

Teaching Showcase:
Teaching Strategy Through Argument

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Strategy&, the strategic consulting arm of PricewaterhouseCoopers (pwc), surveyed over 6,000 corporate executives for a report released in 2019. Only 37 percent of respondents said that their company had a well-defined strategy, and only 35 percent felt that the strategy would lead the firm to success. Only 20 percent of the surveyed executives felt that there was agreement in their company about which capabilities were key to the firm's success.

This lack of confidence among practicing managers is dispiriting, particularly in light of the major advances in strategy research and pedagogy over the past forty years. Despite powerful strategy frameworks, countless case studies, and training in the best business schools, many executives struggle to see the systematic elements that unite a successful strategy. Part of the reason for this is our pedagogical focus on case studies. The reasons for success are as diverse and numerous as the firms themselves, tied to the specifics of the firms' environments, and reflective of different economic and sociological principles. Given this proliferation, no wonder the forest is lost from view: It is easy to conclude that no single path ties all of these stories together, and that each story is purely idiosyncratic.

In *Making Great Strategy: Arguing for Organizational Advantage*, we argue that the key to making progress is to recognize that one underlying theme unites all sustainably successful strategies, a common truth that is as simple as it is insufficiently recognized. The success of any consistent winning organization's strategy possesses a coherent logic, a logic that can be expressed as an argument, or what we call a strategic argument. While the specific reasons for success vary from firm to firm, each firm's accomplishments can be understood through a strategy argument that is logically coherent.

This more general dimension---the characteristics of a good, internally coherent strategy argument---usually gets lost in the analysis of multiple cases with specific detailed pathways to success. As it gets lost, so too does an understanding of how to formulate and develop great strategy tailored for a new situation, a task that relies on using this general skill of logical argumentation.

We would venture to guess that all strategy instructors, thanks to their rigorous scientific training, almost instinctively construct logically coherent strategy arguments when analyzing and teaching cases. Yet the skill of constructing and assessing strategy arguments should also be taught explicitly. *Making Great Strategy* therefore offers a flexible system of three core activities --- (1) iterative visualization; (2) logical formalization and (3) constructive engagement and debate with others --- that will help students and executives approach this core challenge systematically. In the session, we will briefly introduce the activities, and then discuss how they can be used in the classroom.

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