

# INTERPRETATION OF ‘TIME’ AND ‘FUTURE’ IN STRATEGY RESEARCH<sup>1</sup>

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Time is in constant motion: the present, the future and the past, although they are not concepts having a fixed meaning, they are present in everyday life both at the conscious and the unconscious levels. The author's intention in this paper is to grasp the relationship of companies to time and to the future in the mature and in nascent states of their life cycles. As discussed in this paper, this relationship may appear with little reflection in the form of assumptions in the eyes of strategy researchers and practitioners. At first the interrelatedness of theory and practice is discussed in order to focus on the role of scholars and practitioners in creating theory and putting it to practice or vice versa. This general introduction will lay the ground for the study of interpretations of the future and time from the perspective of strategy research and strategy practice, respectively.

**Key words:** future, practice, research, strategy, theory, time

**JEL-codes:**

## 1. Introduction

Time and future are somewhat neglected factors in the literature on strategy (Das 2004). This statement can be disputed. It is enough just to refer to the problem of short/long-term conversion, or to companies active in an environment subject to turbulent change, which has been widely researched (e.g.: Brown and Eisenhardt 1998). In fact, corporate strategy-making in the broader sense is in itself about shaping the future of the company. Nevertheless, this paper will use the above statement as point of departure, and try to explore the way strategy researchers and strategy-making practitioners treat time and shape the future in their writings and in everyday practice.

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<sup>1</sup> This paper is a part of the author's doctoral dissertation.

The examination of the central dilemma of the paper on ‘time and future assumptions of strategy research’ will start by exploring the relationship between theory and practice by seeking the answer to how the theories of the strategy researchers are converted into practice and what gives rise to such theories in the first place. Firstly, I will provide a brief interpretation of the relationship between theory and practice, which will lay the ground for the study of interpretations of the future in the next sections.

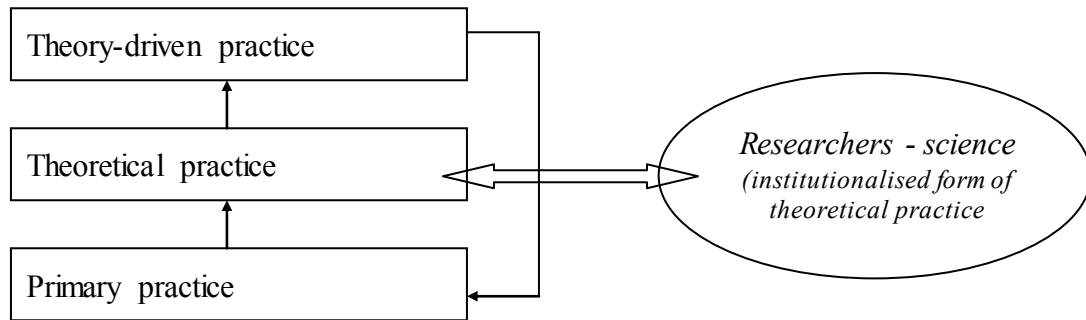
The main goal of this paper is to reflect upon the interrelatedness of theory and practice in strategy research, with a special focus on the assumptions of researchers and practitioners on time and future. The two main concepts of this article, the different ‘time-perspectives in organisations’ and ‘corporate time travelling’, are discussed in order to give a basis for a deeper understanding of conscious and even unconscious dynamics of functioning and strategizing. In this way the concepts of time and future, which strategy scholars and practitioners apply generally without reflection, will come to the surface.

## **2. Relationship between theory and practice**

Which comes first: theory or practice? There are various answers to this question. Scherer (2002) adopts a constructivist (methodological) standpoint based on his analysis of theory and practice, namely that “in the methodological sense, speech and action precede theory” (Scherer 2002: 41). He distinguishes “pre-theoretical” (primary), “theoretical” and “theory-driven practice” (Figure 1).

In pre-theoretical or primary practice, people live their lives without the conscious and deliberate application of any theories. Contrary to primary practice, in theoretical practice the actors realise that their actions are not always effective, and they reflect on the situation either during or before they act, analysing possible courses of actions and their consequences. Whereas in primary practice the actors act within the context of a given situation, in theoretical practice they keep their distance from the problem at hand and are therefore capable of reflecting on it. In Scherer’s interpretation (2002), theoretical practice is not equivalent to science: “science (...) is a special, institutionalised, form of theoretical practice, created to let the researchers contemplate the problems without the burden of action and thus create instructive and learnable and, in this sense, general, knowledge.” (Scherer 2002: 43). The resulting *scientific* knowledge and theory can then be fed back into practice, the original model can be modified, and the role of the researchers can be integrated into the creation of theory-driven practice (Figure 1).

