



## STRATEGY AS PRACTICE: INTENTIONALITY AND EXPANSION OF CONCEPT AND KNOWLEDGE SPACES

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### ABSTRACT

**Objective:** Investigate how strategies are constituted in a cooperative organization, where the strategy is not clearly planned, articulated and formally defined by a group of strategists or responsible department.

**Theoretical Framework:** The study is based on strategy as a practice as well as on the formation of strategies on the organizational periphery based on the intention and orientation towards strategic objectives based on the expansion of spaces of concepts and knowledge with a focus on innovation, creativity and strategic direction.

**Method:** The research was carried out in a cooperative of artisans that focuses on the production and commercialization of pieces at an artistic level, inspired by the country culture and the literature of Roseana, based on the longitudinal case study methodology with real-time analysis, in a qualitative approach.

**Results and Discussion:** The results indicate that objectives and intentions precede action and form a strategic direction, leading to practices that allow new strategies to emerge, marking a contrast to the studies of Chia and Holt (2006, 2023), regarding the formation of strategies in the organizational periphery and point to the C-K theory with the potential to broaden and deepen the understanding of strategy and organizational activities, expanding the scope of SAP research and establishing connections with other fields of research that are still unexplored.

**Research Implications:** The results of this research directly contribute to the cooperative's artisans and other professionals who will be able to develop new concepts and knowledge - C-K, to organize their intentions and objectives and strategically build new products, business models and creatively innovate in their organizations.

**Originality/Value:** The study integrates recent research agendas on strategy as practice in business models and actors not usually researched. It contributes to the development of strategy-as-practices by responding to the “calls to arms” proposed by Jarzabkowski, Kavas and Krull (2021) for the evolution of SAP by proposing studies that go beyond the usual or formally defined strategists in organizations, based on new studies in organizations with different economic logics. It presents a new perspective on strategic intentions and objectives in these organizations and relates the theory of the area of design, creativity and innovation as a fertile field for new emerging strategies.

**Keywords:** Strategy as Practice, Organizational Intentions and Objectives, C-K Theory, Cooperative Organization, Strategy in the Periphery.

## ESTRATÉGIA COMO PRÁTICA: INTENCIONALIDADE E EXPANSÃO DOS ESPAÇOS DE CONCEITO E CONHECIMENTO

### RESUMO

**Objetivo:** Investigar como são constituídas estratégias em uma organização cooperativa, onde a estratégia não é claramente planejada, articulada e formalmente definida por um grupo de estrategistas ou departamento responsável.

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**Referencial Teórico:** O estudo está fundamentado na estratégia como prática bem como na formação de estratégias na periferia organizacional a partir da intenção e orientação para objetivos estratégicos a partir da expansão dos espaços de conceitos e conhecimentos com foco na inovação, criatividade e direcionamento estratégico.

**Método:** A investigação foi realizada em uma cooperativa de artesãos que tem como foco a produção e comercialização de peças em nível artístico, inspiradas na cultura sertaneja e na literatura roseana, com base na metodologia de estudo de caso longitudinal com análise em tempo real, em uma abordagem qualitativa.

**Resultados e Discussão:** Os resultados indicam que os objetivos e intenções precedem a ação e formam um direcionamento estratégico, levando a práticas que permitem novas estratégias emergirem, marcando uma contraposição aos estudos de Chia e Holt (2006, 2023), quanto a formação das estratégias na periferia organizacional e apontam a teoria C-K com potencial para ampliar e aprofundar a compreensão das atividades de estratégia e organização ampliando o escopo de investigação da SAP estabelecendo conexões com outros campos de pesquisa ainda inexplorados.

**Implicações da Pesquisa:** Os resultados desta investigação contribuem diretamente aos artesãos da cooperativa e outros profissionais que poderão desenvolver novos conceitos e conhecimentos - C-K, para organizar suas intenções e objetivos e construir estrategicamente novos produtos, modelos de negócios e criativamente inovar em suas organizações.

**Originalidade/Valor** O estudo integra as recentes agendas de investigação da estratégia como prática em modelos de negócios e atores não habitualmente pesquisados. Contribui com o desenvolvimento da *estrategic-as-practices* ao atender as “chamadas às armas”, proposto por Jarzabkowski, Kavas e Krull (2021), para evolução da SAP propondo estudos que vão além dos estrategistas usuais ou formalmente definidos nas organizações, a partir de novos estudos em organizações de diferentes lógicas econômicas. Apresenta uma nova perspectiva sobre intenções e objetivos estratégicos nessas organizações e relaciona a teoria da área de design, criatividade e inovação como um campo fértil para novas estratégias emergentes.

**Palavras-chave:** Estratégia como Prática, Intenções e Objetivos Organizacionais, Teoria C-K, Organização Cooperativa, Estratégia na Periferia.

