about the influence of the management seniority on the strategic development of an organization. The research question which is going to be answered is '*How is the strategic development of an organization influenced by the seniority of its management?*' The hypothesis is that managers with more seniority are not eager to change the organization. A popular topic within the strategy-as-practice research is the influence of the organizational culture on strategic development. There has already quite some research been conducted on this topic. However, this research focusses on a possible influencer of the organizational culture, the seniority of the management. This is regarded as a combination of several factors, such as between the number of years which a manager is employed. A management with a higher seniority could influence the organizational culture in such a way that there is no strategic development at all, this results in an inert organization. It could be helpful for organizations to recognize signs which could lead to an inert organization. Such a state is not desirable because it is hard to change the direction of such an organization. In order to get to results, interviews are conducted at several Dutch companies. These companies are founded by Dutch citizens and operate in different markets. The results show that many companies have a management with quite some management seniority. The results direct also to a possible relation between the management seniority and the cultural paradigm within the organization. However, no specific relation between the organizational culture and the strategic workshops is found. Further research is needed to get a better picture of the strategic workshops. The used research model could be used in order to conduct further research, it can be focussed on the validation of the conclusions of this research.

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1. INTRODUCTION

Nowadays, many companies are facing rapidly changing environments. One cause of these changes is globalisation which forces organizations to change their strategy (Kotter & Schlesinger, 2008). Despite the urge to change and adapt, not all companies are able to do so. One important reason is that there is no sense of urgency (Kaplan & Orlikowski, 2012; Staudenmayer, Tyre, & Perlow, 2002). The missing sense of urgency is comparable to lower willingness of the management to change the organization. This could be caused by the believes and values of the executive management, the so called 'cultural paradigm' (Johnson, 1992). This paradigm influences the execution of the strategic development process, and the different practices which are conducted in this process. These practices are labelled as strategic episodes, Hendry and Seidl (2003) define these episodes by an elaboration on Luhmann (1995)'s definition of social episodes. In strategy research, these strategic episodes can be ended due to the achievement of the end goal (which is the desired strategic change) or due to time limitations.

This cultural paradigm of the executive management could be influenced by the length of their employment within the organization. Johnson (1992) stated that 'Managers have a core set of beliefs and assumptions which are specific and relevant to the organization in which they work and which are learned over time' (page 29). If a manager is employed for a longer time in an organization he is better assimilated in the set of beliefs and assumptions. These beliefs and assumptions influence the practices which the managers conduct when a certain event occurs. Other executions might have an effect on the early recognition of the need for change. Mezias, Grinyer, and Guth (2001) related this slow recognition to the execution of crisis management in the organization. An example of this crisis management is the replacement of the top management. Such an unrecognized need for change, which could be caused by managers who are not willing to recognize the need, might lead to an inert organization. This is defined by Huff, Huff, and Thomas (1992) as '*the level of commitment to current strategy ... Inertia describes the tendency to remain with the status quo and the resistance to strategic renewal outside the frame of current strategy*' (page 56).

The goal of this paper is to determine the influence of seniority of the management on the strategic development of the organization. We address the following research question: '*How is the strategic development of an organization influenced by the seniority of its management?*' The hypothesis is that managers, which are employed for a larger number of years, are not very willing to change the company's current strategy. This hypothesis is based on the results of similar research which is already conducted by Grinyer and Spender (1979). A difference between that research and this one is that Grinyer and Spender focussed on one specific company, the Newton Chambers group, whereas this research regards multiple companies.

Research Goal

The main goal of this research is to discover whether there is a relation between the seniority of the management and a lower level of strategic development in the organization. The latter could be measured by analysing the strategic episodes of an organization.

Relevance

This topic could be in practice quite relevant for companies. It might be the case that the results point out that managers, when they are employed at a company for a longer time, are more likely to have a negative influence on the strategic episodes. This enable companies to take measures in order to prevent the

organization of the possible effects. This might help to avoid the conduction of crisis management. Mezias et al. (2001) Conducted research on this topic and concluded that this type of management is the best solution in order to trigger inert organizations.

As mentioned before, there is already research conducted on this topic by Grinyer and Spender (1979). Their main focus was on one specific company. In order to improve the generalization of this theory multiple case studies are needed. Besides that has the environment significantly change over the last 20 years, this could have some influence on the seniority of the managers.

The thesis consist of a theoretical framework, in which current theories are discussed and compared. These theories are combined and elaborated further on in the research method. In the next section the results are presented and analysed. This analysis is discussed and conclusions are drawn, finally are limitations and suggestions for further research discussed.

