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School of Economics and Management

Strategic Thinking is Context Dependent

Company Size Influences the Strategic Thinking of a CEO

By
Andrew Teller
Alexander Juul Størner
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Supervisor: Anna Thomasson

Examiner: Ola Mattisson

Abstract

Strategic thinking is a complex field that consists of more than the concept of strategy. Strategic thinking is important to business success, to maintain a competitive advantage, to strategic planning, and management decision-making. However, this is not an exhaustive list of reasons why strategic thinking is relevant. Research in the science and professional fields have failed to agree on one fixed definition of strategic thinking; however, this does not stop the efforts of contributing to the concept. The purpose of this study is to test and apply the various characteristics of the conceptualization of strategic thinking by investigating how Chief Executive Officers (CEOs) strategically think. Furthermore, the research approach specifically uses a mixed method design to quantitatively analyze data supplemented by a qualitative data collection method. The subjects of this study were CEOs from small and medium enterprises (SMEs) within the region of Scania, Sweden. By investigating a CEO's practice of strategic thinking, this study's results led to insight into the concept of strategic thinking. First, the CEOs showed similar characteristics of strategic thinking backed by previous research such as creativity, having a vision of the future, being holistic, having rational and complex thinking, solving problems, and many more. Furthermore, after analyzing the results from an integrated point of view, the researchers of this study noticed a trend. The CEOs from micro size SMEs showed a tendency to strategically think from an external perspective, and CEOs from small size SMEs showed a tendency to strategically think from an internal perspective. This study's contribution to the field of strategic thinking argues that the context of enterprise size influences the strategic thinking of a CEO. Recommendations for future research should focus on investigating the relationship between the context of enterprise size and a CEO's practice of strategic thinking.

KEYWORDS: Strategic thinking, Strategy, Business Management, CEOs, Small and Medium Enterprises, SME, Management, Master's in Management, Sweden

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1.0 Introduction

The aim of this chapter is to introduce the study by providing a background context and relevance. After the background, the introduction will present the research gaps, the research purpose of this study, and provide supplemental research questions. The chapter will conclude by giving the reader a brief outline of the thesis.

1.1 Background

The year is almost 2020, and technology is creating a dynamic business environment where efforts to maintain competitive success are becoming more and more challenging. A reason for this is due to the increases in automation, artificial intelligence, and the development of the global value chain that forces enterprises to be more aware of their strategies in order to be successful (Baldwin, 2016). The research on strategy is widely regarded as something one needs to develop to be successful. For instance, Mintzberg (1990), Porter (1998), and Grant (2019) argue that understanding and implementing the concept of strategy is important to maintain a competitive advantage, to develop business models, to plan ahead, and to create a successful company. However, what is the process behind practicing strategy? Research shows that the concept of strategic thinking is linked to the process behind the practice of strategy. For example, Abraham (2005) argues that strategic thinking is different than strategy and is about finding a better way to adopt business models different than your competitors. Additionally, Mintzberg (2018) wrote strategic thinking is not about a competitor's strategy, implying that the concept is separate from strategy. Therefore, there is evidence by the research community that the two concepts of strategy and strategic thinking are connected yet consist of two different definitive concepts.

In addition to establishing the importance of strategy, the focus of this study is on strategic thinking. There is research that suggests the importance of the application of strategic thinking. For instance, strategic thinking is important for strategy development and strategic management (Nuntamanop, Kauranen, & Igel, 2013). Additionally, the ability to strategically think impacts strategy development and business performance (ibid). As Steptoe-Warren, Howat, and Hume, (2011) speak on the importance, they argue that the practice of strategic thinking and the competencies

are important to successful strategic management. Gallimore (2008) states that the topic of strategic thinking is important because it represents a concept that bridges the conceptual and empirical worlds, which also creates a challenge for executives and remains prevalent in literature. In addition to the strategy component of strategic thinking, there is research (Lund University School of Economics and Management, 2017) on the thinking component of strategic thinking, which leads to set of cognitive processes. However, even though there is research supporting the importance of strategic thinking in various applications, authors in the science and professional community cannot seem to agree on a definition of strategic thinking. Therefore, it is an interesting conundrum that many authors support the significance of strategic thinking, yet at the same time, fail to agree on a concept.

Who thinks strategically? Is it necessary to focus on everyone's ability to think strategically? One could argue that Chief Executive Officers (CEOs) are the key decision makers for an enterprise's success. Fredberg (2014) argues that a CEO's ability to solve complex problems is one source of competitive advantage. Additionally, Bruce and Gao (2018) suggest the leadership style of a CEO influences the innovation within a company. However, CEOs decision making on strategy and their behavior is within the context of the company they manage. There is research on the behavior of CEOs who manage small to medium enterprises (SMEs). For instance, Kammerlander et al., (2015) investigated the positive correlation between a CEO's focus on the concepts of exploitation and exploration to be successful within the contexts of SMEs. In fact, 99.8% of all non-financial businesses in the European Union consist of SMEs (Ec.europa.eu., 2019a).

Connecting all the relevant information, the concept of strategic thinking is currently a conundrum. The research argues that even though the conceptual application of strategic thinking is important for enterprise success, there is no fixed agreed upon definition or framework. Furthermore, there is theoretical, conceptual, and empirical research all arguing that a greater understanding of strategic thinking is important. Additionally, CEOs are highly regarded as important figures whose practice of strategy leads to business success. Therefore, the research of this study will explore the concept of strategic thinking and its application involving CEOs with the aim to contribute to the field and existing literature on strategic thinking.

1.2 Research Gaps

As suggested in the previous chapter, the concept of strategic thinking is defined by many different components, yet researchers and professionals cannot seem to agree on one fixed concept. To support this claim, Gallimore (2008) argues that even though it is not possible to produce a more definitive conceptualization of strategic thinking, the practical application of the concept is still important. Additionally, there is limited research on applying the concept of strategic thinking in practice within the context of CEOs. Furthermore, this research involving the practical application of CEOs is limited within the country of Sweden, which is where this study is geographically located. Therefore, the intention of this study will hopefully close the research gap between the conceptual and practical application of strategic thinking by analyzing empirical data.

1.3 Research Purpose and Questions

The purpose of this study is to investigate how CEOs strategically think. The goal is to apply and test the current concept of strategic thinking. The problem with strategic thinking as mentioned previously is that the concept of strategic thinking is not yet fixed, but researchers still aim to apply the concept. An intended outcome for this thesis is to determine key components by identifying any similarities, differences, or any other characteristics in the strategic thinking among CEOs from various enterprises. By finding these key components, the hope is to support current research and contribute to the field of strategic thinking. The method of this study consists of a quantitative data analysis method supplemented by a preliminary qualitative data collection method. The following two research questions are explored throughout this study in order to help fulfill the research purpose of this study:

1. What similarities and differences (if any) are there in how CEOs strategically think?
2. What (if any) key findings are relevant to the current field of strategic thinking based on previous research?

1.4 Outline of Thesis

This aim of this section is to give the reader a brief outline of the thesis moving forward. Chapter 2 presents the literature review providing an in-depth review of the concept of strategic thinking

from previous research. Chapter 3 is the method of this study, outlining the research approach, design, and further analysis of how this study collected data, including limitations. Chapter 4 presents the results of this study, where the findings will be briefly explained. Chapter 5 is the discussion of this study. The discussion will present the important outcomes in relation to previous research and further implications. Chapter 6 is the conclusion, outlining the overarching themes, contributions, limitations, and future research.

2.0 Literature Review

The literature review is designed to give an understanding of the current conceptualization of strategic thinking using the best available knowledge. The review starts by acknowledging the difference in the concepts of strategy and strategic thinking. Afterward, the review consists of all the relevant characteristics that contribute to the current conceptualization of strategic thinking. Lastly, the review will conclude by introducing the theoretical framework to help give the reader and the results of this study a context for interpretation.

2.1 Strategic Thinking

The concept of strategic thinking is widely researched; however, it still remains to be a challenging concept to define. Strategy, a common connection to strategic thinking, is considered to be understood, but research agrees that both concepts are different. Abraham (2005) argues that strategy implies competing and outwitting competitors, but strategic thinking is a process of finding new ways to compete and provide value. Abraham (ibid) also states that it's impossible to formulate strategy without engaging in strategic thinking. Mintzberg (2018) states that strategic thinking is not about following a competitor's strategy, which he emphasizes as a separate concept from the concept of strategy. This study's literature review does not intend to define strategy nor state previous research on the concept of strategy but declares a difference in strategy and strategic thinking. By acknowledging a difference in both concepts of strategy and strategic thinking, this study will dive into a further understanding of the concept of strategic thinking.

The contribution to the concept of strategic thinking is broadly researched, but the concept itself currently remains a product of many other concepts or characteristics, as opposed to one fixed definitive concept. For example, Gallimore (2008) suggests that authors imply what strategic thinking means rather than present an explicit definition. Therefore, the purpose of this literature review will now be to dive into the many characteristics that help contribute to the concept of strategic thinking.

One characteristic of the concept of strategic thinking is about the process of maintaining a competitive advantage. Research suggests that strategic thinking is all about gaining some sort of

competitive edge using an organization planning process (Haycock, Cheadle, & Spence Bluestone, 2012). Furthermore, strategic thinking on an organizational and individual level helps improve the decision-making process resulting in a greater competitive advantage (Bonn, 2005). To add to Abraham's claims mentioned previously, Abraham (2005) also states that strategic thinking is the most important concept to increase stakeholder value and make an organization stronger against its competitors. Furthermore, the concept of strategic thinking is about exploiting opportunities that your company's competitors are not aware of, which also aligns with the characteristics of competitive advantage (Tajpour, Hosseini, & Moghaddm, 2018). To conclude, the process of maintaining a competitive advantage is one characteristic that contributes to the concept of strategic thinking.

