
Strategic Thinking vs Strategic Planning

Part 1

Three Brands. Three Approaches.

STRATEGIC PLANNING

IF (Thailand)

Coconut water empire



STRATEGIC THINKING

Tao Kae Noi (Thailand)

Seaweed snack sensation



BOTH (and a warning)

Lao Gan Ma (China)

Chili sauce dynasty



Which approach is "strategy"? By the end of today, that question will get harder.

**Is strategy something
you plan?**

**Or something
that emerges?**

And does it matter which one we call "strategy"?

Today's Roadmap

1

Mintzberg's critique

Three fallacies and the planning trap

2

Knights and Morgan

Strategy as discourse and four power effects

3

The Strategy Industry

Who profits from strategic planning?

4

Three Asian cases

IF, Tao Kae Noi, and Lao Gan Ma: planning, thinking, and what happens when you switch

5

Strategy as power

Fyre Festival, Luckin Coffee, McKinsey: when strategic narrative shields fraud

What Is Strategy?

THE TEXTBOOK ANSWER

"A plan of action designed to achieve a long-term aim, involving the allocation of resources to achieve competitive advantage."

But notice what this definition assumes:

- That the future can be predicted
- That leaders can control outcomes
- That rational analysis leads to correct decisions
- That strategy is a neutral, technical process

Every one of these assumptions is questionable.

Four Views of Strategy

Whittington (1993)

DELIBERATE

Classical

Porter, Ansoff, Chandler

Analyse, plan, implement.
Rational and top-down.

Systemic

Granovetter, Whitley

Deliberate, but shaped by
culture and social context.

EMERGENT

Evolutionary

Williamson, Hannan & Freeman

Markets decide, not managers.
Survival of the fittest.

Processual

Mintzberg, Pettigrew

Messy, political, emergent.
Plans never work as intended.

PROFIT

PLURAL OUTCOMES

DISCUSSION

Think about an organisation you know.
How were important decisions actually made?

- A** Careful analysis of data and options
- B** Senior leaders' gut feeling and experience
- C** Internal politics and power dynamics
- D** Accident, luck, or copying competitors

The CMS Move

DENATURALISATION

Strategy is not a neutral tool.

It is a discourse.

What does this mean?

A discourse is a way of talking and thinking that shapes what we see as real, rational, and possible. Strategy does not just describe the world. It creates a particular way of seeing the world.

Why does it matter?

If strategy is natural and inevitable, then questioning it is irrational. But if strategy is a historically specific invention, then we can ask: who invented it? When? And who benefits?

Knights and Morgan (1991)

Corporate Strategy, Organizations, and Subjectivity: A Critique

"Strategy is a discourse that simultaneously creates the problems it claims to solve."

The argument

- 1 Strategy did not always exist. It emerged from specific post-1945 conditions: separated ownership and control, international competition, corporate restructuring.
- 2 It is not a neutral analytical tool. It is a mechanism of power that shapes how managers see the world and how they see themselves.
- 3 Strategy does not just respond to problems. It defines what counts as a problem and what counts as a solution.

How Strategy Discourse Works

FOUR POWER EFFECTS

1 Rationalisation

Gives managers a vocabulary for explaining both success and failure

2 Legitimisation

Justifies managerial authority as technical expertise, not privilege

3 Identity

Creates "strategic thinkers" as a managerial identity worth aspiring to

4 Control

Provides an illusion of mastery over an uncertain future

*Knights and Morgan (1991): strategy is not about finding the right answer.
It is about making the act of searching feel powerful.*

Strategy Creates Strategists

SUBJECTIVITY AND IDENTITY

"Managers become strategic actors through participating in strategic discourse."

Knights and Morgan (1991)

This is self-discipline, not coercion.

Nobody forces managers to think strategically. They do it because strategy gives them a sense of purpose, competence, and control. The discourse does not repress people. It produces particular kinds of people: people who experience strategic participation as personally fulfilling.

This is Foucault's key insight: power is not just repressive.

It is productive. It creates the subjects who willingly participate in it.

DISCUSSION

Who in an organisation gets
to use the word "strategy"?

What happens to the people who don't?

A cleaner has a plan for their shift. A warehouse worker has a system.
Are those strategies? If not, why not?

The Rise and Fall of Strategic Planning

Henry Mintzberg (1994)

< 10%

of intended strategies are
successfully implemented

Mintzberg's challenge

If strategic planning almost never works as intended,
then either:

- a) Organisations are bad at planning
(the mainstream view)
- b) Planning itself is the problem
(Mintzberg's argument)

"Analysis is not synthesis. Strategic planning is not strategy formation."