2. THEORETICAL FRAMEWORK

This paper regards strategy as a practice for the organization, this perspective is used by different scholars in order to describe strategic processes within the organization. Whittington (1996) defines this perspective as '*a perspective on the managerial level, concerned with how strategists strategize'*. He also mentions that '*strategy-as-practice regards how managers do strategy*' (p. 732). This is an interesting point of view because the management seniority is expected to influence the behaviour of the managers, and therefore also the way in which they conduct different practices during the development process of a strategy. Other researchers regarded the strategy-as-practice approach as valuable because it enables different scientific disciplines to explain various topics within the strategic management (Vaara & Whittington, 2012). They compared the strategy-as-practice perspective with the conventional strategic management research. Their main point was that the strategy-as-practice perspective is more influenced by philosophers and sociologists, whereas the conventional approach is more individual focussed and does not regard social influences. Because of the influence of a social factor, the management seniority, is the current research guided by a more social angle of view on strategic management. Therefore seems the strategy-as-practice perspective to be the most suitable one.

Whittington (2006) acknowledges that different people within or outside the organization have different influence on the strategy practices. There seems to be more influence on the outcome from the main-practitioners compared to middle managers. Another point which is addressed by Whittington (2006) is that more effective practices could lead to a better organizational development because 'More effective strategy practitioners and more appropriate practices can contribute directly to organizational performance' (page 628). A possible influence on the effectiveness of the practice could be the inert perspectives.

Within the strategy-as-practice research the main focus is on the practices which are conducted by the management, these practices could be regarded via a lens which defines the different practices as strategic episodes, many researchers already wrote about this concept. ((Aggerholm, Asmuß, and Thomsen (2012); Clarke, Kwon, and Wodak (2012); Hendry and Seidl (2003); Jarzabkowski and Seidl (2008)) The definition which is used in this research is the one by Hendry and Seidl (2003), (page 184) they define the strategic episode as '*the beginning and ending of strategic conversations or other*

strategizing events (meetings, workshops, reviews, etc.) which can be understood as temporal points at which the context is switched' (page 184). Aggerholm, Asmuß, and Thomsen (2012) state that the talk of the responsible manager is important to communicate a vision or create a common understanding of the organization's identity and goals, this is especially important within the context of strategic change. The executive management can execute the communication of the strategy message, and affect is that they have the opportunity to communicate the message in a certain way, as it suits them, and their paradigm. The way in which a message is communicated is quite important, there are different strategies to communicate the message within a strategic episode. Clarke, Kwon, and Wodak (2012) distinguish in their research five types of strategies and four levels of analysis which affect the way a message can be communicated in a meeting.

The common understanding in research is that maintaining an earlier developed strategy is not good for the company, however Weick (1987) states that it can be good enough for the organization to use this strategy. This is because the environment is in the end stabilized by intense action. An analysis of this stable environment can therefore be conducted on a conventional basis. Besides that argues Weick (1987) that there is not much influence of the culture, this is because it is self-fulfilling. It provides the employees with expectations which are always met because people act according to their culture. Weick (1987) concludes with *'Strategic planning is today's pretext under which people act and generate meanings and so is the idea of organizational culture. Each one is beneficial as long as it encourages action. It is the action that is responsible for meaning, even though planning and symbols mistakenly get the credit'* (page 230-231). This implicates that he assumes that the organizational strategy does not play a big role in the organization, unless it has worked out.

There are a lot of strategic episodes within a company, every meeting in which the context is changed can be labelled as strategic episode, according to the definition of Hendry and Seidl (2003). In order to get a good focus for the research, the main episode would be the strategic meetings or workshops. The underlying processes in these events are already researched by various researchers (Hodgkinson, Whittington, Johnson, and Schwarz (2006); Jarzabkowski and Seidl (2008); Johnson, Prashantham, Floyd, and Bourque (2010)). One of the most interesting points is mentioned by Hodgkinson et al. (2006), they conducted empirical research on the topic of strategy workshops in the development process. A discovery which was not surprising was that the majority of the strategy workshops are led by the top management of the organization. Besides that is shown that there is little use of external facilitators, these outsiders could be able to criticize the assumptions of the top management. This low use of a critical view could, according to Hodgkinson et al. (2006), lead to *'a number of potential dangers in the adoption of such an approach, not least the possibility of blind spots in strategic awareness and other forms of cognitive bias and inertia'* (page 490). This is according to the hypothesis of current research.

Jarzabkowski and Seidl (2008) conducted also research on the topic of strategic meetings. This concept is quite similar to the concept of strategic episodes, they define a strategic meeting as *'focal points for the strategic activities of organisational members, inherently associated with stabilizing strategy into recurrent patterns but also with its evolution during times of crisis or change* (page 2)'. They developed a model which regards the practices within and the effect of the meeting.