Figure 1. Relationship between theory and practice



Source: author, based on Scherer (2002: 45)

The actors of theory-driven practice on the other hand apply the results and models of theoretical practice by using them in their problem-solving. These may in turn become routines, and later on, modified by own experience, create new primary practices and – through reflection – theoretical practice.

Scherer’s writing investigates, *inter alia*, the question “How is science possible? What makes it feasible?” Figure 1 and the interpretations presented briefly above are important as they help answer the question presented in the introduction, namely how the theory of strategy research turns into practice.

However, it is not the generic answer that is of importance. Every aspect of the relationship between time and future interpretations of strategy research and of strategy practice need to be examined respectively. Following Scherer’s constructivist logic, we may assume the existence of a relationship. It may not be conscious, but nonetheless discernible in primary practice. For such a theory to turn into practice, certain critical incidents are needed that encourage practitioners to treat time and the dimension of the future more consciously. Such incidents may have taken place at the Japanese Toyota company when they introduced the “just-in-time” production and warehousing system; or at Intel applying Moore’s law (1965) and “deciding” to double the capacity of the microchip processors every 18 months. By taking such steps, they preserved the competitive advantage of their own companies while also introducing an “industrial” cycle. In these cases, theoretical practice assumes a company reflecting on its experience. Moreover, other companies will also start using these techniques, applying thereby theory-driven practice to their own operations and making it a part of their everyday activity, i.e. part of primary practice. Analysing the experience, the successes and failures of the entities concerned provides the opportunity to create new theoretical practice,

which may again turn into theory-driven practice. Hence, the process works like a spiral where researchers enter as external actors,<sup>2</sup> creating their models during their research that are then fed back into practice through their own educational and advisory activity.

Other approaches (Chia 2004; Jarzabkowski 2003; Mintzberg 1973) consider theory-making the outcome of scientific research and analysis. They say that the process itself and the various reality explanations are determined by the descriptive or normative intention of the researcher.

Theories provided to practice – also when concealed in models – are the responsibility of the researcher even if (s)he cannot be in full control of the methods elaborated due to the unlimited freedom of the user.<sup>3</sup> As mentioned earlier, such models may infiltrate strategy-making through education or consulting, and the original theoretical background, the strategy school that had promoted the creation of the model is often completely forgotten. Jarzabkowski's (2003) research shows that even when the models prevail, their theoretical bases are relegated to the background. Moreover, the strategists amend the models during practice, shaping them according to the needs in their fields of application, and therefore the relevant tool-kit keeps evolving.

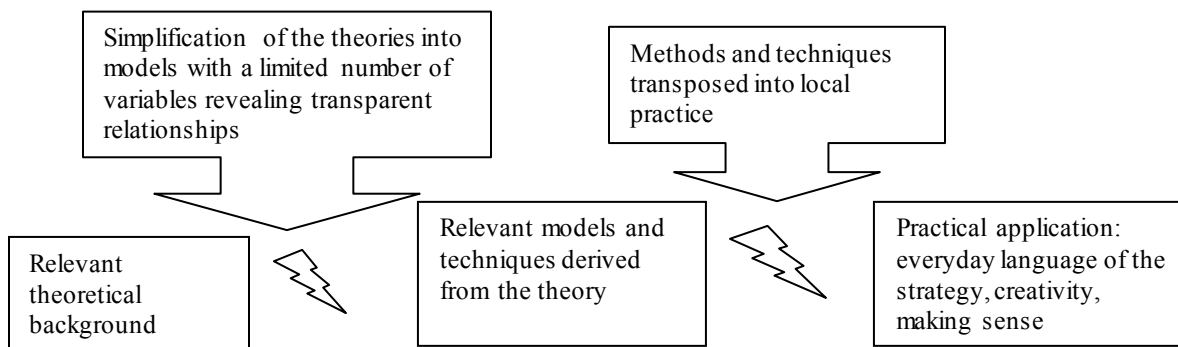
Jarzabkowski (2003) identified two breaks between theory-making and practical application. The first is performed by the author of the theory simplifying it to promote understanding, application and communication, and creating models and frames of reference. The second takes place following the transfer into practice, when the user of the model adapts and uses it according to his objectives and capabilities fitting it into his own frame of reference (Figure 2). This is how a model created for a static environment may become topical and applicable also in a dynamically changing environment.

