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# Strategic Practice Drift: How Open Strategy Infiltrates the Strategy Process

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ABSTRACT This paper builds theory on the process of open-strategy infiltration through an ethnographic study investigating how open strategy entered a financial services firm's strategy process behind the backs of top managers. Based on our analysis, we show how open strategy infiltrates the strategy process through a 'strategic practice drift', i.e., a gradual and partly unnoticed shift towards open strategy that occurs through 'accommodating' and 'legitimizing' the performance of transparency and inclusion in the strategy process. We show how the 'goal-based ambiguity' and 'procedural certainty' of initiatives that latently imply the performance of transparency and inclusion in the strategy process enable open-strategy infiltration. Furthermore, we show how top managers' 'goal-based rationalization' and 'procedural renegotiation' of practising transparency and inclusion contribute to the eventual reproduction of open strategy in the strategy process. Our model generates an understanding of how and why open strategy can enter the strategy process behind the backs of top managers and adds nuance to extant understandings of the role of top managers in this process. In addition, our findings contribute to research on strategy as practice by theorizing 'strategic practice drifts' and extending our understanding of the role of ambiguity therein.

**Keywords:** Agile, inclusion, infiltration, open strategy, strategy as practice, transparency

## INTRODUCTION

Open strategy has become an important part of contemporary strategy processes. Understood as a bundle of practices through which actors perform transparency and/or inclusion in the strategy process (Hautz et al., 2017), actors in organizations increasingly open up their strategy processes for internal and/or external stakeholders to reap benefits, such as more creative, higher-quality strategies (Stieger et al., 2012), increased

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commitment to strategy implementation (Ketokivi and Castañer, 2004) and increased organizational legitimacy (Gegenhuber and Dobusch, 2017). Accordingly, the incorporation of open strategy in the strategy process is frequently portrayed as a 'managed', induced initiative in which top managers deliberately open up strategy-making for the performance of transparency and inclusion in order to reap the benefits of open strategy (Gegenhuber and Dobusch, 2017). Recent work has also begun to explore how open strategy can emerge in strategy processes in 'unmanaged' ways through bottom-up initiatives (Luedicke et al., 2017).

However, as prior research suggests, it is not self-evident that top managers induce or tolerate the managed or unmanaged adoption of open strategy against the background of their dominant position in the strategy process (Belmondo and Sargis-Roussel, 2022; Whittington and Yakis-Douglas, 2020). Open strategy partly contradicts more conventional strategic practices in which top managers reproduce powerful positions (Brielmaier and Friesl, 2021; Heracleous et al., 2018). Therefore, this bundle of practices is partly at odds with top managers' interests, who may resist or work against the incorporation of open strategy in the strategy process (Hautz et al., 2017). Against this background, corporate elites' commitment to open strategy has even been described as 'utopian' (Vaara et al., 2019).

The juxtaposition of observed trends to open up strategy processes on the one side and top managers' hesitation to do so on the other (Hautz et al., 2017) draws attention to a third, more common process of adopting open strategy that transcends managed and unmanaged approaches (Whittington and Yakis-Douglas, 2020). We refer to this process as 'open-strategy infiltration', i.e., the incorporation of open strategy into strategy processes that occurs behind the backs of top managers (Vaara et al., 2019). Examining this process, we argue, is important for gaining a more complete understanding of the ways in which open strategy enters the strategy process because open-strategy initiatives induced by top managers or which emerge from the bottom-up typically end up as ephemeral events (Gegenhuber and Dobusch, 2017). In turn, open-strategy infiltration may inscribe the performance of transparency and inclusion in the strategy process in longer-lasting, more persistent ways and is, therefore, an important contribution to the broader trend towards opening up strategy processes (Vaara et al., 2019; Whittington and Yakis-Douglas, 2020). Therefore, we examine the following research question: *How does open strategy infiltrate the strategy process?*

Based on an ethnographic study, we tracked an 18-month period during which open strategy infiltrated the strategy process of a large, bureaucratic financial services firm, which we call 'FFR'. FFR's managers agreed to implement a project management method known as 'Agile', without being fully aware that this initiative latently implied the performance of transparency and inclusion in the strategy process. As Agile was implemented and practised, FFR's strategic practices gradually shifted from top-down strategy-making as being the exclusive realm of top management to the widespread performance of transparency and inclusion in the strategy process. FFR's top managers became aware of these profound dynamics much later, when the performance of transparency and inclusion had already become part of the strategy process.

Based on our analysis (see Figure 2), we show how open-strategy infiltration is enabled by the 'goal-based ambiguity' and 'procedural certainty' of initiatives that

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latently imply the performance of transparency and inclusion in the strategy process. Furthermore, we show how open strategy infiltrates the strategy process through a 'strategic practice drift', i.e., a gradual and partly unnoticed shift towards open strategy that occurs through 'accommodating' and 'legitimizing' the performance of transparency and inclusion in the strategy process. Finally, we show how top managers eventually respond to the strategic practice drift through the 'goal-based rationalization' and 'procedural renegotiation' of practising transparency and inclusion in the strategy process and, in doing so, contribute to the eventual reproduction of open strategy in the strategy process.

The main contribution of our study is to develop a model that conceptualizes the process of open-strategy infiltration. This model generates an understanding of how and why open strategy can enter the strategy process behind the backs of top managers, who tend to lack an interest in eroding the opaque and exclusive strategic practices in which they play dominant roles.

## THEORETICAL FRAMING

### Opening up the Strategy Process: Towards an Understanding of Open-Strategy Infiltration

Open strategy refers to a 'dynamic bundle of practices that affords internal and external actors greater strategic transparency and/or inclusion' (Hautz et al., 2017, p. 299). As a 'bundle of practices', open strategy is both a process and an outcome at the same time (see Schatzki et al., 2001). That is, open strategy is performed and (re)produced through practices of transparency and/or inclusion in situ; such performances, then, contribute to greater transparency and inclusion in strategy-making. *Transparency* refers to the practice of sharing 'information about an organization's strategy' (Whittington et al., 2011, p. 536). This practice is manifested in a greater or lesser number and range of audiences, the number and range of topics disclosed, and openness concerning the transparency procedures in place (Hautz et al., 2019; Reischauer and Ringel, 2022; Seidl et al., 2019b). In turn, *inclusion* relates to the practice of 'internal and external consultation [which enables] more people to engage in the strategic conversation' (Hautz et al., 2017, p. 299). This practice is manifested in a greater or lesser range of constituencies, depth of involvement, scope of decision-making rights and openness of inclusion procedures (Cai and Canales, 2021; Hautz et al., 2019; Seidl et al., 2019b).

The ever-more prevalent turn of actors in organizations and society to open strategy raises questions about how and why they do so (Seidl et al., 2019a; Stadler et al., 2021; Whittington, 2019). Extant literature focuses mainly on open-strategy initiatives as 'managed' by top managers which deliberately aim at reaping the benefits of open strategy (Gegenhuber and Dobusch, 2017; Splitter et al., 2021; Whittington and Yakis-Douglas, 2020). As Hautz et al. (2019) discussed, managers may be motivated to induce open strategy in order to realize a great variety of promises. These include, among others, increased idea quality and creativity in strategy-making through access

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to expertise outside the boundaries of conventional, TMT-dominated strategy-making (Stieger et al., 2012), increased understanding and commitment through joint sensemaking (Ketokivi and Castañer, 2004), and greater efficiency in strategy implementation by involving implementers in strategy formulation (Gast and Zanini, 2012). For example, Hutter et al. (2017) examined an online initiative set up by Siemens' top management to create and validate sustainable business strategies. Similar to Stieger et al.'s (2012) study of a medium-sized technology company, Siemens' top managers sought the creative potential of a broader pool of actors in order to develop higher-quality strategies. Likewise, Mack and Szulanski (2017) illustrated the varying outcomes of participation and inclusion in strategy-making as top managers of two public business organizations adopted open strategy for the sake of developing higher-quality strategies in response to technological changes. Furthermore, Dobusch et al. (2019) examined open strategy at Wikimedia. The organization's CEO set up a one-year open-strategy initiative that was directed towards revitalizing the stagnating number of volunteer editors, one of the organization's key strategic resources.

Though much less prevalent, prior research also suggests that open strategy may emerge through 'unmanaged' bottom-up initiatives (Whittington and Yakis-Douglas, 2020). Specifically, Luedicke et al. (2017, p. 371) examined the case of the Premium Collective as an example of opening up strategy-making in unmanaged ways. In the early stages of the organization's development, stakeholders, not only the top manager and owner of the organization, engaged in initiatives that cultivated the performance of transparency and inclusion in their strategy-making. Reischauer and Ringel (2022) showed how the unmanaged, bottom-up emergence of open strategy at a German political party turned out to be a double-edged sword, producing potentials for both creating and undermining stakeholder support. Cases of an unmanaged bottom-up emergence of open strategy are rare because, as Seidl et al. (2019b) highlighted, enabling open strategy requires substantial investments in a redesign of the ways in which strategies are made and, therefore, of top managers' commitment. Hence, as prior research suggests, top managers are important gatekeepers in that they enable or constrain the dominance of open strategy as a bundle of practices in strategy-making.

However, as prior literature shows, top managers' commitment to open strategy is not self-evident (Belmondo and Sargis-Roussel, 2022). This is because open strategy is a bundle of practices that partly contradicts more conventional strategic practices, ones in which corporate elites typically determine, enforce, sustain and protect authority over the organization's strategic direction, focus and alignment (Brielmaier and Friesl, 2021; Heracleous et al., 2018). Given that open strategy partly erodes corporate elites' powerful position in strategy-making, among others, through greater information sharing and broader involvement, it may be partly at odds with their interests (see Vaara et al., 2019). Therefore, top managers may slow down, work against or even reject initiatives that foster the performance of transparency and inclusion in strategy-making (Hautz et al., 2017); and they rarely give up their control, e.g., by handing out decision-making rights (Hautz et al., 2019; Seidl et al., 2019b; Whittington et al., 2011). This was the case even at the Premium Collective, which pursues consensus-based decision-making principles in strategy-making whilst leaving key decisions in the hands of top management (Luedicke et al., 2017).