Jarzabkowski and Seidl (2008) state that the effect of a meeting is influenced by 'the receptiveness that its outcomes meet with the wider organization'.

The linkage between the cultural paradigm of Johnson (1992) and the strategic workshops becomes clear in the research of Johnson et al. (2010). They argue that the strategic workshops are a sort of rituals with general characteristics which could be filled in on a different way. These characteristics are (1) removal of the everyday life (2) prescribed liturgy and (3) ritual specialists. All these elements have separately an influence on the total ritual, the workshop. In the end the top management is able to influence the workshop by choosing specific literature or effecting the location of the workshop.

In these strategic workshops are most of the time specific groups of the organization, such as a management team or a strategic development team, involved. The people within these groups can have a high level of influence on the change of an organization. Bartunek (1984) conducted research on the change of a religious order, he discovered that the members of this institute are showing the same, low, willingness to change their order. In the end, the order is not changed because of the influence of the members. Their lower willingness to change is, according to Bartunek (1984), caused by the lifetime commitment to the religious order. Although this commitment is not entirely equal to longer employment in a certain organization, these seem to have some similarities among them. The interpretative schemes, as Bartunek (1984) labels them, influence the emotional reactions and the actions of members within the order. These schemes might also be applicable on the members of a strategic development team within an organization.

A similar form of commitment is identified by Huy (2002), he discovered that the successfulness of an organizational change depends on the emotional balance of the middle manager. If he or she is weakly emotional committed to the change project than the change group is likely to become inert. An inert group is not able to complete the change process and therefore does not change at all. This emotional commitment could be applicable on just one employee, however Mintzberg, Raisinghani, and Theoret (1976) state that all employees apply *'similar basic logic or structures which determine what the decision maker does'* (page 247). These structures could be for example routines in the search for a solution, which influence the suggested strategies for a company. This logic and unconscious processes could be influenced by the seniority of the management.

The literature above regards emotions, however another movement in the scientific literature takes a look at the cultural effects (Daft and Weick (1984); Hodgkinson and Wright (2002) They assume that there is a sort of cultural paradigm, which is also described by Johnson (1992). This paradigm effects the way managers approach strategic change. Although the mentioned researchers all agree on the existence of a cultural factor that has an influence on the strategic development, there are still many differences in how they define this cultural effect. Daft and Weick (1984) take a look at the modes of interpretation, they define interpretation as *'the process of translating events and developing shared understanding and conceptual schemes among members of upper management, it gives meaning to data'* (page 286). Other translations of events could cause different interpretations, which result in a variety of understandings and schemes. These translations are, according to Daft and Weick (1984), influenced by *'(1) the believes of the management about the analysability of the external*

environment and (2) the extent to which the organization intrudes to the environment to analyse it'.(page 286).

Hodgkinson and Wright (2002) take a look at the cultural perspective by introducing the concepts of cognitive and strategic inertia. *'Cognitive inertia is the danger that actors may become overly dependent on their mental models of strategic phenomena'* (Hodgkinson & Wright, 2002, page 949). According to them could this inertia causes a failure in the recognition of changes in the environment, which eventually puts the organization in a strategic disadvantage because they are not able adapt to the new environment. *'Strategic inertia is the habitual reliance on a (previously successful) organizational 'recipe' or success'* (Hodgkinson & Wright, 2002, page 951). This phenomenon could cause iterative patterns for managers when they are facing strategic development problems. They might be unable to come up with another strategy because of their habits. A combination of cognitive and strategic inertia could lead to strategic drift this is defined as *'a situation in which the environment changes gradually but the organization's strategy fails to keep in line with it'* (Hodgkinson & Wright, 2002, page 949-950). This concept could eventually lead to ultimate business failure.

According to Huff et al. (1992) is inertia also influenced by the level of organizational stress, they defined this as *'An expression ways in which the current strategy is not satisfactory.* (Huff et al. 1992, page 58)*'* According to these authors there is a constant interaction between the levels of inertia and stress during the change process. They discover that the highest levels of inertia occur in the state in which there is incremental development of the current strategy.