Another characteristic of the concept of strategic thinking is centered around the theme of direction. Strategic thinking is the systematic process in which an organization focuses on the long-term direction (Allio, 2006). To support, Betz (2016) argues that strategic thinking is a concept where an organization must use a short-term sequence of steps to achieve some future world. The concept of direction can be associated with time as some research suggests. For example, strategic thinking is about taking a view on the organization's past, the present, and finding a dynamic way to survive in the future (Steptoe-Warren et al., 2011). Goldman, Scott, and Follman (2015) conducted research by interviewing participants on the concept of strategic thinking and concluded that the participants understood the concept as systems-oriented or directional. To conclude, there are themes centered around the direction of the organization as a conceptual characteristic of strategic thinking.

Vision of the future and emphasis on the perception of time are characteristics that also add to the concept of strategic thinking. In addition to directional characteristics, previously mentioned authors also mention the theme of vision and time. Betz (2016) suggests strategic thinking is all about the process in creating a desirable future, or to bring about a vision for a future. Agreeing with Betz, Mintzberg (2018) says strategic thinking is about seeing ahead, behind, or through suggesting that the perception of time matters looking into the past or future. One can also argue that Steptoe-Warren, Howat, and Hume's (2011) mention of past, present, and future is less directional and more centered around the theme of vision. Nonetheless, this only further supports the argument

that the concept of strategic thinking consists of non-fixed characteristics. Allio (2006) also suggests that strategic thinking is a process of using the components of vision, implementation, and purpose to create a strategy. Additionally, strategic thinking is all about having the mindset of the big picture or an innovative vision for the organization (Simon, Bartle, Stockport, Smith, Klobas, & Sohal, 2015). Overall, there is research to suggest that the theme of vision or emphasis on time are important characteristics in the conceptualization of strategic thinking.

Recent research also states that strategic thinking involves cognitive competencies. For instance, Professor Stein Kleppestø from Lund University discusses research about the cognitive processing that takes place during the practice of strategic thinking. Kleppestø (Lund University School of Economics and Management, 2017) states that there are several informational processes that facilitate the practice of strategic thinking. Kleppestø (ibid) states the ability to practice strategic thinking relies on cognitive processes such as the integration of ambiguous information, dealing with dynamically complex information, and be able to logically apply reasoning in a disciplined manner. Additionally, Kleppestø (ibid) says that using intuitive judgment to clarify vague information and rapidly grasp new concepts is important to practice strategic thinking. Even though there are practical characteristics of strategic thinking, there also lies a cognitive conceptualization of strategic thinking.

All of the characteristics mentioned above illustrate many of the key components of strategic thinking. Yet, just as there are numerous characteristics that contribute to strategic thinking, research also suggests defining what strategic thinking is not leads to another helpful contribution to the concept of strategic thinking. Gallimore's (2008) research shows that many authors state what is not strategic thinking because by claiming what strategic thinking is not is better than not defining the concept at all. Gallimore (ibid) claims that other authors state strategic thinking is not business planning, is not operational thinking, is not routine thinking, and many others. Additionally, Mintzberg (1994, p. 107) firmly states that "strategic thinking is not strategic planning." The relevance in this review is to show that there has been previous research suggesting a challenge to define a fixed concept of strategic thinking.

Gallimore's research on the concept of strategic thinking is extensive and arguably one of the most in-depth pieces on the concept. His literature review consists of reviewing past research and formulated all the characteristics mentioned from other authors on the concept of strategic thinking. Gallimore's literature review extensively helped this study's knowledge, as well as help, clearly state numerous past researches on the concept of strategic thinking.

Gallimore combined all of his research into a table, which this study recreated for aesthetic purposes illustrated in Table 1 (see next page). This study will refer to this table as Gallimore's characteristic table. The characteristic table identified 20 characteristics and the number of publications that cite the characteristic that contributes to the concept of strategic thinking. The purpose of this table is to illustrate all the characteristics of Gallimore's research that contribute to the concept of strategic thinking. Additionally, Table 1 is significant because it shows that there is not just one key component or characteristic which defines strategic thinking.

Characteristics	Authors citing the characteristics	Number publications citing the characteristic
1 Creative	(Bates and Dillard Jr 1993; Bonn 2001; 2005; Goldsmith 1996; Graetz 2002; Heracleous 1998; Howard 1989; Liedtka 1998a; Mintzberg 1994; O'Shannassy 2003; Porter 1987b; Weber 1984)	12
2 Vision of the future	(Bonn 2001; 2005; Howard 1989; Liedtka 1998a; Linkow 1999; Mintzberg 1994; Stumpf 1989)	7
3 Holistic	(Bonn 2001; Liedtka 1998a; Linkow 1999; Mintzberg 1994; Singer 1996; 1997; Steiner et al. 1983)	7
4 Complex or systems thinking	(Bonn 2001; 2005; Dickson et al. 2001; Liedtka 1998a; Linkow 1999; Reagan-Circincione et al. 1991; Stumpf 1989)	7
5 Rational and analytical	(Linkow 1999; O'Shannassy 2003; Porter 1987b; Stumpf; Weber 1984)	5
6 Longer time perspective	(Easterby-Smith and Davies 1983; Howard 1989; Reagan-Circincione et al. 1991; Steiner et al. 1983; Stumpf 1989)	5
7 Questioning taken for granted assumptions	(Bonn 2001; Eden 1990; Heracleous 1998; Howard 1989; Linkow 1999)	5
8 Divergent	(Goldsmith 1996; Graetz 2002; Heracleous 1998; O'Shannassy 2003)	4
9 Synthetic	(Graetz 2002; Heracleous 1998; Mintzberg 1993; O'Shannassy 2003)	4
10 Broader context	(Bonn 2001; Easterby-Smith and Davies 1983; Goldsmith 1996)	3
11 Intuitive	(Bate and Dillard Jr 1993; Graetz 2002; Mintzberg 1994)	3
12 Connecting past, present and future	(Liedtka 1998a; Linkow 1999; O'Shannassy 2003)	3
13 Problem solving	(Bonn 2005; O'Shannassy 2003; Stumpf 1989)	3
14 Intent focused	(Liedtka 1998a; Steiner et al. 1983)	2
15 Abstract or conceptual	(Bates and Dillard Jr 1993; Stumpf 1989)	2
16 Tolerant of risk or ambiguity	(Bates and Dillard Jr 1993; Stumpf 1989)	2
17 Curious experimental or exploratory	(Howard 1989; Liedtka 1998a)	2
18 Active in shaping circumstances	(Easterby-Smith and Davies 1983)	1
19 Focusing on most significant forces	(Steiner et al. 1983)	1
20 Involving values	(Linkow 1999)	1

Table 1: Key characteristic table of strategic thinking by Gallimore (2008, p. 24-25)

From Table 1 (previous page), the most cited characteristic that contributes to the conceptualization of strategic thinking is Creative. All of the 12 authors in column two cite strategic thinking is about being creative. The list of characteristics is in order from most cited to least. This literature review will not go into the definitions of each of these characteristics because the authors who cite these characteristics do not consistently define the terms in their own research. Therefore, further development of the definition of these characteristics is not productive or relevant to this study. Nonetheless, this study will argue some similarities in the meanings of different words. The study hopes that the reader can make their own judgment on the meanings of these words.

Gallimore's research also overlaps with some of the previous characteristics discussed earlier in this chapter. Characteristics 2, 4, and 6, "Vision of the future", "Connecting past, present, and future", and "Longer time perspective" are all similar characteristics to other previous research about themes of direction, vision, and emphasis on time. One can argue these have the same meaning, yet semantically different.

Expanding on these characteristics from Table 1, Liedtka (1998) suggests strategic thinking involves a future image we are working towards and linking this future to personal choices within the organization. In agreement, Linkow (1999) also argues that one concept of strategic thinking is about the ability to see the future. Stumpf (1989) adds on with more clarity that strategic thinking is about envisioning a future in so much detail that the company's direction is clear and focused. Gallimore's characteristic framework on strategic thinking clearly illustrates overlap with previous research, yet there are additional characteristics that need to be discussed.

In addition to these overlapping characteristics, there are some that have not been mentioned. Liedtka (1998) argues that strategic thinking is also a form of creativity, curiosity, focused on intent, and an experimental process. These can be seen in Table 1: characteristics 1, 14, and 17. Linkow (1999) writes about how strategic thinking is about the practice of establishing values, developing a holistic approach, and applying rational, complex thinking to organizational problems. All of these are seen in Table 1: characteristics 3,4,5, and 20.

Even though Gallimore's characteristic table is older than the newly previous research mentioned in this literature review, Gallimore's characteristic table is still arguably a good theoretical framework to test new efforts to contribute to the conceptualization of strategic thinking. To add to this argument, recent research shows a similar overlap between recent research and the characteristics in Table 1. Therefore, this study will use Gallimore's characteristic table as a theoretical framework in order to provide a context for the results. There is little to no research on verifying Gallimore's characteristic table in different contexts (such as interviewing CEOs on strategic thinking in Sweden).

Gallimore (2008, p. 25) even goes as far to argue, "...a highly deductive approach to research into strategic thinking would be inappropriate since a definitive conceptualization of strategic thinking is not available." Gallimore is implying that because there are numerous characteristics that define strategic thinking, there cannot be one fixed conceptualization of strategic thinking. However, Gallimore (ibid) also argues that it's not necessarily important to define a fixed concept of strategic thinking but make meaning out of all the relevant characteristic and apply them in practice, which led to Table 1. To conclude, much of the previous research on strategic thinking is efforted to define the concept of strategic thinking in order to apply it in practice.

2.2 Chapter Summary

The concept of strategic thinking is widely research and currently does not consist of one fixed concept. Previous research suggests numerous characteristics that apply to the concept of strategic thinking, yet, Gallimore's characteristic framework is arguably the most effective and extensive. Major themes around the concept of strategic thinking are competitive advantage, vision of the future, time oriented (past, present, future, long-term perspective), and others from Table 1. This study is investigating how CEOs strategically think, and it's important to establish a base theoretical framework to apply the results to. The aim of this study is to contribute to the current research on the application of strategic thinking. Gallimore's characteristic framework will be advantageous to compare this study's findings, however, this study could also bring insight and criticisms to Gallimore's characteristic table. To wrap up the best available knowledge around the concept of strategic thinking: it is clear that strategic thinking involves some action (e.g., be active in shaping

circumstances), something you must have (e.g., ability to see into the future), and some ability (e.g., be curious or creative) to practice applying a concept.