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<sup>2</sup> Whether the researcher views the corporate processes as an external observer, as a participant observer, as an action researcher, or actually interferes in them deliberately through its own activity is determined by the selected research method, the science-philosophical attitude and the interpretation of the researcher's role.

<sup>3</sup> Many model-designer researchers actually "patent" their products to limit the freedom of the users, and specify the scope of the cases, methods and procedures of its application.

Figure 2. Breakdown of strategy theory in practice



Source: Jarzabkowski (2003)

Figure 2, read from left to right, depicts the modifications through which strategic theory is converted into corporate practice. This approach relies partly on the assumption that a relevant relationship exists between theory-makers and theory users. The opposite direction, read from right to left, corresponds to the attempt to identify correlations and create theories based on user feedback. This model can also be conceived as a spiral – its user giving theory a new interpretation – provided that theory and practice are in permanent interaction, and application and flexible alteration takes place on both sides, both at the conscious and the unconscious level. Often the relevance and the axioms of a well-designed model will not be questioned (or even considered) by neither the theory-maker nor the practical user.

The models presented above offer different explanations for the relationship between theory and practice: whereas the first puts the emphasis on practice-driven (-construed) theory, the second reflects on theory-driven practice. The reason I chose these two approaches of the numerous explanations of the relationship between theory and practice available in the literature is that examining practice (in this case the everyday practice of corporate strategy-making) is the decisive analytical trend followed in the paper.

### 3. Strategy research assumptions on time and the future

Why has the dimension of time and the deliberate treatment of the future been relegated into the background in the relevant research? Das (2004: 59) attributes this deficiency primarily to the unclarified nature of the concept of future:

The role of the dimension of the future seems to be unchanged and unambiguous in the strategy-making processes and, therefore, it seems to be irrelevant for scientific research. The underlying assumption being that strategy-makers perceive the future identically. In other words, future is a constant and unchanging factor of the strategy-making processes.

Mosakowsky and Earley (2000: 808) expose the time-related assumptions of strategy researchers in their writing. They note that “researchers and managers alike must face their own, implicit, time interpretation, to be able to view their expanding world through their different time-eye-glasses.” They discuss the researchers’ assumptions in their theoretical paper along certain dimensions. Their criteria – supplemented by the presentation of the differences between social, biological and ecological time – will serve as a starting point to our further discussions.

### **3.1. The nature of time: real (fundamental category) or epiphenomenal (existing only in relation to events, objects, space and motion)**

Within an organisation time is either the integral part of everyday activity (real), or it provides a framework for corporate activities. The experiential or learning-curve schools (i.e. approaches that analyse the life-cycle of products or industries) emphasise the epiphenomenal nature of time. They link the recurrent activities of the company and the learning process to the products produced in the given period.

Following this logic, the relationship to the *future* may also be interpreted along this dimension: the notion of time (real, reversible, measurable) taken from the social sciences perceives the future as a constant external endowment, whereas the epiphenomenal approach interprets it in relation to events, happenings, and organisational routines.

Such interpretations of time reflect two extreme positions. In the former, the future as a unit of analysis may even be disregarded or treated as a simple variable in the economic processes. In this case, the researcher excludes any alternative interpretation of the future from the start, considering it an external endowment. The other approach may also cause problems if the researcher assumes that the company perceives time through the industrial life-cycles, the organisational routines and therefore creates the illusion that the future can be managed. This suggested dominance over time can narrow the analytical focus and confine the company to its own world.

### **3.2. Experience of time: objective or subjective**

This dimension indicates the notion of the socially embedded nature of time. On the one hand, one may speak of time – and thus the future – as a measurable, homogenous, objective factor that progresses continuously, steadily and evenly, irrespective of any event or object. Even though the reinterpretation of time appears in some longitudinal research designed to explore

the corporate processes, as an oversimplified statement it can be said that longitudinal research (e.g.: Pettigrew 1989; 1990) applies this approach.<sup>4</sup> However, researchers need to reflect on the notion of time not only when they determine the beginning and the end of the envisaged period of research and the developmental period to be observed (Pettigrew 1990); but also when considering how the shadows of the past and the shaping of a potential future affect the processes of the present. Pettigrew (1989) refers to the 1988 papers of Whipp and Elchardus and applies the dual approach to time, namely that time does not only operate *outside*, independently of the organisation in its neutral, chronological form, but also *inside* as a result of the social constructs existing within the organisation.