Grinyer and McKiernan (1990) argue that every organization has a certain pattern of operations, beliefs and rules (OBR), this perspective influences the way organizations look at world outside. A danger of this OBR is *'threats which demand a response but would disrupt the current OBR are often ignored'* (page 134). However, Grinyer and McKiernan (1990) state that dissatisfaction about the current OBR can be created by reviewing the current operations critically with a focus on the strategic issues of the company. Strategic renewals which fit within the current OBR are rejected, the only option which is left is the change in OBR. This change can be achieved by the replacement of the current dominant coalition, as Grinyer and McKiernan (1990) define it. They argue that the chief executive as well as the senior functional executives have to be replaced in order to change the OBR. This is in line with the statements of Mezias et al. (2001), they state that an organization is only able to escape from its paradigm by the replacement of the top

management of an organization. This statement is not confirmed by the research by Grinyer and McKiernan (1990), they discovered that organizational change is in 55 per cent of their cases triggered by the change of the CEO. However there is no causal relation between these two events. The other triggers have some significant relations with the change of strategy, however the main conclusion is that only dissatisfaction with the current status quo can trigger the organization to change.

A concept which is quite similar to the OBR concept of Grinyer and McKiernan (1990) is the concept of the cultural paradigm by Johnson (1992) *'the deeper level of basic assumptions and beliefs that are shared by members of an organization, that operate unconsciously and define in a basic "taken for granted" fashion an organization's view of itself and its environment'.* This paradigm could act like a filter in the development process, as displayed in figure 1. The total cultural paradigm consists, according to Johnson (1992) of; (1) symbols (2) power structures (3) organizational structures (4) control systems (5) rituals and routines (6) stories and myths.
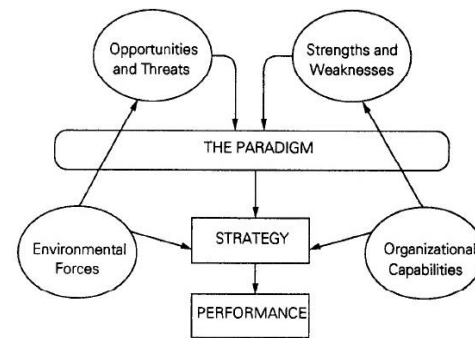

Figure 1: 'Influence of the cultural paradigm on the strategic development' (Johnson, 1992)

To conclude, there is already a lot of research conducted within the field of cultural influence on the strategic process. However, there is not yet a specific linkage between the seniority of the management and the existence of the cultural influence. This point of view is going to be developed further on in this research. In order to conduct interviews the following research model is developed, based on the theories above.
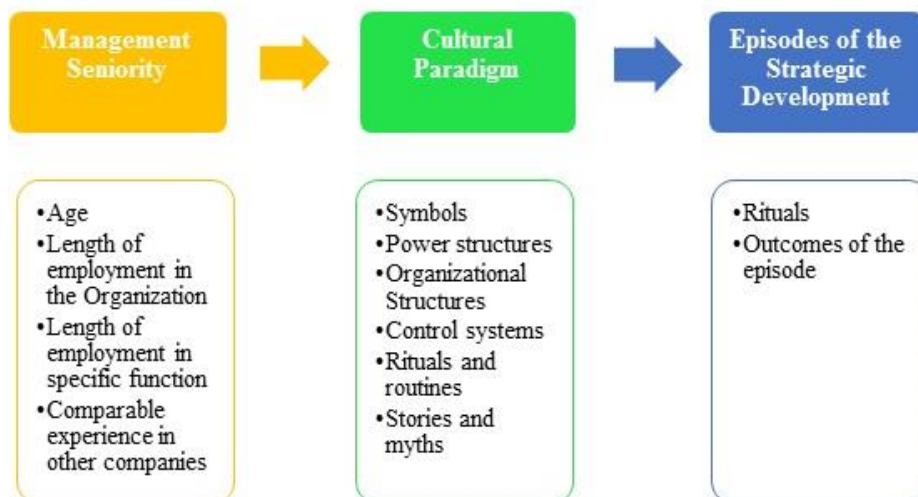

Figure 2: 'Research Model'

3. RESEARCH METHOD

The research is conducted at multiple Dutch companies, they are diverse in their areas of expertise. An interesting coincidence is that all companies are founded by Dutch citizens. However, the fast majority of the companies are currently working on a global scale, this might influence the culture within the company. The companies have selected themselves after they were approached to cooperate in this research. Although, some other interested companies are not selected because of the lack of available time and resources. Not all interviewed persons were executive managers which were employed at the company for a long time, however all interviewees were responsible for the organizational strategy in its widest sense. They differ from strategy consultants to recruiters of executive employees. However they are all involved in the process of the development of the company's strategy.

Compared to the total population, which is all Dutch companies together, do the researched companies not differ a lot. They operate in different markets, namely the energy, staffing, travel, defensive and information technology sector. These diverse types of companies might offer the opportunity to generalize the results over the total population. Looking at the size of the companies however, the majority of the organizations can be labelled as 'large organization'. This type of companies exist of at least 250 employees, according to the OECD measures. (OECD, 2011).

