

# Two Cheers for Academic Strategy Research: Six Decades of Business School Impact on Strategy Practice<sup>1</sup>

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## **Abstract:**

We draw on a Boston Consulting Group data-base of 81 salient strategy frameworks to argue that business school strategy research has been a consistent source of innovation for strategy practitioners: nearly two thirds of these strategy frameworks between 1958 and 2013 originated in academia. Consulting firms originated less than a third of these strategy frameworks. The sustained relevance of business school research in strategy has been achieved notwithstanding the increasing academicization in doctoral education, tenure decisions and journal publishing on the one hand and the substantial research investments of leading consulting firms on the other. We none the less reject simple competitive or linear models of innovation in strategy. The paper points to mutualistic interactions in innovation, identifying three patterns - assistance, adaptation and inspiration – in all of which consultants play creative roles. It also highlights how innovators are often hybrid actors, with careers crossing the boundaries between academia, business and consulting. Accordingly, at this stage, we argue that proposals from leaders in the discipline for radical reforms to strategy research are premature and risky. We call instead for further large-scale research on strategy innovation, for instance through discourse analysis and multiple case studies of the innovation process, as well as both ethnographic investigation of how strategy frameworks are used in practice and greater biographical understanding of innovative actors.

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## **Two Cheers for Academic Strategy Research:**

### **Six Decades of Business School Impact on Strategy Practice**

#### **Introduction**

Dan Schendel, founder of the Strategic Management Society and first editor of the *Strategic Management Journal*, seemed to despair of his achievements when he wrote with senior colleagues: “The study of management, including strategic management, is ultimately about the efficient and effective practice of management in organization ... Strategic management research has strayed from this focal purpose... Lack of practical relevance of management research threatens our field’s very legitimacy” (Drnevich, Mahoney and Schendel, 2020: 36). Similar concerns about the discipline’s drift from practical relevance have been widely expressed (e.g. Hambrick, 2005; Mahoney and McGahan, 2007; Chen and Hitt, 2021; Hamel and Birkinshaw, 2023; Reeves and Whitaker, 2022). The discipline appears under existential threat. Radical reforms are proposed, including a shift from theory-driven to phenomenon-driven doctoral research, a reduction in the weight of top journal articles relative to external research grants and book publications in tenure decisions, and the addition of a practitioner as one of the reviewers for papers submitted to premier journals (Drnevich et al, 2020).

We believe that there are weak empirical grounds for radical reforms to the academic strategy discipline. To make this case, we draw on a data-set compiled by the Boston Consulting Group of the 81 most impactful strategy frameworks (5 Forces and similar) developed since the late 1950s (Reeves, Haanaes, and Sinha, 2015; Ghemawat, 2016). As such, our focus is on strategy innovations, that is ideas that combine novelty with practical use (Godin, 2012) - indeed, a particularly successful subset of these. Our theoretical approach is informed by the notion of systems of innovation (Nelson, 2000; Mol, Birkinshaw and Foss,

2019), where a variety of actors compete but also interact to create new ideas for practice. These actors include academic researchers, consulting firms and business organizations, alongside business media. We find that academics are consistently the dominant source of innovations in strategy across more than half a century. This business school success is notwithstanding a growing academicization of research over the period. Moreover, the strategy innovations of other actors, especially consultants, have been influenced throughout this period by academics through three patterns of system interaction: assistance, adaptation and inspiration. These patterns of interaction still further accentuate the importance of academic research in strategy.

We take up the issue of practical relevance because that is the stick which business schools are being beaten with. Relevance is important as one source of legitimacy and material reward, but we do not believe that it is the only criterion by which to judge strategy research. Novel ideas that stay within academia may still be valuable in many respects. Purely academic research may help refine empirical testing, provide a platform for other advances, extend teaching in the classroom and, for faculty recruitment and promotion, serve as a good indicator of energy and smarts. Besides, it is hard to know if and when an apparently abstruse idea will turn out to be relevant: the strategy innovations we shall deal with here draw on evolutionary biology, the sociology of racial segregation and Alice in Wonderland. Our paper is not an argument for closing any so-called "rigour-relevance" gap, therefore. Based on our measure of performance, business school strategy academics are relevant already. There are achievements to protect. In strategy, the existing research-based model of training, tenure and publication has scope for tweaks, but there are no clear empirical grounds for radical reform.

The paper continues as follows. We start by outlining the background to concerns over the relevance of academic strategy research. Here we describe the growing academicization of management research in general and strategy research in particular. Drawing on the notion of

systems of management innovation (Mol et al, 2019), we then identify the key actors in the production of new strategy ideas and examine the competition between academics and consultants in particular. Systems imply mutualistic interactions as well as competitive ones, so we also propose a role for business school academics in consultants' innovations. These interactions involve more than a simple division of labour, with academics doing the research, consultants the diffusion: there is creativity on both sides. We continue in the next section by outlining our data-set and methods, both a quantitative approach to identifying the actors behind innovations and a more qualitative approach to exploring interactions amongst actors. Our findings section takes actors and interactions in turn, demonstrating both the consistent dominance of academics from the 1950s onwards and the importance of consultant-academic interaction. Academic strategy researchers deserve two cheers at least. Our conclusion discusses implications for consulting and business schools – rather moderate ones – and suggests avenues for further research, including on top management discourse, concept use in the field and more case studies of the mutualistic interactions of hybrid actors involved in strategy innovation.