## ESTRATEGIA COMO PRÁCTICA: INTENCIONALIDAD Y EXPANSIÓN DE CONCEPTOS Y ESPACIOS DE CONOCIMIENTO

### RESUMEN

**Objetivo:** Investigar cómo se constituyen las estrategias en una organización cooperativa, donde la estrategia no está claramente planificada, articulada y formalmente definida por un grupo de estrategias o departamento responsable.

**Marco Teórico:** El estudio se basa en la estrategia como práctica así como en la formación de estrategias en la periferia organizacional basadas en la intención y orientación hacia objetivos estratégicos basados en la ampliación de espacios de conceptos y conocimientos con enfoque en la innovación, creatividad y dirección estratégica.

**Método:** La investigación se realizó en una cooperativa de artesanos que se enfoca en la producción y comercialización de piezas a nivel artístico, inspiradas en la cultura campestre y la literatura rosarina, basándose en la metodología de estudio de caso longitudinal con análisis en tiempo real, en un enfoque cualitativo.

**Resultados y Discusión:** Los resultados indican que los objetivos e intenciones preceden a la acción y forman una dirección estratégica, dando lugar a prácticas que permiten que surjan nuevas estrategias, marcando un contraste con los estudios de Chia y Holt (2006, 2023), respecto a la formación de estrategias en la periferia organizacional y apuntan a la teoría C-K con el potencial de ampliar y profundizar la comprensión de la estrategia y las actividades organizacionales, ampliando el alcance de la investigación de SAP y estableciendo conexiones con otros campos de investigación aún inexplorados.

**Implicaciones de la investigación:** Los resultados de esta investigación contribuyen directamente a los artesanos y otros profesionales de la cooperativa quienes podrán desarrollar nuevos conceptos y conocimientos – C-K, para



organizar sus intenciones y objetivos y construir estratégicamente nuevos productos, modelos de negocio e innovar creativamente en sus organizaciones.

**Originalidad/Valor:** El estudio integra las agendas de investigación recientes sobre la estrategia como práctica en modelos de negocio y actores poco investigados. Contribuye al desarrollo de la estrategia como práctica respondiendo a las llamadas a la acción propuestas por Jarzabkowski, Kavas y Krull (2021) para la evolución de SAP, proponiendo estudios que van más allá de los estrategias habituales o formalmente definidos en las organizaciones, basándose en nuevos estudios en organizaciones con diferentes lógicas económicas. Presenta una nueva perspectiva sobre las intenciones y objetivos estratégicos en estas organizaciones y relaciona la teoría del diseño, la creatividad y la innovación como un campo fértil para nuevas estrategias emergentes.

**Palabras clave:** Estrategia como Práctica, Intenciones y Objetivos Organizacionales, Teoría C-K, Organización Cooperativa, Estrategia en la Periferia.

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## 1 INTRODUCTION

How do some practical activities and ideas that emerge in everyday life, to solve immediate problems, are recognized by the actors and become part of the organization's strategy? The answer to this question gains greater complexity when it comes to a cooperative organization, whose economic logic is marked by adaptations for survival and where there is no obvious group of strategists or managers formally constituted to assume this function. The question raised forces us to look more carefully at the elaboration and implementation of strategies on a daily basis.

To answer the question presented, the research was carried out through the lens of *Strategic as Practice* - SAP, that is, of the strategic practices adopted. SAP studies in the last two decades have focused their efforts on differentiating themselves from studies of the processes of construction and performance of strategies (Gerry; Melin; Whittington, 2003), for example how managers are involved in the development of strategies and what they actually do (Regnér, 2003). Some studies proposed to investigate people's daily practices (Nicolini, 2013), focusing on explaining the social actions of individuals or specific types of practitioners identified by function or hierarchy (Paroutis; Pettigrew, 2007), practices of intermediate managers (Teulier; Rouleau, 2013) and the formulation of planned and emerging strategies from the perspective of daily practice (Knight; Daymond; Paroutis, 2020). Although studies have advanced over the years and entered a "germination" phase (Jarzabkowski; Seidl; Balogun, 2022), investigations still lack knowledge about the strategies that emerge in daily life, through the practice of people in organizations without a formal structure of creation and



definition of organizational strategy or even without a strategic direction discussed from tools and techniques commonly used by administrators and managers.

For Jarzabkowski, Kavas and Krull (2021), the evolution of SAP goes through studies that go beyond the usual or formally defined strategists in organizations, pointing out the need to deepen the knowledge about what other practices can constitute strategies, based on new studies in organizations of different economic logics, such as family businesses and startups, where the strategy is not clearly planned and articulated and formally defined as a strategy by the organization.