3.0 Method

The aim of this chapter is to justify the methodology of this study's research. The method will first explain the research approach and design, explaining the intentions behind the methodology. Then the method will go into detail of the data collection detailing the qualitative interview process to satisfy the requirements for the quantitative computer-aided text analysis tool Pertex. The next section is the data analysis where the study details the explicit steps about how the data was analyzed using Pertex. The method will conclude with the reliability, validity, and limitations of this approach.

3.1 Research Approach

The purpose of this study is to explore how CEOs strategically think. After establishing a purpose, the researchers were given an opportunity by the director of the MiM 2018-2019 program (Stein Kleppestø) to use a computer-aided text analysis tool called Pertex (details to how Pertex works will be discussed in data analysis), which is designed to understand people's way of thinking (Helmersson and Mattsson, 2001; 2012). The research approach for this study was then carefully selected based on the previous research of Gallimore. Gallimore (2008) stated a deductive approach on strategic thinking is impossible, as there is no commonly agreed definition on the concept. Therefore, the researchers of this study decided to use an inductive approach, in order to contribute to literature on strategic thinking. The research approach was then concluded on using Pertex as an inductive approach due to previous research and the opportunities in which Pertex can help investigate the concept of strategic thinking.

3.2 Research Design

The research design of this study's method revolved around the use of Pertex. Pertex is a tool that processes raw text in which must be formatted in a specific way in order to analyze the results. Therefore, the research design consisted of quantitative data analysis supported by a qualitative data collection method. The qualitative data collection method (discussed in the next section) consisted of creating, developing, and performing online interviews from CEOs. The data from these interviews were transferred and analyzed using Pertex. Concluding, it can be argued that the design

of this research is based on a mixed methods approach in order to get a more comprehensive understanding on the concept of strategic thinking and therefore, contributing to literature.

3.3 Data Collection

The data qualitative collection of this research design consisted of two parts: CEO collection and pilot interviewing tests. The first part, the CEO collection, will explain the process of how the researchers found the sample size for this research. Then, the second part of this data collection method will describe the process in which the researchers created, tested, and validated a sufficient raw data input for Pertex, as stated previously that Pertex requires specifically formatted text to operate.

3.3.1 Data Collection – CEO Collection

In order to contribute to existing literature, the researchers decided on a target population in order to test the validity of Gallimore's characteristic table (Table 1) in a different context. This context of the target population was chosen based on two different criteria. The first selection criteria was based on the geographical location of the researchers, Sweden, specifically, the region of Scania. Additionally, the second selection criteria was choosing CEOs from small to medium enterprises (SMEs). Additionally, the researchers of this study are assuming that CEOs are key decision makers within the enterprise. To further specify and control the data collection, all the CEOs were selected from micro and small SMEs. In accordance with this study, the current definition of a micro and small SME is an enterprise with less than 10 employees and 50 employees, respectively (Ec.europa.eu. 2019a, p. 13). The motivation behind choosing CEOs from SMEs was because the background of this study found previous research (Fredberg, 2014; Bruce and Gao, 2018; Kammerlander et al., 2015) supporting the importance to investigate the actions of CEOs from small to medium enterprises. Current data shows that number of SMEs in the European Union (EU) make up 99.8% of all enterprises in the EU, and the number of SMEs in Sweden make up 99.7% of all enterprises in Sweden (Ec.europa.eu. 2019b, p. 2). Therefore, the choice for choosing SMEs further helps generalize the results from this study because Sweden and the EU have matching statistics. Lastly, the motivation behind choosing CEOs from this specific context was because there is little to no research testing the concept of strategic thinking with CEOs from a controlled sample framework such as micro and small SMEs within Sweden.

The first step in collecting data was to look for CEOs within the aforementioned criteria. In order to do this, the researchers made use of two social networking platforms: LinkedIn and Facebook. In addition to the social network platforms, the researchers of this study asked their own network of fellow students, professors, and other colleagues to help find potential CEOs who match the targeted population. Therefore, this sampling approach was based on convenience and time considerations, which led to the method of snowball sampling. This approach yielded a number of 10 CEOs, who were asked to participate in the study. After the 10 CEOs confirmed their participation in the study, a response rate of 80% was reported as only 8 CEOs responded in the end.

3.3.2 Data Collection – Pilot Interview Test

To use Pertex as a viable quantitative data analysis method, the researchers of this study had to make sure the input data was specifically formatted. The written text that Pertex requires must come from the participant (in this case a CEO) and must be written in a conversational tone. The participant needs to write as if they were writing to another person, otherwise, Pertex will not perform a sufficient analysis (Helmersson, 2010). Therefore, the researchers of this study decided to interview the CEOs by sending interview questions through email so the subsequent CEO reply would be the raw text that Pertex uses for analysis.

The researchers of this study only had 1 chance to the right email question because of the limited time of the CEOs and this study. Therefore, a pilot interview process was created. The intention of the pilot interview was to verify the question being asked to the CEOs would be sufficient for Pertex. The pilot interview served as a test to achieve two goals: determining the right question that would best answer the research questions on strategic thinking and determining how to ask that same question in a written form suitable for Pertex.

The pilot interview started with choosing one CEO to interview orally. The CEO that was chosen was based on the same targeted population mentioned earlier. Additionally, it was assumed that the pilot CEO was knowledgeable in the field of strategy and could add a valuable contribution to this study. The interview was conducted using the guidance from the Structured Interview chapter from the book: “Business Research Methods” (Bryman and Bell 2015, p. 211-235). The interview

consisted of three people: the two authors of the thesis (Størner and Teller), and the CEO of a small SME consisting of 13 employees. The interview lasted one hour. During this interview, Teller asked 11 verbal questions, and Størner documented the answers from each question. Throughout the interview, Teller maintained eye contact and only replied with words such as “OK” and “Right” to ensure minimum influence on the answers. The interview was recorded and transcribed within 48 hours after the interview per method guidelines (Bryman & Bell, 2015).

The questions for the interview were chosen based on the requirements of Pertex, method considerations, and research purpose. The following questions were asked during the interview:

1. Why is strategy important?
2. Why is strategy important to you?
3. What are the key components of the strategy?
4. What does the word strategy mean to you?
5. How would you define someone who is strategic?
6. What are the tasks, mindsets, and skills of someone who is strategic?
7. How do you practice strategy?
8. How do you measure success?
9. How do you measure the success of your strategy?
10. What difference is there between planning and strategy?
11. Do you and how often do you reevaluate strategy?

The answers to these questions are in Appendix A. After reviewing all the answers, a suitable question was chosen. The second step of the pilot interview test was to now validate the best way to ask the question so that the response from an email is in the format of a conversational tone. To perform this validation check, two emails were sent to two anonymous students from the 2018-2019 MiM program. For time and convenience, the students were the best choice to test the success of the test question (as opposed to CEOs, manager, or other non-students). It was assumed that the students had enough knowledge at the time about a strategy to be deemed acceptable. The email to the two students consisted of the following statement:

“You have been selected for an honorable mission for the UN and will have to leave your position as CEO for one year. However, during this time, you will have a stand-in CEO that will act on your behalf. To make sure that the stand-in will act as similarly as you during “business as usual,” you will write this person a letter explaining your strategic thinking. Please write a short summary explaining to the stand-in CEO on how you think strategically.”

The answers from each student are in Appendix B. Both students replied to the email with a certain level of difficulty in answering the statement. Student one answered the statement stating confusion in trying to understand the task. Student two misinterpreted the entire email altogether and instead of answering the statement, critiqued the grammar of the statement. Therefore, the reply emails of both students were deemed unacceptable because the answers did not fulfill the requirements of Pertex.

Therefore, with assistance from this study’s supervisor Anna Thomasson and the founder of Pertex, Helge Helmersson, a new question was then created. The final question was chosen based on the requirements of Pertex, the research purpose, and method considerations. The final email to the CEOs contained the statement:

“Please write an explanation on how you choose to practice strategy as the CEO of your company.”

In order to keep the question open-ended, the question was limited it to one sentence. Using the wording “explanation” was chosen based on the presumption that the CEO would think that they were talking to someone, which in turn satisfies Pertex’s requirement of a conversational tone. The choice of why this study proposed the question of “practicing strategy” as opposed to “strategic thinking” was for three reasons. First, the in-person interview yielded that the results from practicing strategy most optimal answer. Secondly, previous research suggests strategic thinking is an ability that is practiced and therefore, deliberately aligned with best available knowledge. Third, Pertex by nature is designed to get in the minds of people’s process of writing and therefore, it did not seem useful to ask a question related to “strategic thinking” since the Pertex results are by

default related how someone thinks (Helmersson & Mattsson, 2001; 2012). Therefore, the success of these structured interviews is based on the preparation of the interview question by piloting and iterating the question until the researchers were confident that the question will answer the research question (Easterby-Smith, Thorpe & Jackson, 2015).

3.4 Data Analysis

The data analysis of this method consisted of using Pertex to analyze the responses from each CEO. Pertex was also chosen as the method to analyze data because it is designed to reduce bias and subjectivity when assessing data from interviews. Helmersson and Mattsson's (2001) research on Pertex prove the validity of this quantitative text-analysis tool and prove its deeming method to measure of the overall quality of text gathered from interviews. The process in which Pertex and the researchers analyzed the data consisted of four chronological steps:

Step 1

The responses (raw text) from the CEOs are imported into Pertex. Due to ethical concerns and anonymity, the email responses (raw text) are not provided in this study. During the importing of the raw text, limited spelling corrections were performed by the researchers of this study to ensure Pertex can interpret the meaning of the text correctly. The researchers of this study also were required to manually identify the part of speech (e.g., adjective, verb, adverb, etc.) when Pertex did not recognize itself. After these corrections were complete, the text is deemed functioning. Therefore, step 2 can be initiated.

