Why Do Most Strategic Change Projects Fail?

A Thesis Submitted for the
Degree of Doctor of Business Administration

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<table>
<thead>
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<th>Abbreviation</th>
<th>Description</th>
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<tbody>
<tr>
<td>APA</td>
<td>American Psychological Association</td>
</tr>
<tr>
<td>BSC</td>
<td>Balanced Scorecard, strategy performance management tool</td>
</tr>
<tr>
<td>BCG-matrix</td>
<td>Analysis of product portfolio according to Boston Consulting Group</td>
</tr>
<tr>
<td>CSU</td>
<td>Charles Sturt University</td>
</tr>
<tr>
<td>DBA</td>
<td>Doctor of Business Administration</td>
</tr>
<tr>
<td>e.g.</td>
<td>Exempli gratia (for example)</td>
</tr>
<tr>
<td>germ.</td>
<td>German (in German language)</td>
</tr>
<tr>
<td>i.e.</td>
<td>Id est (in other words)</td>
</tr>
<tr>
<td>IT</td>
<td>Information Technology</td>
</tr>
<tr>
<td>M&amp;A</td>
<td>Mergers &amp; Acquisitions</td>
</tr>
<tr>
<td>PEST</td>
<td>Analysis of political, economic, societal, and technological conditions</td>
</tr>
<tr>
<td>SWOT</td>
<td>Analysis of internal strengths and weaknesses and external opportunities and threats</td>
</tr>
<tr>
<td>U.S.</td>
<td>United States of America</td>
</tr>
</tbody>
</table>
Certificate of authorship

I hereby declare that this submission is my own work and that, to the best of my knowledge and belief, it contains no material previously published or written by another person nor material which to a substantial extent has been accepted for the award of any other degree or diploma at Charles Sturt University or any other educational institution, except where due acknowledgment is made in the. Any contribution made to the research by colleagues with whom I have worked at Charles Sturt University or elsewhere during my candidature is fully acknowledged.

I agree that this thesis be accessible for the purpose of study and research in accordance with the normal conditions established by the Executive Director, Library Services or nominee, for the care, loan and reproduction of theses.

Berne, Switzerland

01/12/2013

Hubert C. Braendle
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Abstract

Today, virtually every organization faces massive environmental change. Markets become more globally integrated and new forms of technology and competition arise. Unfortunately, change is extraordinarily difficult to handle. The vast majority of strategic change projects in organizations fail pretty miserably. Billions are routinely destroyed year after year. For decades the failure rate has been put at around 70 percent, despite continuous progress both in organizational research and managerial practice. There is a clear global and interdisciplinary relevance of this issue. Novel theoretical and practical approaches towards problem understanding, examination, and solution are needed.

The author of this thesis argues that only an explorative-inductive research approach, synthesizing existing knowledge fragments on meta level, can lead to a viable solution to this multifaceted and discipline-spanning problem.

The aim of this thesis is to deliver a solid explanation for this omnipresent organizational phenomenon and to develop a meta model, which can be used as a guiding tool for the planning and implementation process of future strategic change undertakings – thereby promoting their successful outcome.

The methodological approach is based on a systemic and constructivist world-view, embracing dialectics and paradox as natural laws of life. The method of qualitative meta synthesis is chosen due to its data acquisition flexibility and its integrative strength.
The rigorous selection, analysis, and synthesis of topic-relevant literature led to profound insights, which were distinguished according to their semantic, syntactical, and systemic explanatory power. It was found that there is a substantial semantic conflict in the common understanding of the key terms strategy, project, and failure, as well as a widespread misuse of their combination in an organizational context. It was also found that failure of strategic undertakings is in any case caused by an error committed by one of the examined actors within one of the examined areas. The key variable identity takes up a central function in the explanation of the phenomenon. The systemic point of view eventually revealed the highly sensitive web of interdependencies in the structure of a strategic undertaking, which potentially causes a complexity overload of the involved entities.