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Observations of unexpected consequences that emerge from strategy-making (e.g., Balogun and Johnson, 2005; MacKay and Chia, 2013) point to a third way in which open strategy may enter the strategy process, namely, as both a 'managed' *and* 'unmanaged' way of opening up strategy-making (Whittington and Yakis-Douglas, 2020). We use the term 'open-strategy infiltration' to denote this process. By 'open-strategy infiltration', we refer to the incorporation of open strategy in strategy-making that occurs behind the backs of top managers. Thus, open-strategy infiltration differs from induced, 'managed' open-strategy initiatives, in that top managers do not deliberately advance open strategy through their decision-making in order to reap its benefits. In this view, open strategy gradually enters the strategy process as a side effect of approving initiatives that do not overtly specify the need to perform transparency and inclusion in strategy-making, partly even against the interests of top managers. In turn, open-strategy infiltration also differs from the 'unmanaged', bottom-up emergence of open strategy (Luedicke et al., 2017) in that open-strategy infiltration occurs as a side effect of top managers' approval of initiatives that latently imply the performance of transparency and inclusion in strategy-making.

Although prior research suggests that open strategy may gradually be adopted behind the backs of top managers (Vaara et al., 2019), we know little about the enablers of open-strategy infiltration, or the practices through which this process is performed. Understanding these issues is, however, important for gaining a more complete understanding of how and why open strategy enters the realms of strategy-making that extends beyond mostly ephemeral deliberate or emergent open-strategy initiatives (Gegenhuber and Dobusch, 2017; Vaara et al., 2019). Therefore, building theory on open-strategy infiltration is the conundrum at the heart of our study.

## Towards a Practice-Based Understanding of Open-Strategy Infiltration

Although management scholars have referred to 'infiltration', they have mainly used this term in metaphorical terms to describe their observations. For example, Jarzabkowski (2008) referred to 'infiltration' to denote that formal administrative procedures developed by top managers penetrated institutional structures outside the scope of their strategy process. In turn, Gaba and Meyer (2008) used this term to refer to the diffusion of innovative practices across populations. In earlier work, Sitkin and Bies (1993) referred to 'infiltration' to describe an increasing importance of legal prescriptions in organizational decision-making, and Mintzberg and Lampel (1999) observed that old, seemingly abandoned practices stay alive in that they covertly penetrate new practices, calling this process 'infiltration'. More recently, Munir et al. (2021) used 'infiltration' to denote that movements with solid moral values may themselves adopt value-incompatible market mechanisms.

Although these observations are insightful, they do not coincide with open-strategy infiltration as a process in which practices of transparency and inclusion enter the realms of strategy-making behind the backs of top managers and, in doing so, gradually play a more dominant role in the strategy process. Furthermore, given the metaphorical use of the term, the 'infiltration' process itself remains undertheorized. This leaves us with a limited understanding of how and why infiltration processes occur.

In keeping with the prevalent definition of open strategy as a 'bundle of practices' in particular (Hautz et al., 2017, p. 299; Seidl et al., 2019b), and a practice-based

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understanding of strategy-making more generally (e.g., Jarzabkowski et al., 2007; Johnson et al., 2003; Prashantham and Healey, 2022), we advance a practice-based understanding of open-strategy infiltration. Broadly defined, a 'practice' refers to 'accepted ways of doing things, embodied and materially mediated, that are shared between actors and routinized over time' (Vaara and Whittington, 2012, p. 287). In practice theory, practices – not actors and their intentions – are the focal unit of analysis. This is because social life comes into being through actors' situated 'sayings and doings' (Schatzki, 1996, p. 96), whose performance is always both intended and unintended at the same time (Reckwitz, 2002).

For understanding strategy-making, a practice-based understanding implies that the strategy process is a bundle of practices through which 'the world of strategy [is] created and re-created' (Golsorkhi et al., 2015, p. 8); a world that actors 'do', rather than a property that firms 'have' (Jarzabkowski et al., 2007). For open strategy, this understanding implies that this bundle of practices emerges as actors 'do' transparency and inclusion in the strategy process (e.g., Holstein and Rantakari, 2022). Hence, through a practice lens, open-strategy infiltration is a process in which actors increasingly perform open strategy within the bundle of practices that constitute the strategy process without top managers' awareness, such that conventional, TMT-dominated practices in the strategy process gradually get replaced by practices of transparency and inclusion.

Central to a practice-based understanding of open-strategy infiltration is the notion of a 'practice drift' (Schatzki et al., 2001). Drifts are both a process and an outcome that relate to the situated nature of performing bundles of practices. That is, while a practice prescribes a pattern of action, the performance of the pattern may be adjusted to a specific situation. Such performances may, then, invoke changes in the practice that pass unnoticed (e.g., see Berends et al., 2016; Geiger and Schröder, 2014; Ravasi and Phillips, 2011; Voronov et al., 2022). Hence, a practice-based understanding implies that the process of open-strategy infiltration involves an unnoticed drift of strategic practices towards the performance of transparency and inclusion, one that occurs in and through the very performance of transparency and inclusion in the strategy process. Although the situated nature of performing practices in the strategy process and, thus, the drifting of such practices have been important starting points for practice-based strategy research (e.g., Johnson et al., 2003; Whittington, 2006), we still know little about how and why such drifts occur (Burke and Wolf, 2021; Vaara and Whittington, 2012).

Some of the explanations for a practice drift as part of open-strategy infiltration relate to the ambiguity that arises when previously unheard actors gain access to and are included in the strategy process (Dobusch et al., 2019). Ambiguity refers to an experienced 'lack of clarity regarding a phenomenon or situation [and its outcomes]' (Cappellaro et al., 2021, p. 4; Feldman, 1989; Weick, 1995). As prior research shows, such a lack of clarity may be 'strategic', in that actors mobilize varying interpretations of a process in order to accomplish their goals (Eisenberg, 1984). In this sense, ambiguity partly serves as an important discursive resource to mobilize support for envisioned strategic change in processes of participation and inclusion (e.g., Abdallah et al., 2011; Jarzabkowski et al., 2010; Sillince et al., 2012). Yet, despite these insights, we know little about the types of ambiguity that foster open strategy in the strategy process.

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In summary, open-strategy infiltration is a process in which the performance of transparency and inclusion gradually enters the strategy process behind the backs of top managers. While this process is a key explanation for the increasing dispersion of open strategy in contemporary strategy-making, even when top managers tend to work against giving up parts of their elitist position in the strategy process, we know little about how and why it occurs. A practice-based understanding of open-strategy infiltration, then, leads us to 'practice drifts' and 'ambiguity' as key features of this process. Yet, their undertheorized status leaves us with an incomplete understanding of the enablers of open-strategy infiltration as well as the practices through which this process is performed. Therefore, our research question is as follows: *How does open strategy infiltrate the strategy process?*

## METHOD

### Case Selection and Setting

Our interest in open-strategy infiltration arose as we observed, over an 18-month period, how managers and employees at FFR gradually shifted the performance of strategic practices towards transparency and inclusion without the initial awareness of the firm's top managers. FFR is a large financial services firm. At the time of our study, FFR had over 1000 employees and more than 25 per cent of its home country's population as customers.

More than 100 years of enduring hierarchical structures, long-term planning and financial services focused on low-risk and 'safe' options were deeply ingrained in FFR's organizational culture. Therefore, in the beginning, FFR's strategy process was top-down in nature: the top management formulated the firm's strategy and mandated how the strategy would have to be implemented. In practice, this meant that FFR's top managers were in an elite position in which they articulated strategic goals and prescribed strategy-execution programmes in regular cycles.

Despite this elite position, when the top management agreed to implement 'Agile' in the firm's IT and Digitalization Department strategic practices at FRR began to shift towards the performance of transparency and inclusion. Agile is a project management method that consultants and practitioners evangelize as a way for firms to become more flexible, customer-centric and efficient, but not transparent or inclusive (Carroll and Morris, 2015). Yet, the method builds on principles stated in the so-called 'Agile Manifesto', a central document unifying different incarnations of Agile: (1) 'individuals and interactions over processes and tools'; (2) 'working software over comprehensive documentation'; (3) 'customer collaboration over contract negotiation'; and (4) 'responding to change over following a plan' (Beck et al., 2001). Hence, while consultants and practitioners rarely foreground the performance of transparency and inclusion in the strategy process, these principles do latently imply the performance of these practices in strategy-making, at least to a certain extent. This is because actors such as employees or customers who are typically cut off from the strategy process participate in self-managed 'Agile teams'. On the transparency side, these Agile teams seek information on the firm's strategic priorities in regular meetings in order to align their work with them, and the teams need to share this information with a wide range of stakeholders who provide input to Agile workflows in their day-to-day work in

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order to garner their support (Khanagha et al., 2022). On the inclusion side, Agile teams themselves prioritize the issues to be worked on, rather than executing mandates (Drury-Grogan et al., 2012; Moe et al., 2012). At FFR, the Agile teams converted the information obtained about strategic goals into strategic issues, prioritized which strategic issues to work on, and shared information about strategic issues and their prioritization with managers and employees at FFR who were not part of the Agile teams in order to garner their support. In doing so, they involved these managers and employees in their work on strategic issues. As strategic practices at FFR had shifted towards the performance of open strategy, inclusion was eventually formalized through a '50–50 rule', i.e., the right of Agile teams to generate and prioritize 50 per cent of new strategic issues themselves as part of FFR's strategy formulation and implementation. Hence, FFR's Agile teams came to perform strategy work that was characterized by information sharing across an elevated number and broad range of audiences as well as a greater depth of involvement, which are manifestations of practising transparency and inclusion in the strategy process (e.g., see Seidl et al., 2019b).

A strategy consultant who was involved in the implementation of Agile at FFR commented that the firm's shift from top-down, TMT-dominated strategy-making to open strategy was 'the best example [of such a shift] that I have seen so far' (interview). However, as a middle manager remembered, this shift was a product of 'the art of the impossible' (interview). Specifically, practising transparency and inclusion 'was not obvious back then' (strategy consultant, interview) because FFR's legacy of hierarchical, top-down decision-making implied that the firm's top managers would not approve of greater information-sharing and depth of involvement in the strategy process. Yet, as we will show, FFR's top managers were not initially fully aware of the broader implications of implementing Agile for the firm's strategy process. While they considered Agile instrumental in improving efficiency, flexibility and customer service, among others, they overlooked the fact that adopting this method would entail the performance of transparency and inclusion in the strategy process. Hence, we were able to observe how open strategy gradually entered the strategy process behind the backs of FFR's top managers. Thus, in our empirical work, our case was a 'revealing case', one that rendered open-strategy infiltration accessible to investigation.

## Data Collection

The study draws on an ethnography conducted by the first author over an 18-month period, including on-site fieldwork from March to December 2018. The researcher followed the implementation and execution of Agile in the IT and Digitalization Department and investigated its broader organizational implications. The researcher followed both a more-established and a newly-established Agile team. These experiences provided nuanced insights into the implementation of Agile from its early stages to its later roll-out, and shed light on the broader implications of this process for strategy-making at FFR.