The units of observation are employees of the organization which are analysed. They were diverse, one interviewee was the founder and board-member whereas another interviewee was a HRM advisor. All interviewees were somehow involved in the selection and recruitment of the executives which were responsible for the development of the organizational strategy. This makes them suitable as units of observation, because they were well informed about how the organizational strategy is developed and how the change process is conducted.

Data is collected by conducting qualitative interviews as defined by Yin (2011), he argues that in these types of interviews there more interaction between the interviewer and the interviewee occurs. This interaction could lead to the discovery of information which would not be revealed in a structured interview. According to Yin (2011) the latter type of interviewing less interaction and outcomes which contain provides less information. The interview questions, which are asked, are not always the same, this is a result of the chosen type of interviews. However all used questions were open-ended and aimed to provide an answer which was a part of the used research model.

The qualitative data is analysed using the five-phased cycle (Yin, 2011). This process is aimed at (1) compiling, (2) disassembling, (3) reassembling (and arraying), (4) interpreting and (5) concluding. Data is disassembled by using recurring concepts, categories and dimensions, as defined by Corbin and Strauss (2008). The data is summarized and recurring themes are labelled as concepts. The different meanings of these themes are labelled as the dimensions of the concepts. Different concepts together form a category, which is a variable of the research model. On these three notions is also further elaborated in table 2, which is part of the results analysis section. It is inserted after the fourth section.

The different companies are compared on the base of their differences in the categories. These categories are scored on a scale which ranges from low till high. A 'low' score on the management seniority category implies that the management is quite fresh, for example because they are not employed for a long time within the organization. A 'high' score at the cultural paradigm implicates that there is a strong culture which is not easy to change, for example because of high management power. A 'low' score in the strategic workshops category implies that the management has not many influence on the strategic workshops, for example because there are a lot of external advisors used in order to guide these workshops.

The further comparison of the different companies uses a cross-case analysis. This approach is chosen in order to enhance the generalizability, different companies are compared on the same aspects, typical or diverse cases could be selected easily, according to Huberman and Miles (1994). The different companies (cases) are analysed by a variable-oriented analysis, this type of analysis describes or explains different variables of the research model.

Research Model

The used research model is displayed above, in figure 2, it consists of three main variables. These variables are split up in several indicators, which are labelled as concepts. Table 1 presents an overview of the different indicators and their relation with the variables. All the indicators are based on research which is discussed in the theoretical framework. However, the majority of the indicators of the variables 'cultural paradigm' and 'episodes of the strategic development' are, in the framework not defined explicitly, they are therefore discussed over here. All the indicators of the variable 'cultural paradigm' are derived of the theory of Johnson (1992). 'Symbols' are regarded as visible differences between the executive management and the rest of the organization. 'Power structures' is defined as the amount of power at the executive level, this could be concentrated or dispersed, whereas concentrated is the higher score. To 'Organizational structures' is referred as the different departments or subsidiaries of the company and the way in which results are communicated. 'Control systems' are defined as the amount of control of the executives, do they have much freedom or are they continuously monitored by the supervisory board. 'Rituals and routines' are regarded as habits and structures which occur during the strategic development process. To the indicator 'Stories and myths' is referred as the use of storytelling and the content of this stories with a judgement about external entities.

The indicator 'rituals' within the variable 'episodes of the strategic development' is split up in three parts, as discussed by Johnson et al. (2010). It consist of (1) Context, (2) Leader and (3) Liturgy. 'Context' is regarded as the environment of the strategic workshops. The indicator 'Leader' is defined as the person which guides the workshop, and last but not least. To 'Liturgy' is referred as the literature which is used in the strategic workshops of the interviewed organizations.

Table 1: 'Overview of indicators and relations with the variables'

Variable	Indicator	Relation with Variable
Management seniority		
	Age	Positive
	Number of years in organization	Positive
	Number of years in specific function	Positive
	Comparable experience in other companies	Positive
Cultural Paradigm		
	Symbols	Positive
	Power structures	Positive
	Organizational structures	Positive
	Control systems	Negative
	Rituals and routines	Positive
	Stories and myths	Positive
Episodes of the Strategic Development		
	Rituals	Positive
	Outcomes of the episode	Control

4. RESULTS

As described in the method section are the five companies which are interviewed compared to each other on every category. Every category is a variable of the research model, it consist of different concepts with different dimensions. Table 1 is constructed in order to provide an overview of the differences between the dimensions, it can be found after this section. Every category is elaborated further on in order to compare the different cases with each other and generate, if it is possible, conclusions. Finally the hypothesis is tested in the fifth section. In order to prevent different entities to be mixed up are all executive boards labelled as 'Management Team' and all monitoring entities are labelled as 'Supervisory Board'.