Seeking to contribute to the SAP development and answer the "calls to arms", this study is justified as an empirical and theoretical contribution, and was developed with the purpose of addressing the strategic practices of the members of the artisans cooperative, a creative organization in the field of social economy, focusing on human and professional development through respect for social, environmental, cultural values, with the production and commercialization of pieces with artistic value, inspired by the country culture and literature of Guimarães Rosa.

Revisiting the SAP literature, the studies that most approached an investigation on strategy at the lower hierarchical level or decentralized are Regnér (2003), Chia and Holt (2006, 2023), Paroutis and Pettigrew (2007), Mantere (2008) and Balogun, Best and Lê (2015). Regnér (2003) investigated the formation of strategy in the periphery and organizational center and concluded that middle managers, from their observations and experiences, experimented, adjusted and generated new interpretations of strategy over time in a process involving trial and error, informal investigation, heuristics rather than deductive methods. Chia and Holt (2006, 2023), who continued the studies of Regnér (2003), argued that the formation of strategies happens "on time", so to speak, and is rooted in undeliberate practical confrontation of everyday problems, which avoids the logic of planned or intentional action.

This study contributes to the need for the evolution of SAP studies by addressing the strategic practices of members of the artisans' cooperative that has a creative organization, in which strategies emerged from daily actions and not from a formal or articulated activity by managers duly weighted by their positions. On the theoretical level, the result of the research brings new elements to the discussion of previous studies, especially Chia and Holt (2006, 2023), regarding the absence of intention and strategic objectives in these organizations. This idea is opposed by pointing out that, specifically in the organization studied, the objectives and intentions precede the action and form a strategic direction, leading to practices that allow new strategies to emerge. As for strategic intentions and objectives, it is suggested the use of the



theory of *Concepts and Knowledge* (C-K) as guidance for strategic development and innovation.

The research was based on the methodology of longitudinal case study with real-time analysis, in a qualitative approach. The method used allowed to avoid retrospective bias, directly considering the speeches and actions *of those involved*. The theoretical propositions were not built prior to the research. They were emerging and inductively discovered and established through a careful analysis of cases, observations and verbalizations that are presented in the course of the text and data from files and reports, thus following the principles of *Grounded Theory* (GT).

Thus, this article aimed to investigate how strategies are constituted in a cooperative organization, where the strategy is not clearly planned and articulated and formally defined by a group of strategists or responsible department.

## 2 THEORETICAL FRAMEWORK

The following theoretical framework presents the studies of strategy as practice as well as the "call to arms" proposed by Jarzabkowski, Kavas and Krull (2021), for the evolution of studies of strategies with practice, as well as studies of strategy in the periphery in organizations that do not have a strategist or exclusive department. It also presents the discussion of Chia and Holt (2006, 2023), regarding the intention and objectives in relation to the development of strategies.

### 2.1 STRATEGY AS PRACTICE

The most recent study on strategy as practice points to a possible direction for the development of new research, in order to mature the theory. The researcher and professor Paula Jarzabkowski, considered one of the main references of the present time on the theme strategy as practice, together with co-authors Mustafa Kavas and Elisabeth Krull, published, at the end of 2021, in *City Research Online* - research repository of the *City, University of London*, the essay article entitled "*It's Practice. But is it Strategy? Reinvigorating strategy-as-practice by rethinking consequentiality*", with the aim of revising the agenda proposed by scholars of strategy as practice and advancing the study of strategy as it emerges in the practices of organizational actors.



The studies of *Strategy-as-Practice* - SAP proposed a so-called radical agenda, starting in 2003, built on the actions and interactions of multiple actors and the practices they used, considering the strategy as a situated and socially performed activity. For the authors, this change was radical because it sought to move away from the obsession with economics as performance (Porter, 1991; Rumelt, 1982) and also from traditional strategic planning and focus on strategic processes (Mintzberg, 1990; Van De Ven, 1992).

However, in the article in question, Jarzabkowski, Kavas and Krull (2021) argue that PAS did not achieve its objectives, therefore not fulfilling the radical agenda, as scholars focused on a strictly defined set of activities as strategic, which restricted the types of actors and practices studied.

For the authors, the evolution of PAS involves studies that go beyond the usual or formally defined strategists in organizations; it is necessary to deepen the knowledge about what other practices can constitute strategies beyond those already articulated<sup>4</sup> and processes of elaboration of strategies that are typical in the organizations studied by SAP. The possible contribution of these new studies is presented literally below:

If well elaborated, such studies will deepen our knowledge about other practices that may constitute strategy, in addition to the articulated strategies and the processes of formulating strategies typical of the organizations we study. They will also open up possibilities to explore the strategy in other forms of organization, such as family businesses or startups (Kavas, Jarzabkowski & Nigam, 2020), where the strategy may not be so clearly planned or articulated, in addition to expanding our horizons beyond the usual suspects involved in formulating strategies in organizations (Seidl; von Krogh; Whittington, 2019, p. 8).