Based on these insights the Failure meta model was developed, illustrating the key variables, their interrelations, and the main domains of error, in compact form. Furthermore it was found that the concept of “success” is not identical with the inversion of failure. Hence, based on the examination of failure, it was not possible to present a conclusive guide for success-promoting measures in strategic undertakings. Nevertheless, focusing on error prevention and error-effect mitigation, in the sense of success-related preconditions, critical intervention points in the strategy process are formulated and illustrated in the form of a circularly designed Success meta model. The basic idea of the Success meta model is that an organization can enter the cycle wherever its main problems are located; following the path of the model will eventually lead to a favorable overall situation concerning the promotion of strategic success.
In this sense, attention should be paid to the fact that strategic success cannot be enforced by strictly pursuing a precisely defined strategic objective; it must rather be seen as the emergent long-term result of the most accurate application of the associated meta processes, which ensure constant awareness of the present state of the error-prone factors and the overall situation that is caused by their complex interplay.
1 Introduction

The world of organizations: The organization as omnipresent social construction based on a strong human need to arrange and systematize the conditions of life (Senge, 2006). The organizational sphere as an inevitable natural collective phenomenon (Graversen & Johansson, 1998) nurtured by its host, the macrocosm of the earth’s populated surface. Planet Earth, orbiting through space at a velocity of 107’208 kilometers per hour, while spinning around its lopsided axis at 1’670 kilometers per hour (D. R. Williams, 2010), stabilized by an interplay of vigorous gravitational and centrifugal forces, surrounded by an ever-flowing protective magnetic field and a sustaining atmosphere, providing the right combination of essential conditions necessary for the development of life, despite – or better: enabled through – the potential destruction of this battle of fierce cosmic dynamics (Fry, 2000). Life as a seemingly incidental event and a continuous cycle of emergence and dissolution, kept going by dialectic tension between opposing forces (Fry, 2006).

These opening notions of astrophysical and biological nature are thought as a means to illustrate the maximally comprehensible and potentially effective macro setting of the central object of examination – that is the organization – and to bring to mind the basic environmental conditions that create the essential building blocks of life per se and of human, social, and organizational life in particular.

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1 The writing style of this thesis is guided by the standards of the American Psychological Association (APA, 2010; Charles-Sturt-University, 2010).
The following introductory chapters present the practical background of the research topic, explain the concrete problem area, including the defined aim of the research, and finally outline the delimitations and structure of the thesis (Charles-Sturt-University, 2008a).

1.1 Background to the research

“The vast majority of change projects in our organizations fail pretty miserably” (Angehrn, 2005).

“Despite the goal of performance improvement, results from strategic change initiatives are often disappointing. Numerous empirical studies show astonishingly high failure rates. Literally dozens of billions of Euros are routinely destroyed year after year” (Straub, 2007, p. cover).

“Today, virtually every organization faces massive change. Unfortunately, change is extraordinarily difficult and most attempts to initiate and implement change fail” (Black & Gregersen, 2003, p. cover).

“As markets become more globally integrated and new forms of technology and competition arise, companies cannot rest on their laurels. Firms must promptly adapt to changes in their business environment (Helfat et al., 2007, p. 1).

“The central challenge is not strategy, not systems, not culture, but behavior – what people do, and the need for significant shifts in what people do. This is especially so in large-scale organizational change, where you are dealing with new technologies, mergers and acquisitions, restructurings, new strategies, cultural transformation, globalization, and e-business initiatives” (Kotter, 2002, pp. 1-2).
These citations of renowned experts on strategic change make it clear: Today’s business environment is highly dynamic, volatile, globalized, and competitive – like never before. Organizations are required to be aware of this environmental reality and to act upon it. Yet, implementing change in organizations is a decidedly delicate task, which most often fails to achieve the intended goals. The often mentioned “human side” seems to play a vital role in this kind of organizational undertaking, where large numbers of people are led by few over long time periods towards specific strategic goals.

The author of this thesis is intrigued by this omnipresent and persistent phenomenon and puts all his academic and managerial effort in its understanding, explanation, resolution, and practical implementation.