## **Background**

The apparent detachment of strategic management research from practice is far from unique. The same has often enough been remarked for the management disciplines more generally (Kieser, Nicolai and Seidl, 2015). Hambrick (1994) famously asked the rhetorical question whether the Academy of Management actually mattered, implying a resounding no. Hamel and Birkinshaw (2023) note that only three out of every 100,000 managers in the United States are members of the Academy of Management (just 900). The proportion of “actionable” research articles published in the *Administrative Science Quarterly* reportedly fell from over 60% in the

1960s to less than a fifth in 2010; for the *Academy of Management Journal* the drop over the same period was from over 40% to less than a quarter (Pearce and Huang, 2012).

The sources of this apparent disengagement with practice are identified variously, but the academicization of the business schools - reflected in doctoral training, tenure and promotion procedures and the nature of the journals - is often seen as chief culprit (Kieser et al, 2015; Chen and Hitt, 2021). This academization process goes back to the mid-twentieth century Ford and Carnegie Reports, which proposed replacing the original “trade-school” model with the scholar-teacher model typical of the other social sciences (Gordon and Howell, 1959; Pierson, 1959). The common accusation is that legitimacy in academe has been purchased at the price of legitimacy in the outside world. Academicization is held to entail a detachment from real-world practice, with potentially fatal consequences for business schools. Students and managers will no longer look to business schools for guidance on contemporary issues, but turn elsewhere. Abrahamson (1996) warned that academic disdain for “management fashion” could become “deadly serious matters for business schools and the scholars staffing them”.

Given the shared context, it is hardly surprising that some of strategic management’s leading figures should be anxious about their discipline’s relevance to the world of practice. Some data do seem to back concerns, at least indirectly. Hamel and Birkinshaw (2023) report that only 160 of the Strategic Management Society’s 2,900 members identify themselves as business executives or consultants. Whereas ten out of the seventy-eight of the *Strategic Management Journal*’s editorial board founding members in 1980 were practitioners, a decade later there were none amongst a board of 108 members (Whittington, 2019). Recent growth has not led to a widening of recruitment at the *Strategic Management Journal*: amongst the journal’s 430 editorial board members today, all are academics. Gopinath and Hoffman (1995) report that only six percent of their Chief Executives claim to read the *Strategic Management Journal* “at least occasionally”; two thirds admitted to never hearing of it. Analyzing a small

group of elite journals including the *Strategic Management Journal*, Baldrige, Floyd and Markoczy (2004) found some correlation between the ranking of academic journal articles' academic rigour and a panel of executives' ranking of relevance, but the actual overlap for the highest ranked articles by both criteria was small (and the executives were drawn from the practitioner advisory board of *Academy of Management Executive*). Over the period 1980 to 2009, mutual citation patterns indicate a weakening relationship between the *Strategic Management Journal* and practitioner journals such as the *Harvard Business Review* (Nurer et al, 2016).

If academic researchers in management and strategy do detach themselves from practice, then there are other actors who can take their place. Researchers participate within a “system” (Mol et al, 2019) or “ecosystem” (Chen and Hitt, 2021) of management innovation, which includes not only business schools, but consulting firms, pioneering organizations and business media as well. Mol et al (2019: 27) describe “an actor-based system of management ideas [that] involves multiple actors, some more dominant than others and driven by a variety of motivations, who may interact to produce, disseminate, consume, and alter or reproduce management ideas in a way that forms a ‘system’.” Pioneering business organizations are one kind of actor in these systems, capable of innovating through their own internal processes: an example is Bayer’s creation of the industrial research laboratory in the late 19<sup>th</sup> century (Mol and Birkinshaw, 2014). However, organizational actors of this type typically lack the incentives and skills to package ideas for distribution beyond their immediate contexts (Birkinshaw and Mol, 2006). Business on its own is likely to be a weak source of impactful innovations given its orientation towards internal use.

Academics and consultants are two other kinds of actor within systems of management innovation, both with incentives and skills for achieving wider impact. Business school academics have no innate superiority in this respect, being tied to the procedures of normal

science, theory development and incremental innovation (Bort and Kieser, 2019; Chen and Hitt, 2021). On the other hand, consulting firms do have some natural advantages within the system of management innovation. They have strong economic incentives to create innovative ideas to attract new clients and develop new practice areas (Suddaby and Greenwood, 2001). Consultants, moreover, have an advantage in their “interstitial” positions, connecting many different client organizations and a range of academic institutions (Strang et al, 2014). They have a very wide range of experience to draw upon. This structural advantage is compounded by the substantial investment of many consultancies in research and knowledge management since the 1990s (Suddaby and Greenwood, 2001). Birkinshaw, Hamel and Mol (2008) conclude from their survey of management innovation: “we are concerned that academics may be losing out to other members of the fashion-setting community, such as consultants and gurus, in terms of their ability to influence practice.”