Finally, the authors hope that well-prepared works will open new paths, moving away from the obsessive discussion of strategy as economic performance and the processes of making strategy, bringing to discussion the strategic practice of other actors besides managers. Further studies are also expected in organizations of different economic logics, such as family businesses and *startups*, where the strategy is not clearly planned and formally articulated.

## 2.2 STRATEGY ON THE PERIPHERY: INTENTION AND ORIENTATION TOWARDS STRATEGIC OBJECTIVES

Patrick Regnér brought in the special edition of the *Journal of Manager Studies*, in 2003, the article *Strategy Creation in the Periphery: Inductive Versus Deductive Strategy Making*



(Creation of Strategy in the Periphery: Elaboration of Inductive versus Deductive Strategies). The discussion explicitly links the issue of the strategy formation process with the issue of the content of innovation, systematic comparison of several Swedish cases and built a distinction between inductive and deductive ways of elaborating strategies that can be applied and developed in other examples.

The study brings a distinction between strategies developed in the periphery and in the center of organizations. According to Regnér (2003) there are strategic activities in the center, defined by being structured, based on reports, forecasts and data, linked to high management, having deductive character. The peripheral, at the hierarchical level, with inductive and exploratory character, being developed by the middle managers and below, in trial and error, with learning along the way.

The findings of the study by Regnér (2003), addressing the development of strategy in the periphery and central, had repercussions and contributed to the development of new research that theoretically addressed how strategies emerge in the center and periphery (Chia & Holt, 2006), the integration of teams of central and peripheral strategies by their daily practices (Paroutis and Pettigrew, 2007) or even the interactions in terms of the expectations that top managers, usually located in organizational centers, place in middle managers, usually located in peripheries (Mantere, 2008) and how frontline workers, in the periphery, contribute to the strategy carried out and give life to the strategic objectives of an organization (Balogun and Best, Reads 2015).

Chia & Holt (2006) revisited the distinction of Regnér (2003) between central and peripheral strategy to discuss in a theoretical approach the activities of elaboration of strategies introducing the concept of housing in which the strategy emerges through the daily practical confrontation, that is, in the periphery. In a later study, the authors question the intention and strategic direction in the periphery: "we question whether the "intention" and, in fact, the action, are readily attributable to individual agents or to the broader practical environment" (Chia and Holt, 2023, p.21, our translation). Chia and Holt (2023), while continuing research and studying the creation of the strategy in the periphery, concluded that, in a peripheral housing perspective, the strategy does not require, nor presupposes, intention and purposeful goal orientation.

For the authors, it resembles a pattern in the way of acting: "a "logic of practices" sees collectively shared habits rather than conscious cognition/deliberate intention as the basis of effective strategic action" (Chia and Holt, 2023, p.9, our translation). The authors argue that the dominant model of strategy construction, at the center, deliberate and engaged, derives from a more basic mode of housing in which the strategy emerges not deliberately. For the authors, in



a housing perspective, the strategy does not require, nor does it presuppose, intention and purposeful goal orientation: the strategic 'intention' is seen as each adaptive action. Thus, Chia & Holt (2023, p.5, our translation) stated that: "intentions do not precede action, but emerge in the action itself". However, this study identified the existence of intentions and objectives preceding the strategic actions that formed a strategic direction, we found a connection with the theory of concepts and knowledge C-K developed by Hatchuel and Weil (2003, 2008) as a way to organize and direct these intentions increasing the ability to emerge new practices and strategies from creativity and innovation.

### 3 METHODOLOGY

This study was developed at the Cooperativa Dedo de Gente, founded in 1996 in the city of Curvelo, Minas Gerais, located 170 km from the capital of Minas Gerais. It is a cooperative of artisans with a focus on the production and commercialization of pieces at the artistic level, inspired by the sertaneja culture and the roseana literature. The main objective, since its foundation, is to generate opportunities for young people in vulnerable situations, to stimulate creativity and human and professional development.

The research was carried out based on the methodology of longitudinal case study, with real-time analysis, from August 2019 to June 2023, in a qualitative approach with the purpose of research (Yin, 1989). The method used allowed to avoid retrospective bias, directly considering the speeches and actions of those involved.

The data collection was based on an empirical investigation through a variety of qualitative methods, using personal observation in real time, including participation in meetings, conversation circles, discussions related to the creative process and strategic direction, as well as interviews with artisans of the cooperative, employees of the administrative sector, clients, mostly informally and openly, especially during the development of production and rest break. There was also the follow-up of sales service and interviews, as well as the research of internal documents and technical reports.

The use of in-depth semi-structured interviews aimed to abstract the meanings that the interviewees attributed to the events, leading to an immersion in the themes addressed (Tarozzi, 2011).