Another notion of time relies on the social or subjective approach, providing different interpretations of time depending on the individuals, organisations and societies concerned (Adam et al. 1997).

Table 1. Different perspectives on time in organisations

	Objective	Subjective	Practice-based
View on time	Exists independently of human action	Socially constructed by human action; culturally relative.	Constituted by as well as constituting human action.
Experience of time	Time determines or powerfully constrains people's actions through their use of standardised time-measurement systems such as clocks or calendars	Time is experienced through the interpretative processes of people who create meaningful temporal notions such as events, cycles, routines and rites of passage.	Time is realised through people's recurrent practices that (re)produce temporal structures (e.g. tenure clocks, project schedules) that are both the mediums and outcomes of such practices.
Role of actors in temporal change	Actors cannot change time; they can only adapt their actions to respond differently to its apparent inexorability and unpredictability, e.g. speeding up, slowing down or reprioritising their activities	Actors can change their cultural interpretation of time, and thus their experiences of temporal notions such as events, cycles and routines, e.g. designating a "quiet time", "fast track", "mommy track".	Actors are knowledgeable agents who reflexively monitor their action and, in doing so, may in certain conditions, enact (explicitly or implicitly) new or modified temporal structures in their practices, e.g. adopting a new fiscal year or "casual Fridays".

Source: Orlikowski and Yates (2002: 7)

Orlikowski and Yates (2002) take up this dichotomy, supplementing the objective/subjective approach to time with a practice-oriented one. In their opinion (see Table 1), the practice-based approach to time means that the actors reflexively monitor their previous time experiences and fixed routines and act in their everyday practices accordingly. According to

<sup>4</sup> Pettigrew (1989: 9-12) analyses time as the mother of truth ("truth is the daughter of time"), and in addition to the discussion along the objective and subjective dimensions, he raises the issue of the organisation's own time-constructing and time-interpreting role determining also the actions of the people involved.

this researcher's approach, the temporal aspect constitutes and is constituted by human action, and it helps bridge the apparently contradictory objective and subjective approaches. With regard to the time perspective of the organisations and the companies, the practice-oriented approach emphasises the duality of objectivity and of the liability to subjective influence.

*Future* can also be fitted into this frame of reference. According to the researcher's approach, assuming that future is an external endowment, the participants have no influence over its development. They can only adapt to the changes and therefore it provides an objective interpretation of the future. The subjective concept of the future presumes a more flexible adaptation by the companies. In this case, the researcher analyses the cultural aspects of the interpretation of the future as well, and considers it important to investigate them. This may be conducive to a deeper understanding of the corporate strategy-making processes, and it may also result in activities presuming the deliberate interpretation and shaping of the future. The practice-oriented approach of Orlikowski and Yates (2002) presumes the co-existence of the objective and subjective interpretations of the future, the linkage of the apparently mutually exclusive approaches being induced by practice (see the following section). It suggests that companies "split" their activities, and treat the future as a subjective element in some of them, while treating it as objective in others.

### **3.3. The process of time: linear, novel, cyclically or periodically repetitive**

The central dilemma associated with this factor is the path dependency of the development of firms and the uncertainty regarding the future. Strategy planning and thinking applies the approach emphasising the novel and linear nature of time. Individuals act rather independently of the effects of the past and they assume that every day is something new, the future is uncertain and unpredictable, and therefore it can only be approximated, for example by experimenting or scenario analysis (Das 2004).

The prioritisation of this approach in strategy management literature could be a possible reaction to the previously predominant, traditional research models: the periodic-based and life-cycle theories. These models assumed that past events may occur or recur also in the life of other companies within the industry.

According to the practice-based approach (Orlikowski and Yates 2002), the cyclical or the linear concepts of time are not exclusive, and not clearly distinct in the corporate practice under study. The temporal structure applied by the researcher to draw conclusions depends on the researcher's point of view and the time perspective under study, for example whether (s)he spends sufficient time on site to be able to identify any reiteration or cyclicity. Hence,



the selected time span and thinking/timeframe considerably influences the theories being born.