As advised (Gioia et al., 2013), we used multiple data sources in order to explore the phenomenon from different perspectives. We relied on three main data sources: observations, interviews and documents.

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*Observations.* Observing and documenting the day-to-day work of Agile teams initially formed the core of our fieldwork. In keeping with a practice-based understanding of strategy as something that people 'do' (Jarzabkowski et al., 2007), observations enabled us to capture what FFR's managers and employees did in their day-to-day work and, later on, as we became interested in open-strategy infiltration, how they performed strategic practices in Agile teams. Specifically, the first author switched back and forth between shadowing two Agile teams on a weekly basis, observing their daily work, their decision-making processes and their emerging challenges. In order to capture the broader dynamics of implementing Agile for the organization, the first author also participated in Agile meetings, workshops and events across the entire organization and at different hierarchical levels.

In total, direct observation amounted to 49 full days, including 27 days of observing the meetings and day-to-day work of the Agile teams, 19 days of observing work coordination through meetings by middle and Agile managers in the IT and Digitalization Department, and three days at the top-management level. In addition, the first author continually intermingled with managers and employees involved in the Agile teams as well as internal and external strategy consultants and Agile coaches who supported the implementation process. Observations of meetings, workshops, events and informal interactions were documented in field notes. These field notes detail members' behaviours as well as verbatim quotes of conversations at work (see Table I for an overview).

*Interviews.* In order to make sense of our observations, we sought a deeper understanding of participants' views on and understandings of the phenomenon at hand by conducting interviews (see Gioia et al., 2013) throughout our fieldwork. Given our original interest in the broader implications of implementing Agile, we aimed to capture a diversity of perspectives across the organization. We began by interviewing leading managers and employees in the Agile teams as well as strategy consultants, advisors and Agile coaches. We then conducted interviews with middle and top managers who, according to recommendations by previous interviewees, would be particularly informative given

Table I. Overview of observations

| *Level* | *Days* | *Participants* | *Period* | *Length of field notes* |
|---|---|---|---|---|
| Top management | 3 | Board meetings involving 6–16 top managers | Jun–Oct 2018 | 26 pages |
| IT and Digitalization Department | 19 | Coordination meetings of 50–60 middle and Agile managers | Apr–Nov 2018 | 83 pages |
| Agile teams | 27 | Daily meetings and day-to-day work by Agile managers, employees, coaches, consultants and advisors; informal encounters | Apr–Dec 2018 | 67 pages |

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our research interests. This led us to conduct interviews with informants who were relatively evenly distributed across organizational levels from employees to C-suite managers, as well as across roles performed within the Agile teams.

In keeping with Gioia et al.'s (2013, p. 19) recommendations, we conducted semi-structured interviews, as this type of interview enabled us 'to obtain both retrospective and real-time accounts by those people experiencing the phenomenon of interest'. Specifically, we formulated themes that guided the conversations, but left ample room for informants to express their views and understandings. Given that 'the interview questions *must* change with the progression of the research' (Gioia et al., 2013, p. 20, emphasis in original), we gradually focused the interview themes more fully on the implications of implementing Agile on FFR's strategy process over time, as we observed and became increasingly interested in these implications. The interviews generally covered the following themes: (1) Looking back: How and why the Agile initiative started; (2) How it's going: Current challenges in the implementation and execution of Agile; (3) Implications: How this process affects the interviewee's work; and (4) Outlook: Expectations about the future development of the Agile initiative.

In total, we conducted 30 semi-structured interviews with 28 organizational members (see Table II for an overview). The interviews amounted to about 36 hours with an average duration of one hour and 11 minutes per interview. The interviews were audio-recorded and transcribed verbatim.

*Documents.* We also collected internal and external documents related to FFR's Agile transformation and, later on, the firm's strategy process. These documents include reports, videos and slide decks from internal meetings, descriptions of Agile roles and procedures as well as Agile training material, strategy reports and organizational charts and copies of visual artefacts, slide decks and procedure overviews used in the Agile teams. The documents were an important source of data because they provided background information that helped us prepare for the interviews and contextualize our observations. Later, we realized that documents such as copies of visualizations used in the Agile teams became part of the strategy process themselves, as FFR's managers and employees used them in the performance of transparency and inclusion. Therefore, we used the documents collected in our analysis, along with other sources of data, to gain

Table II. Overview of interviews

| | *Number of* | | | *Length (min.)* | | |
|---|---|---|---|---|---|---|
| *Level* | *Interviews* | *Interviewees* | *Period* | *Min* | *Max* | *Average* |
| Top management | 11 | 9 | Mar–Oct 2018 | 28 | 139 | 68 |
| Middle management | 9 | 9 | Apr–Oct 2018 | 15 | 107 | 65 |
| Agile teams: Managers, employees, coaches, consultants and advisors | 10 | 10 | Jun–Dec 2018 | 56 | 129 | 80 |

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an understanding of open-strategy infiltration. In total, we collected 408 documents (see Table III for an overview).

## Data Analysis

In our empirical analysis, we 'cycl[ed] between emergent data, themes, concepts, dimensions and the relevant literature' (Gioia et al., 2013, p. 21) in order to develop theoretical conclusions. This process led us to change the focus of the empirical analysis over time. The empirical analysis started during the fieldwork, at which time the first and second authors discussed their observations in weekly meetings. While the fieldwork originally focused on the broader organizational implications of implementing Agile, the first and second authors observed that Agile increasingly had implications for FFR's strategy process. Therefore, they became interested in the interplay between Agile projects and strategy-making. When the third author joined the team of co-authors, the first and second authors shared their observations, reporting a greater depth of involvement and information-sharing in FFR's strategy process over time. Therefore, the third author suggested we consider the dynamics observed at FFR a case of opening up the strategy process through the implementation of Agile. Our analysis then ensued in the following iterative steps.

*Step 1: Analysis of themes related to 'opening up the strategy process'.* In the first stage, we coded themes related to the process of 'opening up the strategy process' through Agile in our entire empirical material, i.e., how actors at FFR increasingly performed transparency and inclusion in the strategy process. We coded for how this process began and what happened during this process over time. Specifically, in keeping with our study's practice-based approach, we zoomed in on what organizational members 'did' in this process, i.e., the activities through which this process came into being (see also Smets et al., 2015). We coded all data on paper with text markers and Post-it

Table III. Overview of documents

| *Document type* | *Content* | *Amount* |
|---|---|---|
| Reports, videos and slide decks from internal meetings | FFR's history and identity, policies, principles and promoted attention areas | 63 documents |
| Documents on Agile | Methodological descriptions of roles and procedures as well as training material | 1 leaflet<br>3 books<br>16 websites<br>11 YouTube videos |
| Strategy reports and organizational charts | FFR's strategy and organizational structure | 74 online documents<br>43 internal documents |
| Documents of the Agile teams | Copies of visual artefacts, slide decks and procedure overviews | 133 copies of visuals<br>10 slide decks<br>54 print-outs |

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notes based on an open coding approach (Strauss and Corbin, 1990), assigning short descriptive phrases or in-vivo labels wherever possible. In order to maintain openness to allow themes to emerge, we pursued an insider–outsider approach inspired by Gioia et al. (2010). That is, while the first and second authors coded the data and maintained their deep immersion in the case and context, the third author kept their distance from the empirical site and served as 'devil's advocate' (Gioia et al., 2013, p. 19) in the ensuing interpretations. This led us to generate about 100 emergent codes in total.

From this sea of codes, we then created 'first-order concepts', i.e., categories that are close to members' experiences (Gioia et al., 2013). We did so by merging codes that were similar in character and scope (Strauss and Corbin, 1990), based on visual maps and graphical displays. For example, we eventually collapsed original codes such as 'Gathering evidence for the "success" of Agile-based work' and 'Publicly celebrating measured "successes" achieved through Agile-based work' into a first-order category called 'Showcasing the "success" of Agile-based work based on gathered data', because one activity was a precondition for the other, such that they belonged together. This culminated in 16 first-order concepts.

*Step 2: Analysis of 'open-strategy infiltration'.* In the second stage, we 'transition[ed] from "inductive" to a form of "abductive" research' (Gioia et al., 2013, p. 21) by juxtaposing our coding with prior literature. As we ventured into the literature on open strategy (e.g., Hautz et al., 2017; Seidl et al., 2019a), we recognized that our coding did not fully reflect common descriptions of 'opening up the strategy process' as an initiative deliberately pursued by top management (Gegenhuber and Dobusch, 2017). Inspired by the metaphorical use of the term 'infiltration' in management and organization studies (e.g., Gaba and Meyer, 2008), we came to appreciate our case as one of 'open-strategy infiltration', i.e., a case in which open strategy gradually enters the strategy process behind the backs of top managers.

In order to gain an understanding of open-strategy infiltration, we developed 'second-order themes', i.e., categories that are theoretically abstracted from the first-order concepts, and we clustered second-order themes into broader theoretical 'aggregate dimensions' (Gioia et al., 2013). We did so, again, by going back to prior literature. First, accounts of 'ambiguity' in the literature on strategy as practice (e.g., Jarzabkowski et al., 2010; Sillince et al., 2012) helped us make sense of how open-strategy infiltration began at FFR. Specifically, building on the idea that initiatives may resonate with a variety of interests (Eisenberg, 1984), we noted that actors at FFR were willing to adopt Agile because they considered this initiative instrumental for achieving a variety of partly even contradictory goals, which masked the fact that this initiative latently entailed the performance of transparency and inclusion in the strategy process. We mapped the corresponding first-order categories onto concepts that reflect these observations at a theoretical level ('goal-based ambiguity' and 'procedural certainty') and synthesized these second-order themes as 'enablers of open-strategy infiltration'.

Second, our first-order concepts reflected a gradual widening of the performance of transparency and inclusion in the strategy process from a small 'pocket' of the strategy

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process to 'scaling' such performances across all IT-related work without top managers' awareness. This reminded us of what practice-based research considers a 'practice drift' (e.g., Schatzki et al., 2001). As prior management research provided us with little guidance on how a strategic practice drift occurs (Vaara and Whittington, 2012), we again used visual maps and graphical displays to compare corresponding first-order concepts so as to develop second-order themes from concepts that were similar in character and scope (Strauss and Corbin, 1990). We then clustered the second-order themes that ensued from this analysis ('accommodating' and 'legitimizing' transparency and inclusion in the strategy process) into an aggregate dimension that we called 'strategic practice drift'.

