**Conference papers**

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# The Strategic Planning Process in Complex Settings: the Case of Construction Professional Service Firms

Roisin Murphy
*Technological University Dublin*, roisin.murphy@tudublin.ie

Iain Henderson
*Heriot-Watt University*

## Slide 1

# THE STRATEGIC PLANNING PROCESS IN COMPLEX SETTINGS: THE CASE OF CONSTRUCTION PROFESSIONAL SERVICE FIRMS

Dr. Róisín Murphy, Dublin Institute of Technology and

Dr. Iain Henderson, Edinburgh Business School, Heriot-Watt University

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## Slide 2

### Overview

- Research components
- Construction industry
- Professional service firms
- Strategic planning process and choice
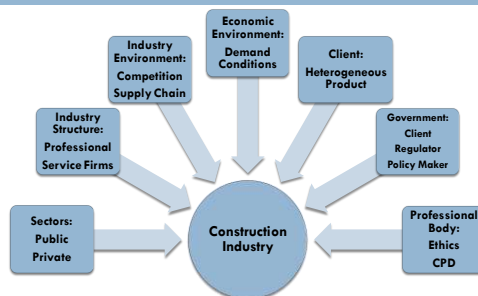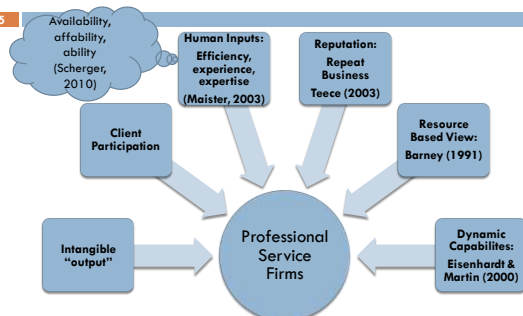- Research method
- Key findings
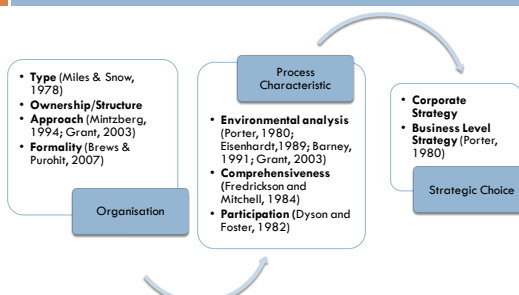- What next?

## Slide 3

### Research Components

- Strategic Planning
- Construction Industry
- Professional Service Firms

## Slide 4

### Construction Industry

- Industry Environment: Competition Supply Chain
- Economic Environment: Demand Conditions
- Client: Heterogeneous Product
- Industry Structure: Professional Service Firms
- Government: Client Regulator Policy Maker
- Sectors: Public Private
- Construction Industry
- Professional Body: Ethics CPD

## Slide 5

### Professional Service Firms

- Availability, affability, ability (Scherger, 2010)
- Human Inputs: Efficiency, experience, expertise (Maister, 2003)
- Reputation: Repeat Business Teece (2003)
- Client Participation
- Resource Based View: Barney (1991)
- Intangible "output"
- Professional Service Firms
- Dynamic Capabilities: Eisenhardt & Martin (2000)

## Slide 6

### Strategic Planning Process

- **Type** (Miles & Snow, 1978)
- **Ownership/Structure**
- **Approach** (Mintzberg, 1994; Grant, 2003)
- **Formality** (Brews & Purohit, 2007)

Organisation

Process Characteristic
- **Environmental analysis** (Porter, 1980; Eisenhardt,1989; Barney, 1991; Grant, 2003)
- **Comprehensiveness** (Fredrickson and Mitchell, 1984)
- **Participation** (Dyson and Foster, 1982)

- **Corporate Strategy**
- **Business Level Strategy** (Porter, 1980)

Strategic Choice

## Research Method

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- Mixed methods
  - Flexible design
  - Managing director/managing partner level
- Qualitative phase
  - Semi structured interview
- Quantitative phase
  - Widespread survey
- Data analysis and handling
  - Computer aided software
- Limitations

## Key Findings

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| Those that do…. | Those that don't… |
|---|---|
| - Formal, planned process<br>- Prospector or analyser<br>- Widespread participation<br>- Internal and external analysis<br>- Lack of competitor analysis | - Informal, emergent process<br>- Defender or reactor<br>- Top management drive process<br>- Concentration on internal analysis<br>- Lack of competitor analysis |

## Key Findings cotd…

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- Corporate and business level strategy
  - Peak of construction boom to current
  - Combination strategy – the test of time
- Thinking and acting strategically
  - Not necessarily in a systematic fashion
  - Tactical versus strategic planning
- Top management recognition of need for systematic strategic planning
  - Implications….

## Researching in a Complex Setting

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- Multifaceted and complex nature of components under investigation
- Context of turbulent economic and industry environment
- Research design
  - Flexible
  - Mixed methods
- Uncertainties
- Strategic planning/performance relationship

## And now…

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- Research:
  - Longitudinal study
  - Cross-profession analysis
  - Cross-industry analysis
- Practice:
  - Training and education
  - Tactical planning to strategic planning



contact us

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Contact Author: Dr. Róisín Murphy, Dublin Institute of Technology
roisin.murphy@dit.ie  or ph: +353 1 4022925