

Logic Multiplicity in Strategy Formation

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Abstract

Logic multiplicity, as a source of strategic heterogeneity and innovation, has attracted growing interest in recent research. However, while the literature has traditionally considered logic pluralism in the context of institutions, other sources of logic multiplicity have been poorly developed in strategic theory. In this article, we explore, from the intersection of cognitive and strategic management theories, the interdependence and contributions of three sources of logic multiplicity—logic perspectives—salient in strategy formation: the institutional; systemic; and analytical perspectives. We use these logic perspectives to identify three types of strategic reasoning: the mono-perspective; the hybrid perspective; and the perspectives' integrator. By enhancing the concept of logic multiplicity, we are addressing the calls for improved dialogue between logic multiplicity and strategic practice.

Keywords: Logic multiplicity, institutional logics, business models, strategic practice, logic perspective

How to cite this paper

Rey, C., & Ricart, J. E. (2018). Logic Multiplicity in Strategy Formation. *Proceedings of the III Research Workshop: Missions, leadership and sustainability*. UIC, OmniaScience, Spain. ISBN: 978-84-947996-1-7

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1. Introduction

An independent director once had to deal with a conflict on the board of directors when a strategy expert from his consulting firm presented a report after six months of intensive strategic analysis.

According to the consultant, the only feasible scenario was to abandon the company's main customer segment and move into a new market segment. This would entail a considerable downsizing of the company. The report was based on a thorough and consistent analysis of the market share distribution, demographic trends, economies of scale, and different scenarios. The report was impeccable. It was so well argued and supported by data that it seemed impossible to even consider anything other than the consultant's proposal.

The president took the floor: "We cannot accept this under any circumstance. We are experiencing a time of great uncertainty, but now, more than ever, the principles of the company must be our priority. The best thing to do is to stay true to our company values. The consultant's advice to downsize would entail the opposite".

None of it made sense to the CEO. His main argument was emphatic: "I don't see how we can do this. I'm not against downsizing the company if necessary, but moving to this new segment? It is a big leap from our business. These matrices and long lists of data provided by the consultants are all very nice, but you must have experience in a market to understand it, and not everything can be explained by numbers. I've run this company for over 20 years, and I've always known where to focus our efforts. This proposal doesn't at all fit with the idea that I have of this business. Sorry guys, I simply don't see it."

When he got home, the independent director reviewed his notes and became more and more concerned. The next board meeting would be held in three days and he needed something more concrete. Each member had their own arguments, and he could not see how to frame one overall plausible course of action. He left his notes and took a deep breath, "So who's right?"

Logic multiplicity and the challenges it represents for organizations and individuals —e.g., complexity, conflict, hybridity— has attracted increasing interest in the recent literature (Bertels & Lawrence, 2016). As logics provide meaning and guide decision making, the field of strategy has recognized the relevant role of logic multiplicity as a source of strategic heterogeneity and innovation (Laasch, In press; Dong et al., 2016; Ocasio & Radoynovska, 2016) that allow strategists to enhance their reasoning by using different perspectives.

While the literature has traditionally considered the challenges of logic pluralism in the context of institutions (e.g., Bertels & Lawrence, 2016;

Martin et al., 2016; Smets et al., 2015; Mair et al., 2015; Almandoz, 2012, 2014; Geng et al., 2016; McPherson & Sauder, 2013; Greenwood et al., 2011; Reay & Hinings, 2009), strategic theory provides other sources of logic formation that have been poorly developed in the framework of logic multiplicity. In this article, we introduce the concept of logic perspective to expand the scope of logic multiplicity study and to understand the different sources of logic pluralism in strategy formation. By enhancing the concept of logic multiplicity, we hope to understand the potential ways strategists deal with the challenges of multiples logics and how they can improve their strategic reasoning. In this paper, we are addressing the call to develop conceptual frameworks that help to understand the gap between strategic theory and the logics of practice (Sandberg & Tsoukas, 2011; Powell, 2014; Paroutis & Heracleous, 2013) and calls for improved dialogue between logic multiplicity and practice (Zilber, 2011; McPherson & Sauder, 2013; Bertels & Lawrence, 2016).