Finally, given that research on open strategy clarifies that top managers may continually re-evaluate and mandate adjustments in the performance of transparency and inclusion in the strategy process (e.g., Hautz et al., 2017), we wondered why FFR's top managers did not reorient the 'strategic practice drift' towards open strategy when they eventually became aware of it. This led us to go back to the corresponding first-order concepts. By comparing these first-order concepts with codes that reflected why FFR's top managers agreed to the initiative that produced the strategic practice drift in the first place, we noted that these concepts also related to 'goals' and 'procedures', though in markedly different ways. In contrast to the start of the process, when transparency and inclusion were not on the top management's radar, the top managers later justified the performance of transparency and inclusion in FFR's strategy process as key to achieving the firm's goals and demanded adjustments in some of the procedures that were in place. In doing so, the top managers contributed to reproducing rather than revoking open strategy in FFR's strategy process. In order to reflect these dynamics at a theoretical level, we mapped corresponding first-order concepts onto second-order themes called 'goal-based rationalization' and 'procedural renegotiation', and circumscribed these themes as 'top managers' responses to open-strategy infiltration'. Figure 1 displays our data structure.

*Step 3: Developing a model.* In a third stage, we developed a model of open-strategy infiltration. Specifically, building on the second-order themes and aggregate dimensions that had emerged, we developed alternative models and 'tested' these models by juxtaposing them with our data and discussing them with key informants in informal debriefings. We then synthesized aspects of different variants that most closely matched our observations together with informants' experiences in one model. In doing so, we recognized that the aggregate dimensions followed a sequential logic which could be 'temporally bracketed' (Langley, 1999) into three phases: (1) the 'enablers of open-strategy infiltration' emerged from codes reflecting the beginnings of open-strategy infiltration at FFR; (2) theoretical insights into the 'strategic practice drift' built on codes that reflected how the performance of transparency and inclusion gradually entered the strategy process over time behind the backs of FFR's top managers; and (3) theoretical conclusions on top managers' responses to open-strategy infiltration related to situations where top managers eventually became aware of the performance of open strategy in FFR's strategy process. By laying out the second-order themes and aggregate dimensions in line with this logic, we were

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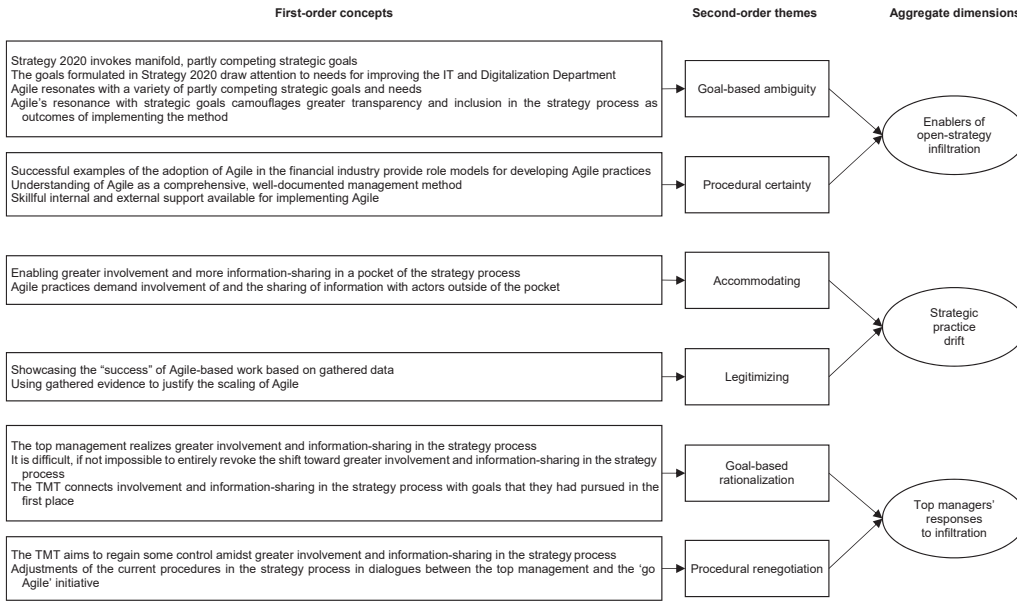


Figure 1. Data structure

able to analytically theorize from the case to a more general model, one that is both empirically and theoretically grounded (Gioia et al., 2013).

## FINDINGS

Through our analysis, we first identified the *enablers of open-strategy infiltration*. We call these enablers the 'goal-based ambiguity' and 'procedural certainty' of initiatives that latently imply the performance of transparency and inclusion in the strategy process. Second, we observed how open strategy infiltrates the strategy process through a partly unnoticed *strategic practice drift*. As we found, organizational members enact this drift through 'accommodating' and 'legitimizing' the performance of transparency and inclusion in the strategy process. Finally, we theorized *top managers' responses to open-strategy infiltration*, which ensue when top managers become aware of the performance of transparency and inclusion in the strategy process. As we observed, top managers' 'goal-based rationalization' and 'procedural renegotiation' in practising transparency and inclusion in strategy-making contribute to the eventual reproduction of open strategy in the strategy process. Below, we elaborate these concepts through a narrative of open-strategy infiltration at FFR. Table IV provides additional empirical evidence.

### Enablers of Open-Strategy Infiltration

*Goal-based ambiguity.* In 2015, FFR's top managers launched their 'Strategy 2020'. The main strategic goals advanced by Strategy 2020 were to improve FFR's customer service,

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Table IV. Additional empirical evidence

| *Aggregate dimensions and second-order themes* | *First-order concepts* | *Illustrative data* |
|---|---|---|
| *Enablers of open-strategy infiltration* | | |
| Goal-based ambiguity | Strategy 2020 invokes manifold, partly competing strategic goals | 'Agile transformation [needed] in order to: create […] value faster; create value for our customers; get less backflow and waste of labour; attract and retain talent; […] and hence increase competitiveness, flexibility and adaptability' (top manager, document) |
| | | 'We have [strategic] goals and sometimes, they clash [which] is confusing' (middle manager, interview) |
| | The goals formulated in Strategy 2020 draw attention to needs for improving the IT and Digitalization Department | '[The Strategy 2020 implies striving for] higher productivity, i.e., developing and meeting clearly measurable targets and advancing new digital solutions.' (top manager, document) |
| | | 'The team explained that, before going Agile, IT had often become the bottleneck in FFR, sometimes taking three years to run an IT project from start to end and still delivered limited benefits, and no one knew if the projects listed in the pipeline were still relevant, in fact many were not'. (field note) |
| | Agile resonates with a variety of partly competing strategic goals and needs | 'Why Agile: […] The world is changing, competitors, customers, the government and the fourth industrial revolution; Ambitious Strategy 2020, requires cross-collaboration and rapid value creation; implying: increased competitiveness, flexibility and readiness for change'. (top manager, document) |
| | | 'This is what you can get from going Agile: there is employee satisfaction, there is shorter time to market, there is a lower number of defects and […] productivity is increased'. (employee, interview) |
| | Agile's resonance with strategic goals camouflages greater transparency and inclusion in the strategy process as outcomes of implementing the method | '[With Agile], people would actually be part of the decisions [but] the Strategy 2020 [continued to] follow a business logic. So, we have a portfolio of goals derived from the strategy that is to be achieved [with Agile]'. (middle manager, interview) |
| | | '[That adopting Agile] meant involving the teams in the strategy process […] did not gain footing in the top management'. (internal consultant, interview) |

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Table IV. (Continued)

| *Aggregate dimensions and second-order themes* | *First-order concepts* | *Illustrative data* |
|---|---|---|
| Procedural certainty | Successful examples of the adoption of Agile in the financial industry provide role models for developing Agile practices | 'A team member explained that the Agile journey was driven by the prior experience of [name of IT Manager] at [name of another financial firm]'. (field note) |
| | | 'Members of the "go Agile" initiative mentioned that there are many Agile transformations […] going on in the financial industry, [and that] these also provide role models for employees and senior managers'. (field note) |
| | Understanding of Agile as a comprehensive, well-documented management method | '[A team member] gave me his entire teaching material of the Agile method. It contains 550 slides of detailed descriptions of how to practice Agile, e.g., ceremonies, planning and visualizing the iteration flow, how to use size to estimate duration, working with collective ownership, etc.'. (field note) |
| | | 'Agile is one of the most comprehensive methods that FFR has seen for years'. (top manager, document) |
| | Skillful internal and external support available for implementing Agile | 'It is important that someone who has done this before drives the Agile transformation'. (middle manager, interview) |
| | | 'In the [meeting], one of the externally hired Agile Coaches was asked to come over. He corrected the teams in their performance of planning their tasks, and he explained the need to plan sequentially […]'. (field note) |
| *Strategic practice drift* | | |
| Accommodating | Enabling greater involvement and more information-sharing in a pocket of the strategy process | 'The practicing of Agile [at FFR] includes regular meetings, most notably the PI Planning (every six weeks) and Sprint Planning (every two weeks), that require the involvement of all teams, which are informed about and jointly revise achievements and plan for the next period'. (field note) |
| | | 'They [Agile team] scope [strategic issues] themselves to ensure frequent accomplishments that they call 'Minimum Viable Products' so that teams and customers can test the viability and usefulness of these accomplishments before investing months of work into building larger solutions'. (field note) |

(Continues)

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Table IV. (Continued)

| *Aggregate dimensions and second-order themes* | *First-order concepts* | *Illustrative data* |
|---|---|---|
| | Agile practices demand involvement of and the sharing of information with actors outside of the pocket | 'The implementation of Agile affects 270 employees, who form 32 standing teams'. (top manager, document) |
| | | 'They [the Agile teams] want to challenge the boundaries all the time. […] When they test the boundaries, they realize that there are no boundaries until someone yells, "ohh STOP! You are ruining something for us over here". […] The business people [from the rest of the organization] had to be involved'. (Agile design manager, interview) |
| Legitimizing | Showcasing the 'success' of Agile-based work based on gathered data | 'At the meeting, a team demoed a [strategic issue]. [The costumer] got up and said "thank you! [Name of strategic issue] will be celebrated next week with a little invitation". He nodded as recognition and smiled at the team'. (field note) |
| | | 'From a business-case perspective, money today is better than money tomorrow. [With Agile] you can already start harvesting money today and we get a significant lower payback time on strategic investments'. (strategic advisor, interview) |
| | Using gathered evidence to justify the scaling of Agile | 'In the prior project structure, teams were dissolved when the projects ended. This implied that compromises made always happened to be on quality. [As members of the Agile teams explained] Agile allows for a different temporal logic, as people are kept accountable and own their initiatives. If you don't deliver now, you are just pushing problems ahead and they just need to be solved at a later point of time'. (field note) |
| | | 'If you look at it, SAFe is an organization, it is *the* organization … You do not really need anything else. At FFR, we do not have anything anymore that falls outside'. (internal agile coach, interview) |