The consultants’ advantages may be greater for strategy than for management in general. Strategy scholars are particularly exposed to competition from the elite “MBB” firms – McKinsey, the Boston Consulting Group and Bain - that have always sought to associate themselves with top management issues of strategy. These firms hire bright people and invest heavily in knowledge production and dissemination. McKinsey and BCG both launched their vehicles for thought leadership (the McKinsey Quarterly and the BCG Perspectives series) as early as 1964; McKinsey’s Global Institute and the Boston Consulting Group’s Henderson Institute were founded in 1990 and 1998 respectively (Whittington, 2019). In their critique of academic strategy research, Drnevich et al (2020: 50) underline the relative advantage built up by consulting firms, given their greater scale and connections to practice: “Given the scale they could muster and their direct access to practice, consultants were now the ones with the opportunity to become steeped in practical experience and well-grounded problems — much more so than the academic side.”

The competitive advantage of consultants in the management innovation system is not wholly accepted: academics may be better able to address complex problems precisely because they can reflect from a distance (Hitt, 1998). John Reed, former CEO of Citibank, confirms the value of academic detachment, and references how important the innovations from academic finance have been to the banking industry (Reed and March, 2000). There are weak empirical grounds on which to arbitrate between academics and consultants. As for management research more generally (Mol and Birkinshaw, 2014; Kieser et al, 2015), we have very little systematic evidence on the contribution of strategy research to practice. The empirical basis for Drnevich et al's (2020) alarm about declining significance of academic strategy is a handful of nostalgic case studies of research impact dating back to Chandler, Penrose and Williamson. The earlier data on conferences and journals tend to support a separation of the academic and practitioner spheres, but do not directly record the actual impact of academics on strategy practice. Separation could as much reflect specialization and sophistication in idea development as unproductive detachment (Chen and Hitt, 2021).

Moreover, the focus on intra-system competition between discrete types of actors – academics or consultants – may over-simplify. Innovation rarely relies on “singleton” inventors (Merton, 1961). Innovation systems involve complex interdependencies as well as competition (Nelson, 2000; Mol et al, 2019). For example, whereas innovating organizations can themselves test product innovations in the market-place, management innovations are different in typically needing validation by external sources - consultants or academics - to be credible beyond their immediate context (Mol and Birkinshaw, 2014). These interdependencies do not necessarily involve clear divisions of labour, with a linear pipeline from research, through teaching and publication, to consultants and finally to business (Chen and Hitt, 2021). Pandza, Whittington and Hautz (2022) point to how important strategy innovations - the BCG portfolio matrix, Blue Ocean Strategy and Open Strategy – involved “respectful partnerships” across



academia, business organizations and consulting. Drawing on the sociology of science (Galison, 1997), they argue that strategy innovation comes best by trading across boundaries between different types of actor. Management innovations are often “co-produced” by the joint efforts of various actors as they work to abstract initial ideas from local origins and convert them into commodities that can be stored, moved and re-used (Suddaby and Greenwood, 2001; Bort and Kieser, 2019). As an example of co-production, Mol and Birkinshaw (2014) cite Management By Objectives: developed originally within General Electric, this widely-adopted innovation was championed by company President and former consultant Harold Smiddy and refined and theorized by academic and consultant Peter Drucker. In short, interactions within management innovation systems are likely to involve complex interdependencies, not just head-to-head competition.

Our paper draws on large scale, systematic and longitudinal data to address the following three research questions about the various direct and indirect impacts of the three main sources of innovation in strategy: academics, business and consulting. First, most fundamentally, *what has been the impact of strategy research on practice relative to the impact of other sources of innovation, particularly consultants and organizations themselves?* Second, given the growing academization of business schools and the investments of consulting firms in research, *how has the relative impact on practice of the different sources of innovation changed over time?* Finally, recognizing the potential for indirect impact through interactions within multi-actor innovation systems, *what roles do academics play in the innovation processes of other innovators?*

## **Methodology**

As outlined above, the goal of this study is first to trace key actors behind important strategy innovations both in aggregate and over time and then to question single inventor assumptions that risk oversimplifying the complex origins of impactful strategy innovations. We look to reveal a more nuanced picture of the multiple influences behind conceptual breakthroughs in the field of strategy. Again, our focus is on new ideas in strategy that constitute innovations in the sense of going beyond invention to find finding general use, especially in the marketplace (Godin, 2012; Gault, 2019).

There have been few attempts at creating a comprehensive, longitudinal list of key historical innovations in the management field as a whole (Mol and Birkinshaw, 2014). In the sociology of science generally, such lists are often contentious for what is included and what is excluded (Merton, 1961). However, in our research we have been able to rely on a list of 81 “salient” strategy frameworks identified in a major exercise by BCG on the evolution of the strategy field, focusing particularly on changing types of framework (Reeves, Haanaes, and Sinha, 2015). This BCG list has also been drawn upon by Ghemawat (2016) in his research on the rate of innovation in strategy over time. Frameworks provide a measure of impact because of their widespread usage by practitioners (Jarzabkowski, Guiletti and Oliveira, 2013). Salient frameworks were defined by BCG as those that were most widely-used by business. The unit of analysis was frameworks e.g., Porter’s 5 Forces, rather than broader theories or perspectives such as e.g., industrial economics or competitive advantage.

