1934

THE

STRATEGY PROCESS

Concepts, Contexts, Cases

SECOND EDITION

HENRY MINTZBERG

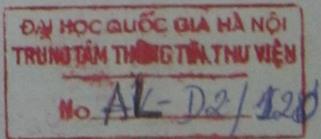
McGill University and

JAMES BRIAN QUINN

Dartmouth College



PRENTICE HALL
Englewood Cliffs, New Jersey 07632 AL-O.



CONTENTS

Acknowledgments

Introduction

SECTION ONE STRATEGY

1.	The Strategy Concept	3
	Strategies for Change, James Brian Quinn Five Ps for Strategy, Henry Mintzberg	4 12
2.	The Strategist	20
	The Manager's Job: Folklore and Fact, Henry Mintzberg Good Managers Don't Make Policy Decisions, H. Edward Wrapp Leadership in Administration, Philip Selznick	21 32 38
3.	Formulating Strategy	43
	The Concept of Corporate Strategy, Kenneth R. Andrews The Evaluation of Business Strategy, Richard Rumelt	44 52
4.	Strategy Analysis	60
	How Competitive Forces Shape Strategy, Michael E. Porter Generic Strategies, Henry Mintzberg Developing Competitive Advantage, Xavier Gilbert and Paul Strebel	61 70 82
5.	Strategy Formation	94
	Strategic Change: "Logical Incrementalism," James Brian Quinn Crafting Strategy, Henry Mintzberg The Honda Effect, Richard T. Pascale Toward Middle-Up-Down Management, Ikujiro Nonaka	96 105 114 123

Edward Marshall Boehm, Inc. Genentech, Inc. (A) The Guns of August: German and French Strategy in 1914 New Steel Corporation Intel Corporation	130 133 148 166 173	Federal Express Corporation E & J Gallo Winery IBM (A): The System/360 Decision Honda Motor Company	201 226 254 267 284	
SECTION TWO ORGANIZATION				
6. Dealing with Structure and Systems		307		
The 7-S Framework, Robert H. Waterman				
and Julian R. Phillips Strategy and Organization Planning Jay P	Galbrai	309 th 315		
Strategy and Organization Planning, Jay R The Intellectual Holding Company: Structu Activities, James Brian Quinn, Thomas	uring Arc	ound Core		
Penny C. Paquette		324		
The Structuring of Organizations, Henry N	Mintzberg	330		
7. Dealing with Culture		351		
Ideology and the Missionary Organization, Management Practices in Japan and Their				
Strategy, Vladimir Pucik and Nina Hatv		358		
8. Dealing with Power		369		
Politics and the Political Organization, Her	nry Mint	zberg 371		
Competitive Maneuvering, Bruce Henders		377		
The Institutional Function of Managemen	The Institutional Function of Management, Jeffrey Pfeffer			
Who Should Control the Corporation? He	zberg 389			
SECTION TWO CASES				
The New York Times	406	The Pillsbury Company	530	
Matsushita Electric Industrial Company	436	Exxon Corporation	557	
The Hewlett Packard Company	456	First Nationwide Financial Corporation:	579	
Ford: Team Taurus	481 505	The Savings and Loan Crisis	317	
Polaroid Corporation	303			
SECTION THREE CONTEXT				
9. The Entrepreneurial Context		601		
The Entrepreneurial Organization, Henry	g 604			
Competitive Strategy in Emerging Industri				
Competitive Strategy in Fragmented Indus				
A Reexamination of the Niche Concept, A Gary E. Willard, and Carolyn Y. Woo	Arnold C.	Cooper, 619		

SECTION ONE CASES

10.	The Mature Context	629
	The Machine Organization, Henry Mintzberg	630
	Long-Range Formal Planning in Perspective Brian I Logeby	646
	The Transition to Industry Maturity, Michael F. Porter	652
	Cost Dynamics: Scale and Experience Effects, Derek F. Abell and	
	John S. Hammond	656
11.	The Diversified Context	664
	The Diversified Organization, Henry Mintzberg	666
	The Product Portfolio, Bruce D. Henderson	678
	Reversing the Images of BCG's Growth/Share Matrix, John A. Seeger	680
	From Competitive Advantage to Corporate Strategy, Michael E. Porter	683
	Global Strategy In a World of Nations? George S. Yip	693
12.	The Professional Context	703
	The Professional Organization, Henry Mintzberg	704
	Technology in Services: Creating Organizational Revolutions,	
	James Brian Quinn and Penny C. Paquette	717
13.	The Innovation Context	730
	The Innovative Organization, Henry Mintzberg	731
	Managing Innovation: Controlled Chaos, James Brian Quinn	746
14.	Managing Change	759
	Beyond Configuration: Forces and Forms in Effective Organizations,	
	Henry Mintzberg	762
	Convergence and Upheaval: Managing the Unsteady Pace	
	of Organizational Evolution, Michael L. Tushman,	770
	William H. Newman, and Elaine Romanelli	778
	Responding to Crisis, William H. Starbuck, Arent Greve, and	785
	Bo L.T. Hedberg Designing Turnaround Strategies, Charles W. Hofer	793
	Managing Strategies Incrementally, James Brian Quinn	800
1-		808
15.	Thinking Strategically	000
	Strategy Follows Structure: Developing Distinctive Skills,	900
	Thomas J. Peters Math of the Well advected Manager I Sterling Livingston	809
	Myth of the Well-educated Manager, J. Sterling Livingston	014

SECTION THREE CASES

Pilkington Brothers P.L.C.	826	Peet, Russ, Anderson, & Detroit	947
Sony Corporation	845	Blanchflower, White and Greaves	956
The Royal Bank of Canada (B)	868	IBM (C)	962
General Mills, Inc.	893	General Motors (B)	978
The Continental Group, Inc.	913	Zayre Corporation (A)	1002
ARCOP	933	Mountbatten and India	1016