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Table IV. (Continued)

| *Aggregate dimensions and second-order themes* | *First-order concepts* | *Illustrative data* |
|---|---|---|
| *Top managers' responses to open-strategy infiltration* | | |
| Goal-based rationalization | The top management realizes greater involvement and information-sharing in the strategy process | 'The Agile transformation is one of the biggest changes of [strategy] work that has happened at FFR for years – not just in the IT and Digitalization Department, but in the entire business'. (top manager, document) |
| | | 'Now, you [the top managers] realize that you give away control. This implies that you cannot be sure that you will get some [of your priorities on the list of strategic issues to be worked on]. Change-wise, this is the biggest hurdle because it requires a completely different mindset'. (Agile manager, interview) |
| | It is difficult, if not impossible to entirely revoke the shift towards greater involvement and information-sharing in the strategy process | 'The top managers are pushing things down and believe that you can create cost estimates one and a half years in advance […] This actually means that you are creating waste in our system because you are making some assumptions now and you're locking the system by committing roadmaps one and a half years out in the future. This means that we cannot be flexible [which the top managers want to prevent]'. (internal consultant, interview) |
| | | 'The [Agile] team is becoming more and more frustrated. They explained that they started out with ten and got reduced to five team members […]. They cannot push back because they nevertheless want to deliver a good job'. (field note) |
| | The TMT connects involvement and information-sharing in the strategy process with goals that they had pursued in the first place | 'A part of the Strategy 2020 was to identify who we are and that was really the core of it. Why are we here and what is the purpose of what we are doing? […] We are here for something higher than the bottom line. […] One important discussion from the beginning was that we are customer-owned. [Through transparency and inclusion] all surplus is recircled back to the clients. […] Gradually, we have the same main story line and that is important'. (top manager, interview) |
| | | 'We have portfolios [of strategic goals] linked to the Strategy 2020. [Transparency and inclusion] allow managers to initiate and manage their portfolio and bring up initiatives'. (top manager, interview) |

(Continues)

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Table IV. (Continued)

| *Aggregate dimensions and second-order themes* | *First-order concepts* | *Illustrative data* |
|---|---|---|
| Procedural renegotiation | The TMT aims to regain some control amidst transparency and inclusion in the strategy process | 'The top managers still want have a say in where the different initiatives are placed in importance'. (Agile manager, interview) |
| | | 'The manager added a red line into the visualized backlog on the wall. A team member explained to me that this is a minimum requirement of what is expected of the teams. He elaborated that this is problematic and not a very agile way of operating, but required from the top'. (field note) |
| | Adjustments of the current procedures in the strategy process in dialogues between the top management and the 'go Agile' initiative | 'Next week, FFR is changing the decision-making procedures. […] There is a need for clear prioritizations [in the "priority board"]. Otherwise, prioritizations will just be pushed downwards to the Agile teams'. (field note) |
| | | 'Resources were divided approximately on a 50–50 basis between the two groups in order to ensure progress concerning the Strategy 2020 while also ensuring that ideas could flourish bottom-up'. (field note) |

increase profits through greater efficiency and become more flexible. As a middle manager emphasized, these strategic goals were central to FFR because 'the market is changing [and] we have to be able to compete in the future market. […] It is our pledge to our customers that we run [our business] as cheaply and efficiently and at the highest service level that we can' (interview). However, the strategic goals formulated in Strategy 2020 were not fully aligned. That is, an improvement in customer service and greater flexibility were not necessarily achievable whilst striving for greater efficiency. As another middle manager stated:

> 'Those strategic goals compete against each other. What I would like is to get the priorities across goals aligned. Currently, there is a battle between strategic goals. […] This limits the muscles and power needed to implement the Strategy 2020'. (interview)

Thus, while the aim of formulating Strategy 2020 was to provide FFR's members with a sense of direction, the competing nature of the manifold strategic goals included in Strategy 2020 raised questions about how the strategy would be implemented.

While the specifics of implementing Strategy 2020 were still unclear, it was clear to the firm's top management that the IT and Digitalization Department would play a key role in this process. The top management believed that changes in this department would contribute to better customer service because:

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> 'We have more digital inquiries than analogue ones and they are rising steadily […]. The digital customer is the customer we mostly meet […] and digitalization is a prerequisite for making a personalized customer experience'. (top manager, document)

Furthermore, a study conducted by internal consultants found that the IT and Digitalization Department offered great potential for improvements in efficiency and flexibility. As the report showed, FFR's average project duration was two years, which, according to the study, resulted from 'inefficient work processes and culminated in a lack of flexibility in the face of technological changes' (document). In response to this study, FFR's top management 'became interested in improving the IT and Digitalization Department' (internal consultant, interview). However, although it became clear that this department would be the main target for implementing Strategy 2020, the top management continued to leave unanswered the question of which of the manifold, partly competing strategic goals they prioritized. Given this lack of clarity about which strategic goals to pursue, 'the entire business was screaming for clearer priorities articulated at the top' (employee, interview).

The direction for implementing Strategy 2020 began to become clearer in 2016, when a new Head of the IT and Digitalization Department was hired from another firm in the financial industry. For this individual, 'the agenda was Agile. [T]hat was the agenda' (Agile manager, interview). Crucially, the new Head of IT and Digitalization had several years of experience in implementing and using Agile. Based on this experience, the new hire was convinced that 'all kinds of organizations should use Agile methods' (interview), whatever goal they pursue. Therefore, against the background of Strategy 2020, with its focus on improving flexibility, customer service and efficiency, the Head of IT and Digitalization positioned the adoption of Agile as follows:

'FFR's need for Agile:

1. Creating […] value faster
2. Creating value for our customers
3. Getting less backflow and waste of labour' (document)

To stake out ways of implementing the method, the Head of IT and Digitalization formed a 'go Agile' initiative with other middle managers who also believed in the promises of Agile *vis-à-vis* the strategic goals of greater efficiency, customer service and flexibility as formulated in Strategy 2020. Yet, these supporters projected different strategic goals into Agile. While some aimed to 'avoid stuck processes and useless top-down projects', others aimed to 'dissolve silos', increase 'efficiency' and enlarge 'effectiveness' (interviews) through the adoption of Agile.

Hence, Agile's broad resonance with FFR's manifold, partly competing strategic goals formulated in Strategy 2020 rendered the adoption of Agile as an attractive strategic initiative for the firm's top management. However, this resonance masked the broader implications of the strategic initiative:

> 'It is easy to agree to initiate a transformation, but what they [the top management] didn't really understand at the time is that this also meant that they had to change their way of operating [the strategy process]'. (Agile coach, interview)

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While the implementation of Strategy 2020 drew top managers' attention to the adoption of Agile as an initiative that 'you need to do to reach these targets [formulated in the Strategy 2020]' (Head of Strategy, interview), they overlooked the fact that its adoption would also imply the performance of transparency and inclusion in the strategy process as 'the most important thing in the Agile setup' (Agile manager, interview). As FFR's top managers 'ha[d] not understood the implications [of implementing Agile] for them' (middle manager, interview), they were still convinced that 'the people down in the organization cannot make these decisions [about the prioritization of strategic goals]' (top manager, interview). Therefore, the top managers 'continue[d] to push strategic priorities downward based on [their] strategic intent' (internal consultant, interview).

*Procedural certainty.* At FFR, managers and employees considered Agile a fashionable tried-and-trusted method. As a middle manager argued, 'there is a "run" on Agile in the financial sector' (document). At the time, other firms in the financial sector had already implemented Agile successfully in their IT departments. Therefore:

> 'There are examples of how to [implement] Agile across IT and business in the industry, also in the banking industry. […] You just have to look at what others are doing and then somehow synthesize this into something for yourself'. (middle manager, interview)

Hence, successful examples of adopting Agile in the financial industry provided role models for FFR's members. This implied that 'you don't have to learn [the Agile procedures] from scratch [so that] you don't overlook anything' (middle manager, interview).

Furthermore, FFR's members were convinced early on that Agile is a comprehensive management method whose procedures are well-documented. As a middle manager highlighted, Agile includes a certified 'terminology [that would offer] a whole way of talking about and seeing things' (interview). Among others, this terminology includes 'Agile release trains' (ARTs), 'release cycles', 'sprints', 'ceremonies', 'epics', 'features', 'user stories', 'backlog' and 'minimum viable products' (field notes). This terminology is intertwined with roles through which actors perform their work, such as 'ART engineers', 'ART managers', 'product managers', 'product owners' and 'scrum masters' (document). As a strategy consultant reflected:

> 'These are the wonders of methodology. [It] convinces them [the top management] that [the implementation of Agile] is a doable thing'. (interview)

The sense of feasibility was reinforced by internal and external support available for implementing Agile. As a middle manager highlighted, the Head of IT and Digitalization could rely on 'what they had done at the previous company' (interview). This included access to a brigade of skilled Agile coaches and consultants that FFR could hire to support the implementation of Agile. As a strategic advisor explained:

> 'We could hire Agile coaches that were very strong in methodology and had been doing this in a lot of businesses. We could have a few internal [coaches] and then a lot of externals. […] The coaches would be sitting in all of the meetings and support

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> the project managers […], guide them, challenge them and help them develop their maturity as a team'. (interview)

Hence, while Agile resonated with a variety of partly conflicting strategic goals, the method provided a sense of clarity about the procedures to be pursued to achieve these goals, given that Agile coaches and consultants were readily available to support this process. Consequently, managers at FFR considered the implementation of 'Agile […] important because it enables us to achieve the Strategy 2020' (top manager, interview).