This researcher assumption focuses on the issue of predictable versus the uncertain *future*. The conceptions based on cyclical or periodic repetitions see the future as a series of predictable, programmable events, for which the company may prepare for already in the present. The approach presuming novelty or even linear succession on the other hand presumes a more uncertain and more unpredictable future implying more risks. According to one assumption, past events provide a point of departure for inferring certain events by mathematical or statistical methods, e.g. extrapolation; whereas according to others, this kind of forecasting is absolutely impossible. The various interpretations of the future differ not only in their results, but also in their present-time messages, and hence researchers discuss the strategy-making activity of the corporate top management based on different assumptions.

#### **3.4. The structure of time: discrete (chronometric); continuous or related to events/periods**

This analytical approach to corporate strategy making emphasises that time is bound to events, locations and situations. Empirical researchers who consider the passing of time measurable by discrete data, by unit elements will, for example, consider the annual number of new entrants to a given industry decisive. Time measured in calendar years (e.g.: number of new businesses entering the electricity industry since 1990; analysis of the advantages of entry to the first market) may also be related to events where the effects can also be measured in years. In my reading, the findings of Anthony Giddens (1993) in his capacity as a sociologist, and not as a strategy researcher, are closely related to this logic. Giddens says that no industrialised societies would exist without chronometric time, without a precise system of clocks and activities. Today, time is measured in a standardised way globally,<sup>5</sup> and that is what guarantees the functioning of the complex international transportation and communications systems on which our lives depend (Giddens 1993: 128-131). A key feature of modern times is that standardised time has been separated from space or to put it differently, the temporal and spatial distribution of the activities is governed by the “colonisation of time”. This somewhat far-fetched example supports the statement that time made discrete (measurable, mathematically and statistically manageable) has become a tool of

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<sup>5</sup> Standardised global time was introduced as late as 1884 at an international conference held in Washington. The Earth was divided into 24 time zones – corresponding to the 24 hours of the day –, and the exact beginning of the universal day was defined (Zerubavelt 1982, quoted in Giddens 1993: 129).

the economic and strategy-making processes. This instrument-based approach often determines the researcher's conception of time as a series of discrete units, as processes or as something bound to events, and this in turn has serious consequences for the analysis of the research results.

The discrete, continuous or event-specific interpretations of time are also closely related to the assumptions concerning the *future*. The possibility of discounting future events in the present – e.g. the use of formulae based on theories where the future appears as a discrete factor or variable –, also presumes a different researcher attitude than the one where the researcher deducts the future interpretation of a business from events, from statements made in future tense and from possible scenarios.

### **3.5. Natural and social time**

Social scientists have for a long time focused exclusively on the social aspect of time, leaving its natural aspects to their peers dealing with the natural sciences (Adam 1994). In the past decade, the two dimensions of natural time, the biological and the ecological, tended to play a growing part in the writings of organisation researchers. Age as a component of biological time is present in various researches. It appears among others in the writings tackling the design of career pathways; the different nocturnal/diurnal bio-rhythm of people working in several shifts; the effects of part-time work; or the age-specific analysis of employee roles, e.g. on the correlation between postponing parenthood and the emerging labour market demand in Hungary (for the latter see Gáspár and Balázs 2010).

Ecological time on the other hand tends to move into the foreground in the context of the analysis of sustainability, environmental protection, the environmental impacts of industrial production and economic expansion and growth, and the presentation of the time-related use of alternatives (O' Hara 1995).

Ecological and social time; sustainability; responsibility towards the future; all find their way to the mainstream of the strategy theories with difficulty. The number of researchers and articles investigating this interpretation of the *future*, corporate social responsibility (CSR) and corporate sustainability (CS), has increased substantially in the past years. For example, the article of McWilliams, Siegel and Wright (2006) discusses the possibility of fitting the CSR guidelines into the corporate strategy-making approach. The expanding CS and sustainability literature takes this idea further, investigating how responsible thinking regarding the future of society, and the natural environment can be integrated into the core

objectives of the companies and the key criteria for profitability (Benn et al. 2014). Nonetheless mainstream strategy research still owes a huge debt to this research dimension.

