ABSTRACT

This research extends previous research on strategy formulation. Specifically it investigates the patterns identified in strategy formulation approaches employed by 16 JSE listed companies in the South African context. Companies listed on the Johannesburg Stock Exchange (JSE) are perceived to be operating in a demanding and dynamic environment. As such, management’s approach in formulating strategies is one of the determinants of the future of the organisation and an enabler for future capital raising as it determines how well it is perceived by its shareholders.

Strategy formulation tools and methods are indoctrinated in MBA programmes, but business managers have invented and deduced intrinsic and tacit strategy formulation methods which are specific to and work well for their organisation. Identifying patterns in how managers in stock-exchange listed companies approach the strategy formulation process reveals the value in the tacit knowledge utilized by strategists and business managers in demonstrating their strategic expertise, which contributes significantly to existing literature. By gathering strategy formulation insights, experiences and lessons from managers in listed companies, this study was able to articulate strategy formulation approaches in a focused yet descriptive context.

The findings in this study suggest four main strategy formulation approaches in this context. These were:

- Data Intensive strategy formulation approach (DISFA)
- Centralized Intelligence strategy formulation approach (CISFA)
- Market intelligence strategy formulation approach (MISFA)
- All-inclusive strategy formulation approach (AISFA)

Key words

Strategy, Strategy formulation, Approaches, Johannesburg Stock Exchange, listed companies, Management, Competition.