2. Sources of Logic Multiplicity in Strategy Formation

Despite decades of research on strategy, ‘we still know little about what strategy means to actual strategists and how they use it in practice’ (Paroutis & Heracleous, 2013). The underlying problem is that while the science of strategy develops mass abstractions to explain why some companies succeed and others fail, the practice of strategy seeks to identify courses of action for solving problems and exploiting opportunities (Rey & Ricart, 2015; Powell, 2014). Indeed, there is an increasing concern that most management theories are not relevant to practice because most of them are unable to capture the logic of practice as they are developed under the logic of scientific rationality (Sandberg & Tsoukas, 2011). Strategic practice is developed in organizations that, beyond scientific rationality, typically face multiple logics that may, or may not, be mutually incompatible (Greenwood et al., 2011; Dahlmann & Grosvold, 2017) in which individuals can maintain coexisting conflicting or complementary logics (Smets et al., 2015; Dong et al., 2016). However, the study of logic multiplicity, abundant in institutional literature, has been poorly developed in the strategic management field, leaving a gap between the scientific rationality of strategic theory and the multiplicity of logics that typically govern strategic practice.

Logic perspectives can help close this gap between strategic theory and practice by providing an understanding of the different sources of logic multiplicity in strategic reasoning. A logic perspective is a conceptualization of related logics that provide meaning and guide decisions. As the concept of logic in the strategic management literature is considered a set of related principles or schemas (Dijksterhuis et al. 1999; Bacharach et al., 1996; Friedland & Alford, 1991; Prahalad & Bettis, 1986), we define a logic perspective as a set of related logics. Thus, we see logic perspectives as being at a higher level of conceptualization than logic. The concept of logic

perspective is coherent with the idea that individuals ‘exercise a great deal of agency in their everyday use of logics, both in terms of which logics they adopt and for what purpose’ (McPherson et al., 2013). As available logics are resources that can be used and combined to make strategic choices (McPherson et al., 2013; Venkataraman, 2016), we theorize about how managers can combine not only related logics (e.g. Bertels & Lawrence, 2016, Dong et al., 2016) but also different perspectives (sets of logics) to enhance meaning and improve the quality of strategic decision making. While the concept of strategy has the potential to help us explain how the relation between managerial cognitions and managerial practices leads to organizational outcomes (Paroutis & Heracleous, 2013), the logic perspectives, as sources of logic multiplicity, help to understand how different kind of logics may affect managerial cognitions of strategy. By considering how strategists can combine different logic perspectives, we want to enhance the understanding of logic multiplicity and complexity and how logics influence the development of strategic choices.

At the intersection of cognitive and strategic management theories, we identify three sources of logic multiplicity salient in the strategic literature—the institutional, systemic and analytical perspectives—that fit with the concept of logic perspectives (see Table 1). Each perspective, which we will explore in the following sections, corresponds to three different ways the literature uses the concept of logic. The institutional perspective corresponds to logics developed in a field or society; the systemic perspective has to do with logics developed in the firm; and the analytical perspective entails the logics of the analytical procedures used by managers to analyze reality.

Perspectives	Author	Examples of the logics	Description
	Venkataraman et al. (2106)	Market logic	Emphasizes transactions, money transfer and the accumulation of money
	Almandoz (2012, 2014)	Community logic	Characterized in terms of strong, affective, and enduring ties among members of small and bounded groups
		Financial logic	Characterized in terms of profit-maximizing objectives and self-interested