## Strategic Practice Drift

*Accommodating.* Based on their prior experience with Agile, the Head of IT and Digitalization knew that FFR would eventually 'have to structure the entire organization around this perspective' (interview) in order to make Agile work. However, FFR's top management was not yet ready to fully commit to Agile. Although Agile resonated with FFR's strategic goals and provided clarity about how to achieve them, the top managers viewed Agile as just one way of implementing Strategy 2020. For example, a top manager highlighted that, 'to us, Agile is like health. There are many ways to become healthy' (document). As a middle manager commented, 'if you haven't experienced yet how radically efficient it is to work in […] Agile methods, it may be hard to convince sceptical bosses' (interview). Therefore, the top management and members of the 'go Agile' initiative agreed to conduct what they called an 'experiment' (field note). Specifically, with top management support:

> 'Sixty managers and employees from the IT and Digitalization Department were organized into ten multidisciplinary Agile teams of five to eight members, with each of the teams being capable of self-managing their work on strategic issues related to the Strategy 2020'. (field note)

These teams began to work according to Agile principles with internal support from the Head of IT and Digitalization, a few managers who had acquired training certifications as 'Agile coaches', and hired Agile coaches and consultants, with 'each coach being responsible for two or three teams when we launched Agile' (strategic advisor, interview). While the team members were previously detached from strategy work at FFR, they began to practise *transparency* in the strategy process:

> '[In the Agile teams, we] make transparent what the right things are to reach the targets in our strategy'. (middle manager, interview)

Specifically, while practising transparency as part of open strategy (Seidl et al., 2019a), the teams gained access to and generated information about FFR's priorities related to the achievement of the firm's strategic goals. Agile prescribed daily meetings and events in which participants 'actually ma[de] things transparent' (Agile manager, interview) by sharing which strategic issues were prioritized and who was working on them. The outcomes of these meetings, then, fed into 'visual boards, which hung

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on the walls and were accessible to all team members at any time' (field note). At the same time, the Agile team members began to practise *inclusion* in the strategy process:

> 'Decisions on which strategic issues to prioritize and how much work to invest into them are made by the Agile teams'. (field note)

Specifically, while practising inclusion as part of open strategy (Seidl et al., 2019a), the self-managed nature of Agile implied that the Agile teams would gain a deeper level of involvement in the strategy process by their prioritizing of which strategic issues to work on, when to work on them, and how much effort to invest into them rather than following top-down strategy-execution programmes. Not being fully aware of this shift, the top management 'attempted to swap around resources as they used to' (middle manager, interview) by prioritizing strategic issues and pushing these priorities as mandates into the Agile teams. Yet, when the priorities of the top managers and Agile teams clashed, the teams 'just picked the things that seemed more feasible and value-creating to us, hoping that they [the top management] would agree' (Agile manager, interview). Consequently, the Agile teams ended up deciding themselves on the priority, timing and scope of strategic issues, thereby practising inclusion in the strategy process.

However, practising transparency and inclusion through Agile in a pocket of the strategy process also demanded the further involvement of as well as the sharing of information about strategic priorities with organizational members outside the pocket in order to make the 'experiment' work. Specifically, in order to conduct their projects, the Agile teams required legal and financial permissions from the Finance and Legal Departments. In interactions with members of these departments, the Agile teams experienced 'the real world over there' (employee, interview). As an Agile coach explained:

> 'There is a clash of systems… The Finance and Legal Departments don't really understand Agile. They continue [to] plan and budget years ahead [whereas we prioritize and work on strategic issues in six-week cycles]. But really, if the budget is already made a year in advance and linked to certain posts and projects, how [can we perform] Agile?'. (Agile coach, interview)

Therefore, the Finance and Legal Departments became key bottlenecks for the Agile teams, which led to 'pain and frustration [as] things were blossoming' (strategy consultant, interview). Yet, as a strategic advisor highlighted, the top management had announced the launch of the 'experiment' as their 'strategic intent. [Therefore, it was] important for these departments to change […] some of their processes' (interview) to make the Agile experiment work. In particular, 'each Agile team made [prioritizations of strategic issues to be worked on] transparent' (Agile manager, interview) to the Finance and Legal Departments. By sharing information about the current priorities of strategic issues, members of Finance and Legal Departments could provide the teams with what they needed to run the Agile workflows. Furthermore, the Agile teams 'brought [members of the Finance and Legal Departments and other

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key stakeholders] on board' (middle manager, interview). That is, these members 'also [became] involved in the Agile meetings' (strategic advisor, interview) in which participants discussed and prioritized strategic issues so as to know about priorities early on and initiate support processes when needed. Consequently, transparency and inclusion began to leave the pocket of the strategy process as a wider number of organizational members were involved in and informed about the priorities of strategic issues in order to make the 'Agile experiment' work. As a result, actors across FFR 'gradually moved towards […] practising' (strategy consultant, interview) transparency and inclusion in the strategy process.

*Legitimizing.* While organizational members outside the pocket of the strategy process increasingly practised transparency and inclusion themselves by accommodating the 'Agile experiment', the Agile teams began to foster this process by legitimizing the performance of transparency and inclusion in the strategy process. As a strategic advisor reflected, 'So far, people are happy [with practising transparency and inclusion in the strategy process through Agile], but let's wait and see. If this is not successful, the C-level will probably not be in anymore' (interview). Therefore, the Agile team members began to gather evidence for 'the value that this creates for FFR' (middle manager, interview) early on. Specifically:

> '[The Agile teams] estimated their work efficiency based on the number of strategic issues that they worked on in a given period. This led them to record an increase in efficiency by 30 per cent as compared to pre-Agile times, which they considered enormous. The teams also suggested that Agile increased the flexibility of the IT and Digitalization Department through better collaboration between IT development and the Customer Services Department'. (field note)

Hence, the generation and sharing of evidence enabled the Agile teams to demonstrate that Agile would contribute to the achievement of the strategic goals formulated in Strategy 2020. The teams raised awareness that Agile would deliver on its promises through internal 'communication campaigns' (strategic advisor, interview). In addition, the Agile team members rendered measured successes visible to other organizational members by publicly celebrating the achievement of milestones. For example, one of the achievements of the Agile teams was celebrated as follows:

> 'Today, the hallway was covered in colourful balloons with little notes stuck onto them, indicating [strategic issues] finished since the beginning of the Agile transformation. This is a celebration of having finished 399 [strategic issues] with a big banner in the hall saying "Agile [teams] have delivered 399 [strategic issues] – we celebrate this with one balloon for each finished [strategic issue]"'. (field note)

As a strategy consultant commented, these experiential ways of celebrating measured successes were 'extremely powerful [because they provided] evidence to the organization that this [Agile] actually works. And slowly, you dive in and hit the major artery of the organization' (strategy consultant, interview), as more and more organizational members

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outside the Agile teams agreed to be involved in and share information about strategic issues.

With the gathered evidence as backing, members of the 'go Agile' initiative asked FFR's top management to 'scale Agile', i.e., to approve the implementation of Agile for all IT-related strategy work. As most of FFR's strategic issues were IT-related and intertwined with the work performed in other departments, this proposal implied 'that Agile also has to exist in the management of the entire organization, because there has to be a broad acceptance and a different behaviour' (Agile manager, interview). Given the compelling nature of the evidence presented, the top management was now ready to commit to this major transformation. For example, a top manager enthused about the gained efficiency of a process where 'it used to take us more than a year to design a solution, whereas they [the Agile teams] had the first solution in the first two months' (interview). As an Agile team manager reflected: 'We presented this [evidence] to [the top management] and said we need to […] scale Agile. And they said, "Yes, let's do a pilot". But as a pilot, we moved really fast' (interview). Specifically, shortly after the presentation to the top management, Agile was rolled out across all IT-related work, both within and beyond the IT and Digitalization Department. This transformation affected '270 managers and employees, who were assigned to 32 standing teams with approximately seven to nine members per team' (field note). As a middle manager commented:

> 'The rhetoric is that we go all in because it is practical that all processes are based on Agile. [However], to be "scaled" means that the teams not only use Agile, but also make things transparent and connect with more inclusive forms of decision-making that allow them to prioritize and scope their work [on strategic issues] bottom-up'. (interview)

Hence, while the scaling of Agile was grounded in the practicality of structuring work on strategic issues based on this method, it also implied that the performance of transparency and inclusion would become a 'more hands-on' (strategic advisor, interview) part of the strategy process.

## Top Managers' Responses to Open-Strategy Infiltration

*Goal-based rationalization.* About six months after scaling Agile, FFR's top management began to realize that Agile required not only an entirely different organizational structure, but also involved fundamentally more transparent and inclusive ways of strategy-making. As the 'performance of the top managers was measured' (strategic advisor, interview) relative to achieving the strategic goals formulated in Strategy 2020, 'they were keen on making sure that these goals would be achieved by the Agile teams' (Agile manager, interview). Therefore, the top managers 'continued to push their priorities into the Agile teams' (Agile coach, interview). However, as a middle manager explained, the top managers 'can't shift resources anymore. They are experiencing that their usual power to act is lost [because] scaled Agile undermines the idea that you can mandate something from the top' (interview). Consequently, the top managers 'became nervous because

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they could no longer be sure that their initiatives were prioritized' (strategy consultant, interview). Hence:

> 'We've seen that increase in transparency in the new system [and] have a highly involved business [such that our strategy process is] actually more open. But we still have a very top-down culture. […] The top managers have recently realized this […]. They thought that they can just formulate the strategy and give them [the Agile teams] budgets, and that they don't have to change. They have to change! We'll keep doing our stuff'. (strategic advisor, interview)

Therefore, as an Agile coach observed, the top managers 'were not really willing to let go of the word "pilot"'; even though the scaling of Agile had already been completed 'there was so much resistance […] behind closed doors' (interview).

Despite this resistance, it turned out to be difficult, if not impossible, to altogether revoke the shift towards performing transparency and inclusion in the strategy process. As a strategic advisor noted, 'there's always a risk that someone from above says, "Now, we have [had] enough of this. Stop it now"' (interview). However, as managers and employees across hierarchical levels came to appreciate being involved in and sharing information about strategic issues, 'everyone [viewed] this as a huge gain' (employee, interview). Therefore, the 'go Agile' movement was 'fighting against an entire backward movement' (internal Agile coach, interview). When the top managers tried to push their priorities regarding the achievement of strategic goals into the Agile teams, the team members 'walk[ed] out the door in anger and complaining' (Agile manager, interview). In addition, members of the 'go Agile' movement 'explained to the top management that transparency and inclusion are intrinsic parts of Agile, as well as key drivers of the demonstrated successes of adopting this method concerning the achievement of strategic goals, based on which the performance of the top managers is measured' (field notes). Consequently, the top management realized that:

> 'Yeah… This transformation is not going to be rolled back. […] Doing so would destroy all of the intended business outcomes'. (strategic advisor, interview)

As a result, FFR's top management began to justify the shift towards practising transparency and inclusion in the strategy process. They did so with reference to the goals based on which they had originally agreed to the 'Agile experiment'. For example, a top manager who was interested in achieving the strategic goals formulated in Strategy 2020 argued:

> 'Of course, [implementing the Strategy 2020] is hard for those who sit on the projects. You need to understand quite a lot about the business. […] It requires that you have an overview of so many things… and that goes back to Agile. You make sure that the right people get involved and share insights, not in a meeting but in an entire working process'. (interview)

Another top manager who had agreed to the 'Agile experiment' in order to accomplish better customer service argued that transparency and inclusion in the strategy process 'are the ways in which we serve these customers and gain their loyalty' (interview). In turn, a top

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manager who was particularly interested in increasing flexibility highlighted that the performance of transparency and inclusion in the strategy process was 'important [in the first place] because a lot of things can be decided at the Agile-team level […]. Sometimes, this is much better than spending management time on discussing, "should we have this fund size here", etc.' (interview). Using such justifications, the top managers conveyed to the Agile teams that 'we've got the top management on board. […] The C-levels all approved' (Agile coach, interview) the performance of transparency and inclusion in the strategy process.

