Contents

List of Figures and Tables		ix
Αc	cknowledgements	x
1	Introduction	1
	Exploring anew	2
	Strategy, governance and need for a theory	5
	Structures, processes and partial markets	5
	Knowledge variations	6
	Prescription or pragmatism	7
	Partial market and structure	7
	Structural sort	8
	Strategic milieu	8
	Strategic acts and moves	9
	Knowledge wealth in structure	9
	Three types of knowledge	10
	Strategy as surprise and pre-reconciliation	10
	Discarding paradigms	10
	Strategy process	11
	Strategy as competition	11
	Strategy and knowledge	12
	Strategy for profit	12
	Strategy as influencing beliefs	13
	Knowledge and co-ordination	13
	Strategic intent	14
	Knowledge wealth and software competence	14
	Linkages of software firms	15
	Resident competence	16
	Software strategy on fluidity and profit	17
	Fluidity in software firms	18
	Routines and strategy	18
	Strategy and resources	19
	Strategic demand management	19
	Products or services as strategy	20
	Data and market characteristics	21
	Asset balance and strategic profit	21
	Software manpower as asset	22

vi Contents

3

Divisions of knowledge and software	23
Normative co-ordination	24
Deferment as software strategy	24
Manpower turnover and normative co-ordination	25
Manpower flow and strategic profit	26
Strategy, Structure, Knowledge	28
Co-ordinating conflicts	28
The essence of the new logic	30
Quest for a theory?	31
More limitations to strategy theory	33
Minimal retrieval	35
Strategy for governance	37
Strategy milieu	37
Strategic make-up: strategy and structural sort	39
Describing structural sort	41
Beyond the structural sort: organizational makings	43
Partial market and strategic milieu	45
Strategy and structural sort	47
Knowledge, structural sort and strategy:	
types of knowledge	49
Knowledge co-ordination	52
Scope of descriptive knowledge	55
Knowledge and strategy	56
The Strategic Knowledge Arena	59
The knowledge-strategy linkage	60
Received views in adumbration	62
Learning from other disciplines	62
Confusions around strategy theory	64
Competence, knowledge and code	66
Tacit knowledge and code	68
Strategy for winning: theory perspectives	70
Knowledge for strategic advantage	71
Importance of processes and agenda	73
Strategy make-up: place of strategic knowledge	75
New strategic make-up model	76
Manoeuvring through strategic knowledge	78
Incomplete description of knowledge	82
Complete knowledge description and	
co-ordination	83
Gaps in knowledge by description	86
Strategic moves and beliefs	89
=	

		Contents	VII
	Knowledge and rule following Strategic knowledge, intention and co-ordination:		90
	reconciliation, co-ordination, knowledge content		93
	Strategy, emotion and violation of rationality		95
	Intention and strategic knowledge		98
4	Knowledge Wealth: An Indian Software Profile	1	01
	Salience of Indian software enterprise	1	.03
	Managerial perception of knowledge wealth:		
	indicators of organizational competence	1	.04
	Managerial perception	_	.06
	Of market, knowledge wealth and structure	_	13
	Knowledge wealth and structure co-ordination	-	17
	Structural characteristics	_	21 27
	Asset liquidity and structure	1	.21
5	Value Addition Strategy	1	33
	Dealing with the Indian dilemma	1	135
	Competency and structure: structure, processes		
	and core competency		136
	Processes, inventive and speculative insights	_	140
	Resources and competency		144
	Structure and competency orders		146
	Structural competency: managing demand		149
	Products, services and structural competencies		154
	The products-services basket	-	159
	Narrative on thirteen firms		159 163
	Narrative on seven firms		168
	Structural competency and co-ordination	•	100
6	Knowledge Strategy and Knowledge Divisions	:	171
	The economics of knowledge		173
	Limitations on knowledge understanding Knowledge specialization divisions of		174
	knowledge and co-ordination		181
	Domain knowledge and specialization modes		184
	Market and specialization		187
	Expectations and training strategy		192

viii Contents

197
201
205
211
217
221
227
230
233
242
262

List of Figures and Tables

Figures				
4.1	Choice of structural elements for organizational competence	107		
4.2	Thrust of knowledge wealth	108		
4.3	Importance of manpower qualification	109		
4.4	Choices on knowledge wealth	112		
4.5	Market competence of select firms	120		
4.6	Profile of ratio investment to total funds	123		
4.7	Use of funds by large software firms	124		
4.8	Sources of funds for large software firms	124		
4.9	Personnel cost with relevance to the costs of			
	sales and communications	126		
4.10	Ratio of R & D to the PBDIT for eleven companies	126		
4.11	Asset liquidity profile of nine software firms	128		
6.1	Domain knowledge and training in firms	185		
6.2	Training focus and domain knowledge	186		
7.1	Skills by experience demands of firms as			
	reflected in advertisements	236		
7.2	Jobs by qualification	238		
7.3	Jobs by experience	239		
Tabl	es			
4.1	Profile of eleven software firms	110		
4.2	Structure and marketing strategy	114		
4.3	Structural pattern of marketing	118		
5.1	Supplementing services by product in six firms	161		
5.2	Structural competencies of software firms	166		
6.1	Domain specialization and knowledge strategy	191		