Mintzberg (1994)

Three Fallacies of Strategic Planning

Mintzberg (1994)

1 Predetermination

THE ASSUMPTION

"We can predict the future"

THE REALITY

The environment is too complex and dynamic to forecast reliably. Planning creates false security.

2 Detachment

THE ASSUMPTION

"Thinking can be separated from doing"

THE REALITY

Strategists who sit in offices making plans lose touch with the operational reality those plans must survive.

3 Formalisation

THE ASSUMPTION

"Strategy can be reduced to a procedure"

THE REALITY

Innovation requires synthesis, not checklists. You cannot institutionalise creativity.

Planning vs Thinking

Strategic Planning

Analysis
Quantitative data
Detached from operations
Top-down and sequential
Assumes a predictable world
Produces a document

Strategic Thinking

Synthesis
Qualitative insight + data
Engaged with operations
Emergent and iterative
Responds to an uncertain world
Produces understanding

Mintzberg: organisations need both, but they invest in planning because it is visible, measurable, and controllable. Thinking is none of those things.

If Planning Fails, Why Does It Persist?

Mintzberg's answer

Planning creates a false sense of security that managers find psychologically comforting. It is easier to follow a process than to admit you do not know what will happen.

Knights and Morgan's answer

Planning persists because it is not about predicting the future. It is about controlling the present. The plan gives authority to those who write it. The plan itself is the power.

The CMS synthesis

Strategy is a discourse that reproduces itself. It creates the experts who promote it, the problems it solves, and the identities of those who participate in it. It does not need to work. It just needs to persist.

DISCUSSION

A CEO presents a five-year strategic plan to shareholders. The plan never works as written. But the share price rises.

Has the strategy succeeded or failed?

- A** Succeeded: the share price rose, which is the point
- B** Failed: the plan did not work as written
- C** The question itself is wrong

VIDEO

Planning is not Strategy

Roger Martin | Former Dean, Rotman School of Management



Watch for: Why does Martin say planning is a "comfort trap"? How does this connect to Mintzberg's three fallacies?

QUICK STUDY: **A Plan Is Not a Strategy**

Harvard
Business
Review



PART TWO

Planning vs Thinking in Practice

From Western textbook examples to Asian billion-dollar brands

Emergent Strategy in the West

Plans that never existed

Viagra

Planned: Heart medication

Emerged: Best-selling drug for erectile dysfunction

YouTube

Planned: Video dating website

Emerged: World's largest video platform

Slack

Planned: Online multiplayer game

Emerged: Dominant workplace messaging tool

Post-it Notes

Planned: Super-strong adhesive

Emerged: Billion-dollar office product from a "failed" glue

None of these were "planned." Each represents Mintzberg's emergent strategy in action.

IF Thailand's Coconut Water Empire

The Plan

- Itsarapong Pokamaetee identified the coconut water market opportunity in the early 2000s
- Systematically built distribution through 7-Eleven and retail partnerships across Thailand
- Secured celebrity ambassador Xiao Zhan to target the Chinese market
- Planned and executed a Hong Kong IPO to fund international expansion
- Methodically expanded into China, Vietnam, Cambodia, and Myanmar



The Result

12+ years of deliberate strategy execution

No. 1 coconut water brand in Thailand

6 countries across Southeast Asia and China

HK IPO raised capital for planned expansion

Mintzberg's lens: This is strategic planning in action. IF knew what it wanted to sell, who it wanted to sell to, and how it would get there. Every step was deliberate. The question CMS asks: does this case prove planning works, or did IF succeed despite it?

VIDEO

How This Coconut Water Brand Conquered China

IF Brand | Thai Coconut Water



Watch for: How did IF approach each new market? Was anything left to chance?



Forbes

Daily Briefing

**THIS THAI COCONUT WATER WON
OVER CHINA. THE U.S. COULD BE NEXT**

Tao Kae Noi

Thailand's Seaweed Snack Sensation

STRATEGIC THINKING

The Journey

- Age 16:** Aitthipat Kulapongvanich starts selling roasted chestnuts
- Pivot 1:** Switches to selling pirated DVDs (more profitable)
- Pivot 2:** His girlfriend suggests fried seaweed as a snack
- Discovery:** Starts frying seaweed in his parents' kitchen
- Growth:** Sells at school, then local shops, then 7-Eleven
- Today:** THB 4+ billion revenue, sold in 30+ countries



What Emerged

No business plan.

No market research.

No investor pitch.

Just a teenager who tried one thing after another until something worked.

His "strategy" was recognising what the market was telling him and responding to it.

Mintzberg's lens: This is emergent strategy. No plan preceded the product. The strategy formed through a pattern of small decisions. A planned approach would never have started with chestnuts and DVDs.