The data analysis included the preparation of reports and memos to each fact that emerged during the investigation, and that were important for the organization and interpretation of empirical data influenced by grounded theory. The theoretical propositions



were not built prior to the research. They were emerging and inductively discovered and established through a careful analysis of cases, observations and verbalizations that are presented in the course of the text, data files and reports, thus following the principles of *Grounded Theory* (GT). They were founded on data from empirical exploration, paying attention to what emerges from the research field (Tarozzi, 2011). Therefore, the analysis, in this study, involved the work of empirical data guided by the categories of emerging analyzes and the existing literature.

## 4 RESULTSS AND DISCUSSIONS

To discuss the results, the case study will be presented at the Dedo de Gente Cooperative based on the development of the Taça and PET tables, as well as the theoretical and practical contributions of the investigation.

### 4.1 THE CASE OF THE DEVELOPMENT OF THE TABLES BOWLS AND PET

The Table Cup produced by CDG is a handmade piece. It is a corner table in the shape of a bowl, which also serves as a corkscrew, made to present the president of the cooperative. Considering the entire history of CDG, this product has become the most commercially successful and the best financial result (Figure 1).

#### Figure 1

*Table Cup.*



Source: collection of the Dedo de Gente Cooperative (2023).

The process of creating the Cup Table began at the end of September 2019 and with a very specific objective, to present the president of the cooperative. The first decision, taken



between some members in informal conversations without the character of a meeting, was to define what to produce. The gift had some prerequisites and the first was to be something new, a piece that did not exist in the catalog, to be manufactured with the main raw materials used in everyday life, iron and wood, and to combine with the style and personality of the gift. In this informal exercise and, in a reserved character, to identify habits, tastes and leisure of the president of the cooperative, João, a cooperative artisan, recalled that she is a great connoisseur of wine.

The cooperative's production coordinator, Ronaldo, who took part in this exercise of thinking about a customized part, said that he remembered having seen some adornments for storing bottles and corks. Thus, with the agreement of his colleagues, he began to develop the piece linked to the theme. According to his account: "I did it to give as a gift to Dora, on her birthday, there is no draft, I did it head on, I did it, I was doing it, cutting it and already doing it and the first one came out" (Ronaldo). The production process of the first piece from the premises defined in C and the knowledge (production processes - knowledge of other products, materials...) and Ronaldo's point of view are presented in a logic of space K, where the previous knowledge available to the designer at that time was put into practice in the design and creation. When one looks at Ronaldo's "*background*" one finds an experienced craftsman who has spent his entire professional life working as a locksmith and cabinetmaker.

The idea of marketing the Table Cup came at the same time of the delivery of the present. The reaction of the birthday girl was enthusiastic: "I was surprised, so much creativity and more, useful and decorative, I liked it too much" (Dora, president of the cooperative). Dora then began to publicize via messaging app the Table Cup to his contacts who were also wine lovers. The result was the immediate order of seven units.

The exhibition in store and publications on the cooperative's social networks was not able to boost sales, but from the month of May 2020 a new marketing dynamic emerged and introduced a new dynamic, marked by large-scale sales, reaching 26 Brazilian states. The event that created this dynamic was the "viralization" on the internet, after the announcement of the Table Cup by a digital influencer. This digital marketing strategy was not planned, but emerging and demanded a redesign of production. It may seem simple and commonplace, but it was the first time that the CDG used this unplanned path.

The CDG already used the Instagram® platform to advertise its products, but in May 2020, the pedagogical coordinator, a wine lover, reposted on her profile the photo of the Table Cup and "marked" - shared with the influencer of wines, who also disclosed on her page, even without knowing or negotiating any counterpart. According to the coordinator, she followed



the page for liking wines and for tips on good products. And your post was not planned or thought of as a marketing action that would have such repercussion.

According to the coordinator, disclosure by the digital influencer was essential for sales growth. "After a wine-loving influencer posted on his Instagram®, it rained down on requests, falling in the liking of other influencers and their followers." From this disclosure, interactions on the social network platform went through "likes", praise, consultation on price and freight value, reaching a total of 1,585 comments on June 1, 2020.

The success of sales represented for the cooperative a new phase in the financial aspect. To make the pieces, the buyer was asked to advance 50% of the price as an entry, with a period of 30 days for delivery, the rest of the amount being paid when dispatching the order. This organization allowed to structure the cash flow, pay late commitments, regularize taxes, pay suppliers and increase the average income of each member by 32%.