*Procedural renegotiation.* While the performance of transparency and inclusion became generally accepted parts of FFR's strategy process, the top management did not fully agree with all the procedures put in place. Specifically, the top management aimed to fix what they considered 'some real problems' (middle manager, interview) in the current strategy process. Given that the top managers were still held accountable for achieving FFR's strategic goals:

> 'We should try to come up with strategy execution pieces for [the Agile teams]. So, that's the view of the top level here. This is really important because otherwise, we cannot really hit the right things in the lower system'. (top manager, interview)

While the top management aimed to regain control over the strategy process, the Agile teams countered that implementing top-down control measures would turn their work into '"Agile theatre" [such that the performance of transparency and inclusion in the strategy process] wouldn't be useful for anything' (middle manager, interview). Nevertheless, the top managers insisted on some form of 'handbrake' (strategy consultant, interview) to ensure that their priorities would be represented in the Agile teams' work.

The 'go Agile' initiative continued to strive towards performing 'real Agile' (middle manager, interview) in its entirety, including a high degree of involvement and broad information-sharing. However, they realized that 'we are a political organization. We have to be sure that the level above agrees with what we do' (middle manager, interview). Therefore, the 'go Agile' initiative agreed with the top management that they would deviate from Agile's standard procedures by implementing a 'priority board'. The priority board was a series of meetings which took place every six weeks during which the top and Agile managers discussed strategic issues priorities. In practice, this meant that:

> 'The Agile managers translated their current list of priorities into a slide deck and presented it at the newly-established "priority board" meeting. The results of discussions around these priorities served as input for the Agile teams, such that top managers' expectations were given a voice similar to that of other stakeholders'. (field note)

As a rule of thumb for their discussions, the participants of the 'priority board' meetings agreed to stick to a '50–50 rule'. According to this rule, half of the strategic issues to be implemented in day-to-day work would be set top-down by the top management, and the other half could be generated and prioritized for implementation bottom-up by the Agile teams. As a result, priorities would be 'a mixture of what comes from the top-down

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and what comes from the bottom-up' (top manager, interview), such that they 'prioritized [strategic issues] somewhere in between' (strategic advisor, interview) top managers' preferences as formulated in Strategy 2020 and Agile managers' strategic issues emerging bottom-up on a day-to-day basis. While the renegotiated procedures partly restored top managers' control over the strategy process, they did not delimit previously gained transparency and inclusion per se. As an employee explained: 'If daddy says no, I go to mum… We have a priority board and if I don't get it as a top-down strategic initiative, I try to run it bottom-up' (interview). Hence, through the introduction of the 50–50 rule, the performance of transparency and inclusion became formalized parts of FFR's strategy process, and practising inclusion was extended towards not only prioritizing strategic issues for implementation, but also generating new strategic issues as part of FFR's strategy. Therefore, FFR's top managers acknowledged that 'the organization continues to prioritize [strategic issues] themselves' (top manager, interview) to a great extent, and that the procedures in place continue to 'generate a lot of transparency' (strategy consultant, interview) in the strategy process. Consequently, justifications of the performance of transparency and inclusion in the strategy process as well as renegotiations of the procedures in place contributed to eventually reproducing open strategy in the strategy process.

## A MODEL OF OPEN STRATEGY INFILTRATION

We set out to examine the theoretically informed question: *How does open strategy infiltrate the strategy process?* Based on our analysis, we propose a model of open-strategy infiltration. Our model consists of three parts. These are (1) 'enablers of open-strategy infiltration', (2) a 'strategic practice drift' through which open strategy gradually enters the strategy process behind the backs of top managers, and (3) 'top managers' responses to open-strategy infiltration' that contribute to the eventual reproduction of open strategy. Figure 2 displays our model.

Our model explains how the process through which open strategy infiltrates the strategy process is enabled. Specifically, in our analysis we identified 'goal-based ambiguity'

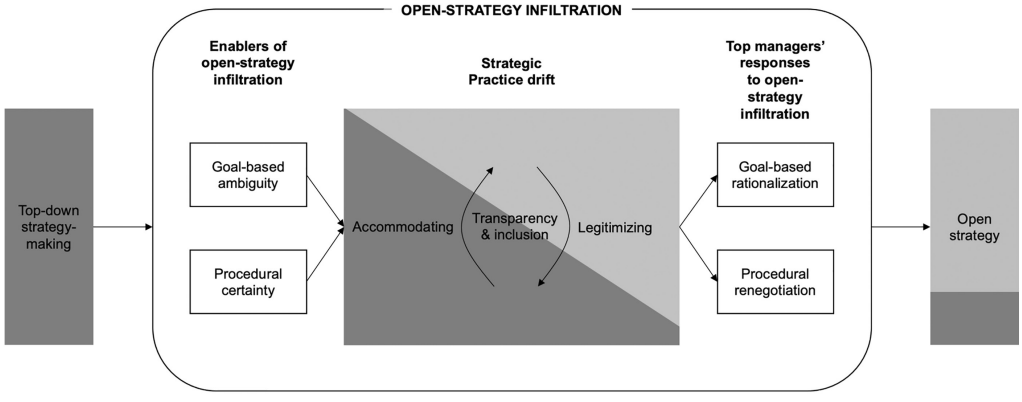


Figure 2. Open-strategy infiltration

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and 'procedural certainty' as enablers of open-strategy infiltration. 'Goal-based ambiguity' refers to a collective lack of clarity about the strategic goals to be achieved with an initiative that latently implies the performance of transparency and inclusion in the strategy process. In turn, 'procedural certainty' refers to a sense of clarity about the procedures to be performed relative to this initiative, both in terms of the practices to be implemented and how to implement them. The combination of 'goal-based ambiguity' and 'procedural certainty' enables multiple actors to consider this initiative to be instrumental in achieving the strategic goals that they individually prioritize, even if their strategic goals are partly contradictory. This tight coupling of means to ends, then, masks the broader implications of pursuing this initiative, namely, practising transparency and inclusion in the strategy process.

Furthermore, based on our analysis, our model advances an understanding of open-strategy infiltration as a strategic practice drift. By 'strategic practice drift', we refer to a partly unnoticed shift towards practising open strategy that occurs in and through the initially limited but gradually expanding performance of transparency and inclusion in the strategy process. This shift, we found, is enacted through two complementary practices: 'accommodating' and 'legitimizing'. 'Accommodating' refers to facilitating the performance of transparency and inclusion through gradual adjustments of strategic practices as a basis for conducting initiatives that eventually foster the performance of transparency and inclusion in the strategy process on a broader scale. 'Legitimizing' refers to justifying practices of transparency and inclusion as appropriate or useful parts of the strategy process. Performing this practice provides grounds for 'accommodating', as it refers to displaying the feasibility and usefulness of such initiatives. Hence, by performing these practices, open strategy gradually pollinates the strategy process as actors increasingly get to 'do' transparency and inclusion in their strategy work. Therefore, we argue that both practices contribute to the shift of strategic practices from top-down, TMT-dominated strategy-making to open strategy by gradually enabling the performance of transparency and inclusion in the strategy process.

Finally, our model specifies the eventual responses of top managers to the gradual entering of open strategy into the strategy behind their backs. We refer to these responses as 'goal-based rationalization' and 'procedural renegotiation'. 'Goal-based rationalization' relates to retrospectively justifying transparency and inclusion as their original intent by connecting the shift of strategic practices towards the performance of open strategy to the goals that enabled the shift. 'Procedural renegotiation' refers to adjustments of the ways in which organizational members perform transparency and inclusion in the strategy process. Hence, through these responses, top managers do not fully revoke open strategy. Instead, they contribute to the eventual reproduction of open strategy in the strategy process.

## DISCUSSION

Our model allows us to make several contributions to the literature on open strategy in particular and to strategy as practice more generally. Next, we discuss these contributions in greater detail.

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## Open-Strategy Infiltration and the Role of Top Managers in this Process

The main contribution of our paper is to build theory on the process through which open strategy infiltrates the strategy process. Prior references to the notion of 'infiltration' have remained metaphorical in nature (e.g., Gaba and Meyer, 2008; Jarzabkowski, 2008; Mintzberg and Lampel, 1999). Therefore, the process through which open strategy infiltrates the strategy process is undertheorized. This has left us with an incomplete understanding of how and why actors in organizations increasingly embed greater openness in their strategy processes (Gegenhuber and Dobusch, 2017; Vaara et al., 2019). In response, our study contributes to a deeper understanding of open-strategy infiltration by advancing a model that conceptualizes the enablers of open-strategy infiltration, the practices through which this process is performed, and top managers' responses to this process.

Our model has important implications for understanding the role of top managers in advancing open strategy in the strategy process. Prior research on open strategy views top managers as central gatekeepers who either induce open strategy top-down in 'managed' ways in order to reap promised benefits associated with the performance of transparency and inclusion in the strategy process (e.g., Dobusch et al., 2019; Hutter et al., 2017; Mack and Szulanski, 2017) or, in rare cases, tolerate 'unmanaged' emergent, bottom-up initiatives towards transparent and inclusive ways of strategy-making (Luedicke et al., 2017; Reischauer and Ringel, 2022). However, as prior research suggests, top managers' approval of open strategy in the strategy process is not self-evident, given that the performance of transparency and inclusion in the strategy process is at least partly at odds with top managers' interests (Heracleous et al., 2018; Vaara et al., 2019). Therefore, top managers may slow down, work against, or even reject initiatives that aim at incorporating open strategy in the strategy process (Belmondo and Sargis-Roussel, 2022; Hautz et al., 2017).

Our study also shows how open strategy may become part of the strategy process in a third way, namely, through a process that is both 'managed' and 'unmanaged' (Whittington and Yakis-Douglas, 2020). Specifically, we theorize open-strategy infiltration as a strategic practice drift that is both induced and passes unnoticed by top managers, as it is enabled by top managers' deliberate, top-down decision to pursue initiatives that only latently imply the performance of transparency and inclusion in the strategy process. Open strategy then becomes part of the strategy process as managers and employees get to 'do' transparency and inclusion in their strategy work. As our findings demonstrate, top managers eventually even contribute to the reproduction of open strategy in the strategy process by responding to this strategic practice drift through *goal-based rationalization* and *procedural renegotiation*.