Step 2

Pertex compiles the text in step 1 into multiple clusters. A cluster represents a block of text. Multiple sentences and words are grouped together to form 1 cluster (Helmersson & Mattsson 2001). The decision in step 2 is for the researcher is to determine the number of clusters that should be selected. The number of clusters selected involves a process looking into a statistical method analysis that Pertex uses based on Ward's Error Sum of Squares (ESS). The ESS value measures the relative error as the formation of clusters grow (Helmersson & Mattsson, 2012). The more blocks of text that are compiled together, the higher the ESS value. Therefore, the challenge for the researcher is to choose an ESS-value not too high or too low, which both would yield a pointless use

of Pertex. The suggestion by Helge Helmersson (the creator of Pertex) is to pick the number of clusters with an ESS value somewhere close to the middle. However, it is important to note that the number of clusters selected for analysis does not affect the end result.

Step 3

The next step is to label each cluster in the total number of clusters that were selected in step 2. For example, if in step 2, the number of clusters selected was 10, then step 3 is the process where the researchers label each of the 10 individual clusters. After the process of labeling all the clusters, form what is called a cluster tree. An example of a cluster tree is shown in Figure 1 below. Each label becomes the labeled rectangles part of the cluster tree. Each rectangle is labeled numerically, which represents the number of clusters selected from step 2 (in this case, 4 were chosen). Figure 1 presents that each numerical cluster was labeled: “Product focused customer service”, “Short term income”, “Implementation”, and “Long term value through building company culture”.

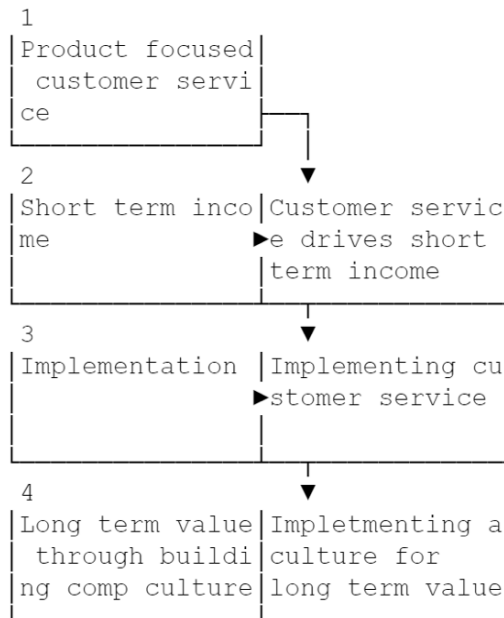


Figure 1: Illustration of a cluster tree being condensed into one final statement in PERTEX

Step 4

The last user input and step of Pertex is to fuse or condense all cluster labels on the cluster tree into one final underlying statement. In this process, the final part of the interpretation is about labeling subsequent fusions among the clusters as determined by the tree” (Hine, Helmersson & Mattsson, 2008). Using Figure 1 as an example, 4 clusters were selected from step 2, 4 clusters were labeled in step 3, and each cluster was condensed into 1 final underlying statement: “Implementing a culture for long term value.”

3.5 Quality of Study

The quality of a study will be determined by considering the validity and reliability of a mixed methods approach (Bryman & Bell, 2015). In addition to validity and reliability, the study’s qualitative pilot interview approach will bring forth considerations of dependability and credibility.

Bryman and Bell (2015) state that the internal validity of a study is the ability of the researchers to match their observations with theoretical concepts. The method of this study has arguably taken into account internal validity because the research approach and design considered previous research on the best approach to study strategic thinking. To further support the internal validity, Gallimore’s (2008) argument on an inductive approach aligns with the quantitative method of using Pertex in order to formulate theoretical concepts. Similar to internal validity, the research approach holds internal reliability. Bryman and Bell (2015) state that internal reliability is when the researchers of the study agree on interpretations and concepts. The pilot data collection approach of this method is arguably an example of how the researchers of this study were required to interpret the data and make considerable and iterative decisions moving forward.

The dependability and credibility of this study are founded based on this study’s ability to repeat the process of inducing theory from data and present the data in a way that is clear (Bryman & Bell, 2015). The pilot data collection method of first interviewing a CEO and then validating the questions for Pertex using students is a triangulation method approach. The triangulation approach is an iterative process that is grounded in modifying the interview questions until it aligns with previous research. Therefore, this study argues this iterative process yields dependability and credibility. To provide additional credibility, the presentation of the interview process is shown in the

Appendices. In addition to dependability and credibility, the external reliability is the degree at which a study can be replicated (ibid). The researchers of this study argue that if future research were to follow a triangulation approach using Pertex, the results would be replicated.

3.6 Limitations

The limitations of the research approach, design, data collection, and overall quality of study will be discussed in this section. The first limitation of this research design was during the CEO collection approach. This approach of using social networks induces a community bias risk that comes from (convenience) snowball sampling. However, the researchers of this study were limited in trying to find random CEOs and therefore, needed to use all available resources to perform this research. The final sample size of this study of eight CEOs is a limitation. A small sample size negatively affects the generalizability and weakens the statistical significance of the findings. Additionally, all the CEOs of this study are from Scania, which is a limitation because it represents one small part of the entire country of Sweden. Nonetheless, the purpose of this study was to investigate how CEOs strategically think, and the researchers of this study needed accessibility to test the concept of strategic thinking. Further limitations on the demographics of the sample size can be addressed with further research.

Additional limitations of this method are the external validity and reliability. This study's research approach is limited in results that can be generalized and repeated because an argument can be made that if this mix method approach was conducted on different CEOs, there would be different results, therefore, not repeated. This is due to the community bias and subjectivity of the user input when using Pertex. Nonetheless, previous research suggests that the concept of strategic thinking is not fixed and therefore, the researchers of this study argue that even though these results cannot be generalized to a strong degree, the characteristic findings are still relevant to the concept of strategic thinking.

Another limitation of this study is that Pertex is not 100% objective. Even though Pertex is a computer-aided quantitative tool, it does not completely eradicate subjectivity. Each of the four steps described in the data analysis section of this chapter is subject to user bias. There is no limit to how many times a Pertex user can choose a different number of clusters, label the clusters

differently, and condense the clusters into a different underlying concept. This created a challenge when merging the cluster trees together. Every merged cluster forced the users to delete previous statements. This is a limitation because the judgments made during this labeling process are subjective. As this may be seen as a limitation of Pertex, it is worth arguing that some sort of standardization is necessary for comparing texts (Helmersson & Mattsson, 2012). Therefore, this study assumes that a change in the cluster tree labeling will not produce any significant changes to the findings but can be seen more as an opportunity for future research.

4.0 Results

The results chapter presents the findings from the Pertex analysis. The results will be presented by first showing an example of how Pertex formed a cluster tree and how the researchers of this study finalized the final underlying statement from each CEO. The raw data will be presented with some context in a table. All of the raw text from the CEOs will not be provided due to anonymity because the text reveals what enterprise the CEOs are from. All the CEOs are labeled alphabetically in order of response received (e.g., CEO A, CEO B, etc.). Furthermore, all additional cluster trees will be presented in Appendix C for more information. Lastly, this chapter will present brief Pertex analysis on what characteristics can be seen in the findings, yet, their further significance will be presented in chapter 5.

4.1 Pertex Findings

The study initially set out to interview ten CEOs, yet, only received eight email responses. Therefore, the study's sample size was reduced to eight. Each of the eight CEO's text on practicing strategy yielded insight into their strategic thinking. To present one example of the Pertex analysis, Figure 2 below shows the cluster tree from CEO H:

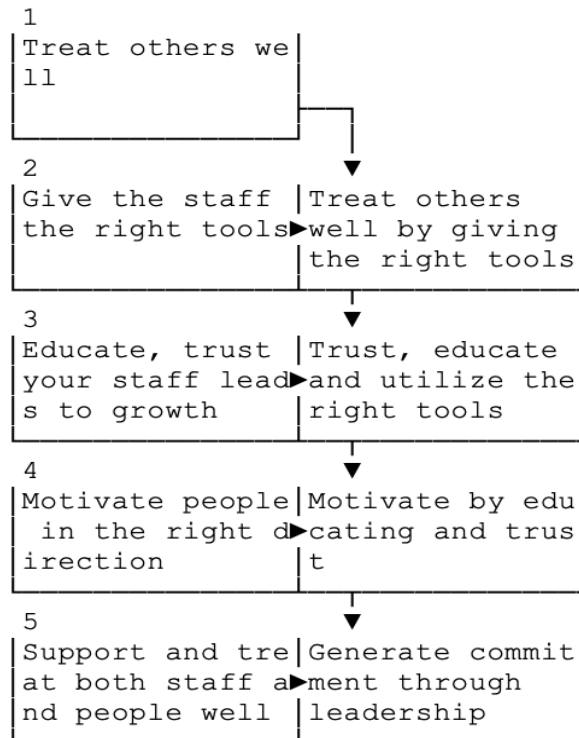


Figure 2: Illustration of a cluster tree consisting of a total of five clusters selected before condensing into one final statement.

The cluster tree from CEO H started with an initial cluster name (step 3 in method chapter): “Treat others well.” This combined with cluster label two of “Give the staff the right tools” was condensed into “Treat others well by giving the right tools.” Eventually, these individual cluster statements were condensed to a final underlying statement: “Generate commitment through leadership.” See Appendix C for all Pertex cluster trees. All of the final underlying statements from the Pertex cluster trees are compiled in Table 2 below. Table 2 below presents the CEO name, their respective enterprise size, the number of employees (to give the reader context and validity for the definition of a SME), and the final Pertex result. Pertex creators and previous researchers (Helmersson & Mattsson, 2012) state that text size (the email response) does not affect the integrity of the Pertex result. Therefore, text size (e.g., number of words or characters) is not shown.

