

Strategic Cognition at the Formulation/Implementation Interface: Seeking a Balance Between Hot and Cold



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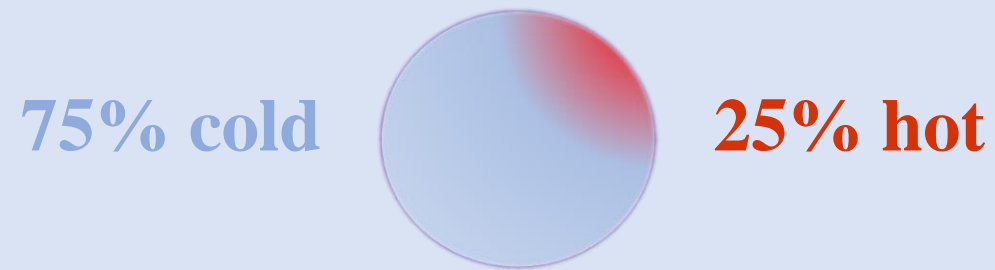
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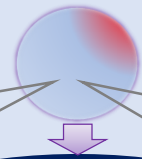
Abstract

Strategy emphasizes cold cognition, which espouses conscious and rational scientific detachment from the work and amongst contributors. This is problematic, as such cold scientifically detached methods of researching and teaching strategy has led to inaccurate and misleading views of the phenomenon. Specifically, formulation and implementation are viewed as detached and distinct, management is detached from employees, the work occurs only in formal management settings, and the work itself is viewed as oversimplified and procedural as opposed to developmental. Thus, practitioners are formulating and implementing strategies in a procedural and detached manner, one that devalues human emotion and interactions, overemphasizing data and tools, thereby exacerbating the already tenuous nature of strategy. Worse, nonconscious affect is highly contagious, thus the cold and scientifically detached activity has become even more tumultuous and psychologically harmful with results often mediocre and sometimes damaging. I agree with others who suggest more hot cognition must be incorporated into strategy research, education, and practice. To ameliorate, I develop a model of strategic cognition that results from these inaccurate views, accounting for the contagious nature of affect between and amongst strategists and implementers. The model demonstrates the impact on interactions between contributors, the focus of their work, and levels of creativity. Although still a messy and challenging process, the guidance provided by this model can produce the type of cognition and interactions that align with the nature of this important work and its assumptions.

A Model of Current Strategic Cognition:



The Misconceptions and Contagious Nature of Strategic Cognition



MISLEADING CONCEPTS

Cognition impacts,
and is impacted by,
the context...

(Cofrancesco & Spiker, 2019)

Similar thought:

Process and tools have
own philosophical culture
that impacts, and is
impacted by, strategic
cognition

(Hodgkinson & Healey, 2011;
Kaplan, 2009; Moisander &
Stenfors, 2009; Stigliani & Ravasi,
2012)

Strategy work approximately
75% cold cognition
and

25% hot cognition

(Cofrancesco & Spiker, 2019; Powell,
2014)

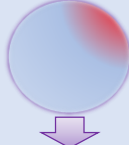
Cold cognition: conscious,
effortful, slow, accurate,
absent emotion

Hot cognition: nonconscious,
effortless, fast, intuitive,
emotion-laden, automatic

(Healey et al., 2015)

Strategy researchers
focused on cold
cognition and
scientifically detached
views

(Ashton-James & Ashkanasy,
2008; Calabretta et al., 2017;
Healey & Hodgkinson, 2015;
Hodgkinson & Sadler-Smith 2018;
Powell, 2014; Robinson et al.,
2017; Sibony et al., 2017)



MISLEADING CONCEPTS

**Strategists:
only top managers**

**Implementers:
only project & mid managers**

Formulation and implementation is developmental work: interactive and iterative, requiring intensity and creativity to produce something of value (citation)