1.2 Statement of the practical problem

“The problem must be generated as it is being solved”

Sharples (2003)

An extraordinarily large number of strategic change projects fail, or in other words, do not achieve, at all or in essential part, the aspired objectives (M. Beer & Nohria, 2000). Billions are wasted as a consequence of failed projects year after year (Mittelsdorf, 2005). For decades the failure rate is put at around 70 percent (Balogun & Hope Hailey, 2004). Why is that? Why has there not been substantial improvement despite continuous progress both in managerial practice and organizational research?
Within the frame of this thesis it is argued that only an explorative-inductive research approach, synthesizing existing knowledge fragments, can lead to viable solutions to the multifaceted and discipline-spanning problem. Therefore no initial hypothesis is formulated. Instead the nature of the problem is approached step by step, screening for fractions of relevance.

According to contemporary literature the core of this real-world problem seems to lie in the highly complex area of tension (Hays, 2003) between increasing environmental change (Kotter, 2002) and stability-seeking humans (Black & Gregersen, 2003). However, in order to ask and to answer the essential questions comprehensively and conclusively, the problem domain demands very close scrutiny and an innovative research approach (Clayton, 2010). A growing number of experts and market participants are emphasizing the global and interdisciplinary relevance of this issue and proposing novel theoretical and practical approaches towards problem understanding, examination, and solution (Black & Gregersen, 2003; Burnes, 2005; Hutzschenreuter & Kleindienst, 2006). Hence, the general demand is clear, but what exactly constitutes the definable thematic domain of this eclectic dilemma?

As stated at the beginning of this chapter, “the problem must be generated as it is being solved” (Sharples, 2003). The background of this notion is the acknowledgment of the fact that the problem itself is usually way more complex than one can perceive at the beginning of the research. Supposedly trivial problems frequently turn out to be of great depth and interconnectedness. Immature problem definitions can lead to naive trivialization of the research process and, as a consequence, to instable pseudo-solutions (Rochefort & Cobb, 1993).
Furthermore Keegan (2011) states that “in defining a research problem one is partially determining the answer, due to their socially constructed nature” (p. 83), emphasizing that the problem definition is part of the research process, not a separate exercise that is conclusively formulated in advance.

Consequently, at this stage of the thesis, the focus of the problem description lies on its practical manifestation and the definition of the apparent key elements.

It is evident that the problem is an applied one within a managerial real-world context (Bridges, 2003). While the object of experience (germ. Erfahrungsobjekt)\(^2\) is constituted by the societal environment of the organization, the organization itself, and the individual human being as the smallest acting unit, the object of knowledge (germ. Erkenntnisobjekt)\(^3\) is constituted by the strategic change activity of the organization and its outcome (Thommen, 2003).

The practical problem description indicates that the nature of the problem is complex\(^4\) (Frensch & Funke, 1995). The following short list outlines the typical qualities of a complex problem, according to Dörner (1979) – matching the characteristics of the assessed type of problem in all respects:

- Intransparency (lack of clarity of the situation)
- Polytely (multiple goals)
- Complexity (large numbers of items, interrelations and decisions)

---

2 Erfahrungsobjekt: Description of a concrete object on which the research is focused (Gabler-Wirtschaftslexikon, 2011).
3 Erkenntnisobjekt: The functional topic of the research abstracted from the Erfahrungsobjekt (Gabler-Wirtschaftslexikon, 2011).
4 Complexity: A whole made up of interrelated parts (Merriam-Webster-Online-Dictionary, 2013), based on the Latin word complexus, meaning entwined or twisted together (Heylighen, 2001).
Frensch and Funke (1995) define the associated task of complex problem solving as follows: Thinking that occurs to overcome barriers between a given state and a desired goal state by means of behavioral and/or cognitive, multistep activities. The given state, the goal state, and barriers are complex, change dynamically during problem solving, and are intransparent. Complex problem solving implies the efficient interaction between a solver and the situational requirements of the task, and involves a solver’s cognitive, emotional, personal, and social abilities and knowledge. (p. xi)

According to John C. Camillus (2008), Donald R. Beall Professor of Strategic Management at the University of Pittsburgh’s Joseph M. Katz Graduate School of Business, strategy is not just another problem but a so-called Wicked Problem. Camillus has been studying how companies create strategy for the last 15 years and found that “wicked problems cannot be solved, but they can be tamed” (p. 99). What constitutes a wicked problem? Camillus mentions the following ten properties:

- There is no definitive formulation of a wicked problem.
- Wicked problems have no stopping rule.
- Solutions to wicked problems are not true or false, but good or bad.
- There is no immediate and no ultimate test of a solution to a wicked problem.