CEO Name	SME Size	# of Employees	Result
CEO A	Small	50	Prioritize ¹ clear decisions to meet demand
CEO B	Small	13	Product development to meet short term goals
CEO C	Micro	4	Implementing a culture for long term value
CEO D	Micro	1	Passionately practice strengths for revenue
CEO E	Micro	4	Include colleagues in planning yearly
CEO F	Micro	2	Competitive advantage with an adaptable brand
CEO G	Small	30	Future success requires ² a learning culture
CEO H	Micro	4	Generate commitment through leadership

Table 2: Presents the final underlying statement from Pertex in addition to CEO information

4.2 Pertex Analysis

From CEO A to CEO H, each CEO had an underlying statement, which revealed how they practice strategy. As stated earlier in the method chapter, these underlying statements help show insight into the strategic thinking of CEOs. Furthermore, research question one can now be answered because the results show some differences and similarities in how CEOs strategically think.

¹ The spelling error corrected from Pertex.

² Grammar correction from raw Pertex data.

Each result shows characteristics and themes to the concept of strategic thinking. There are characteristics such as prioritization and decision making (CEO A). Some CEOs show similar characteristics involving learning, work culture, and being passionate (CEO C, CEO D, CEO G, CEO H). Arguably, CEO F's statement on having an adaptable brand requires learning as well. There were other similar characteristics that emerged from the results showing the need to fulfill demand, meet goals, increase revenue, and plan for the future (CEO A, CEO B, CEO C, CEO D, CEO E). These characteristics were considered similar because they show the CEO's outward focus on an expectation in the future. Another characteristic seen is creating products (CEO B).

As stated in chapter 2, this study does not intend to define characteristics. Therefore, the researchers of this study are making judgments on the level of similarities involving these characteristics seen from the results. Even though there are possibilities to dissect each underlying statement into more meaningful characteristics, their further significance will be discussed in Chapter 5.

4.3 Chapter Summary

The results from the Pertex analysis reveal insight into how CEOs strategically think. Additionally, after further investigating the characteristics of strategic thinking, there are similarities and differences in the underlying concepts that were condensed from the cluster trees. Each CEO demonstrated how they practiced strategy and showed their ability to the way they strategically think. Additionally, there were some similarities and differences in the Pertex results, research question one was answered. The purpose of this study was to investigate how CEOs strategically think and therefore, the Pertex results help contribute to the aim of this study. A further discussion on how these findings relate to the current research and theoretical framework will be analyzed in the next chapter.

5.0 Discussion

The aim of the discussion chapter is to investigate the results in greater detail. The discussion will first compare the results to the literature review in Chapter 2, specifically, Gallimore's theoretical framework. The first part of the discussion chapter will verify, question, and criticize previous research and Gallimore's characteristic table based on the findings. The second part of the discussion chapter will focus on research question two by providing meaning and the relevant importance of the study's results. The discussion chapter will end with an overview summarizing the main implications, important themes, and possible contributions to the current field of strategic thinking.

5.1 CEO Pertex Characteristics vs. Theoretical Framework

In order to fulfill the purpose of this study, this section of the discussion is aimed towards looking for any possible contributions to the field of strategic thinking. Before stating any contributions or conclusions, the strategic thinking characteristics from the CEOs in the previous chapter should be reviewed in comparison to previous research first before deeming their importance. To present the analysis clearly, the characteristics will be analyzed in order for each CEO.

CEO A

The underlying statement from CEO A was "Prioritize clear decisions to meet demand." Discussed in the previous chapter, there are characteristics around prioritization, decision making, and meeting demand. Researchers of this study argue that meeting demand could be a reference to anything external. Prioritization and decision making are clear characteristics; however, meeting demand is arguably not specific. Linking these characteristics of strategic thinking to previous research is a challenging task because even though the concepts may be similar, they are different words. For example, the research stating competitive advantage (Haycock et al., 2012; Bonn, 2005; Abraham 2005, Tajpour et al., 2018) is a component of strategic thinking could be seen as an outcome for CEO A's reason for meeting demand. One can argue that meeting demand is necessary if one is to remain competitive. The researchers of this study do believe this connection is a stretch, however, should still be pointed out. Additionally, prioritization and decision making are arguably mutually inclusive, as in, to make a decision, one can assume there is some sort of prioritization that takes place cognitively. This agrees with previous research (Lund University School of Economics and

Management, 2017) whereby a reasoning process must take place. A reasoning process is a cognitive process that helps facilitate strategic thinking (ibid). Furthermore, an integration cognitive process can take place when a CEO has to synthesize ambiguous information. In regard to the Gallimore's (2008) theoretical framework on the characteristics of strategic thinking, there is no explicit overlap between the characteristics mentioned from CEO A. Arguably, the characteristic of problem-solving in Table 1 relates to how CEO A thinks strategically. This can be seen because one can assume that in order to solve problems, demand must be met or one can argue that the process behind meeting demand is essential to problem-solving. Therefore, CEO A did not clearly overlap with Gallimore's characteristics framework but did show an agreement with characteristic 13.

CEO B

The underlying statement from CEO B was "Product development to meet short term goals." The characteristics of CEO B's strategic thinking is around creating and development of products and meeting short-term goals. Research on competitive advantage (Haycock et al., 2012; Bonn, 2005; Abraham, 2005; Tajpour et al., 2018). is similar to CEO A because one can argue that an enterprise must create something in order to maintain competitiveness. However, looking into Gallimore (2008), the characteristic of creativity resembles the process of product development. Additionally, meeting short-term goals aligns with research on vision and time (Gallimore, 2008; Mintzberg, 2018; Betz 2016; Steptoe-Warren et al., 2011; Allio, 2016; Simon et al., 2015). CEO B arguably considered a time orientation when thinking strategically because due to short term goals. As stated earlier, the researchers of this study refrain from defining the meanings of each characteristic, yet still provide judgment when comparing the theoretical framework to the results. Therefore, CEO B's characteristics of strategic thinking align with Gallimore's characteristic table, specifically, characteristics 1,2, and 12.

CEO C

The underlying statement from CEO C was "Implementing a culture for long term value." Previously mentioned in the results, CEO C reveal characteristics involving culture and some need for long-term value. Long-term value can be seen as a characteristic that arguably aligns with being directional and having a vision or time consideration for the future (Gallimore, 2008; Goldman et

al., 2015; Mintzberg, 2018; Betz 2016; Steptoe-Warren et al., 2011; Allio, 2016; Simon et al., 2015). One can also argue that in order to design for long-term value, a CEO needs to have a holistic perspective (Gallimore, 2008). Additionally, culture is an arbitrary word or characteristic and the researchers of this study argue that it is hard to define. Nonetheless, the researchers of this study argue the developing values (ibid) are important when implementing a culture. Therefore, CEO C aligned with many characteristics of Gallimore's framework such as characteristics 2, 6, and 20.

CEO D

The underlying statement from CEO D was "Passionately practice strengths for revenue." The characteristics of being passionate, using strengths, and being driven to increase revenue are important to CEO D's process of strategic thinking. In comparison to previous research, there are little to no similarities to Gallimore's theoretical framework. In this case, it appears that CEO D's characteristics of strategic thinking seem to be different than previous CEOs. Additionally, it is not clear if CEO D's idea of strengths comes from the enterprise or the individual person's point of view. Nonetheless, there seems to be an internal focus regarding enterprise or people when thinking strategically because of their mention of practicing strengths.

CEO E

The underlying statement from CEO E was "Include colleagues in yearly planning." Two characteristics are present in CEO E's process of strategic thinking: inclusion and planning ahead. Planning ahead (in this case, yearly) is similar to previous research in a sense of direction, time, and a vision for the future (Gallimore, 2008; Goldman et al., 2015; Mintzberg, 2018; Betz 2016; Steptoe-Warren et al., 2011; Allio, 2016; Simon et al., 2015). Also, the characteristic of planning ahead can be seen as a cognitive process that helps facilitate strategic thinking by dealing with dynamic information and make integrated decisions (Lund University School of Economics and Management, 2017). Furthermore, a few characteristics in the theoretical framework of Table 1 arguably align with CEO E. One can argue that the inclusion of people can be seen as a holistic perspective. Therefore, CEO E aligns with Gallimore's (2008) characteristics 2, 6, and 12.

CEO F

The underlying statement from CEO F was “Competitive advantage with an adaptable brand.” Clearly, the first characteristic that aligns with previous research is competitive advantage (Haycock et al., 2012; Bonn, 2005; Abraham 2005, Tajpour et al., 2018). However, the additional characteristic of the adaptable brand can be broken down into two parts: adaptability and branding. The focus on adaptability is arguably a more overlapping characteristic because it involves change, learning, or growth. Similar to CEO E, adaptability can be aligned with Gallimore’s (2008) characteristics of holistic, rational, and analytical. CEO E seems to focus on strategic thinking from an internal perspective due to brand adaptability and aligns with Gallimore’s (ibid) characteristics 3 and 5.

CEO G

The underlying statement from CEO G was “Future success requires a learning culture.” This statement was interesting because CEO G attributed strategic thinking to an outcome of success instead of a process. CEO G’s result seems to answer the question: Why is strategic thinking important? However, even though success is a subjective concept, it is an important characteristic of the concept of CEO G’s process of strategic thinking. The word success does not explicitly align with previous research but can be seen more as an outcome from applying strategic thinking. However, future implies a time perspective and learning culture suggests similar characteristics discussed previously such as vision, holistic, rational, and analytical (Gallimore, 2008; Goldman et al., 2015; Mintzberg, 2018; Betz 2016; Steptoe-Warren et al., 2011; Allio, 2016; Simon et al., 2015). Therefore, CEO G’s characteristics of strategic thinking aligns with Gallimore’s (2008) characteristics 2,3, 5, and 12.

CEO H

The underlying statement from CEO H was “Generate commitment through leadership.” CEO H characteristics show commitment, which could also arguably be seen as some measure of consistency over time. Also, there is a characteristic involving leadership in the process of strategic thinking. Leadership is arguably a concept that requires practice or requires action which links to previous research (Mintzberg, 1994; Gallimore, 2008) suggesting that strategic thinking is an

ability or a practice. However, CEO H's characteristics of strategic thinking do not clearly or explicitly align with the theoretical framework of Gallimore's characteristic table.