The time dimensions and future interpretations discussed above are present in strategy research implicitly and sometimes also explicitly. The researchers examining the strategy content, the strategy-making processes or strategy as everyday practice look at time or the future from different perspectives. Looking at the development of strategy management as summarised by Volberda (1992), the assumptions described so far can be assigned to three strategy planning models (see Table 2).

Volberda (1992) aimed to illustrate the various phases of change of organisational flexibility through these development models, but in my interpretation, this characterisation can be associated with the different views on time and future.

- According to the approach of the linear model, long-term planning is feasible, since time is a linear variable of the strategy-making process. In this approach, the function of management is to develop/express various development plans/visions.
- The adaptive model assumes a strategy of adaptation to the environmental changes with interacting and even concurrent time planes. The treatment of the “spontaneously emerging” external and internal options is in the focus, assuming a continuous and – as the case may be – cyclically recurrent or even event-bound time perspective.
- According to the interpretative<sup>6</sup> model, the points of view of the external and internal stakeholders – in this sense, also ecological and social time –, may appear in strategy making, and those who create the organisational frameworks may also ensure the rationale of this multi-dimensional time perspective.

Table 2. Models of the development of strategy management

	Linear model	Adaptive model	Interpretative model
Strategy type	Planning strategies	Preparedness, adaptive strategy	Environment-dependent strategies
Key question	In which direction should the position occupied by the company in the environment be changed?	How to transform the corporate resources to be able to provide efficient answers to unexpected changes?	How to interpret our activity for the participants and the stakeholders?
Process of strategy-making and implementation	Strategy-making is followed by the implementation of the strategy.	Concurrent strategy-making and implementation.	Concurrent strategy-making and implementation.

<sup>6</sup> The labelling applied by Volberda (1992) does not fully conform to the meaning of interpretative as it is used in science philosophy and in the organisational theories; in my opinion, it rather means “environment-dependent”, “interpretative” and a constructivist model taking into consideration also the social, cultural and anthropological factors.

Problem area	Long-term plans made.	Development of organisational capabilities.	Development/sustainment of the process of assignment of common meaning/sense.
Methods	Long-term planning, SWOT analysis.	Organisation planning taking into consideration also technological, structural and cultural variables.	“Management” of organisational culture, with the role of the values, symbols and the language in the focus.
Organisational flexibility	Capability of the management to draw up fast development plans.	Capability of the organisation to manage spontaneously emerging strategies.	Imaginative capacity of the organisation, giving plenty of opportunities for strategic initiatives.

*Source: Based on Volberda (1992: 50).*

So far I have summarised the theoretical research assumptions concerning time and the future. The following section discusses the time/future interpretations discernible in corporate strategy-making practice.

#### **4. Assumptions concerning time and the future in corporate strategy practice**

Although it is clear that out of necessity strategy-making deals with the future, and the dimension of time is intrinsic to strategy, few have analysed the future-creating activity of top managers and strategy-makers (Kaplan – Orlikowski 2005).

In the writings discussing strategic practice, the issue of time mostly appears in connection to the dilemma of the short/long-term perspective; the efficient use of time; the role of velocity – the time needed for the product to enter the market –, or the management of the professional/private time of employees. Research analysing the role of strategy-makers is of high importance, but few have analysed the relationship of decision-makers to time and to the future in this context.

This paper is designed to present the core assumptions on time and on the future used by the strategists and decision-maker groups in practice based on the research results of the quoted researchers.

Let me anticipate some questions, the majority of which can be answered in some way by empirical research as well. What time horizon do the strategy-makers use and does the distinction of short/long-term exist? The literature usually speaks of 1-3-5-year strategic planning cycles, but some companies apply annual rolling strategies. For example, I have learned from the largest Hungarian oil industrial enterprise<sup>7</sup> that they review and redesign their strategy every three years, but express new premises (forecasts) each year in order to

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<sup>7</sup> Personal interview with a manager of the strategy department.

prepare among others for changes in petroleum prices; regulations of carbon dioxide emissions; and possible wars or political changes.

For many companies, the future is a risk factor, a source of uncertainty. The different schools formulate different answers to treat this risk factor from the analysis of the external environment, through the development of their own resources, until being in charge of time, a strategy that creates the illusion of control over time in the strategists.