Management Seniority

In a majority of the companies is the average age of a member of the management team around the 50. Also many of these employees are employed for quite a long time within the company. According to the theory this could cause less diverse perspectives within the organization and enlarge the possibility of an inert cultural paradigm. A possible solution might be the one developed by company number four. During the interview it was mentioned that the company trains their managers across the whole organization. They face different situations and use diverse perspectives when they are employed in several divisions of the company.

Other companies such as company number one, two and three have a higher management seniority. This is caused by the internal training and development of employees. Another cause is the low level of outsiders in the management team. A large majority of the employees in this unit are recruited from inside the company. Company number two has the lowest seniority of these three companies, because they have two managers of their holding company which are not employed for a long time.

The company with the most management seniority is company number five, the founders are still in the management team of the company. The other members of this entity are not involved in the establishment of the organization, but they are already employed in the company for eight years. These managers were freelancers before they were recruited by the organization, they already have some experience with managing a company. Although the management team of organization number five is significantly younger compared to the rest of the organization, they have the most management seniority. This is caused by the founders working for over a decade in the management team. Besides that are the current members of the management team not in many other functions employed.

Cultural Paradigm

The different concepts within the category 'cultural paradigm' have quite some differences between them. Three of the five companies are monitored by a Supervisory Board, this decreases the amount of autonomy of the Management Team within the process of development of the strategy. Concentrated power within the company is a concept which could enhance the score for the cultural paradigm. If the power in the organization is very concentrated, at the management level, it might cause the dominant culture to become less movable. This is the result of employees having no power to change the culture.

Company number four is the company with the lowest score, they score 'low-medium'. This might be caused by their size, it is difficult to develop and maintain a strong culture. The reason why they score 'low-medium' is that they have quite some control, via their Supervisory Board. Besides that is the power to develop the strategy decentralised, this lowers the score also. However the organization is quite hierarchical and storytelling is used quite often, in combination with scenario planning.

Company two scores 'medium' because there is some control from the holding company. In addition to this is the matrix organizational structure. This structure results in a certain indirect control for the management. However the score is raised by the fact that the company seems to be influenced

easily by the CEO. The interviewee mentioned that they became significantly more competitive after the new CEO joined the management team. If the culture could be that strong influenced by the management, it could be the case that the management leave its mark on the culture.

Company number one and three both score 'medium-high' on the category 'cultural paradigm', but each score has a different reasoning. The management team of company number one is not controlled many, this could lead to a culture which is solely influenced by the management. They decide what does and what does not fit to the culture they want to create. Besides that have the employees not many power in order to influence the company's policy. To company number three is the same score assigned, however they receive this score for other reasons. Although they have a supervisory board which controls the organization, there are some rituals, like standard strategic days which have a strong influence on the organizational culture. Besides that is the organization still quite hierarchical, as mentioned by the interviewee. Such a hierarchy makes it easy for the management to control the organization and its culture.

Similar to the category 'management seniority' is highest score of the category 'cultural paradigm' is assigned to company number five, they score 'high'. This score is assigned because there is a low level of control of the management team, they can decide autonomously which direction is pursued by the company. The culture is quite strong, as indicated by the interviewee. Employees of the company are quite pragmatic and this is not easy to change. Another important point which is mentioned in the interview is that the management uses storytelling a lot, this provides the management with another opportunity to influence the organizational culture.

Strategic Episodes

All companies score at least a medium score within this category, this is caused by the low use of external literature and the relatively strong guidance by the agendas of the meetings. Company number three scores 'medium' on this category, the interviewee mentioned that they are eager to place the workshops outside the organizational context. This could disrupt the cultural paradigm and lead to a developed strategy which is not entirely according to the vision of the management. To company number two is also a 'medium' score assigned, they use quite some external speakers and advisors within their strategic development process. This use could result in a more objective view on the strategy during the development process. With such a view it is possible to regard the organizational strategy from another angle. It might therefore be possible to identify possibilities which were not discovered before.

The other companies score all 'medium-high' within this category, however these scores are assigned for different reasons. Company number one does not use many external advisors, which are discussed before. Besides that are they are

placing their workshops outside their company, however the context is not changed very much. The interviewee mentioned that the setting is often quite like they are still in the buildings of the company. This could cause the employees and managers to think like they would do in the company. This decreases the effects of placing this workshops out of the company. Company number four scores also 'medium' within these category, this is based on the fact that they facilitate their workshops within their company. Although they have the facilities which enable the employees to discuss without being interrupted, this might affect the employees in their ability to think about the strategy without many borders. A 'medium-high' score is assigned to company number five, because they are not using external literature at all. According to the interviewee are they trusting their own insights and entrepreneurship. These views are quite heavily influenced by the managers' cultural paradigm. However a 'high' score is not assigned to them, because they favouring a strategic workshop out of the context of the company.