Institutional perspective	Pache & Santos (2013)	Social welfare	Structured around a predominant goal: making products and services available to address local social needs
		Commercial logic	Structured around selling products and services on the market to produce an economic surplus
	Dalpia et al. (2016)	Manufacturing logic	Achieve and increase economic profitability and market leadership
		Cultural logic	Gain recognition as a member of the cultural field
	Belenzon et al. (2016)	Familiar logic	Concerned with providing stable and secure income to family members
	Zhou et al. (2017)	Efficiency logic	Focuses on efficient resource utilization
	Dahlmann & Grosvold (2017)	Environmental logic	Concerned with protecting the natural environment and decreasing the firm's impact on natural resources
	Bettis & Prahalad (1995)	Dominant logic	Conceptualization of the business among the dominant coalition
	Möller et al. (2008)	Value Creation Logic	Describes the focus and means to create value-adding services
	Kim & Mauborgne (1997)	Logic of value innovation	Conceptualization of strategic drivers of innovation
	Vargo & Lusch (2008)	Goods dominant logic	Regards what the firm produces as the proper focal point for creating value
		Service dominant logic	Focused on intangible resources, the cocreation of value and relationships

Systemic perspective	Michel (2008)	Service logic innovation	Conceptualization of the customer (user, buyer and payer) and the related service innovation
	Santos & Eisenhardt (2005)	Logic of organizational boundaries	Related with organizational boundaries regarding efficiency, power, competence, and identity
	Laasch (In press)	Value logic	Conceptualization of value regarding paying customers, commercial value chains, competitive market and profit
	Crilly & Sloan (2013)	Enterprise logic	Conceptualization the firm and its relationship with actors in the firm's economic and sociopolitical environment
	Bacharach et al. (1996)	Organizational logic of action	Implicit relationship between means and ends underlying the specific actions, policies and activities
	McGinn & Keros (2001)	Shared logic of exchange	Conceptualization of value in a exchange relationship
	Dong et al. (2106)	Deduction logic	Reasoning that determines the validity of the conclusion if the premise of the rule is observed to be true
		Induction logic	Reasoning based in a limited set of cases to establish a degree of empirical truth for a hypothesis
		Abduction logic	A form of logical reasoning that introduces a hypothesis aimed at explaining given observations (in front of surprising observations)

Analytical perspective	Read et al. (2009)	Predictive logic	Takes the environment as outside the control of the decision maker, who therefore attempts to predict and adapt to changes in it
	Sarasvathy (2001)	Causation logic	Logical process that aims to reach a pre-defined goal
		Effectuation logic	An inversion of predictive rationality in the creation of new firms, products, services and markets
	Nadkarni & Barr (2008)	Causal logic	Perceived causal relationship between the environment and strategy
	Gavetti & Levinthal (2000)	Backward-looking logic	Efforts at sensemaking interpreted as a higher-order form of experiential learning
		Forward-looking logic	Beliefs about the linkage between the choice of actions and their impact on outcomes

Table 1. Logic perspectives

3. Institutional Perspective

This perspective comes from the literature on the logics in institutions, known as institutional or societal logics. In regard to strategic management, institutional logic pluralism is viewed as strategic resource (Dalpiaz, 2016; Venkataraman, 2016) that has implications for value creation and capture in terms of organizational business models (Laasch, In press), governance strategies, and strategic organizational choices (Ocasio & Radoynovska, 2016).

Based on the study by Friedland and Alford (1991), institutional logics represent the role of contingent sets of social norms and principles that shape individual and organizational behavior in the search for appropriateness (Vurro et al., 2010). Institutional logics constitute a source of legitimacy for social actors that guide and constrain decision makers (Scott, 1995). Institutional logics are overarching sets of principles (Greenwood et al., 2011) that provide guidelines on how to interpret and function in social situations (Bertels & Lawrence, 2016). ‘As people go

through their lives, they are constantly working with, for and against multiple institutional logics that shape their social and cultural contexts' (Bertels & Lawrence, 2016). Institutional logics shape the practice in firms when they are represented in the organization by individuals with a cognitive and motivational affinity for them (Fiss & Zajac, 2004; Pache & Santos, 2010; Tilcsik, 2010) and who incorporate them in their assumptions and values. This makes these individuals 'carriers' of institutional logics (Almandoz, 2014).