---

5 According to Krems (1995) a problem can also be called complex if both the goal state and the initial state are in fact clearly defined, but (a) there is no precise definition of the problem space (i.e. a complete list of state attributes and their possible values is not available) and, (b) there is no precise definition of the operators and/or algorithms that are available (i.e. what can be done).
- Every solution to a wicked problem is a “one-shot” operation; because there is no opportunity to learn by trial and error, every attempt counts significantly.

- Wicked problems do not have an exhaustively describable set of potential solutions, nor is there a well-described set of permissible operations that may be incorporated into the plan.

- Every wicked problem is essentially unique.

- Every wicked problem can be considered to be a symptom of another problem.

- The existence of a discrepancy representing a wicked problem can be explained in numerous ways.

- The planner has no right to be wrong.

Camillus emphasizes that “conventional processes do not only fail to tackle wicked problems, but they may exacerbate situations by generating undesirable consequences” (p. 100). He therefore introduces the alleged solution as the actual problem. Furthermore he points out that wicked problems often crop up when organizations have to face constant change and that it is mainly the social complexity that makes them tough to manage. At the bottom line, Camillus’ notions have serious consequences: Neither the problem nor the solution can be conceived and formulated conclusively.
The following figure displays the essence of the previous statements made in this chapter, representing the current state of problem awareness, by reducing the problem area to its main constituents – along with their known core characteristics – and emphasizing obvious topic-related weaknesses and common constraints (Frensch & Funke, 1995). The figure constitutes the basis for the eventually defined conceptual framework and is incrementally adjusted and refined in the course of this work.⁶

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Fig. 1: Conceptual framework development status 1

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⁶ All graphics that are displayed within the frame of this thesis are the product of the author; otherwise it is explicitly declared.
1.3 Aim of the research

The main failure causes of strategic change projects are largely unknown (Angehrn, 2005). Fifty years of advanced strategic change research have had no measurable impact on failure rates (Clayton, 2010). According to Frensch and Funke (1995) a strategic change project is a typical case of complex problem solving, which essentially means that the exact properties of the given state, the goal state, and the barriers are largely intransparent and that they are changing dynamically during problem solving.

Commonly research problems ask for research aims that are defined as precisely as possible; yet, equivalent to the nature of the underlying problem – and its open description, it would be unfeasible to define the aim of the research rigidly. Consequently, instead of setting a parochial aim, a fuzzily aimed direction – leaving room for emergence – has to be determined (Blech, 2010; Senge, Scharmer, Jaworski, & Flowers, 2006).

It is also the negative nature of the thesis’ indicated purpose, i.e. the avoidance of failure, that constitutes the reason for a preferentially global definition of the research aim (Dörner, 2008).

Within the frame of complex problems it is not possible to do just one thing or to set just one goal in order to clarify the inscrutable situation. Premature focusing on one goal can even lead to the generation of unintended collateral problems. There always are implicit goals that one does not think of at the beginning of the task and that have to be considered during the problem solving process (Dörner, 2008).
Complex problems also contain an intrinsically heuristic component, which implies the necessity of the acceptance of an incrementally emerging field of potential aims and versatile solutions (Frensch & Funke, 1995).

Although organizations around the world are craving for an answer to the question why most strategic change projects fail and a tangible solution to the problem, it is an often stated fact that – to ensure solution viability – thorough examination and understanding of the real-world phenomenon and its underlying cause and effect structure must come first (Klein, 1999).

In straightforward terms, the final aim of this thesis is to deliver a solid explanation for this omnipresent organizational phenomenon, on which a meta-model\(^7\) for the guidance of future strategic change projects is developed.