In order to generate this list, BCG first reviewed the academic literature, textbooks, business books and practitioner publications as well as the publications of other major strategy consulting firms. This data was triangulated by conducting interviews with leading academics, CEOs and senior managers, and BCG’s own senior officers (Reeves et al, 2015). Each of the

initially identified frameworks was then judged by Reeves and colleagues first for its relevance for strategy by assessing whether a framework informs strategic choice and therefore qualifies as a *strategy* framework and second for its salience according to the extent of its adoption by practice as opposed to solely staying in the academic literature (Reeves, et al, 2015 Ghemawat, 2016). In addition, BCG identified the origins of each framework by listing the first publication (book, academic article, consultant report or practitioner publication) that introduced the new idea, the publication's author(s) as well the publication's year of publication. The list of frameworks and publications was reviewed and slightly revised by Ghemawat (of the NYU Stern School of Business) and it is his version that we use here. The identified frameworks covered a timespan between 1958 and 2013 (Reeves et al, 2015).

This focus on first publications is a starting point. As in the history of science and technology more generally (Merton, 1961; Lemley, 2012), we recognize that innovations typically have multiple sources. The innovation systems perspective we adopt also implies a frequent blurring of the division of labour between various actors (Nelson, 2000), with fundamental advances closely tied to practical use. We shall therefore explore more complex relationships than implied by reliance on the single publications in the BCG list. However, we do note two benefits of this list: i. its independence, being created for a different purpose than our own; ii. its validation by practitioners, ensuring that our cases are innovations in the sense that they are not confined to academic thinking, but are also impactful in the world of practice. A consulting company's list reduces concern about academic bias and increases confidence that ideas are truly being put to use.

Guided by our research questions our data collection and analysis procedures based on the BCG list of eighty-one salient strategy frameworks had two different foci.

First, we focus on the *individual actors* involved in the origination of each specific strategy framework as indicated by the authors of the first publications identified by BCG. Attribution of first publication is a notoriously difficult process (Merton, 1995). However, we rely here on BCG's list even though in a few cases our ongoing research does point to earlier dates and different innovators: our attributions are therefore provisional. None the less, following Abrahamson (1996), publications do allow us both to trace authors' backgrounds and to provide time-series data. Specifically, we aimed to unpack the involvement of innovators from academia, business organizations, consultants and other actors in the innovation system. We classify actors according to their status at time of publication: as we shall discuss later, and some later cases will make plain, actors often possess complex identities going beyond single labels.

Second, our focus was on identifying **interaction patterns** between these originating actors. The goal was to detect exchanges, collaborations or cross-pollination of insights across these categories. To do so we started with the BCG list of published pieces introducing the various strategy concepts and their original author(s). We then collected and compiled at least three (but often more) additional sources referencing the early concept. We thereby followed the procedure applied by Mol and Birkinshaw (2014), using various literature sources simultaneously to understand and document the interactions around a specific strategy innovation, supplementing the information provided by the BCG list. To do so, we both examined the original pieces and searched academic databases such as Google Scholar, Web of Science and Business Source Premier database to identify relevant articles, using the key words from the BCG list but also alternative search terms. We made sure that for each concept we identified different types of sources, combining official academic sources with more informal sources such as media or video interviews of innovators, or acknowledgements and prefaces in publications, or internet sources such as LinkedIn or Wikipedia. It turned out that

these informal sources beyond academic articles often provided very helpful insights into the interactions and interdependencies between various actors in the process of strategy innovation, going beyond just the credited authors.

Following Mol and Birkinshaw (2014), we further applied forward and backward snowballing in our data collection process to identify additional relevant sources. Backward snowballing focused especially on those sources that were indicated to contain information about the creation of a specific strategy innovation. Forward snowballing focused on the identification of more recent sources that cited an older source. We again used Web of Knowledge, Business Source Premier and Google Scholar. We completed our search by relying on generative AI. We prompted ChatGPT to identify information on the history and origins of the strategic frameworks, asking if any academics, corporate executives and consultants were involved at the very beginning and if the AI had any insights about interactions. This information was mainly used to verify the already collected information and identify potential blind spots. Finally, we used a standardized prompt in ChatGPT to create a summary text based on the content of the collected data sources for each framework.

We then analysed the collected material as well as the generated summaries to map interaction patterns involved in each innovation. To gain insights into these exchanges we mapped influential concepts behind the innovation, identifying and classifying building blocks as well as identifying key external disciplines and real-world contexts influencing these formative ideas. Many new strategy frameworks were created without substantial explicit interaction beyond the original set of actors (either academics, or business organizations or consultants). Nevertheless, given our concern for academic impact, we inductively derived three categories of innovation where academic research did play an important if subordinate role in the innovations of other actors: *assistance* by business school academics; *adaptation* of academic ideas from business schools; and *inspiration* through transfer of academic ideas from

quite different domains of academic research, for example evolutionary biology. In the following we describe our findings from this data collection and analysis.