VIDEO

The Billionaire (2011)

Thai biographical film about Aitthipat Kulapongvanich



Watch for: How many pivots does Aitthipat make before finding seaweed? Could any plan have predicted this path?



"I don't know anything about business. I just make chili sauce."

Tao Huabi, founder

What Tao Huabi Did

- Made chili sauce for her noodle restaurant customers
- Gave it away free, then sold it when demand grew
- Expanded production to meet orders, step by step
- Reinvested profits, never borrowed money
- Built factory in Guizhou using only retained earnings

What She Refused

- ✗ No business plan
- ✗ No market research
- ✗ No bank loans
- ✗ No advertising (for decades)
- ✗ No IPO (to this day)



Mintzberg's lens: Tao Huabi built a CNY 5+ billion brand with pure emergent strategy. She responded to demand as it appeared. No plan preceded any decision. Then her sons tried to add "proper" strategy...

The Sons' "Strategy"

- Replaced Guizhou chili with cheaper Henan peppers
- Unauthorised investments in real estate
- "Modern" management and cost optimisation

Consequences

- Quality collapsed (customers tasted the difference)
- Revenue: CNY 5B down to CNY 4.2B
- Brand reputation damaged across China

Mother Returns (2019)

- Tao Huabi returned at age 72
- Destroyed 500 tonnes of inferior product
- Restored original suppliers and recipe
- Revenue recovered to CNY 5.4B by 2020

The lesson: When the sons replaced emergent strategy with deliberate planning, they destroyed value. The mother's instinctive approach, which looked "unsophisticated," was what worked. Which approach was the real strategy?

VIDEO

Every successful woman, there is herself

Lao Gan Ma | Tao Huabi's Story



Watch for: What did Tao Huabi's "lack of strategy" actually look like in practice?

[Behind the downfall of chili sauce Queen lao gan ma, there's her 2 useless sons](#) ²⁷

THE WOMAN WHO NEVER AGED

The Secret of **LAOGANMA**

**REAL
STORY**



**FROM A SIMPLE WOMAN
TO A GLOBAL ICON**



Three Brands, Three Lessons

Brand	Approach	Outcome	Lesson
IF	Deliberate planning	Hong Kong IPO, six-country expansion	<i>Planning CAN work when markets are understood</i>
Tao Kae Noi	Emergent strategy	30+ countries, film made about founder	<i>Thinking CAN work when you listen to the market</i>
Lao Gan Ma	Emergent (mother) then Planned (sons)	Success, then near-collapse, then recovery	<i>Switching from thinking to planning can destroy value</i>

DISCUSSION Both approaches produced billion-dollar brands. Neither is automatically superior. If you were starting a business tomorrow, which approach would you choose? Why? What does your answer reveal about what you have been taught to value?

Strategy as Pure Narrative

THE WEWORK CASE

The strategic narrative

"Our mission is to elevate the world's consciousness."

Adam Neumann, co-founder of WeWork

- Subleased office space rebranded as a "community company"
- Pitched as a technology platform disrupting real estate
- Neumann described WeWork as a "state of consciousness," not a business



Strategy as Pure Narrative

THE WEWORK CASE

The reality

\$47B

peak valuation
(January 2019)

\$8B

valuation after IPO collapse
(October 2019)

\$0

filed for bankruptcy
(November 2023)

The story became the product. When the story collapsed, there was nothing underneath it.

The Strategy Industry

WHO SELLS STRATEGY?

McKinsey

Founded 1926. Revenue ~\$16B.

BCG

Founded 1963. Revenue ~\$12B.

Bain

Founded 1973. Revenue ~\$7B.

The CMS question

- 1 Strategy consulting exists because organisations believe they have "strategic problems" that require external expertise. But who defined those problems?
- 2 Knights and Morgan: strategy creates the demand for its own expertise. The consulting industry does not just sell solutions. It sells the idea that you need strategic solutions.
- 3 If a consultant's strategy advice fails, the firm still gets paid. The company bears the risk. The consultant keeps the fee.

DISCUSSION

If a consulting firm's strategy advice fails, the firm still gets paid.

If the company follows the advice and fails, the company bears the cost.

What does this tell us about who strategy serves?

VIDEO

Fyre: The Greatest Party That Never Happened

Netflix Documentary Trailer



Watch for: How does Billy McFarland use the language of "vision" and "strategy" to keep people investing?

Duration: approx. 2 minutes

[youtube.com/watch?v=uZ0KNVU2fV0](https://www.youtube.com/watch?v=uZ0KNVU2fV0) 32

OFFICIAL TRAILER



Strategy as Power and Discourse

Three cases where "strategy" served the strategist, not the organisation

Strategy Without Substance

Fyre Festival (Billy McFarland, 2017)

The "Strategic Vision"

An exclusive luxury music festival on a private Bahamian island. Gourmet food, luxury villas, celebrity performances. Tickets sold for \$1,200 to \$100,000+.