In order to do so, the apparent phenomenon must be split into its constituents. The key concepts and their underlying key variables must be extracted and a thorough understanding of their nature and multifaceted interaction over time must be reached (Senge et al., 2006). On this knowledge basis key characteristics, dynamics, leverages, and potentially promising intervention points can be formulated (Klein, 1999) – as means of structural and processual control within strategic change projects (Stacey, 2007).

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\(^7\) Meta- (from the Greek preposition μετά = "after", "beyond", "adjacent", "self", also commonly used in the form μετα- as a prefix in Greek, with variants μεθ- before vowels and μεθ- "meth-" before aspirated vowels), is a prefix used in English (and other Greek-owing languages) to indicate a concept which is an abstraction from another concept, used to complete or add to the latter. A meta-model typically defines the processes from which to form a model. It denotes the analysis, construction, and development of the frames, rules, constraints, models, and theories applicable and useful for modeling a predefined class of problems (Encyclopaedia-Britannica, 2010).
Contribution to professional practice:

The author aspires to work out the inherent rules of strategic change, explain organizational project outcomes, and eventually formulate a meta-model for strategy planning and implementation. Wherever a strategic change project is scheduled – no matter if it is in the private or public sector, in profit or not-for-profit organizations –, this model can be used as a guiding framework for strategy planning and implementation, which ensures that the main drivers, key variables, and potential barriers in such complex ventures are recognized, properly integrated, and controlled in a way that lays the foundations for success.

1.4 Delimitations

Persistently high failure rates of strategic change projects and the evident professional and academic inability to overcome the destructive difficulties, indicates the presumption that thematic boundaries have been drawn too tight so far. In this sense it is imperative to treat this issue as an ongoing process, also within the frame of this thesis.

Nevertheless, the problem area needs to be properly placed within the science-theoretic realm in order to recognize the effective thematic perimeter, and consequently define the appropriate research approach: Starting with the social sciences, which comprise academic disciplines concerned with the study of the social life of human groups and individuals including anthropology, geography, history, political science, psychology, social studies, sociology and economics (Rosenberg, 2008). Economics is the social science that studies the production, distribution, and consumption of goods and services (A. Smith, 1999).
Microeconomics examines the economic behavior of agents (including individuals and firms). This leads to the study of the firm as an organization, in the sense of a social arrangement which pursues collective goals, controls its own performance, and has a boundary separating it from its environment.

Organizations are studied by researchers from several disciplines, the most common of which are sociology, economics, political science, psychology and management. Management – basically a representative of the applied sciences domain – and human organization activity means, in simple terms, the act of getting people together to accomplish desired goals.

Management comprises planning, organizing, resourcing, leading or directing, and controlling an organization or effort for the purpose of accomplishing a goal (Drucker, 2001). Business management, respectively business administration, can be divided into several distinct branches, whereas strategic management is one of them (Thommen, 2003). Strategic management can be seen as the art and science of formulating, implementing and evaluating cross-functional decisions that will enable an organization to achieve its substantial long-term objectives. It provides overall direction to the enterprise and, therefore, constitutes the highest level of managerial activity (Müller-Stewens, 2003). Strategic change is one of the main issues in the field of strategic management, focusing on organizational change based on exogenous forces and/or endogenous needs (Helfat et al., 2007). Eventually, the increasingly propagated transdisciplinary sciences, including complexity science (Holland, 1992) and cognitive science (Hart-Davis, 2009) must be appropriately taken into consideration (Cavanagh, 2012).
The thesis concentrates on strategic change projects characterized by the following attributes: Long-term and cross-departmental management project, involving a vision- and/or mission-change of the organization, a rather revolutionary than incremental disposition, associated with high risk and high costs, calling for full staff commitment.

Furthermore, a clear distinction must be made between strategic and operational management level and between corporate strategy and business strategy.

While Strategic management spends time considering where the company is going in the long term, operational management involves dealing with the day-to-day running of things. Although the two managerial levels need to be distinguished they are greatly entangled and cannot be separated conclusively (Drucker, 2001).