## **Findings**

We start by addressing our first two research questions focused on individual actors, i.e. the relative impacts of academics, businesses and consulting and how their contributions have changed over time. Taking seriously the potential for interdependency as well as competition within systems of management innovation, we then look more closely at innovation processes to identify interactions between different system actors, especially academics and consultants.

Addressing our first research question, across the full 81 strategy innovations in the period 1958-2013, academics accounted for 64.2 percent (52 cases, including two – the Delta Model and Strategy Maps - where the credit is halved to reflect joint publication with consultants). Business school academics accounted for 49 of these cases, the remainder due directly to academics from other disciplines. Consultants accounted for 28.4 percent (23 cases, counting as one the two joint cases). Pioneering businesses accounted for just 6.2 percent (5 cases, none joint) and business media accounted for 1.2 percent (Malcolm Gladwell's tipping point concept). Appendix 1 lists the strategy innovations attributed to each type of actor. Our numbers are provisional, relying on BCG's original attributions. However, at this point, the BCG database implies that academics are more than twice as productive of strategy innovations as consulting firms, and even further ahead of other actors.

The second research question asks about changes in the relative impacts of different innovators over time. Figure 1 shows the relative numbers and percentages for five periods (decades or, for the first and last periods, extended decades). Key moments in the academization of strategy research (e.g. the 1971 the Academy of Management's launch of the

Business Policy and Strategy Division and the 1980 founding of the Strategic Management Society and the *Strategic Management Journal*) are depicted for each period in the blue text of Figure 1. Key moments for the three leading strategy consultants (e.g. the founding of Bain in 1971 and McKinsey and BCG's founding of research institutes in the 1990s) are depicted in green. Business-originated innovations – a small set - are in orange.

There are small numbers in each individual period (average 16.2 cases) and no consistent trend across the five and a half decades taken as a whole. What we can see, however, is that academia is comfortably the most important source of strategy innovations in every period, while consultants maintain a significant and consistent second place. The consulting firms' investments in research seem to have helped them hold their position. On the other hand, there is no evidence here that the academicization of strategy research since the late 1950s undermined business school dominance in the slightest. Indeed, the last period (2000-13) is notable as the one with the highest proportion of strategy innovations originating from academia.

[Figure 1 about here]

This attribution of innovations to single sources may undervalue the role of interdependencies as well as competition in management innovation systems (Mol et al, 2019). We move therefore to the third research question regarding the interactions of academics with other practitioners, taking a more qualitative approach. First, it should be noted that some practitioner innovations cannot be traced to any particular academic source but have more diffuse origins, rather like the scientific and technological innovations that arise from the general state of science and technology at a particular moment (Merton, 1961; Bikard, 2020):

apparent examples of such diffuse origins in the BCG data-base include Herman Kahn's scenario planning, Kinichi Ohmae's 3Cs concept and George Stalk and Robert Lachenauer's notion of Hardball Strategy. However, many practitioner innovations in strategy do involve specific relationships with academic research, stretching along a continuum from the close to the remote. Figure 2 depicts three distinct patterns of relationship with academic research where non-academic practitioners (businesses, consultants or, in one case, a journalist) are credited with the larger role in the initial BCG data-base count above. The first of these relationships, the closest, is *assistance* in the innovation process, where business school academics support development work by consultants or business managers directly, characteristically on some kind of commercial basis. The second is *adaptation*, where consultants or business managers adapt academic business school research that is accessed through prior publication, but with little or no direct collaboration with the originating academics. The third, *inspiration*, is the most remote relationship: here consultants or business managers transfer academic ideas from an apparently unrelated domain of academic research into practice, again with little or no direct collaboration with the originating academics but with substantial intellectual investment in practical interpretation. There are eighteen cases in all where practitioner-led innovations drew on academic research through assistance, adaptation or inspiration, adding further academic influence on top of the 52 cases where academics took the leading (or at least joint) role.

[Figure 2 about here]

Assistance implies a supporting role for business school academics. As such, assistance appears relatively rare, with two clear cases in the BCG list: PIMS (Profit Impact of Market



Strategies) and the McKinsey 7Ss. PIMS originated in the Profit Optimizing Model programme led by a former academic economist, Sidney Schoeffler, in General Electric's Corporate Planning Department during the 1960s (Buzzell, 2004). PIMS gained its name and expanded its data sources as General Electric's data-base was transferred to the Marketing Science Institute affiliated with the Harvard Business School in 1970 (with Schoeffler continuing his involvement). By 1972, 57 companies were contributing data and fees to the Marketing Science Institute in return for its insights into business-level competitive strategy (for example, on the value of market share). The McKinsey 7S model originated from one of three major streams of research in strategy, organization effectiveness and operations undertaken by McKinsey in the late 1970s as part of their response to the challenge from BCG (Colville, Waterman and Weick, 1999; Whittington, 2019). Tom Peters, newly arrived from the Stanford PhD organization behaviour programme, was tasked with the organization effectiveness initiative, and was joined later by Robert Waterman, a McKinsey partner. Peters interviewed an extensive range prominent academics including James March and Karl Weick. Crucially, Peters also sought out the assistance of Anthony Athos, professor at Harvard Business School, and Richard Pascale, then on the faculty of the Stanford University Graduate School of Business. This group of two consultants and two academics evolved the initial idea for the 7Ss at a two-day retreat in 1980. The final 7S model was so successful in generating work for McKinsey that its' graphical representation was known as the "Happy Atom" and it was printed on the firm's T-shirts.