These findings are important because they identify the role of top managers in opening up the strategy process that differs markedly from the deliberate gatekeeping role advanced in prior research. Specifically, as we show, open-strategy infiltration implies an at least partial loss of control over the strategy process. This happens because actors who are typically excluded from the strategy process accidentally get to 'do' transparency and inclusion in the strategy process through a strategic practice drift. While top managers may attempt to return to the performance of conventional, TMT-dominated strategic practices, the fact that other actors have come to take over more prominent roles in the strategy process limits their abilities to do so. Therefore,

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the only way for top managers to display a continued sense of control over the strategy process is to rationalize the shift towards open strategy as their original intent, combined with readjustments of strategic practices that at least partially reflect their interests.

These observations imply that we must rethink the role of top managers in opening up the strategy process. As our findings show, top managers may not necessarily act as central gatekeepers who deliberately approve or reject initiatives for the practising of transparency and inclusion in the strategy process. Instead, they may unwittingly act as accomplices in strategic practice drifts that contribute to shifts towards open strategy by agreeing to initiatives that latently imply the performance of transparency and inclusion in the strategy process, and by responding in ways that contribute to the eventual reproduction of the shift towards open strategy. Hence, our study provides an extended understanding of the role of top managers in opening up strategy processes by identifying and theorizing their contributions and responses to open-strategy infiltration.

## Strategy as Practice: Strategic Practice Drifts and the Role of Ambiguity in this Process

Our study also extends the literature on strategy as practice by providing insights into strategic practice drifts. The idea of unnoticed changes in strategy work that occur in and through the situated performance of such work – which we call 'strategic practice drifts' – is a central feature of the conceptualization of strategy-making as something that actors 'do' (e.g., Jarzabkowski et al., 2007; Johnson et al., 2003; Whittington, 2006). Yet, despite the importance of strategic practice drifts for research on strategy as practice, this process remains poorly understood (Vaara and Whittington, 2012). This leaves us with an incomplete understanding of strategy-making as something that actors 'practise' (Rouleau and Cloutier, 2022).

In our findings, we show that managers and employees perform such a strategic practice drift through two complementary practices: *accommodating* and *legitimizing*. Through 'accommodating', managers and employees facilitate the performance of transparency and inclusion at first in a pocket and, later on, in more and more parts of the strategy process. Through 'legitimizing', managers and employees convey the feasibility and usefulness of such initiatives as grounds for further facilitating the performance of transparency and inclusion in the strategy process. Through these practices, actors increasingly get to 'do' transparency and inclusion as part of their day-to-day strategy work. Therefore, we argue that 'accommodating' and 'legitimizing' are the underlying practices through which actors perform a strategic practice drift towards open strategy in the strategy process.

These findings are important because they demonstrate the potentially far-reaching consequences of strategic practice drifts. As we showed, such drifts may contribute to scaling the performance of open strategy from a small pocket to becoming a widely practised part of the strategy process. Furthermore, our findings show that strategic practice drifts do not just happen through the performance of strategic practices: they are, themselves, a practice-based phenomenon in that actors perform 'accommodating' and

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'legitimizing' as practices that contribute to the further widening of practising transparency and inclusion in the strategy process.

These observations imply that we should take strategic practice drifts more seriously as consequential parts of the strategy process. Our study begins to do so by providing an understanding of the practices through which strategic practice drifts contribute to open-strategy infiltration.

Our findings also have implications for practice-based research on the role of ambiguity in fostering change initiatives in the strategy process. In keeping with earlier insights (Eisenberg, 1984), this literature advances the idea that actors may accomplish their goals by mobilizing ambiguity 'strategically' in processes of participation and inclusion so as to create resonance with varying interpretations of a change initiative at hand (e.g., Abdallah et al., 2011; Jarzabkowski et al., 2010; Sillince et al., 2012). Yet, in such situations, participation and inclusion are already established as parts of the strategy process. This leaves us with an incomplete understanding of how ambiguity contributes to establishing the performance of transparency and inclusion as parts of the strategy process in the first place.

Our study provides insights into the role of ambiguity in establishing open strategy in the strategy process by theorizing two ambiguity-related enablers of open-strategy infiltration. We refer to *goal-based ambiguity* as a lack of clarity about the goals to be achieved with initiatives that latently imply the performance of transparency and inclusion in the strategy process, and to *procedural certainty* as a sense of clarity about the procedures to be performed in such initiatives. As we showed, goal-based ambiguity allows managers and employees to project a great variety of hopes and expectations into such initiatives, ranging from greater flexibility to greater efficiency, and procedural certainty provides them with a sense of clarity about the pathway towards realizing these hopes and expectations.

These observations are important because they imply that ambiguity is not only a 'strategic resource' that actors mobilize in the strategy process. Specifically, in addition to mobilizing ambiguity more or less instrumentally in the strategy process in order to achieve pre-defined goals, the goals that actors attach to strategic initiatives may themselves be ambiguous in their totality, whilst the procedures related to achieving these goals convey a sense of clarity. Hence, the combination of goal-based ambiguity and procedural certainty lures managers and employees into initiatives that lead them to performing a strategic practice drift towards the performance of transparency and inclusion in the strategy process. Consequently, our study adds to an expanded understanding of ambiguity in the strategy process by theorizing its role as an enabler of open-strategy infiltration, i.e., an accidental process that is driven by both deliberate top-down and emergent bottom-up dynamics.

## Practical Implications

Our findings also have implications for managers and employees. Our study sheds light on open strategy's infiltration of the strategy process as part of a broader trend among contemporary organizations towards greater transparency and inclusion in their strategy processes (Hautz et al., 2017). In doing so, our paper offers a showcase for opening up strategy processes by managers and employees in both 'managed' and

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'unmanaged' ways (Whittington and Yakis-Douglas, 2020). Whereas fully managed attempts to induce open strategy top-down often remain ephemeral (Gegenhuber and Dobusch, 2017), transparency and inclusion tend to remain central parts of the strategy process when adopted through open-strategy infiltration (Vaara et al., 2019). As our findings show, this is because transparency and inclusion become embedded as part of the day-to-day 'doing' of strategy work through this process. Furthermore, in contrast to a fully unmanaged bottom-up emergence that may quickly fail due to a lack of commitment from top managers (Reischauer and Ringel, 2022), open-strategy infiltration builds top managers' commitment over time. As we show, top managers tend to be bound to the adoption of open strategy because they unwittingly enable this adoption through the decision to pursue an initiative that latently implies the performance of transparency and inclusion in the strategy process. This, then, provides the grounds for retrospectively justifying and renegotiating, but not fully revoking, the adoption of open strategy. As such, our findings raise managers' and employees' awareness of the importance of striking a balance between managed and unmanaged ways of adopting open strategy, rather than attempting to fully manage shifts towards greater transparency and inclusion in the strategy process or leaving such shifts fully undirected.

Our study also conveys a note of caution. Our empirical work began with the observation of organizational members' adoption of Agile as another megatrend in the business world that has recently gained momentum (Carmela Annosi et al., 2020). Although Agile originated in the software context, it is increasingly being adopted in different contexts, including strategy-making (Ghezzi and Cavallo, 2020), without a full understanding of the method's implications for performing strategy work (Carmela Annosi et al., 2020). Our study, then, begins to shed light on the practical implications of implementing Agile in the strategy process. Specifically, we show that the adoption of Agile not only changes the nature of how work is performed, but also invokes strategic practice drifts towards the performance of transparency and inclusion in the strategy process. As our study demonstrates, this occurs because of the method's goal-based ambiguity and procedural certainty, which hides the need for greater transparency and inclusion, allowing managers and employees to project various hopes and expectations onto the adoption of the method. These observations are interesting, as they dismantle the seemingly innocent nature of Agile as a 'project management methodology'. These broader ramifications raise managers' and employees' awareness of the potential side effects that should be factored in when adopting Agile. The same may hold true for other ever-more popular methods, such as design thinking and foresight, which are equally not fully explicit about the greater need for transparency and inclusion as well as the broader implications for organizations' strategy processes (Knight et al., 2020; Wenzel, 2022).

## Limitations and Future Research Directions

Our study has limitations that provide starting points for future research. As is typical for single-case designs (Siggelkow, 2007), our findings cannot be generalized to broader statistical populations. Yet, instead of *statistical* generalization, we drew on principles of grounded theory to engage in *analytical* generalization, i.e., a process of abstracting from the examined

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case to develop theory that can be transferred across contexts (Gioia et al., 2013). The context of our case could be considered unique and, thus, an essential boundary condition for the transferability of our findings because open-strategy infiltration, as we observed it, was built on the implementation of Agile as a method for work coordination that includes hidden necessities for practising transparency and inclusion in the strategy process. However, its adoption is a trend that spans sectors and industries, ranging from manufacturing to services and from private to public organizations (Carmela Annosi et al., 2020). These dynamics open up future opportunities for examining open-strategy infiltration within and across different industry settings. Furthermore, given that other popular methods such as design thinking and foresight share Agile's goal-based ambiguity and procedural certainty (Knight et al., 2020; Wenzel, 2022), we find comparative analyses of open-strategy infiltration based on adoptions of different types of such methods particularly promising.

The findings of our study also offer directions for future research. First, goal-based ambiguity and procedural certainty as enablers of open-strategy infiltration raise questions about the role of ambiguity in the strategy process. Specifically, we believe that our observations of ambiguity-related enablers of open-strategy infiltration as an accidental process that is neither driven by deliberate, top-down nor emergent, bottom-up initiatives call on future research to explore more fully the nature and ramifications of ambiguity as an immanent rather than 'strategically' mobilized feature of the strategy process. Doing so would imply taking more seriously the post-processual turn in strategy research, one that considers open-endedness to be crucial in strategy-making (Chia and MacKay, 2007). Second, our study begins to unbundle the underlying practices through which strategic practice drifts are performed by conceptualizing such drifts in the process of open-strategy infiltration. We hope that the consequential nature of strategic practice drifts demonstrated in this paper inspires future research to explore this process in areas other than open-strategy infiltration. Finally, our observations of top managers' responses to a strategic practice drift towards the performance of transparency and inclusion in the strategy process raises questions about the conditions under which top managers might declare such a drift to be a mistake and revert to the previous status quo. Research that unbundles the challenges of such reversals as a failed process of sense-breaking (Mantere et al., 2012), we believe, provides a useful starting point for exploring these conditions. In general, we hope that our study stimulates further research on open-strategy infiltration in particular and infiltration processes within strategy-making more generally.

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