Significant similarities and differences

One of the most remarkable differences between the companies in the sample is that the company with the least full-time employees scores the highest in all categories whereas the lowest scores in the majority of the categories is assigned to the company with the most full-time employees. Another difference which stands out from the rest is the idea regarding the location of workshops outside the company. Some companies argue that it is needed to organize these workshops outside the organization, while other companies mention that these workshops can easily be held in the facilities of the organization. Besides that are the reasons for locating the workshops outside the company different for some companies. Some argue that it enables the employees to think more freely, while others state that it is needed to be not interrupted by the day-to-day business.

The majority of the companies in the sample has also quite some things in common, they exist of different subsidiaries which are able to develop their strategy for themselves. However, these strategies have to be in line with the overarching organizational strategy. Besides that is the average age of the strategic development team of bigger companies, the ones with 2000+ full time employees, higher compared to the smaller companies. This age is in most of the companies around 50. Another remarkable similarity is that very little companies make used of external literature. According to Johnson (1992) might this literature have quite some influence on the results of a strategic workshop. Most of the interviewed companies mentioned that literature is important in the strategic workshops. Although they argued that external literature is not important, only internal articles are important enough to be involved in the workshops.

Table 2: 'Overview table with the results of the interviewed companies.'

Company	1	2	3	4	5
Number of employees (FTE's)	2500	61000	75600	94000	110
Established in	1968	1922	1960	1907	2002
Market	Travel	Defensive	Staffing	Energy	Information Technology
Function Interviewee	HRM Advisor	Strategy Consultant	Staff manager Talent Management	Senior Executive Recruitment Manager	Co-Founder and Director
Strategic Development Conducted by	Management Team	Strategic Management Team (CEO, CTO and Strategy Consultant),	Director Innovation and Management team	Senior management level and different divisions	Management Team (shareholders and one other manager)
Management Seniority	**Medium-High**	**Medium-High**	**Medium-High**	**Medium**	**High**
Average Age	Around the 50 (44 till 55)	Around 50	Around 50	Between 48 and mid to end 50.	Around 42 (differs between 32 and 55)
Working years in company	Employed for a long time, many internal promotion	Around 20	For almost their entire career employed in the organization	Working for between 25 and 30 years	Two founders since 2002 and 3 other member since 2008
Working years in specific function	Not many changes in functions, employees could be employed in one specific function for quite a while	Not very long employed in the top management	On average 8 years in their specific function	No guidelines, the employees are trained throughout the whole organization	All working years have been in this function
Experience in other companies	Not very likely, because most of our employees are internal recruited	Majority was trained internally, focus on seniority in the company	One out of 6 employees is from outside the company.	Not many experience in other companies, but much different views from different divisions of our own company	Three non-founders were freelancers before they were recruited. They were recruited because of their skills and knowledge.
Cultural Paradigm	**Medium-High**	**Medium**	**Medium-High**	**Low-Medium**	**High**
Power	Some concentration, the Management Team decides. Every department is represented in the Management Team	Quite concentrated, CEO has power to make the final decision	Different companies in the organization have the power to determine their own strategy, within the guidelines of the group	There is some decentralisation in the company, every division can determine their own strategy.	The power is quite concentrated, the management team is the only responsible entity.
Organizational structure	Every department is represented in the Management Team, much communication via meetings or intranet	Matrix structure, results in more than one responsible manager	One overarching group, with different subsidiaries. Various communication channels	The company is divided in three divisions, which operate independently. Employees are informed via different ways.	Three different subsidiaries, all controlled and direct by the management team. Communication via company meetings or intranet.