5.2 Context of Characteristics

The aim of this section of the discussion is to dive deeper into what the CEO's characteristics of strategic thinking mean and how they are relevant to the field of strategic thinking. Gallimore (2008) suggests that even though there should not be any continued effort to define the concept of strategic thinking because there are various cited characteristics, he also suggests one should focus on how to find a relevant application for strategic thinking. Therefore, this section of the discussion will aim to find an overarching theme or important concept that comes from the underlying statements from the CEOs. Looking at all the CEO's characteristics from an integrated perspective, the researchers of this study found two themes that arguably differentiate the practice of strategic thinking amongst the CEOs.

The first overall characteristics recognized in the findings involve an "internal point of view", "internally oriented", or an "internal process." The words "point of view", "oriented", and "process" are less important than the words "internal" and "internally" because the researchers of this study are arguing emphasis on the "internal" characteristic of thinking strategically. The process of internal strategic thinking can be seen in underlying statements from CEOs A, B, G, and H. As identified in section 5.1, decision making, product development, learning culture, and leadership can arguably be seen as the CEOs having an internal perspective. These characteristics can arguably not be performed without taking in consideration or focusing on the internal perspective of the company. Even though there is an argument to dispute that enterprise decisions start within the internal context of the company, these characteristics were specifically connected to the CEOs practice of strategic thinking. Therefore, one overarching theme of strategic thinking seen in the findings is "internal perspective."

The counterpart of the previous theme of internal perspective and the second overall characteristics recognized in the findings were "external point of view" or "external process." Again, the researchers are putting emphasis on "external" instead of "point of view" or "process" because the researchers of this study are providing context for the word external. The process of external strategic

thinking can be seen in the underlying statements from CEOs C, D, E, and F. For instance, long-term value, revenue, yearly planning, and competitive advantage can all arguably be seen as having an external perspective in the context of the enterprise. Therefore, one overarching theme of strategic thinking seen in the findings is “external perspective.”

Building on these two central themes of strategic thinking and Gallimore’s (2008) emphasis on practical significance, the research revealed significance from the context of the CEO’s enterprise size. The internal perspective CEOs came from a small SME (except for CEO H). The external perspective CEOs came from a micro SME. This was a surprise and an important finding during the analysis of the results. The reason being is that initially, the CEOs were selected from micro and small SMEs to provide validity and motivation for the method. However, after reviewing the findings, these two themes of internal and external perspectives may be significant to how CEOs strategically think.

This study argues that the enterprise (or organization) affects the concept of strategic thinking. It seems the CEO’s strategic thinking or at least their characteristics within the concept of strategic thinking are arguably dependent on the size of the enterprise they are from. However, again, one should bear in mind one of the major limitations of this research as discussed in chapter 3.6 is the sample size of the results. Therefore, the researchers are not arguing any proof of dependency or correlation between enterprise size (micro or small) with these themes. Even though there is no definitive correlation within the context of SME size and a CEO’s way of strategic thinking, it does not devalue the significance of the findings. The reason being and as stated earlier in this chapter, there is value in finding relevant importance and a practical application in the field strategic thinking.

Continuing on these overarching characteristics of internal vs. external perspective, there is value in seeing a difference in the way micro and small SME CEOs strategically think. Firstly, this study’s findings reveal how CEOs strategically think, which were grounded in a new context (micro and small SMEs in Sweden). Previous research suggests that the definition of strategic is difficult to define. However, the researchers of this study argue that there may be a different approach to analyze the conceptualizations of strategic thinking. Instead of trying to add to the characteristics

of strategic thinking (e.g., Gallimore's framework), the approach should be about the context that which affects the application of strategic thinking. For example, in the study's findings, CEOs in micro SMEs from Sweden tend to practice strategic thinking from an external perspective. Conversely, CEOs in small SMEs (except for CEO H) from Sweden tend to practice strategic thinking from an internal perspective. Even though these findings do not correlate proof of the behavior of all CEOs from SMEs in Sweden, this information can be insightful for other executives' practice of strategic thinking. Therefore, a more critical understanding of how the context of SME size and its possible correlation to a CEOs strategic thinking should be investigated.

5.3 Chapter Summary

The aim of the discussion chapter was to bring forth an in-depth analysis of the Pertex findings. Each CEO revealed insight into how they, on an individual level, reveal their ability to think strategically. Several characteristics of the findings revealed some overlap with previous research including Gallimore's characteristic table. However, the researchers of this study found it rather difficult to argue explicitly clear overlapping characteristics because the characteristics themselves have multiple meanings. Depending on how the researchers argued for similar characteristics from Gallimore's framework, there appeared to be a challenge to confidently add to or criticize Gallimore's framework. Nonetheless, the eight characteristics from Gallimore's theoretical framework that showed up in the CEOs practice of strategic thinking are Creative, Vision of the future, Holistic, Rational and complex thinking, Longer time perspective, Connecting past, present and future, Problem solving, and Involving values. There was not enough repeatability between the CEOs characteristics of strategic thinking and Gallimore's characteristic table in order to confirm or invalidate the theoretical framework.

After reviewing the results and connecting them to previous research, a further investigation into research question two can now be addressed. Research question two addresses the relevance of the findings and their connection or contribution to the field of strategic thinking. The findings on how CEOs strategically think revealed an insight once the researchers of this study recognized the internal vs. external perspective and the context of what SME size the CEOs are from. These overarching characteristics of internal vs external perspective show that there is a tendency of a CEO's strategic thinking depends on the size of the SME they are from. Previous research (Gallimore,

2008) suggest strategic thinking is an ability that requires action or something one practices. To conclude the discussion chapter of this study, this study's findings suggest that the context of enterprise size is connected and influences the strategic thinking of CEOs. Further contributions and conclusions of this research will be discussed in the next chapter.

6.0 Conclusion

The conclusion of this study will discuss how the research purpose, research aim, and research questions were addressed. The conclusion will then state the major findings and contributions to this study. Finally, the chapter will conclude with the practical implications and limitations of the study as a whole, taking future research into account.

6.1 Research Objective

The purpose of this study was to explore how CEOs think strategically. The research purpose was supported by two research questions:

1. What similarities and differences (if any) are there in how CEOs strategically think?
2. What (if any) key findings are relevant to the current field of strategic thinking based on previous research?

Research question one was answered after reviewing the results in section 4.2. From the results in Table 2, the characteristics from each of the CEOs practice of strategic thinking show unique differences. However, a few CEOs showed some similar overlapping themes involving learning and being culture-oriented (CEO C, CEO D, CEO G, CEO H). Additional similarities seen were amongst the CEO's characteristic of having an orientation of the future or a desired outcome (CEO A, CEO B, CEO C, CEO D, CEO E). The first research question of this study was answered by addressing the similarities and differences in how CEOs strategically think.

Research question two was answered after an in-depth discussion of the findings and how they relate to the theoretical framework. This study found that the results of this study yielded an interesting relevance to the conceptualization of strategic thinking. Gallimore's characteristic table was clearly present in the CEOs characteristics in how they strategically think. In fact, eight characteristics from the theoretical framework were either explicitly mentioned or arguably tied to a concept. The eight characteristics that were showed up in this study were Creative, Vision of the future, Holistic, Rational and complex thinking, Longer time perspective, Connecting past, present and future, Problem solving, and Involving values. This is significant because Gallimore's table

was applied in a new way by applying the method of using Pertex to a sample of CEOs from Sweden. The findings of this study give credit to Gallimore's characteristic table because there were similarities and helped give context to the results; even though, there was not enough consistency across all the CEO's underlying statements to argue any key characteristics should be added to the theoretical framework. Moreover, the contribution to research on the field of strategic thinking will be discussed in the next section.

6.2 Contribution of Study

The discussion concluded that the theoretical framework in which the results were applied to did not yield any claims to the characteristics of strategic thinking. Nonetheless, the researchers of this study discovered findings after exhausting all the relevant concepts from previous research. Looking at the results from all the CEOs from an integrated perspective, there seemed to be two emerging themes: internal vs. external perspectives. After seeing this trend in the data, the researchers of this study realized that all of the CEOs who practiced strategic thinking from an internal perspective were of small SME origin (except for CEO H). In contrast, all of the CEOs who practiced strategic thinking from an external perspective were CEOs of micro SME origin. Gallimore (2008) stated that one cannot define the concept of strategic thinking but instead should focus on the relevant importance and practical application of strategic thinking. Furthermore, this leads to the claim that the concept of strategic thinking is dependent on context, and in this case, that context is enterprise size.

Therefore, the contribution of this study and its relevance to the field of strategic thinking is that the strategic thinking of a CEO is influenced by the size of the enterprise they are from. The thesis originally set out to contribute to the conceptualization of strategic thinking by setting a purpose to explore how CEOs strategically think and, in the end, discovered that the CEO's practice of strategic thinking is influenced by the context of enterprise size.

6.3 Limitations and Future Research

The quality of this study's contribution can arguably be questioned by the practical implications and limitations of the research. The first limitation of this study was introduced in the methodology

chapter. The sample size of eight CEOs limits the external validity of the results, which affects the credibility of the findings because the results of this study are not generalizable. Furthermore, CEOs from the same sample geography of Scania do not represent the entire country of Sweden. Nonetheless, the goal of this study was not to generalize a country's way of strategic thinking, but rather use a demographic to control the sampling method. Another limitation of this study was choosing not to define each characteristic in Gallimore's framework (Table 1). The choice not to define these concepts led to a wider range of analyses on all the CEO's underlying texts and more subjective arguments. However, one can argue that a certain level of open-endedness within the meanings of each characteristic is necessary to have a proper discourse on the subject. Based on these limitations, a future research study should be attempted by providing an increase in the sample size of CEOs and providing concrete definitions to the characteristics in order to bridge an objective connection between the two. Providing concrete objective definitions of the characteristics would eliminate the researcher's challenge in arguing alignment between the results and previous research. Also, a limitation of this study was that not all the micro SME CEOs practiced strategic thinking from an external perspective, as this study observed CEO H to be of small SME origin. Therefore, not only should future research continue investigating how CEOs strategically think but deliberately choose the context of enterprise size as a method of choice. This future research can hopefully further validate the claim that a CEO's practice of strategic thinking is influenced by the context of enterprise size.