Therefore, not linear, value emotions, thoughts, interactions

Requires balance between hot and cold cognition

**Value:
science, data, tools**

**Work:
procedural & linear**

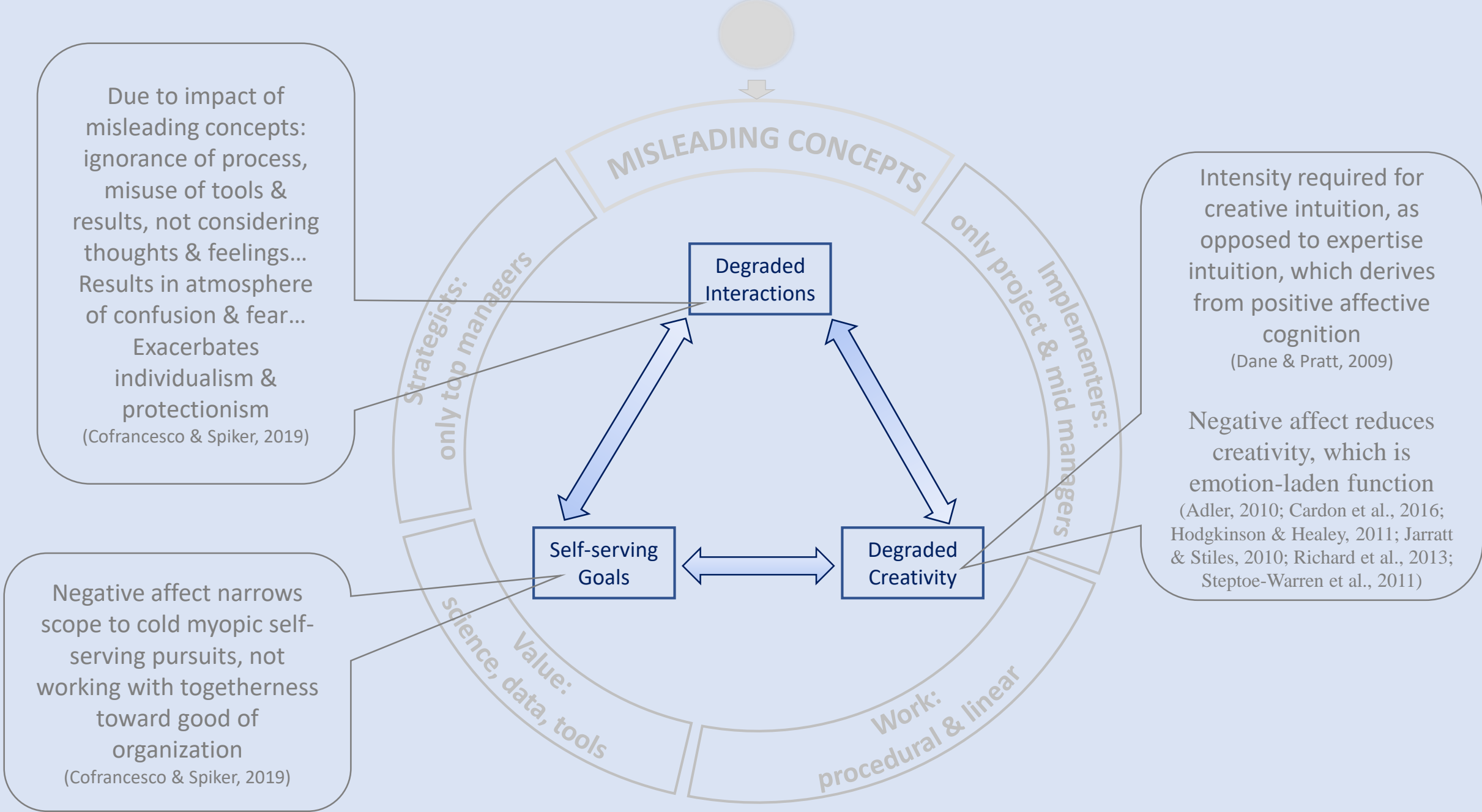
CEO & TMT conduct scanning, analysis, and ideation in isolation, which takes place in formal rational settings