According to military science, as the basis of all strategic conduct, and associated fields of study, there are two further levels of management, respectively command, that have to be considered: Normative, placed at the top, and tactical, placed at the bottom of the management hierarchy (Swiss-Federal-Department-of-Defence-Civil-Protection-and-Sports, 2004). The normative level is concerned with “interpretation and decision on the role of the organization based on current applicable laws and ordinance, as well as societal and professional ‘in-house’ sets of values.

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8 Military science is clearly not the main focus of this work. Nevertheless, in order to fathom, clarify, and consistently structure the object of study, the roots of strategic conduct are considered and explored.
Or in other words, it consists of decisions on how the entire organization should function, as well as the application of concepts in setting the field of activity and the general direction of the organization” (Cedergardh, 2002, p. 27). The tactical level, on the opposite side of the command hierarchy, comprises the tangible daily activities of an organization, guided by superordinate strategic targets (eurogendfor.org, 2012). According to these term definitions, the operational level serves as an intermediate level, which converts strategy into tactics (Fishel, 2008), “overcoming the impedimental cleft between thinking and acting, which afflicts many organizations” (Schwaninger, 2006a, p. 33).

The following figure illustrates this structure in simplified terms:

![Figure 2: Levels of management / command](image-url)
The distinction between corporate strategy and business strategy corresponds to the organization structure of the typical multibusiness corporation. Corporate strategy is the responsibility of the top management team, supported by corporate strategy staff. Business strategy is secondarily formulated and implemented mainly by the individual businesses, typically organized as divisions or business units (Jaquier, 2010).

In summary, the main focus of this thesis clearly lies on the strategic level and on corporate strategy, while taking on a meta-perspective. Aspects of non-strategic nature and organizational sub-areas are only considered when thematically indispensable.

The nature of the research problem implies the search for the explanation of a phenomenon strongly embedded into entrepreneurial practice, without restricting the scope neither to a specific professional field nor in geographical, ethnic, social or cultural terms. This eschewal is essential in order to get to the very core of this widespread and border-crossing phenomenon (Hutzschenreuter & Kleindienst, 2006). In this context it is stated that although the thesis mainly concentrates on profit-oriented organizations, it does not exclude not-for-profit organizations.

Lastly, projects resulting in failure due to sudden incidents that are not influenceable by the main actors, e.g. natural disasters or global crises, are explicitly not considered in this thesis.
1.5 Outline of the research

The basic structure of this thesis corresponds to the recommendations and standards of Charles Sturt University (2010). It consists of five main chapters, which coherently build up on each other.

After the introductory description (1st chapter) of the background to the research, the practical problem, the aim of the research and its delimitations, the literature review (2nd chapter) provides structured insight into the topic-related literary landscape and points out the most prominent issues. Based on these insights, the methodological research approach (3rd chapter) is incrementally developed. This chapter includes the definition of the conceptual framework, the main research question and related sub-questions, as well as the data requirements.

The methodological terminology is examined before the author’s own research approach is formulated and, eventually, research quality criteria are critically assessed and applied on the chosen overall research approach. In order to answer the main research question and the related sub-questions (4th chapter) the key concept terminology is scrutinized, the relevant data selected, analyzed and the central insights synthesized. At the end of the findings chapter the Failure meta model, depicting the main reasons for the failure of strategic undertakings, is presented.

Conclusions (5th chapter) are drawn in terms of theoretical and practical implications. After challenging the question whether success is the exact opposite of failure, the third and last sub-question of this thesis is answered, stating promising intervention points in strategic undertakings and illustrating the Success meta model. Eventually, limitations are discussed and further research is recommended. The following figure synoptically displays the research structure of this thesis.
Figure 3: Thesis structure
2 Literature review

Essentially, the review of the literature indicates the state of knowledge on the examined topic. Scope, structure, and thematic focus of the review depend on its specific purpose within the research project (Hart, 2008). Based on the introductory statements of chapter 1, the aim of this specific literature review is (1.) to provide structured insight into the topic-related literary landscape, (2.) to point out the most prominent issues, and (3.) to provide the thematic basis for the incremental development of the methodological research approach in chapter 3. In this sense, the review is of mainly exploratory and partly instrumental nature. 