Adaptation involves consultants (or business) taking on ideas that are already published in some form by business school academics but giving them practical shape for actual use. With thirteen cases, adaptation is the most common of the interaction patterns amongst the eighteen practitioner-led innovations in the BCG list. One significant case for the strategy discipline was the Four Phases of Strategy, which popularized the concept of strategic management itself. The Four Phases were described by McKinsey partner Fred Gluck and colleagues in an internal

white paper of 1978 (later published as a *Harvard Business Review* article in 1980), which presented a timeline where strategic management was defined as the end-point in the evolution of strategy (from financial planning, to forecast-based planning, then externally oriented planning and finally strategic management). As Gluck et al (1982) acknowledge, the Four Phases were indebted to the earlier work of (then) academic Igor Ansoff, who had introduced three “eras” in strategy (long-range planning, strategic planning and strategic management). What McKinsey added to Ansoff’s earlier schema, besides the extra phase, was a more effective figure and more fully worked out managerial implications (Whittington, 2019). A more recent case of adaptation is that of “adaptive advantage”, developed by BCG (Reeves and Deimler, 2009; Reeves, Deimler, Morieux and Nicol, 2010). Here BCG built on Campbell’s (1956) evolutionary variation-selection-retention (VSR) model of adaptive fit in natural environments by proposing a variation-selection-amplification-modulation model. In doing so, BCG was by no means the first to talk of adaptive advantage in strategy: from the University of Wisconsin-Madison, Anne Miner (1994) had earlier drawn on evolutionary ideas to place “adaptive advantage” right in the title of her article, and the concept was reinforced in the *Strategic Management Journal* by Stanford’s James March (2006). The basic VSR model was also well-established in the *Strategic Management Journal* by the 1990s (e.g. Van de Ven, 1992; Barnett and Burgelman, 1996). BCG’s contribution to the concept of adaptive advantage was an emphatic role for managerial agency, as conveyed by their introduction of “modulation”, and an attractive set of graphics that communicated the idea of adaptive advantage in a more managerially-digestible form.

Inspiration refers to cases when an idea from an apparently unrelated academic field is transferred to strategy. There are only three such cases amongst the eighteen practitioner-led innovations, but they are significant in that they show how consultants and other actors are able to translate abstruse academic ideas into practice on their own initiative. Because the distance

between academic idea and practice is so large, cases of inspiration are likely to involve high degrees of creativity. One prominent example of inspiration is the S-Curve concept of technology performance created by McKinsey partner Richard Foster (1982). The S-Curve had a long history in biology and was being drawn upon in economics and sociology before the Second World War (Pemberton, 1936; Glenday, 1938). There were also some efforts to model technology diffusion using the S-curve, for instance in geography (Brown and Cox, 1971). Foster's innovation was to transfer the S-curve to technology performance, something relying more on analogy from physics than from biology, and from there to develop a strategic theory of "attacker's advantage". In the BCG list's only case of a journalist innovator, Malcolm Gladwell (2000) similarly followed the inspiration track in transferring the concept of "tipping point" to strategy (and policy more generally). Gladwell acknowledges that he borrows the concept from the sociology of racially-segregated housing and he enriches it with other established social science concepts such as "small worlds" and "weak ties". However, his originality (besides a very accessible style) is to develop "tipping point" theory into a set of practical analytical tools, for instance his distinction between "connectors", "mavens" and "salesmen". Gladwell's (2000) book sold more than five million copies in its first decade.

## **Conclusion and Discussion**

Our starting point is the alarm amongst many leaders of the strategy discipline that business school strategy research has little impact upon practice (e.g. Drnevich et al, 2020). As part of a wider problem in management research, this lack of impact is held to threaten the survival of business schools in general. In this context, radical reforms to business schools are put forward, aiming to give more weight to practical relevance in doctoral education, in recruitment and promotion decisions and in journal publication policies.

Given the level of alarm and the radical nature of the proposed reforms, it is surprising how thin the data on research impact are in strategy. While not conceding that practical relevance should be the only evaluation criterion for research, we provide systematic empirical data suggesting that strategy researchers have been relatively successful in their impact on practice. In particular, we show that business school academics have been responsible for approaching two thirds of a BCG list of 81 salient strategy innovations between 1958 and 2013. Consultants, identified as a major rival to business schools (e.g. Drnevich et al, 2020), have generated between a quarter and a third of these strategy innovations. The relative success of academics has been sustained consistently for more than half a century, a period covering revolutions in business practice such as the 1960s merger wave, the Japanese challenge to Western business and the internet boom and bust. It has been achieved simultaneously with both the academicization of the strategy discipline and increased investment in research by leading strategy consulting firms.