Brown and Eisenhardt (1998) refer in their research to the different senses of “rhythm” of the companies. Although they do not discuss whether such differences stem from collective, cultural factors inside the company or from external ones, they nevertheless draw the attention to the different time perceptions of the companies.

In the following section I will present the identified time- and future-related assumptions of practitioner strategists in a few special dimensions. Some interpretations discussed earlier in connection with the researchers’ assumptions will be reiterated, but some new criteria will also be included. The modifications can be explained by the analysis of the relationship of practice and theory: the interaction of strategy researchers and practitioner strategy-makers, and the interplay of theory-driven practice and theory born of practice.

#### **4.1. Objective – subjective – practice-oriented**

It can be observed in corporate practice how a fixed schedule, strict deadlines, the cycle of quarterly and annual reports make time an external, objective factor, and how the alteration of the deadlines, the modification of time allocated to the various projects, or the specification of the weekly working time makes it subjective and pliable. Social systems and universities also develop their own schedules – including timetables, academic years – that may turn into external endowments, but the participants may also convert these framework settings within their limits, and depending on their internal freedom.

Some companies develop their own timeframes. For example car manufacturers calculate in time cycles necessary for the design and manufacture of motor vehicles; or the pharmaceuticals industry thinks in terms of the development cycle of a medicine and its way from the laboratory to the market. Pettigrew (1989) notes that the researcher must also take into account the different time perspectives when linking the various analytical levels (e.g. organisational levels, industries).

#### **4.2. The structure of time: discrete; continuous or event/period specific**

The analytical approach to corporate market practice stresses that time is intrinsically linked to events, places, and situations. We associate the passing of time with major events: the top management of a company for example remembers the past and plans the future by calendar years, and/or they define certain periods/events e.g. by changing the ownership structure (events under the Hungarian/British management; pre/post-privatisation events).

In today's network society, the result of the technological achievements of modern age and the global reach of the internet, the international capital markets operate on a real time basis, and top management expects just-in-time work from the employees and suppliers (Orlikowski – Yates 2002).

The denial of subjective time aggravates the treatment of time within managerial cycles. The researchers of path dependency on the other hand analyse the special role of certain past events and their effects on corporate "time".

Dubinskas (1988 quoted in Orlikowski – Yates 2002) emphasises the differences between closed- and open-end time orientations; the discontinuous and continuous time perspective; and opposes the open-end questions of the researchers to the project-type, closed-process thinking of the practitioner strategy-makers. The practice-based approach emphasises the coexistence of this duality, pointing to their exchangeability: how corporate practices regarded as terminated live on, or how an apparently "endless" team work session ends up being confronted with the set deadline (Gersick 1988; 1989).

#### 4.3. Temporal point of reference: past – present – future

The strategy literature distinguishes planning processes focusing on the short and the long term. Cunha (2004) speaks of the "time travel" of companies in his paper. Table 4 and the brief interpretation afterwards present the dualist approach to the interplay of the time planes using some examples. However, this thought experiment is just the simplified skeleton of the approaches assuming the interaction of the time planes.

Table 3. Corporate time travelling

Where does the company "look"?				
		to the past	to the present	to the future
Where does the company "stand"?	in the past	From the past to the past (e.g.: previous practice)	From the past to the present (e.g.: memory of the organisation)	From the past to the future (e.g.: organisational "retrieval", knowledge management)
	in the present	From the present to the past (e.g.: organisational)	From the present to the present (e.g.: real-time, just-in-time)	From the present to the future (e.g.: strategy planning)

		nostalgia)	strategy, improvisation)	
	in the future	From the future to the past (e.g.: intuition, tact knowledge, <i>déjà vu</i> )	From the future to the present (e.g.: scenarios; “stimulational marketing”)	From the future to the future (e.g.: research and development)

Source: author, based on Cunha (2004: 141-145).

The anticipated conclusion offered by the analysis of Table 3 is that the nine time-plane combinations outlined above are present in corporate operation altogether. The understanding and deliberate application (possible overcoming) of the processes concerned in strategy-making may be a major strength of the company; it is enough just to consider how a practice adopted in the past can shackle the development of a company in a dynamically changing environment.