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Appendix A

CEO Pilot Response Answers

1. Why is strategy important?

You need to have a strategy when you start a business, because you need to know what you are going to do. It is part of your products, what are you creating, how, and how to do that efficiently. How to present the product, where, and to whom? Basically, you need to find your group of people to sell to. It is super important to think of seasonality and plan while taking in all factors into account, how are you going to sell this product. Analysis of your customers' needs and when the needs are and where. Competition, analyze them, when, where and how are they selling. What are their flaws and what are our strength?

2. Why is strategy important to you?

It is important because I want to create a company. As a company we want to expand fast and swiftly, we want growth. We want to go into the world. We have had external help to understand how we want to attack the market.

3. What are the key components of the strategy?

I would say, analysis, you need to analyze your product, especially your customers. You have to try to factor in every aspect and analyze the data. It's all about the data. It is a very good example, like I said, collaboration, we are looking to export - the key factors are to collect data, knowledge about your customers and competitor and analyze them. Utilize the knowledge in your favor and hit the market.

4. What does the word strategy mean to you?

That word to me, is, what path that I should take and how to be as efficient as possible, to be as smart as possible in creating and selling the product.

5. How would you define someone who is strategic?

I would define it by looking at his process thinking, he can see further than the current situation and understand the long-term perspective, predict change. Analyze the market in the long-term perspective and make changes early to be able to cope with those changes.

6. What are the tasks, mindsets, and skills of someone who is strategic?

The task: (actions) is a person who is strategic. Analyzes the environment and the market and keeping up to date. Not focusing on your thing. You need to follow the market and changes so you don't go blind on your own thing, while other raise the level. The task is to keep up to date and have a lot of knowledge of your competitors on what is coming, be innovative and not just follow. Skills, I would say pretty much the same, you are a kind of person that has a broad knowledge, you know your products, you know the components in your products, your USP and how to sell, the broad knowledge of understanding on how to be strategic, the CEO has to have a helicopter view on what is going on and where to go.

7. How do you practice strategy?

In my position, at the moment, we don't have specific meeting or similar things to practice strategy, but we tend to end up in meetings where we discuss the future and how to proceed. But at the moment we are focused on short-term goals, and we have long term goals but we focus on the short term since we are a start-up, to make sure that we will be able to continue. We have the long-term goals in mind but focus on the short term. The board sits down and have strategic meetings, but it is basically defining what we already know and our path forward and coming up with new ideas, e.g. we are going to focus on these three ideas, it not like we sit down and have specific meetings. Which I think will come when we grow, where we have to plan for new products lines, and more for bigger companies. I think they (bigger companies) do it a lot, brand managing, product development. Markets that you want to expand into and they definitively have a lot of meetings determining them. For us, it is more in the back of our head and when we get to the next level we will start be more strategic.

8. How do you measure success?

I would say that the first is the monetary aspect, the money coming into the account. It is super important, we don't want to live on investments forever, we get the money we need for future development and keep the company floating. Recognition of the company in the market, that is a success in my mind. From a brand point of view, it could be a measure on anything from numbers on social media or awards from

institutions. They consider the marketing and the whole idea of the company. Getting awards are a receipt that we are succeeding.

9. How do you measure the success of your strategy?

It is kind of when we started this company, I think that we kind of had a mindset that, and a strategic mindset, that we by creating the best product, will win the market. 100% went into the product, the product is everything. Then we have been working a bit on the marketing side and pushing the brand. But, the general idea is that get the best product and then you'll win the market. We can't say that we are measuring the strategy but we have some kind of strategic thinking. We measure on how retailers, awards and other external institutions value us.

10. What difference is there between planning and strategy?

Huge difference, strategy and planning are very different. Could you look at strategy from a perspective as a short-term thing – well, it is actually planning. It is actually about how to solve a problem. Planning is how to get to different milestones and plan for products and trips that you're going to make. Strategic thinking is much more helicopter view, e.g. where you want to take the command and in what directions, are we sales or product kind of company. Planning is day to day tasks that we need to finalize and stick to goals. But, strategy does not have the same kind of deadlines and goals, it is more how to get to the bigger goals and even though you say that you should have done something by a certain year, it is not as a planning deadline. It is more a helicopter view, on how to get to that goal, planning is more setting sub goals

11. Do you and how often do you reevaluate strategy?

We basically do it every month, we do it during meetings, but we actually sit down every month and talk about what we are doing right and what we are doing wrong. We try to find our next path and our next strategic goal. We still do it once a month, we are not 100% focused on strategy but it is a little bit of everything and short-term goals rather than being more long term.

Appendix B

Student Pilot Responses

Question:

“You have been selected for an honorable mission for the UN and will have to leave your position as CEO for one year. However, during this time, you will have a stand-in CEO that will act on your behalf. To make sure that the stand-in will act as similarly as you during “business as usual,” you will write this person a letter explaining your strategic thinking. Please write a short summary explaining to the stand-in CEO on how you think strategically.”

Student 1 Answer:

When thinking strategically, I always try to think way ahead, contemplating how to maximize the chances of reaching our goals. Even more importantly I try to make sure that whenever working with other groups of people, handling different interests, always make sure that everyone has skin in the game. Meaning that all parts must have something to gain from the project being a success but also something to lose if the project does not end up as hoped. If a part has nothing to lose, their effort may of course be affected but even more importantly they might leave whenever things starts going sideways. I found the task a little bit hard to answer as there were some things that were not clearly explained, should the focus be on my way of thinking strategically or how the new CEO should do to keep “business as usual”? How do you guys define strategic thinking? I myself am not 100% sure about what strategic thinking entails. Maybe these things are supposed to be unclear, but that was my reflections when trying to answer.

Student 2 Answer:

Overall, I think it makes sense and doable within 30 minutes. I do not know if I can answer the last question (do I feel I have something to write), because I do not have a company I think strategically about... but my guess is that most CEOs (and any good ones) would.

Here are a couple other comments:

Grammar issue:

- I think this phrase:
 - To make sure that the stand-in will act as you during “business as usual,”
- Should be changed to:

- To make sure that the stand-in will act similarly to you and keep doing “business as usual”,

I would also suggest that you include a one-sentence definition of strategic thinking to help them know more exactly what to write about - unless you're interested in seeing what they think "strategic" means as well.