However, we do not wish to reduce strategy innovation to a simple horse-race between academics, consultants and other actors. The innovation system perspective we adopt here suggests mutualistic interaction as well as competition. Many of consulting's innovations owed a great deal to academics, either through assistance, adaptation or inspiration. We nevertheless resist a simple division of labour within the system, treating consulting as mere disseminators of academic ideas. Adaptation frequently involved originality in content as well as presentation, as for example the elucidation of an extra step in McKinsey's Four Phases model or the insistence on agency in BCG's modified VSR model of adaptive advantage. Indeed, cases such as Foster's S-curve suggest that consulting firms are capable of exploiting remote kinds of knowledge independently of business school research support. Consultants have innovative capabilities of their own.

Indeed, the distinction between academics and practitioners is easily exaggerated. Many practitioners and many academics play on both sides: they are hybrid actors. Tom Peters, lead consultant on the 7Ss, had come fresh to McKinsey from Stanford's doctoral programme. Sidney Schoeffler of General Electric's PIMS programme, had originally been an academic economist at the University of Connecticut. Igor Ansoff, influential on McKinsey's Four Phases, had been a consultant at RAND and corporate planner at Lockheed before joining Carnegie Mellon and then Vanderbilt. Dan Schendel, with whose laments this paper started, began his career as a consultant at SRI. Within the system of strategy innovation, there is both interaction and hybridization. Given the fluidity of boundaries, creativity is not neatly compartmentalized in one type of actor, either academic or practitioner.

This fluidity of boundaries is one reason for restricting our cheers for business school research to just two. It is not simply as academics that business school researchers have innovated: they are often in some measure hybrid actors. We should also acknowledge that consultants have consistently innovated effectively and they have often done so independently of business schools. Moreover, the full three cheers would risk a complacency that is especially perilous at this moment. While academics have maintained their innovative advantage across many decades, contemporary challenges to the existing order are very substantial: the increasing education levels of business professionals, the new means of accessing knowledge and the Artificial Intelligence revolution all threaten the traditional position of the universities. Business school strategy research cannot be static if it wants to retain its current relevance. There are good grounds for some reserve in academic self-congratulation.

It is not clear exactly what contemporary challenges will demand of business schools. However, one clue about potential change to the traditional business school model may lie in the hybrid actors described in the previous paragraph: successful innovators in the past have often had careers that embrace both academia and practice. These are the kinds of "transcendent

interactional experts” (Pandza et al, 2022) found in other scientific disciplines who have the capacity to trade and develop innovative ideas across different domains of knowledge. An intimate understanding of current practice will help responses to the substantial challenges of today. We do not need many such hybrid academics in business schools – after all, the sixty or so academic-led innovations in the BCG list involved not many more individuals – but there is scope for more. A small growth in hybrid innovators within business schools could generate disproportionate impact without displacing established groups of more purely-academic researchers.

There is an agenda for research here. If radical proposals for business school reform are to be entertained, we should have better empirical foundations. First, we need further large-scale investigations of strategy innovations. Like other lists of innovations (Merton, 1961), the BCG list has its limitations: Vuorinen, Hakala, Kohtamäki and Uusitalo (2018) draw just on publications in leading journals to generate another list of 88 strategy tools since the 1990s, with just eleven overlaps. Further large-scale investigations into strategy innovations, with other measures of relevance, are due. Surveys of strategy practitioners are an alternative means of achieving wide coverage (Jarzabkowski et al, 2013), though they are liable to subjective responses and to underplay the unconscious incorporation of strategy concepts into decision-makers’ thinking. Another alternative, therefore, is to examine how strategy concepts have infiltrated top management discourse (Paroutis and Heracleous, 2013), for instance through the analysis of CEO speech in interactions with financial analysts. Core competences, transformational change and disruptive innovation are the unwitting clichés of strategy talk, but we lack systematic knowledge about how far these and other concepts have penetrated discourse. Second, we need research on how strategy concepts are used in the field. The notion of “affordances” suggest that strategy frameworks are valuable not only for their ostensive purposes (analytical or whatever) but for symbolic, rhetorical and political reasons as well

(Jarzabkowski and Kaplan, 2014). In practice, strategy frameworks may be even more useful than their designers intended. To fully evaluate the relevance of strategy research, we need intimate understanding of how its products get used on the ground, something likely to be achieved through ethnographic engagement. Thirdly, our discussion of mutualistic interaction amongst hybrid actors suggests the value of more intimate understanding of the innovation process and the actors involved. The sociology of science (Galison, 1997) suggests more boundary-crossing in the creativity process than suggested by linear models placing the research of pure academics at the start. Tracing the complex archaeology of ideas and the hybrid biographies of actors involved in strategy innovations is, therefore, a third piste for future research.

To conclude, the data so far do not appear to justify radical reforms to the existing structure of business schools. The model ain't broke; there is not so much to fix. If any reforms are needed they should aim at strengthening collaboration among all actors from the strategy innovation system. Hybrid faculty will be a key part of this. It is the diversity of expertise, interests and values that drive innovation. Meanwhile, we observe that business schools are doing fine. As a group, strategy academics deserve a good two cheers. And, given his achievements, Dan Schendel should have more.