Others disagree:
Strategy tools important to sensing, seizing, reconfiguring, often within confines of single event
(Healey et al., 2015; Hodgkinson et al., 2006)

Strategic plan simply passed off to managers, who develop and efficiently distribute policies and procedures to workers, which takes place in formal rational settings
(lit review)

All reasoning, judgment, and decision-making data driven, excluding contributors' emotions, thoughts, intuition, experiences

Work is emotionless steps and scientific analyses producing absolute, indisputable data-driven results... Creative intuition not required
(lit review)



Due to impact of misleading concepts: ignorance of process, misuse of tools & results, not considering thoughts & feelings... Results in atmosphere of confusion & fear... Exacerbates individualism & protectionism (Cofrancesco & Spiker, 2019)

Negative affect narrows scope to cold myopic self-serving pursuits, not working with togetherness toward good of organization (Cofrancesco & Spiker, 2019)

Intensity required for creative intuition, as opposed to expertise intuition, which derives from positive affective cognition (Dane & Pratt, 2009)

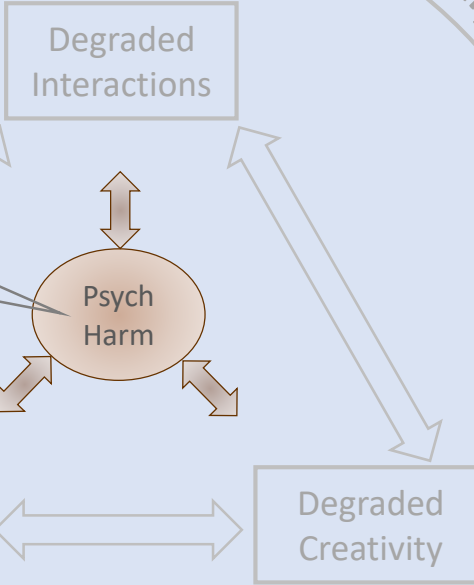
Negative affect reduces creativity, which is emotion-laden function (Adler, 2010; Cardon et al., 2016; Hodgkinson & Healey, 2011; Jarratt & Stiles, 2010; Richard et al., 2013; Steptoe-Warren et al., 2011)



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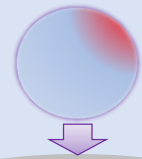
Implementers:
only project & mid managers



Value:
science, data, tools

Work:
procedural & linear

Affects experienced:
insult, humiliation,
stress, fear, shaking,
tears, stomach pain,
pounding hearts,
shock...
Positive conflict not
included here
(Cofrancesco & Spiker, 2019)