Let us see how a company can travel between the time planes:

- It travels *from the past to the past* for example when it no longer uses a long-forgotten solution or technique. It is conceivable that under the effect of certain corporate or industrial changes, some processes are put out of use or are forgotten for good, and they become “dead forever” for the operations of the company. They may also get lost or disappear due to external (industrial, environmental) or internal reasons (e.g. dismissal of an employee, obsolescence of a technology), or may be cancelled deliberately and thus become closed, past parts of company operations. (Whether certain processes can actually be regarded as being closed for good or they continue to live on in the unconscious organisational processes, see in more detail e.g. Sievers 1994; 2004.)
- It travels *from the past to the present* when an established best practice survives in the memory of the organisation. It is being stored as organisational knowledge, recorded in databases, activated by the system if necessary. They are analytical schemas, frameworks that may have solved a certain problem successfully, and are intended to be used under new conditions merely on the basis of the relevant past experience. The company and its leader may fall into the trap of overconfidence by overestimating the experiences of the past and applying the established practice merely on that ground.
- The company *sets out from the past to the future* when a piece of knowledge, a solution method is consciously stored on the ground (hope or fear) that it may be needed some time in the future. This approach is an important part and basis of the knowledge management process. MacKay and McKiernan (2004) analyse the behaviour of the strategy makers and presence of various perception distortions, and heuristics such as retroactive distortion, overconfidence, recording and adjustment, or the anchor effect

phenomenon managers use in order to rely on their past experience, and strive to look forward and shape the future.

- The organisation moves *from the present to the past* when it applies established routines and relies on previous experiences. Time-tested processes of operation, without any critique, reflection, revision and work is performed mechanically, almost without thinking. Although the company functions in the present, decisions are made as if it lived in the past. The company managers live in the nostalgia of the past “golden age”, they disregard the external, environmental changes, and lead their company in a past that is static and becomes the present. A frequent explanation of this strategic time perspective is dissatisfaction with the current situation and satisfaction as remembered from the past. This phenomenon may also be linked to the retrospective distortion heuristic known from decision psychology (MacKay and McKiernan 2004).
- The *present to present* dimension refers to company operation and strategy-making based on continuous improvisation. There are no tested schemas; the company tackles issues requiring urgent solution immediately; the objective is not learning, but the soonest possible solution of any problem that may occur. Once an issue is solved it is “forgotten” together with the methods having been applied, and they start their “travel” to the past. Some practice-oriented researchers call this time perspective and problem management real-time, immediate strategy-making or just-in-time strategy. Eisenhardt and Brown (1999) call the instant retailoring of the business portfolios in the dynamic markets patching. These changes requiring fast organisational improvisation and flexibility reinforce the present-day nature of the corporate strategy-making processes.
- Travel *from the present to the future* refers to the most frequently applied time perspective of the classical forecasting processes: How can an organisation prepare for the future in the present? This is the process of strategic planning.
- Participants who travel *from the future to the past* experience a *déjà vu* feeling when they analyse the potential future alternatives. They seem to notice patterns that had already appeared in the future. This travel from the future to the past refers to the repetition of the organisational cycles. In such cases, intuition, tacit, and hidden knowledge are of utmost importance in the organisational foresight processes.
- An example of the classical *future to past* time travel occurs when a company manager imagines a desired future goal and proceeds by back-casting. Planning by scenarios is governed by such logic. The stimulatory marketing strategy for example belongs here



when the process of generating consumer demand for a given product is applied to a product that does not exist yet.

- *Future to future* is typical usually to the research and development units of companies. They prepare the options/products of the future, and instead of terminating, it re-launches the search for new solutions.

In their empirical study on large European firms, Rohrbeck, and Schwarz (2013) investigated the value creation of strategic foresight activities in companies. Following this line of research more future-conscious studies could be introduced to the field of strategy research.

## 5. Conclusion

Are strategists time travellers? Are strategy scholars or practitioners the ones who set the rules for strategy making? Who defines the meaning of time and future has in the strategizing processes? Even though these and similar questions were not fully answered in this paper, but it has addressed dilemmas that readers can further contemplate on. Hence, the purpose of this paper in this sense was not to defend a certain standpoint on how to handle time and future in strategy research. The real aim was to raise awareness to the fact that hidden assumptions, and conscious or even unconscious orientations of time and future do have great influence on the content of strategy, on the theory to be invented, or on the practice taken into account. So let time and future perspectives be a part of our thinking while doing research, and in this way we may gain an even deeper understanding of the strategy making processes.

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