In the strategic management literature, we can identify several institutional logics salient in business such as market logic (Venkataraman et al., 2106), commercial logic (Pache & Santos, 2013), financial logic (Almandoz, 2012, 2014), manufacturing logic (Dalpiaz et al., 2016), and efficiency logic (Zhou et al., 2017). But these logics do not influence in isolation. Organizations typically face logic multiplicity as these logics combine with other social logics such as the environmental logic (Dahlmann & Grosvold, 2017), familiar logic (Belenzon et al., 2016), community logic (Venkataraman et al., 2106; Almandoz, 2014), professional logic (Martin et al., 2017), social welfare logic (Pache & Santos, 2013), and cultural logic (Dalpiaz et al., 2016).

While the institutional literature typically analyzes the influence of institutional logics on firms and individuals (e.g. Bertels & Lawrence, 2016; Martin et al., 2016, Smets et al., 2015; Mair et al., 2015; Almandoz, 2012, 2014; Geng et al., 2016; McPherson & Sauder, 2013; Greenwood et al., 2011; Reay & Hinings, 2009), we focus here on how firms and individuals conceptualize these influences to enhance strategic choices.

In this vein, the institutional perspective considers how strategists purposefully combine multiple institutional logics to gain meaning and make strategic choices. In other words, the institutional perspective reflects the way managers make use of institutional logics to enhance strategy development. The institutional perspective can also be seen as the underlying conceptions that influence how strategists stimulate the internal representation of the institutional logics. As firms seek to gain or maintain societal legitimacy by responding to and complying with the central institutional logics of their field (Pache & Santos, 2013; Bjerregaard & Jonasson, 2014; Van Gestel & Hillebrand, 2011), the institutional perspective focuses on identifying those central logics and purposefully represents the ones that can provide the firm with a desired strategic identity.

The institutional perspective provides the logic foundations for purposeful developing an institutional identity, which can be developed through narrative and other symbolic means in ways that allow individuals to actively manage the degree to which institutional logics are accessible and active (Bertels & Lawrence, 2016). The institutional perspective can be articulated through "statements", such as the company's purpose, mission,

vision, values, etc. (Rey & Ricart, 2015), although these statements are only formal representations of the institutional perspective's true scope (Rey & Bastons, In press).

The institutional perspective is related to institutional work. Thus, it is more about “why” and “how” rather than “what” and “when” (Lawrence et al., 2011). Strategists can therefore use institutional perspectives as motivational resources that are especially relevant in strategic change to gain internal legitimacy because, as suggested, ‘one of the most effective ways to influence behavior is to influence their identification with a logic and its associated practices’ (Lok, 2010). In the same vein, the institutional perspective motivates managers to place the company's interests ahead of their own and promotes a long-term view (Rey & Ricart, 2015).

4. Systemic Perspective

The second research stream that lends itself nicely to the logic perspective studies the logic multiplicity that underlie the conceptualization of business models, initially identified under the concept of dominant logics (Prahalad & Bettis, 1986). Considering business as complex systems, a dominant logic is presented as a conceptualization of the business to achieve goals and make decisions stored as a shared cognitive map—or a set of schemas—among the dominant coalition (Prahalad and Bettis, 1986). It acts as a filter and enables processing large amounts of information (Reger & Huff, 1993) and managing complex strategic issues (Lampel & Shamsie, 2000). A dominant logic originates within the firm (Crilly & Sloan, 2012) and reflects different organizational factors such as the characteristics of managers, self-references based on shared experiences and company history (Von Krogh & Roos, 1996).