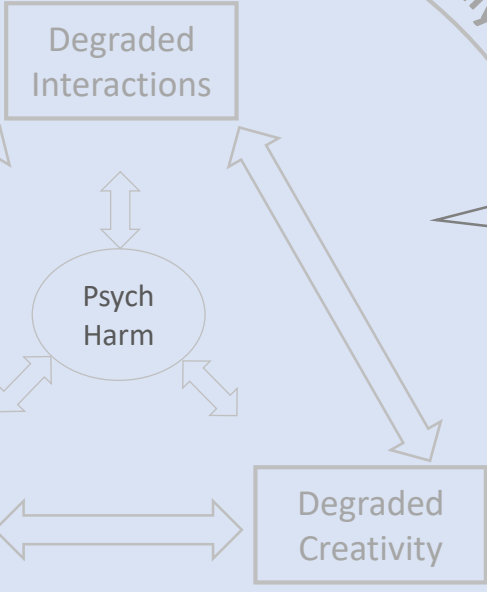
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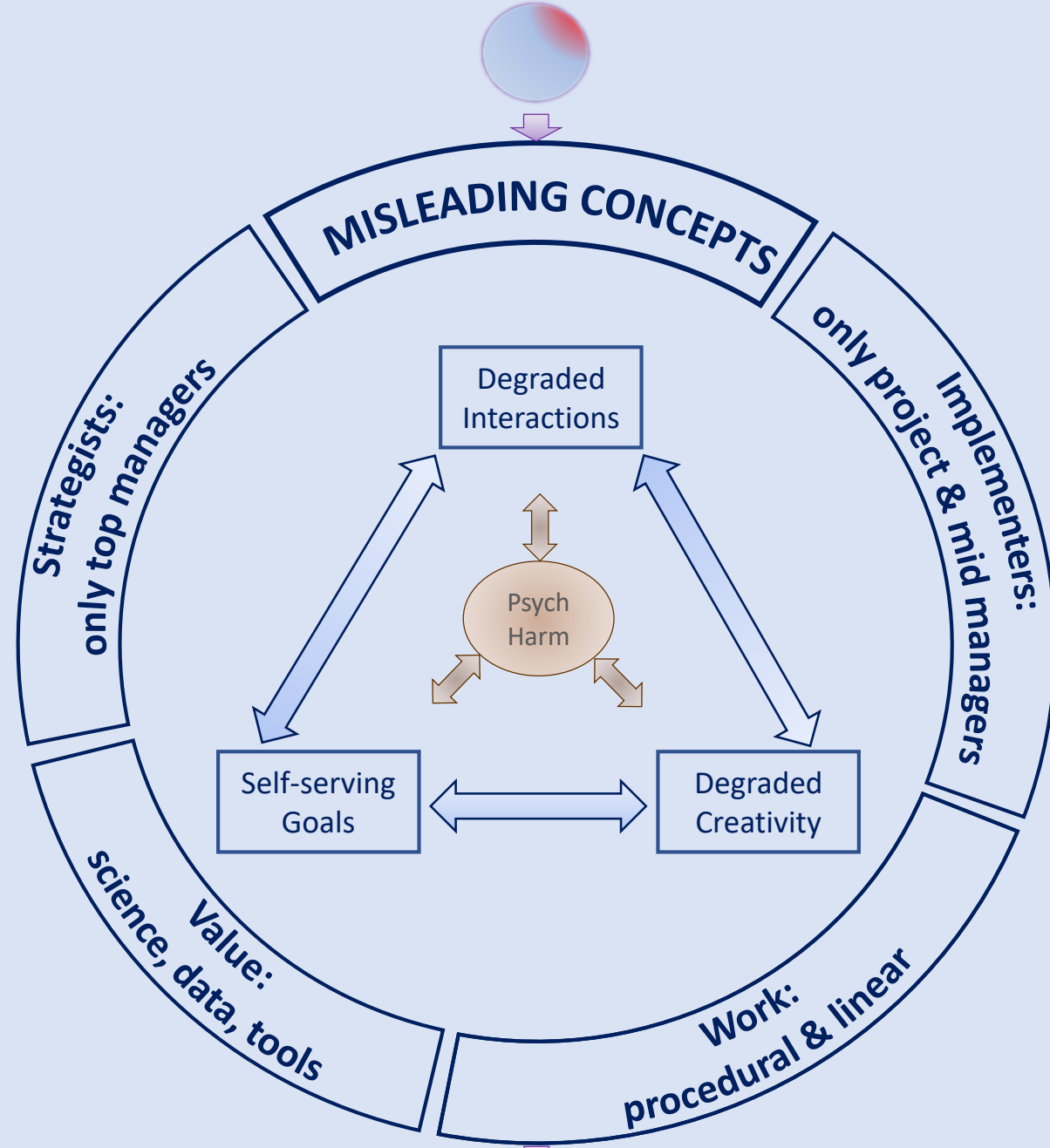