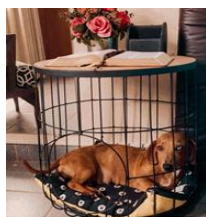
#### 4.2 THE *PET* TABLE: ATTEMPT TO REPLICATE PREVIOUS SUCCESS

Mesa *Pet* is a handmade piece of wood and iron produced by CDG and, unlike Mesa Taça, was born from a perspective of perpetuation of strategy, being the result of analysis and practical comparisons with its predecessor from the perspective of members. It was not created specifically for one person, but for a niche market. And its main functionality is to be a table-bed for small *pets*.

Due to the low sales volume, three versions were developed from June/2021 to March/2023, seeking to decipher the factors that contributed to the success in the first case and the failure in the second, changing the aesthetics and, finally, the functionality. Figure 2 shows the versions of the tables sold:

**Figure 2**

*Versions of the Pet Table.*



Source: collection of the Dedo de Gente Cooperative, 2023.



From May 2021, with the beginning of the drop in the number of sales of the Table Cup, the members understood that it would be necessary to continue the strategic direction until then satisfactory, and for this they decided to follow the current model. Among the members there were informal conversations, exchange of ideas and incentives during the meetings to use creativity and think of a new piece. "The challenge was to make a product that was, at the same time, utilitarian and decorative" (pedagogical coordinator).

#### 4.3 DISCUSSION: STRATEGIC INTENTIONS IN THE FINGER OF PEOPLE COOPERATIVE

Unlike the findings of Chia and Holt (2006), in the CDG there was no change in strategic interpretation over time, attempts to adjustments aimed at consolidating the strategic goal set. All activities performed were below the defined strategic direction. The construction of the central strategy began with an affirmation of the pedagogical coordinator who observed and pointed out the turning point in the number of pieces sold at the Cup table, which induced the members to believe that disclosure by digital influencers was an effective way for the success of new sales: "After a wine-loving influencer posted on his Instagram®, it rained requests, falling in the taste of other influencers and their followers" (Pedagogical Coordinator).

In the CDG the implementation of the strategic direction was defined from an abduction on the factors that led to the success of the previous piece. The financial director started from the particular observation of the case of Mesa Taça, defined assumptions of success as being decorative, functional and aesthetically beautiful and made inferences that convinced colleagues and allowed a conclusion, about what was little known, that everyone has pet and spends a lot of money on them to guide what should be the essence of the new piece, as described below:

The Table Cup worked very well, because, in addition to being a beautiful and differentiated product, there are many people in the community on the internet commenting on wines, following influencers, it is a market that moves a lot of money. I saw something on the internet that caught the attention, it was a doghouse. If we did it too, but as a table, as well as a bowl, which is decorative, is in the corner and does not bother and serves as a gift? Today, everyone has pets and the puppies stay inside the house, if mistreating an animal like this leads to jail time. People spend a lot of money on pet. We disclose, hire influencers... (CFO of the CDG).



At this moment, from the conclusions cited, the members perceived an emerging strategy and made it central strategy. The actions show that the interpretation of the emerging strategy was at the center, the practices were developed aiming to operationalize the strategic direction. This can be seen with the praxis that gave rise to the PET table.

After the success of the Cup table and the definition that resided there strategic direction during the "Wheels" (meetings) was emphasized the need to create new products beyond the Roseana theme that could also achieve success. Among the members there were informal conversations, exchange of ideas and encouragement, during the meetings, to use creativity and think of a new piece: "The challenge is to make a product that is, at the same time, utilitarian and decorative" (CDG's Financial Director during the Wheel).

From the first version of the PET Table, the results were not as expected, although the members replicate the same dissemination and marketing practices.

We did not imagine that it would be so difficult to find a partner, there were people who disclosed it, but it had no effect. In the beginning we even expected it to be like the Table Cup, which at any moment would make a mess of sales, but it did not. (Ana, CDG Seller).

A new adjustment attempt begins to be implemented in response to the unexpected challenge, however, the strategic direction is maintained. There was a search for information with customers and inductively the part was adapted to what would be the solution: "The part was not very accepted in the market. We have had feedback from some customers that the very closed model does not bring comfort to the animal" (Seller of CDG).

Given the returns, in the "Wheels" of meetings it was discussed what adjustment could be made, until a participant from his reflection on what customers mentioned about comfort mentioned that the piece "looked like a prison". From this reflection, inductively the members reached the conclusion that the entrance for the pet should be increased. The adjustment generated a second version, however, the direction was maintained and again the dissemination by digital *influencers* was sought, highlighting the aesthetic and functional attributes of the piece.

Again the results were not satisfactory and praxis were adopted as new discussions on the attributes that led Mesa Taça to succeed, there was no data analysis or questioning and interviews with users, inferences were made attributing its shape, function and aesthetics associated with a large consumer audience of wines and seeking social networks information and tips on the influence of actors.