The early literature presents dominant logics as the result of organizational learning based on four elements: competitive strategy; values and expectations; measures of performance; and reinforced behavior (Bettis & Prahalad, 1995). But the concept of dominant logic, initially identified as something unfinished and highly plastic that individuals can use in different ways through considering self-references and different scales (Von Krogh & Roos, 1996), was later used in such a way that expanded its scope to encompass wider or more specific dimensions of value creation. For example, value creation logic represents the way managers conceptualize the service innovation strategies and shape business models (Möller, 2008). In a similar vein, value logic refers to the conceptualization of value regarding paying customers, commercial value chains, competitive market, and profit (Laasch, In press). The logic of value innovation outlines how organizations conceptualize innovation (Kim & Mauborgne, 1997). More specifically, service logic innovation is based on two elements: the conceptualization of customers and the conceptualization of how to make service innovations

(Michel, 2008). Likewise, strategy scholars have studied how individuals conceptualize other fundamental elements of the business models related to value creation and value capture. For instance, the conceptualization of organizational actions, policies, and activities; (Bacharach et al., 1996) the logic of organizational boundaries (Santos & Eisenhardt, 2005); the creation and allocation of value with regard to the firm relationship with stakeholders (Crilly & Sloan, 2012); and the conceptualization of value in exchange relationships (McGinn & Keros, 2001).

As a business model articulates the logics on how a business creates and delivers value to customers (Teece, 2010; Laasch, In press), the combination of dominant and value creation logics has been considered a primary resource for business model creation and evolution (Crilly & Sloan, 2012; Michel et al., 2008; Möller, 2008). Based on this idea of value creation and value capture logic multiplicity, we develop the concept of the systemic perspective as the holistic conceptualization of value creation and value capture logics employed by strategists to gain meaning and interpret the business model. In this context, the systemic perspective resembles a tangram game that offers different conceptualizations via different combinations of logics. From this perspective, strategist not only focus on the dominant organizational logic to gain understanding of business models. Following the idea that strategist should combine dominant logics with other logics of value creation (Prahalad, 2004), the systemic perspective can be a considered a valuable resource for strategists to reframe the dominant logic of the organization and reinvigorate business models.

The systemic perspective is developed through a profound knowledge of reality that allows establishing valid hypotheses regarding fundamental aspects of the business model (Rey & Ricart, 2015). As business models reflect choices and their consequences (Casadesus-Masanell and Ricart, 2010), the systemic perspective deals with understanding the key strategic choices and the implicit relationship between choices and consequences. This entails paying attention and interpreting not only the dominant logic of the organization but also other logics of value creation by, for example, focusing on the dominant logics of other companies, experimenting, or looking beyond industry or geographical borders (Prahalad, 2004).

5. Analytical Perspective

The third perspective is related to the logics of analytical procedures. Analytical procedures play a joint role with dominant logics in filtering data to aid strategy development (Bettis & Prahalad, 1995) and have been considered a main source of strategy development (Grant, 2016). The strategy literature is full of examples of how managers make use of analytical logics. This includes, for instance, causal logic, which is considered the primary basis for decision making in general (Fiske and Taylor, 1991) that

influences how strategic decisions are made (Nadkarni & Barr, 2008). Analytical logics also include predictive logic, which is conventionally used to tackle the known and the unknown in strategic analysis (Read et al., 2009). The literature gives similar consideration to deduction and induction logics (Dong et al., 2016); causation logic (Saravathy, 2001), which entails selecting between means (A, A', A''...) to create certain effects (B, B', B''...); and forward-looking logic, which entails linking actions and outcomes (Gavetti and Levinthal, 2000). All these logics are considered basic logics that underlie analytical tools and procedures.

These basic logics of analysis can be combined with more elaborate forms of analytical logics that provide analytical logic multiplicity. This includes, for instance, combining deduction and induction with abduction, which entails introducing an hypothesis to explain observations, when we face surprising strategic situations that are difficult to explain (Dong et al., 2016); combining prediction logic with effectuation logic, which entails the inversion of predictive rationality and is especially salient with entrepreneurs and in entrepreneurial activity (Read et al., 2009); and combining forward looking logic with backward looking logic—based on experience—to gain a better understanding of the strategic analysis (Gavetti and Levinthal, 2000).