Appendix C

Pertex Cluster Trees

Figure 3: Pertex result - 10 clusters. Text from CEO A

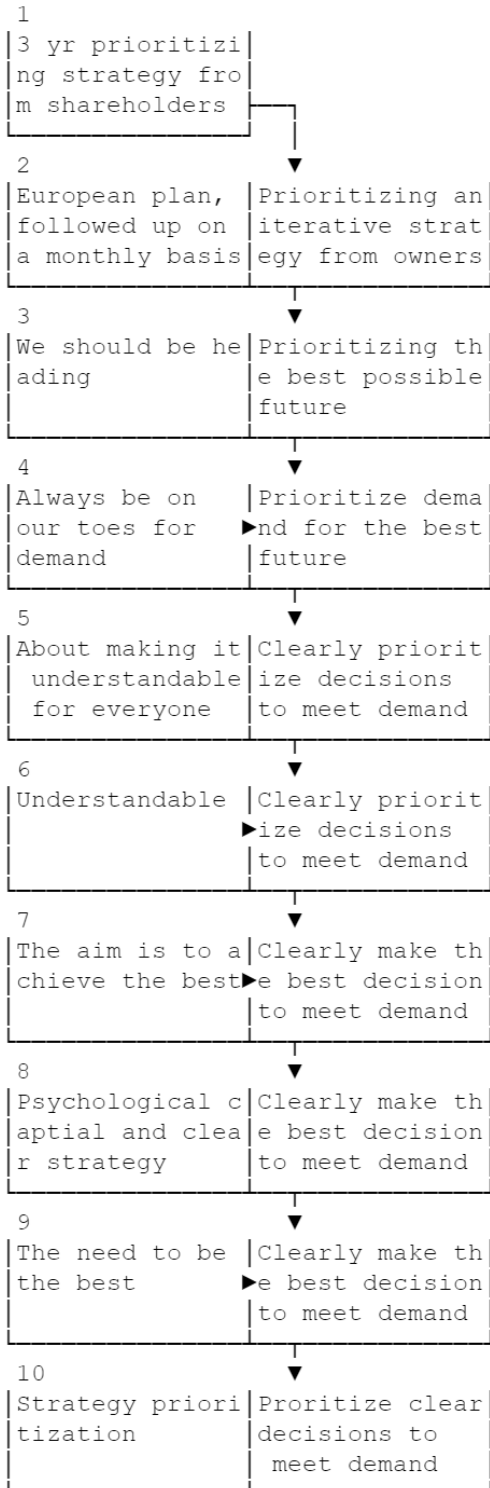


Figure 4: Pertex results - 7 clusters. Text from CEO B

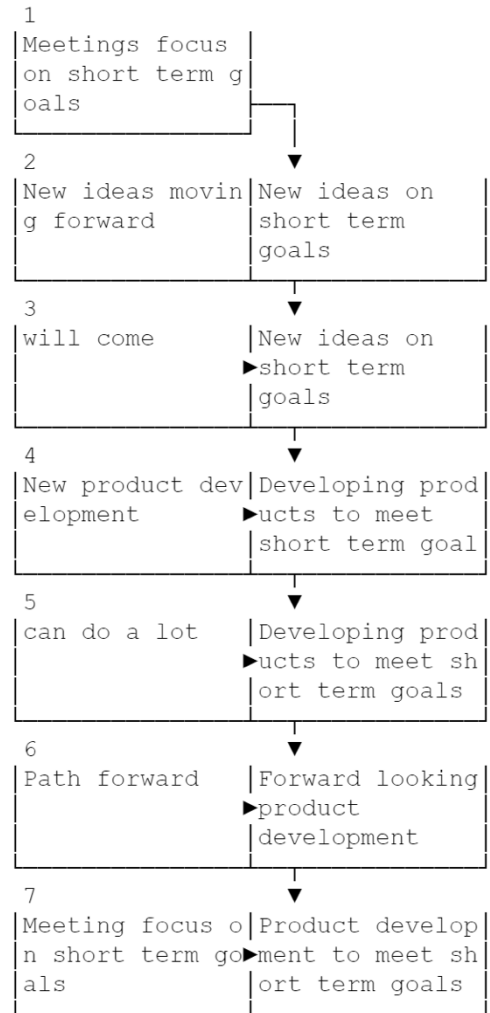


Figure 5: Pertex results - 10 clusters. From CEO C

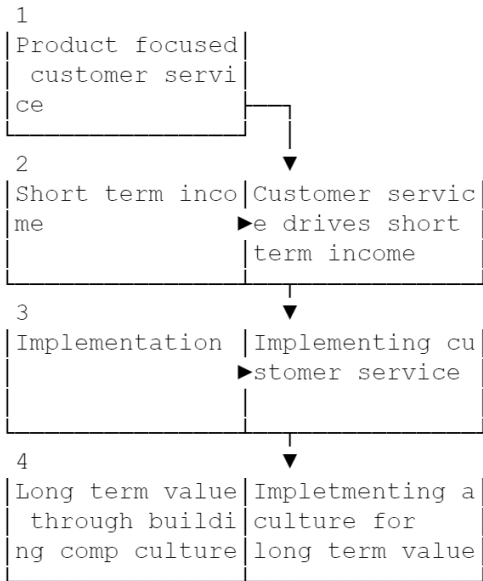


Figure 6: Pertex results - 10 clusters. From CEO D

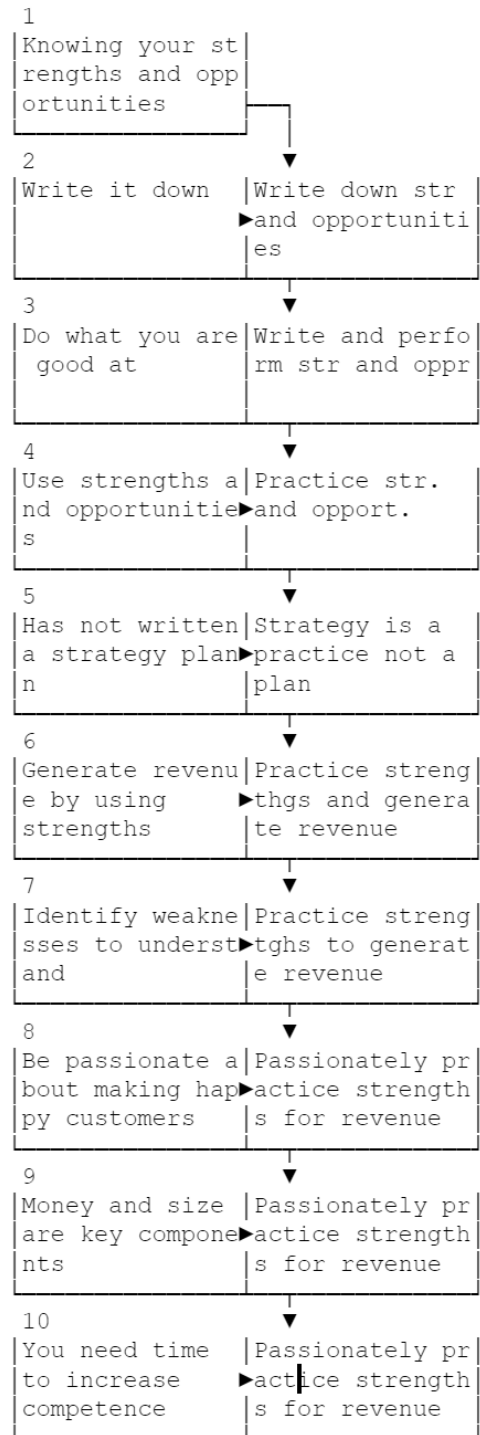


Figure 7: Pertex results - 4 clusters. From CEO E

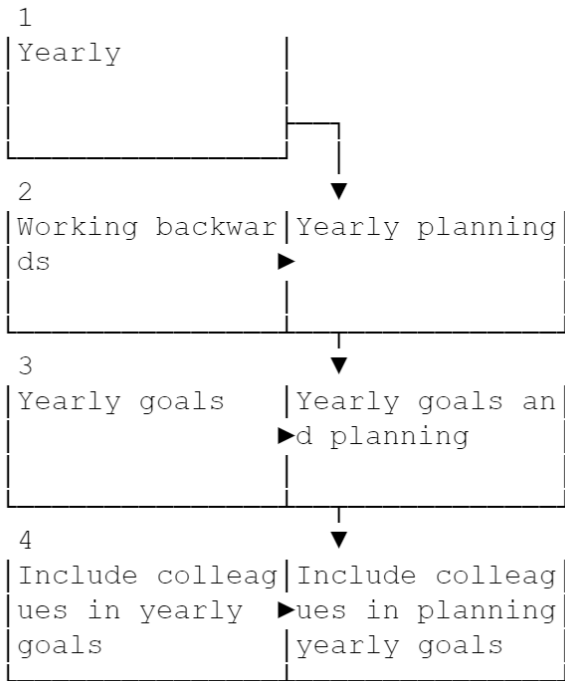


Figure 8: Pertex results - 9 clusters. From CEO F

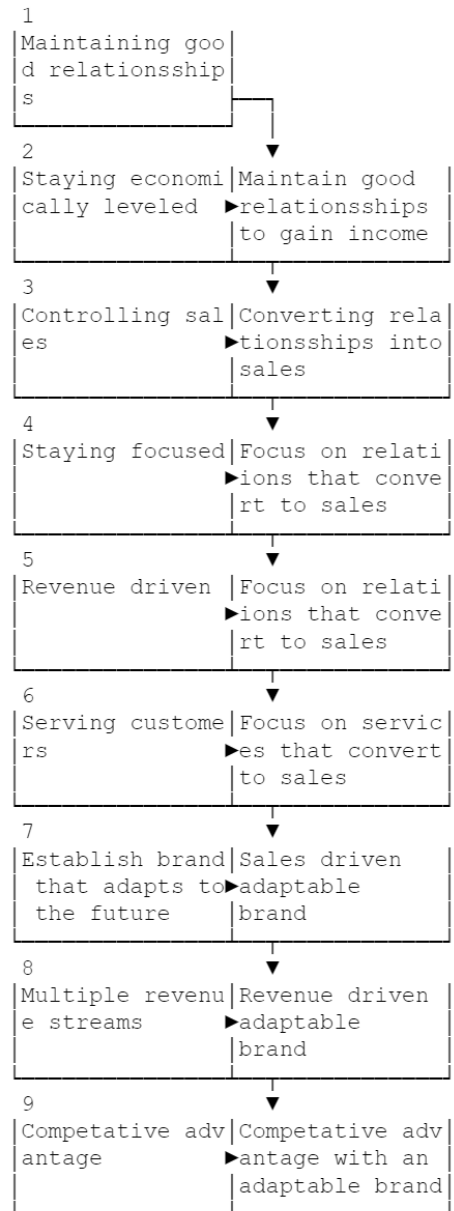


Figure 9: Pertex results - 9 clusters. From CEO G

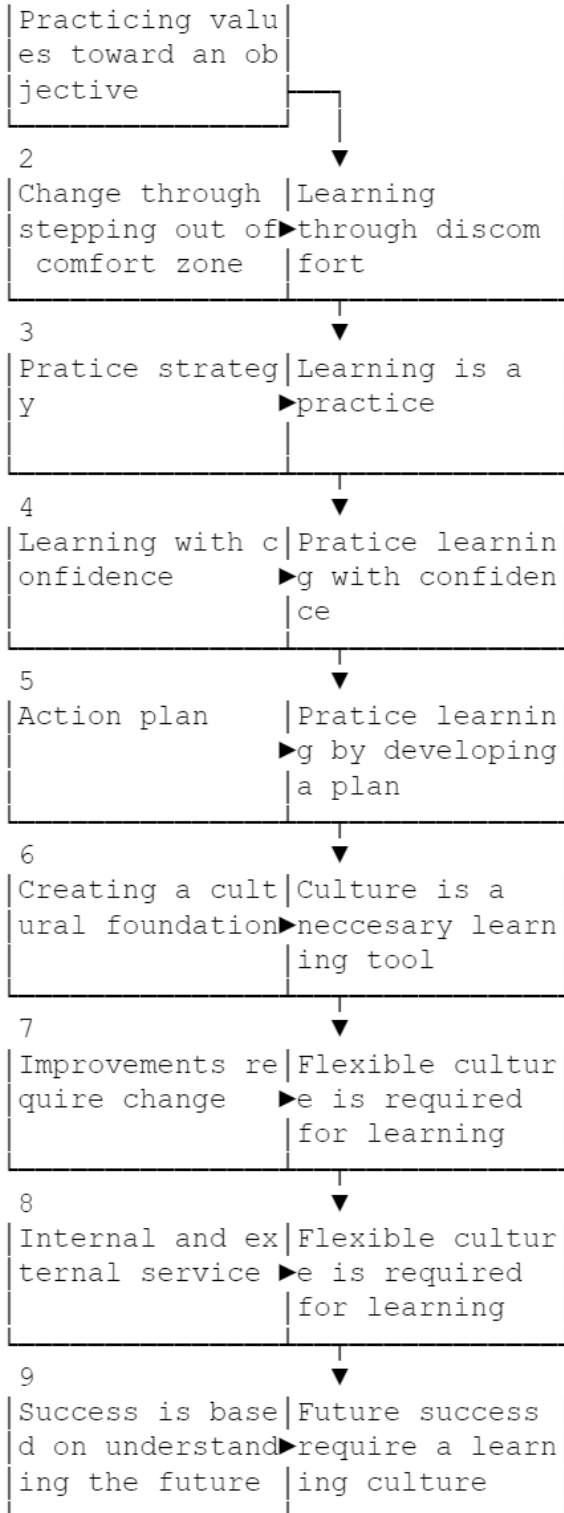


Figure 10: Pertex results - 5 clusters. From CEO H