Observe and relate the comments on social networks regarding the product; follow-up and presentation in the meetings of sales reports and discussions to adjust to a new format. All these praxis were directly related to the central strategy of commercialization of products for niche markets from the figure of a digital influencer for a certain group. It is noticed that the praxis alternate, but the strategic direction was maintained, the interpretation of what was a strategy was maintained even with the lack of the expected results.

In the specific case of the CDG, the members made inferences based on their observations, discussions and experiences when developing, marketing and interpreting the results. The results of this investigation allow us to relativize the statement of Chia and Holt (2006, 2023) when considering that strategy is not preceded by intention and manifests itself in action.

The intention was that it promotes a strategic direction, either with the objective of transforming a gift into a commercial product or in an attempt to replicate the previous success and this does not take away the ability to emerge new strategies. New strategies emerge within a context and direction. Strategies do not emerge from a blind process, which disregards intentions and goals even basic as the survival and continuity of an enterprise. The craftsmen were never there just to produce parts. The history of the cooperative begins with social action and solidarity with adolescents for insertion in the world of work and with strategic orientation to portray the country culture, the roseana literature representing the place where it is inserted as a background to market their products.

Even in these organizations, such as CDG, where the strategy is not clearly planned and formally articulated, among the emerging strategies, one was adopted as a central strategy (functional and aesthetically pleasing product development for a large market) and the practices (stimulus to find market niches, search for digital influence, adjustments in the parts from customer comments) were intentionally and purposely constructed from an inductive reasoning in an attempt to replicate the strategy that emerged.

The problem of the concept of Chia and Holt (2006, 2023) is to consider that strategies emerge blindly from usual practices and disregards initial motivations, for example when an emerging strategy contributes to the process of maturation of strategic direction, redefining objectives and intentions that lead to new practices. To move away from the abduction processes, the practices that led to the success and failure built in the organizational periphery as a source of strategic orientation is to become extremely radical as to the existence of any objective or intention, making the actions something inexplicable.



#### 4.4 DIRECTION OF STRATEGIC INTENTIONS BY C-K THEORY

Based on the intentions and objectives of the people involved in the organizations, we propose the use of the C-K theory elaborated by Hatchuel and Weil (2003, 2008) as an interpretative framework and strategic direction for innovation.

The C-K theory was first presented at the *International Engineering Design Conference* in Stockholm. The text brought a critique of design as just a model of reasoning, adding that design studies and developments need a comprehensive view, involving rational aspects, but also cultural, organizational and social, in which the expansion of knowledge is a logical necessity in any process (Hatchuel; Weil, 2003).

The C-K theory proposes a contribution to design and creativity because, according to its authors, the theories of design and problem solving are unable to explain projects that are innovative. The theory involves a formal distinction between spaces of "*Concepts*" (C) and space of "*Knowledges*" (K), modeling the dynamics of design as a joint expansion of a space of Concepts and a space of Knowledge (Hatchuel; Weil, 2003).

The C-K theory has the potential to reshape organizational skills by integrating old and new knowledge in a creative effort guided to preposition new projects (Hatchuel and Weil 2008). CDG members will be able to use the C-K model to support a specific portfolio management strategy for discoveries, through the valorization of both the knowledge produced and the expansion of conceptual proposals. It is also possible to map the field of opportunities, identify areas where learning processes are needed and effectively organize the expansion of products shaping your organizational strategy. The search for new partners can contribute to the expansion of knowledge and concepts and generate innovations.

The company Tefal, presented in studies of Chapel (1997), is an example of development of intentions and objectives used strategically for organizational growth based on continuous innovation. This model is manifested through collaborative practices in the creation of products and product families, from the expansion of spaces of concepts and knowledge. In this scenario, design plays a strategic role by guiding the exploration capabilities of the various actors of the organization. It is a model focused on product development, in which systems are progressively adjusted to the objectives and intentions of a flow of strategic innovations.

In addition, Tefal's conception of return on investment differs from the conventional paradigm in that it considers not only the value of each individual product, but also the product sequence and the collective learning generated by these repeated innovations. The



construction of the Cup and PET tables represents a potential gain in learning for strategic innovation. In this context, the management of design teams assumes a strategic role, characterized by a strong involvement of each member, an unusual practice in large companies, which becomes one of the distinctive brands of Tefal's model. (Chapel, 1997).

The learning capacities, preserved and enhanced, allowed the company to develop highly responsive technologies and strategies, although it is fundamental that these innovations are constantly renewed. Strategically, the CDG would move to a strategic direction of design and not just production.