All happens simultaneously, across individuals & teams

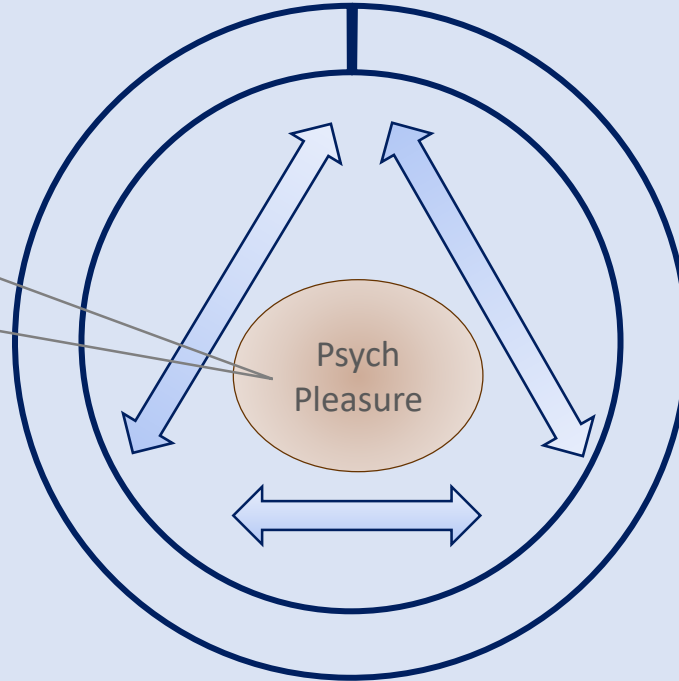
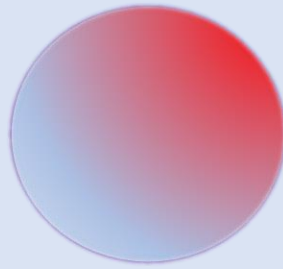
Cannot hide or mask negative affect due to interconnected structure and iterative interactions...
Only sincerity and genuineness toward good of organization (Cofrancesco & Spiker, 2019)

Insincere & disingenuous interactions focused on myopic self serving goals - negative conflict - degrade creativity (Cofrancesco & Spiker, 2019)

...suggested to produce incremental formulation and implementation (Dane & Pratt, 2009)



Cognition & interactions not aligned with assumptions of phenomenon



Positive affect enhances cognition, creativity, and decision-making
(Ashton-James & Ashkanasy, 2008; Delgado-García & De La Fuente-Sabaté, 2010; Huy, 2011; Johnson et al., 2010; Powell et al., 2011)

Positive affect – even from positive conflict – suggested to produce better strategies
(Adler, 2010; Cardon et al., 2016; Carmeli et al., 2012; Hodgkinson & Healey, 2011; Jarratt & Stiles, 2010; Richard et al., 2013; Steptoe-Warren et al., 2011)

Cognition & interactions that align with assumptions of phenomenon

Summary

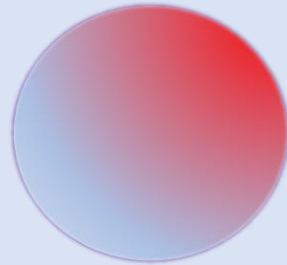
This chapter represents a component of the social-psychological foundation of strategy's formulation/implementation interface, and provides specific guidance on the cognition and interactions necessary for navigating various activities within strategy, as well as researching and teaching strategy.

Although still challenging, this guidance can produce more psychological pleasure in the strategy formulation/implementation interface, thereby enhancing interactions and creativity, where members work with greater sincerity and genuineness toward the good of the organization, not toward myopic self-interests.

To be clear, it is not recommended that strategy formulation and implementation espouse only hot cognition, that cold cognition is categorically negative, or that all emotion is beneficial. Instead, I propose a blending of hot and cold cognitions in order to achieve alignment with strategy's development work, requiring interactions and intensity or passion to achieve intuitive creativity.

Therefore, although the precise, optimal blending of rational and affective cognition is not known with certainty, a more balanced blending of affective and rational cognition is thought to represent the optimal (Hodgkinson & Healey, 2011; Nadkarni & Barr, 2008).

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