The introductory chapter of this thesis defines the essential reference points, which have to be considered during the course of the review: The type of problem (applied, managerial, real world, complex); the object of experience (individual, organization, and environment) and the object of knowledge (strategic change project and failure); the fact that traditional research approaches have failed to solve the problem; the aim of understanding and explaining a wide-spread phenomenon; the scientific disciplines (microeconomics, organization, management, strategy, complexity, and cognition); and the proviso that no industry-specific, geographical, ethnic, social, or cultural restrictions have to be applied. The following concept map illustrates this frame of reference.

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9 According to Veal (2005, p. 84), “…the exploratory literature review is the norm for academic research; comprehensiveness is not as important as being focused on the particular question or issue; the instrumental characteristic of the review focuses on suitable ideas on how the particular research might best be tackled”.

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In order to expediently implement the frame of reference and to systematically organize the synthesis of actual topic-related knowledge, the following characteristics are defined, according to Cooper's (1988) Taxonomy of Literature Reviews:

1. **Focus:** Research outcomes.
2. **Goal:** Identification of central issues.
3. **Perspective:** Neutral representation.
4. **Coverage:** Representative; pivotal.
5. **Organization:** Conceptual.
6. **Audience:** Specialized scholars; practitioners and policymakers.
2.1 Terminology

In order to further elaborate the frame of reference the main constituents of the research topic are defined, according to universally valid sources as well as field- and topic-specific understanding.

What is meant by failure? Failure clearly implies lack of success, i.e. essential goals are not achieved (Merriam-Webster-Online-Dictionary, 2013). Hence, in order to speak of failure, there need to be a goal and the occurrence of non-achievement. This thesis exclusively focuses on the non-achievement of organizational goals within the frame of strategy-related projects.
What is meant by *project*? It is a temporary undertaking requiring concerted effort (Merriam-Webster-Online-Dictionary, 2013). As mentioned in the background chapter various kinds of large-scale projects are afflicted, such as reengineering, rightsizing, restructuring, cultural change, turnaround, total quality management, mergers and acquisitions, etc. (Kotter, 1995). However, it is not the intention of this thesis to examine specific kinds of strategic change projects, but to explain the high failure rate of projects that are of strategic nature per se, involving profound organizational change.

What is meant by *organization*? It basically includes every administrative and functional structure that serves a social purpose, respectively an undertaking that is establishing target-oriented cooperative and interdependent relationships with others (Merriam-Webster-Online-Dictionary, 2013). Due to the thesis-specific focus on exceedingly complex processes the center of attention are large scale enterprises.

What is meant by *environment*? The circumstances, objects, or conditions by which one is surrounded; or the aggregate of social and cultural conditions that influence the life of an individual or group (Merriam-Webster-Online-Dictionary, 2013). Within the frame of this thesis it is indicated that the term *environment* mainly denotes the social surroundings of an organization.

What is meant by *strategic*, respectively *strategy-relevant*? According to the dictionary the term *strategic* means designed or trained to strike an enemy at the sources of its military, economic, or political power (Merriam-Webster-Online-Dictionary, 2013).
This clearly indicates that the term has its roots in warfare. It also means: Necessary to or important in the initiation, conduct, or completion of a strategic plan as well as of great importance within an integrated whole or to a planned effect (Merriam-Webster-Online-Dictionary, 2013). Strategy therefore is clearly focused on comprehensive anticipation of future developments concerning the organizational environment and the planning and implementation of consequent measures to ensure competitive advantage. Strategy strongly indicates the goal of winning against an “enemy”, respectively a competitor. This, in turn, implies the absence of any strategic disposition if there is no one to outplay, e.g. in a monopoly situation.

The milder term strategy-relevant, allowing more room for interpretation and application, is also taken into account, not least due to the obviously debatable use of the term strategy within the thematic frame of organizational projects (Hays, 2003), for it might be that the project itself is not strategic as such but potentially strategy-relevant, i.e. exerting influence on the relationship between the concerned organization and its competitors.