Through analytical logic multiplicity, strategists gain a better understanding of situations to obtain further explanations and conclusions (Dong et al., 2016; Nadkarni & Barr, 2008; Gavetti and Levinthal, 2000; Read et al., 2009). Based on this idea, we build on the analytical perspective as the conceptualization of the analytical logics that managers use in their analytical procedures. The analytical perspective represents the logic multiplicity in the use of analytical procedures strategists employ as resources for understanding reality. As analytical logics are based on explicit information from both the environment and internal resources and capabilities (Ricart & Rey, 2017), the analytical perspective uses empirical evidence or estimations of the behavior of variables to reach conclusions. The analytical perspective emphasizes the way managers conceptualize reality by means of analytical procedures. In other words, it reflects how strategists make use of analytical logic multiplicity to make strategic choices. In developing an analytical perspective, managers gain experience using different strategic analytical tools and procedures and can nimbly undertake their analyses.

5. Perspective Combination in Strategic Reasoning

The three logic perspectives we have been referring to are represented by the characters introduced at the start of this paper. The consultant established a plan of action from an analytical perspective (“following numbers and market estimations”); the president based his arguments on an institutional perspective (“it goes against the principles of the company”); and the CEO, using a systemic perspective (“I simply do not see it”), needed

to get an overview and understand what was happening and how the changes would affect the business model. Although logics can be conceptualized within the three perspectives, individuals may tend to have a propensity for certain perspectives. We can see this in the different roles in companies (Ricart & Rey, 2017). For example, entrepreneurs are more likely to lean towards the systemic perspective, financial departments tend to use the analytical perspective to understand strategy, and HR or CSR managers tend to favor the institutional perspective.

However, beyond the salient logics related to individual characteristics such as an individual's role in the organization (McPherson and Sauder, 2013; Martin et al., 2017), motivational affinity (Almandoz, 2014), education (Geng et al., 2016), entrepreneurial path (Sarasvathy, 2001), and institutional biography (Lawrence et al., 2011), we believe managers can develop different perspectives. Applying this idea to how the different roles in an organization combine these three perspectives, we find seven forms of strategic reasoning that we group into three types (see figure 1).

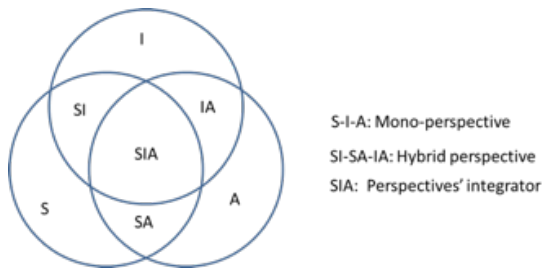


Figure 1. Strategic reasoning types

Mono-perspective (S-I-A). This kind of reasoning conceptualizes situations and decisions under the frame of one perspective. This reasoning can be of use for problems such as how to face environmental changes using managerial cognition to strategize in unanalyzable environments (Nadkarni and Barr, 2008), how to deal with institutional complexity (Bertels & Lawrence, 2016), or how to foster innovation performance with analytical logics (Kristinsson et al., 2016). But in these cases, even though it appears multiple perspectives might be combined, given that it is possible to combine multiple logics of the one perspective with great skill (Dong et al., 2016; Smets et al., 2015), the mono-perspective prevails. In general, this kind of reasoning can bring a deep understanding of a given perspective to the strategic discussion. This is the advantage of the mono-perspective reasoning, although its potential for generating valid strategies is limited by the risk it entails of generating strategic inconsistencies. A strategic inconsistency occurs when a strategic decision is logical and consistent

within one type of logic but inconsistent with others (Rey & Ricart, 2015). An example of a strategic inconsistency might be a low-price policy at a company with a premium business model or recurrent layoffs at an organization whose institutional identity is built on employee commitment and trust.