Kendall Jenner: \$250,000 for one Instagram post. Over \$5.2 million total on influencer marketing.

What Attendees Found

Disaster relief tents instead of villas. Cheese sandwiches in styrofoam boxes instead of gourmet meals. No performers showed up. Luggage dumped in a car park.

Legitimate revenue: only \$57,443. The rest was fabrication.

Knights & Morgan Analysis

Rationalisation: Pitch decks and projections made it look like a sound investment. Investors gave him \$26 million.

Identity: He positioned himself as a visionary. Strategy language created the "strategist."

Legitimation: Influencer endorsements + "strategic partnership" language made fraud look like marketing.

Control: The discourse of "exclusive experience" controlled how customers evaluated the product: by brand, not substance.

Fraud, Collapse, and Comeback

Luckin Coffee (China, 2017–present)



1 The Strategic Narrative

Founded 2017. IPO on Nasdaq May 2019, raising \$600 million. Positioned as "China's Starbucks challenger."
Grew to 4,500 stores in two years.
Analysts praised the aggressive growth strategy.

2 The Fraud

In April 2020, Luckin admitted to fabricating \$311 million in sales. Stock crashed 81% in one day. Delisted from Nasdaq. CEO and Chairman removed. SEC fined \$180 million. Twelve employees fired.

3 The Comeback

New management. App based ordering model. Average cup: \$2 vs Starbucks' \$4+. By 2025: 31,000+ stores (more than Starbucks in China). \$7 billion revenue. 94 million monthly customers.

CMS Question:

Compare this to Fyre Festival. Both used fabricated narratives to support a "strategy." But Luckin survived and McFarland went to prison. Is the difference about the strategy itself, or about who holds power in the aftermath?

When Strategists Cause Harm

McKinsey & Company / Purdue Pharma

What McKinsey Advised Purdue Pharma to Do

- 1 Target high volume opioid prescribers with specific messaging to convince them to prescribe more OxyContin to more patients
- 2 Focus on higher, more profitable dosages rather than lower ones
- 3 Deliver OxyContin through mail order pharmacies to bypass retail pharmacy restrictions
- 4 Develop strategies to defend against FDA safety measures

The Consequences

500,000+

Americans dead from opioid overdoses (1999–2020)

\$650 million

McKinsey DOJ settlement (2024)

One senior partner pleaded guilty to obstruction of justice for destroying records

CMS Lens:

McKinsey used the language of "strategy" to rationalise actions that caused mass harm. Their status as elite strategists LEGITIMISED advice no ordinary employee could have given. This is Knights and Morgan's central argument: strategy is not neutral. It serves power.

The Pattern of Power

Fyre Festival

Created a product that did not exist through narrative alone

6 years prison. \$26M restitution.

Luckin Coffee

Fabricated \$311M in sales to support "growth strategy" narrative

\$180M SEC fine. But company survived and now has 31,000 stores.

McKinsey / Purdue

Used consulting frameworks to "turbocharge" opioid sales

\$1.2B in settlements. One guilty plea. No prison for the firm.

Discussion: Who benefits from calling something a "strategy"?

Key Takeaways

1 Strategy is not a neutral, rational tool.

It is a historically contingent discourse with specific power effects (Knights and Morgan, 1991).

2 Both planning and thinking can produce extraordinary results.

IF planned its way to an IPO. Tao Kae Noi emerged from a teenager's experiments. Neither is automatically superior.

3 The language of strategy serves power, not truth.

Fyre Festival, Luckin Coffee, and McKinsey all used strategic narrative to shield fraud or harmful action.

4 CMS does not reject strategy. It asks: who benefits?

From the consulting industry to Lao Gan Ma's sons, the question is always cui bono.

What CMS Adds to Strategy

Fournier and Grey (2000)

Denaturalisation

Strategy is not natural or inevitable.

It is a specific invention from a specific time. We can imagine management without strategy.

Anti-performativity

We do not study strategy to make it work better. We study it to understand who it serves and how it shapes the world.

Reflexivity

How does participating in "strategic thinking" shape us as people?
What kind of managers does the discourse of strategy produce?

Next Week

Week 5 is Reading Week

Use it to ~~read~~ (Travel)

Week 6: Strategic Thinking vs Strategic Planning (Part 2)

- Strategy-as-practice: what strategists actually do all day
- Business schools as strategy factories: who teaches strategy, and why?
- Deeper case analysis: from individual fraud to systemic failure

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Break

20 Minutes

Part 4

Tutorials

Thank you

University of Wales
Trinity Saint David