Control	There is not much control on the management. The HRM team is in control in the recruitment process.	Control by the overarching holding and the Supervisory Board	The control is executed by the Supervisory Board.	There is a lot of control, especially from our Supervisory Board.	There is not many control, there is no Supervisory Board or works council.
Rituals	No specific structures and rituals, the only rituals are targets.	Once per half year refocus on the strategy for the short or long term	Strategic days and a strategic consultation every two weeks	No rituals, but scenario planning is quite heavily used within the company	There are no rituals, because of the pragmatic view on strategy.
Stories	There is not many storytelling, most stories are based on events which have happened in the world outside.	Many possibilities, employees have to enrol in order to be at the several meetings.	Some storytelling, most of the time focussed on the environment of the organization. Elaborates on possible effects.	Storytelling is, combined with scenario planning, quite heavily used.	Tend to use a lot of storytelling, using an inside-out perspective
Symbols	Very informal and not many visible differences.	No use of symbols within the organization	Amount is symbols is decreasing, evolve to a less hierarchical organization.	There are, logically, differences. But no extra-ordinary	There are not much differences, be as flat as possible.
View on change described as	Customer needs are changing rapidly, we have to answer quickly	Competitive culture, triggers to perform better. Result of the new CEO.	Change is necessary in our organization. Stay flexible in order to keep up with competitors.	Change is a necessity, have to keep up with the environment.	Eager to change, employees are critical
Strategic Workshops	**Medium-High**	**Medium**	**Medium**	**Medium-High**	**Medium-High**
Context	Outside the company, but most of the time in the same context	Multiple workshops which are outside the usual working context	Eager to have the workshops outside the context, think more freely.	There is no need to place the workshops outside the company, all the required facilities are in house.	So now and then outside the company context, offers the opportunity to think freely.
Leader	Not many external advisors, most of the time just the responsible manager.	Use of external speakers and external consultants to guide the meetings	The CEO is in most of the cases the leader, sometimes outsiders	Most of the time the CEO, external advisors are involved when needed	Not one specific leader, and sometimes external facilitators
Liturgy	Management decides about the used literature.	External speakers and recommended literature.	There is not additional literature used, only concrete subjects	The literature which is used are is the scenarios as developed by the scenario planning group	Trust on own insights and entrepreneurship
Freedom	Many freedom, not many guidance of an agenda.	Structured and guided in the meetings	Result focussed, however with some freedom	There is an open discussion, however results have to be accomplished.	Results focussed because of pragmatism.

5. DISCUSSION AND CONCLUSIONS

Key findings

The central research question is: *'How is the strategic development of an organization influenced by the seniority of its management?'* When looking at table 1 it can be argued that the management seniority indeed has an influence on the cultural paradigm of the organization. However, this influence is not as expected beforehand. The companies do not score higher on the category cultural paradigm compared to the category management seniority. There seems to be no specific relation between the categories cultural paradigm and strategic workshops, the scores on these variables are increasing and decreasing. There is a two-way direction, therefore is it hard to generate solid conclusions about a relation between these variables. To conclude, there might be a relation between the management seniority and the cultural paradigm. But the clear relation between the paradigm and the strategic workshops is not visible. There are some indicators of a relation, but these are not very strong.

However, an interesting finding might be the fact that there could be a relation between the company size, in full-time employees, and the management seniority. The smallest company of the sample has the highest score whereas the largest company is assigned the lowest score. This could be a coincidence, but it might be interesting for further research.

Another interesting finding is that the conclusions of Hodgkinson et al. (2006) match to results of the interview. A majority of the strategic workshops is indeed guided by the top management, besides that are there not many external facilitators in these meetings. Hodgkinson et al. (2006) concluded that this might cause blind spots or inertia.

Limitations

This research has some limitations, for example the selection bias. This is defined by Gerring (2012) as *'a not randomized selection, assumptions of causal comparability are less likely to hold and confounders are likely to be present.'* The researched sample is not randomized selected, the companies had the opportunity to select themselves. It results in a sample which is, when regarding company size, not distributed equally.

Another limitation might be the fact that the interviewees gave social desirable answers, this is identified by Babbie (2013). He discovered that interviewees did not always answered according to the truth. They tend to provide answers which were according the accepted norms and beliefs. Although the interviewees were expected to answer the questions according to the truth, it might be the case that the answers are guided by socially accepted beliefs.

The last limitation of this research might be that the interviews are the only sources of information. It might be better to broaden the view of the organizational culture and the strategic workshop by being involved in these episodes. This involvement could enhance the information which is used to draw conclusions on. Current conclusions could be biased because of limitation in the questions. An extended view in the strategic development process might improve the reliability of the conclusions.

Future research

As mentioned in the section above, further research could be more in depth in the organization. A more complete and clearer picture of the strategic development could lead to new insights within the current theoretical framework. Another remarkable notion is the difference between smaller and larger companies. The larger companies tend to have subsidiaries with an own strategy, they have quite some freedom to form this direction. It is hard to measure how the management team influences these subsidiary-specific strategies. Although, the strategic development process in smaller companies is more clear. Future research could focus more on the small and medium sized companies. This group has to develop a strategy without, in most of the cases, having the necessary knowledge in house. In order to enlarge the generalizability of the conclusion it might be good to interview more companies using the same theoretical framework.

6. ACKNOWLEDGEMENTS

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