Hybrid perspective (SI-SA-IA). This type of strategic reasoning combines two perspectives. It can be very useful for scenarios such as combining institutional and value creation logics to provide distinct business models (Ocasio & Radoynovska, 2016; Laasch, In press), combining analytical logics for fostering dynamic capabilities and more robust and sustainable business models (Dong et al., 2016), combining institutional logics to create new market opportunities and transform organizational agency (Dalpiaz, 2016), or finding a balance between institutional and dominant logics (Verbeke, 2010). This kind of reasoning is consistent with the idea that the ‘available logics closely resemble tools that can be creatively employed by actors to achieve individual and organizational goals’ (McPherson et al., 2013). In general, we see three types of hybrid perspective: systemic-analytical, which confront business model ideas with reality; institutional-analytical, which align business aims and goals with institutional environment; and systemic-institutional, which reinforce business models with current and emergent institutions. Compared to the mono-perspective, we believe that hybrid thinking can be a way to enhance strategic choices, although it can be vulnerable to the aforementioned problems of omitting a certain perspective.

Perspectives’ integrator (SIA). This type of strategic reasoning uses a concurrent methodology for addressing the three perspectives. It establishes the internal alignment for governing the combination of these perspectives. This kind of reasoning is consistent with the view that individuals can dynamically balance coexisting logics and maintain the distinction between them while also exploiting the benefits of their interdependence (Smets et al., 2015). By addressing fundamental questions about the combination of the three perspectives, this reasoning can integrate mono-perspective reasoning and complement the shortcoming of the hybrid type. We believe this type of reasoning has greater potential for generating valid strategies than the other two types. By examining the biographies of great strategists in history through the lens of strategic perspectives, we can see how they skillfully managed the three perspectives. We can, for example, consider the lessons that Yoffie and Cusumano (2015) derived from the study of Steve Jobs, Bill Gates and Andy Grove. The way in which these individuals built their strategies is a good example of how different logic perspectives guide decision making, e.g.: dexterity in detailed analysis and a quick handling of information; durable institutional principles that orient and focus the strategies; and the ability to see the big picture and generate game-changing business models (Ricart & Rey, 2017).

6. Conclusion and Future Research

In this article, we have developed the concept of the logic perspective. In introducing this concept, we are addressing the call to develop conceptual frameworks for understanding the gap between strategic theory and the logic of practice (Sandberg & Tsoukas, 2011) and calls for improved dialogue between logic multiplicity and strategic practice (Zilber, 2011; McPherson & Sauder, 2013; Bertels & Lawrence, 2016). Using logic perspectives, we have bridged three logic research streams on logic multiplicity that are relatively disconnected in the strategy literature. From this literature, we have identified three salient logic perspectives in business—the institutional, systemic and analytical perspectives—and we have highlighted their interdependence and contributions to strategic reasoning.

We did find some theoretical contributions and lines for further research. First, regarding the influence of institutional pluralism in strategy formation, we have provided a new conceptual lens to understand the challenges that logic multiplicity and complexity represent to strategists. By introducing the concept of logic perspective, we have enriched the discussion by considering how actors can combine institutional logics with other logic perspectives to offer potential new avenues for organizational and individual responses to these phenomena. Second, with regard to the dialogue between logic multiplicity and business models, we have shown how combining logic perspectives enables considering business models not only as the articulation of value creation and value capture logics (Teece, 2010), but also as the articulation of different logics from other perspectives, such as institutional and analytical logics, something that, as the literature suggests, can be a source of innovation, robustness and enhanced social value (Laasch, In press; Dong et al., 2016). Moreover, given that greater logic pluralism leads to increased heterogeneity in business models (Ocasio & Radoynovska, 2016), we believe that pluralism in logic perspectives offers a way to study business model heterogeneity and isomorphism under a wider scope. Finally, with regard to strategic analysis, we have provided a theoretical framework for better understanding the contributions and limitations of analytical logics and how they can be enhanced with other logic perspectives to provide more robust strategic choices regarding the business model and the institutional environment of the firm.

We invite future research to expand the study on logic pluralism in strategy formation (e.g., Bertels & Lawrence, 2016; Martin et al., 2016; Smets et al., 2015; Mair et al., 2015; Almandoz, 2012, 2014; Geng et al., 2016; McPherson & Sauder, 2013; Dong et al., 2016; Nadkarni & Barr, 2008) by considering logic multiplicity under the wider scope of the potential different logic perspectives available in strategic reasoning.

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