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The Dynamics of Strategy: Mastering Strategic Landscapes of the Firm

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Business strategy is complex and multifaceted field that truly requires a multidisciplinary perspective for fuller understanding. In *The Dynamics of Strategy*, Duncan A. Robertson, Assistant Professor of Strategic Management, Warwick Business School in the UK and Adrian A. Caldárt, Head of the Business Policy Group at AESE Escola de Direcção e Negócios in Lisbon thoroughly explore modern strategic management ideas and practices in this very informative book using perspectives based on economics, organizational theory, strategic management, and other fields of study. The nine chapters are organized into two parts, starting with “The Competitive Landscape” followed by the “Organizational Landscape.” Initially, models of competition are examined by discussing the many theories of company interaction and rivalry, how companies are positioned in competition, and how active engagement can be a means for success. Economic models, game theory, and strategic positioning are then presented with a thorough exploration relevant literature. This thoroughness of using established competitive strategic management theories is continued in subsequent chapters that explore networks of firms, organizational dynamics, business complexity, and co-evolution. These latter topics are timely concepts that are increasingly being incorporated in the strategic management literature, and are important for managers, consultants, faculty and students to understand today.

A principal argument proposed in this book is that company leaders and managers should not make strategic decisions that are secluded from the dynamic complex systems of relationships inside and among firms. This may appear inconsistent with the book sections that separately present competitive and organizational landscapes. The authors point out that this was done for simplicity for the reader, and that inter- and intrafirm decisions directly affective inter-firm rivalry. In addition, social networks among individuals, networks of buyers and suppliers, and connections among companies tend to skew decisions that need to be made successfully. Readers familiar with strategic management may know that crafting a superb strategy can be meaningless if the execution of said strategy is not effectively performed. With the ever increasing rapid changes in marketplaces, technology, buyer preferences, government regulations, and other aspects, this book proposes combining agent-based models with social network analysis and economic analysis. These topics are very advanced, and some readers may need to re-read several sections and chapters to fully comprehend the topics and interactions with traditional strategy management concepts that are being espoused and expanded here.

A useful structural element of this book is the inclusion of “Conceptual Boxes” and “Case Boxes” that exemplify and elaborate many advanced management practices at firms today. These