The C-K theory is also used to explain misunderstandings and risks, to evaluate methods or to reconstruct the history of a product, of an organization (Hatchuel, Weil, 2002). As in the example presented by Elmquist and Le Masson (2009), referring to the company RATP in an attempt to develop a new public transport vehicle. The setbacks of hybrid minibuses led RATP to offer new services to users, to create alternative solutions with biofuel engines and to better define customer expectations. The C-K method allowed to measure the capacity of a project to innovate and reposition it in a new field of action, "micromobility", while redefining the strategic vision of the organization. Inspired by the research of Elmquist and Le Masson (2009), RATP has demonstrated that the value of failed projects can be a path to the development of innovative capabilities essential for their sustainability, competitiveness and strategic direction.

In a third example, Hatchuel, Masson and Weil (2004), present the formation of a strategic direction in the company Avanti that when trying to create a family of products, directed its strategy to create intelligent tools based on creativity. The first product designed, a nail carrier that avoids hurting the hand when hammering, was born from a brilliant idea and achieved great commercial success. The managers of the company were very interested in finding variants or even maintaining the creative level of the nail carrier in the design of new products. Placed by the challenge after the success of the nail carrier, which could be the follower?

New attributes emerged when existing know-how about DIY products was collected. And finally, what was designed was... a design strategy called "smart tools," a class of tools still easy to use, cheap to produce, smart in design (expansive partitions) and animating department stores. It gave rise to a whole range of tools that supported Avanti's growth with a product concept that reshaped the strategic direction of the organization (Hatchuel, Masson and Weil 2004).



## 5 CONCLUSION

The objective of this study was to investigate how strategies are constituted in a cooperative organization, where the strategy is not clearly planned and articulated and formally defined by a group of strategists or responsible department.

For this, we opted for the empirical lens, with a central focus on the daily and routine actions of the cooperative members, belonging to the CDG, and their adaptations in the face of the organizational context and in the production of reality. The collection of empirical data in real time and longitudinal, allowed the monitoring of the main practices of the cooperative members that emerged and led to the unexpected success of the Table Cup and the practices and adaptations that led to the unsuccessful attempt to reproduce the previous success, and its consequences for the cooperative's strategy. Thus, the study appropriated the perspective of *Strategy-as-Practice* and the formation of strategy in the organizational periphery, that is, far from a center or department responsible for defining strategies.

Consequently, we will report to the "call to arms" of Jarzabkowski, Kavas and Krull (2021) on the need to study strategy as practice in an agenda based on new organizational models of different economic logics, such as family businesses and startups, where the strategy is not clearly planned and formally articulated.

It was possible to understand that specifically in the CDG, although there is no strategic definition, the intentions and objectives preceded the actions and formed a strategic direction. This finding contrasts with studies by Chia and Holt (2006, 2023) regarding the existence of intentions and objectives that precede strategic action.

Identified the existence of intentions and objectives preceding the strategic actions that formed a strategic direction, we find a connection with the theory of concepts and knowledge C-K as a way to organize and direct these intentions increasing the ability to emerge new practices and strategies from creativity and innovation. The C-K theory has the power to enhance learning by integrating new concepts and knowledge making the environment fertile to emerge new strategies.

As a theoretical contribution, reflections are expected on the objectives and intentions preceding the action for the formation of strategic direction, leading to practices that allow new strategies to emerge, marking an opposition to the studies of Chia and Holt (2006, 2023), regarding the formation of strategies in the organizational periphery. It also opens a new perspective on directing intentions and making them strategic and opens the way for future studies of SAP, expanding its scope of investigation and establishing connections with other



still unexplored fields of research, such as C-K theory with the potential to broaden and deepen the understanding of strategy and organization activities and their impact on organizations.

The results of this research contribute directly to the artisans of the cooperative and other professionals who will be able to organize and develop the C-K concepts and knowledge, to organize their intentions and strategically build new products, business models and creatively innovate in their organizations.

This study finds its limits in investigating only one organization, raising new research to compare the strategic practices in other creative organizations. The method of observation often caused discomfort to the researcher who, due to time limitations, did not interfere in decisions. It is believed that the action research methodology could bring other aspects of analysis such as change in stimulating creativity, introducing techniques of C-K theory to build a new piece and test its acceptance by consumers. Questions that still remain open involve investigating how much it would be necessary to expand the C-K spaces for the PET Table to achieve market acceptance.

For further studies, it is recommended to continue the longitudinal follow-up, with the intention of verifying the cycles of creation and development of strategies, analyzing the intentions and objectives associated with new practices as well as the association with C-K theory to broaden and deepen the understanding of strategy and organization activities and their impact on organizations.

It is concluded that, in this specific case of the CDG, the strategy is emergent, but preceded by a direction or definition of strategic objective, the intention and the comprehensive purpose specifically directed the efforts of the artisans in the creation of the Pet table. No deductive methods, probabilistic analysis and complex planning were used, but daily actions were directed to the previously defined strategic objective. Thus, we agree that the strategy is emergent, however, preceded by a previously established intention or strategic objective that guides actions and allows new strategies to emerge.

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