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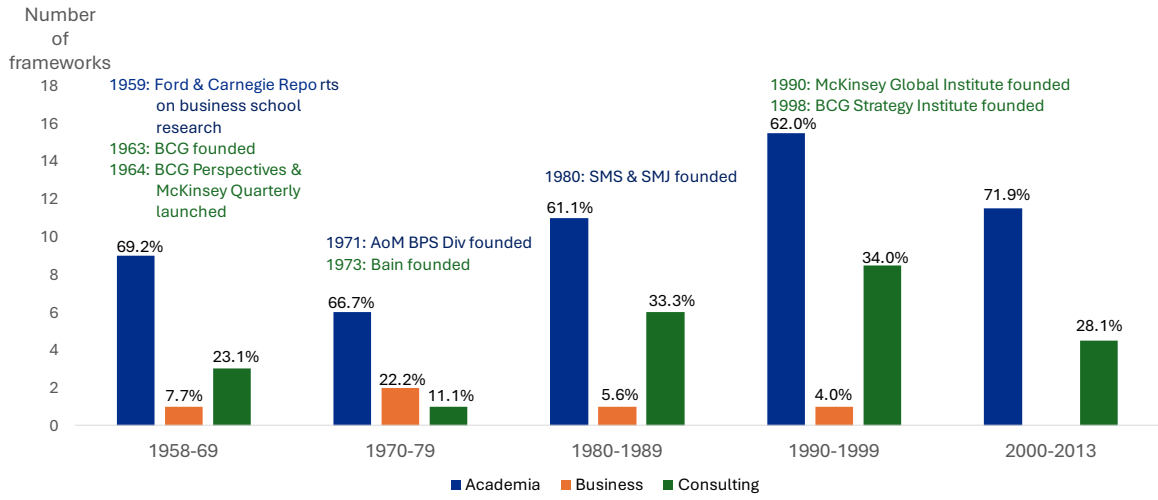


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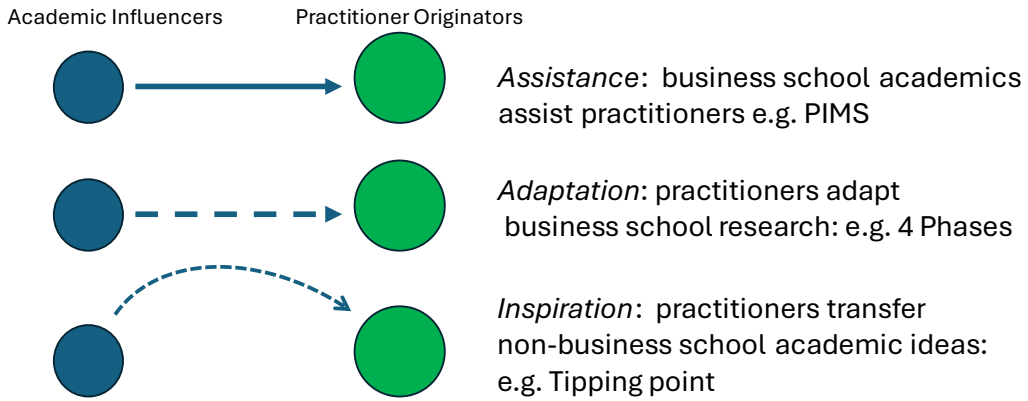
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Figure 1: Strategy Innovation Actors, 1958 -2013



Provisional results, based on BCG classifications

Figure 2: Academic-Practitioner Interactions in the Innovation Process



**Appendix:** BCG list of Strategy Innovations by Type of Innovator (provisional attributions)

Academic: Barriers to Entry; Innovation Adoption Curves; Strategy and Structure; Gap analysis; Product lifecycle; SWOT analysis; PEST; Fishbone diagram; Deliberate Corporate Strategy; Red Queen Effect; Real options; Emergent strategy; Logical incrementalism; 5 Forces; 3 Generic strategies; Diversification strategy; Niche strategy; Discontinuous innovation; TQM; Resource-based view; Value-chain; 5Ps; First-mover advantage; core competencies; transformational change; Diamond model; Re-engineering; Commitment; Return on Quality; Disruptive innovation; Strategy clock; Competing for the future; Co-opetition; Hypercompetition; Change management (Kotter); Value innovation; Distinctive capabilities; Continuous strategy process; Delta model (joint with consulting); Temporary advantage; Strategy maps (joint with consulting); Strategy as Simple Rules; Serial temporal advantage; Strategy without design; Open innovation; Bottom of the Pyramid; Blue Ocean Strategy; Strategic Intent; Shared value; Options and Games; Algorithmic Strategy; Transient Competitive Strategy

Business: Ansoff Matrix; PIMS; Benchmarking; Six Sigma; Strategic inflection points.

Consulting: Scenario Planning; BCG Portfolio Matrix; Experience curve; Rule of three or four; 7Ss; BCG Advantage Matrix; 3Cs; 4 Phases of Strategy; S-curve; Time-based competition; Capabilities competition; mass-customization; Ecosystem strategy; Sustainability strategy/triple-bottom line; value migration; value-chain deconstruction; Dynamic strategies; Profit patterns; New Economics of Innovation; Hardball; Business Model Innovation; Adaptive advantage

Journalism: Tipping point