What is meant by change? Basically it means to become different, or to undergo a modification (Merriam-Webster-Online-Dictionary, 2013). Within the frame of this thesis the term change denotes many different internal and external states exerting influence on organizations (Hinings & Greenwood, 1988):
Change as cause and change as effect; change coming from the outside, putting pressure to react on the organization, and change coming from the inside, putting pressure to react on competitors; defensive change and offensive change; emerging change and controlled change; incremental change and revolutionary change; unconscious change and conscious change; simultaneously changing organizations and environments; political, economic, social, technological, and legal change.

2.2 Literature search and selection

In order to ensure both the necessary topic-specific depth and a wide enough disciplinary scope, two different types of literature databases are searched: The field-specific *EBSCO Host Business Source Complete* (2013)\(^\text{10}\) and the cross-disciplinary *Google Scholar* (2013).\(^\text{11}\)

\(^{10}\) *EBSCO Information Services* provides a complete and optimized research solution comprised of research databases, e-books and e-journals—all combined with the most powerful discovery service and management resources to support the information and collection development needs of libraries and other institutions and to maximize the search experience for researchers and other end users. EBSCO offers more than 375 full-text and secondary research databases and over 420,000 e-books plus subscription management services for 355,000 e-journals and e-journal packages. SmartText Searching leverages a technology that summarizes text entered to the most relevant search terms then conducts search. SmartText Searching will run the search using the citation's abstract and a new Result List will display. If no abstract is available, SmartText Searching will run the search on the article title. If SmartText Searching is not available in the database being searched, Find Similar Results searches the article's subject headings or descriptors. (2013)

\(^{11}\) *Google Scholar* allows users to search for digital or physical copies of articles, whether online or in libraries. It indexes "full-text journal articles, technical reports, preprints, theses, books, and other documents, including selected Web pages that are deemed to be 'scholarly.'" The most relevant results for the searched keywords will be listed first, in order of the author's ranking, the number of references that are linked to it and their relevance to other scholarly literature, and the ranking of the publication that the journal appears in. While most academic databases and search engines allow users to select one factor (e.g. relevance, citation counts, or publication date) to rank results, Google Scholar ranks results with a combined ranking algorithm in a "way researchers do, weighing the full text of each article, the author, the publication in which the article appears, and how often the piece has been cited in other scholarly literature". Research has shown that Google Scholar puts high weight especially on citation counts and words included in a document's title. As a consequence the first search results are often highly cited articles. (2013)
The selection and definition of the search terms is based on the previously defined frame of reference and terminology. The search term combinations are arranged from the specific to the general, therewith revealing the most topic-specific insight first, followed by a gradual expansion of the focus. To strictly avoid confirmation bias each search term combination is oriented on strategic failure as well as strategic success. Further search criteria are: Published no later than 1980, 12 English or German language, and full text available. Since both databases list the search results according to their relevance – both topic-relevance and citation-index oriented relevance – the first listed documents are considered most relevant. In order to keep the total number of documents within a manageable frame, a maximum of ten items per search is set. The following table shows all the search term combinations 13 as conducted, along with the number of identified and selected documents per database.

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12 Documents published before 1980 are considered only if they represent important classical works.
13 All search terms need to be present in the document.
The large number of identified potentially relevant documents indicates that thematic comprehensiveness cannot be achieved within the frame of this literature review. However, it is not the declared aim of this review to include every single piece of literature on the topic, but to identify the pivotal, representative issues. Nevertheless, the extensive literary pot offers a valuable source of research topic illuminating insight, which needs to be considered in the following methodology development chapter.

For a more comprehensive and refined literature analysis see chapter 4.2.

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Table 2: Literature review search results
2.3 Literary landscape

The object of examination, the strategic management of organizations, is rooted in the science-theoretic strands of the social sciences, the applied sciences, and the transdisciplinary sciences, whereas the social sciences mainly contribute the economic foundation, the applied sciences add the practical management approach as well as the strategic knowledge, and the transdisciplinary sciences eventually lift the field onto a higher level of scientific sophistication by enriching the largely specialized knowledge with unifying complexity and cognitive theories (Hart-Davis, 2009; Holland, 1992; O'Hanlon, 2009; Rosenberg, 2008; Stacey, 2005; Thommen, 2003).

Strategic change is one of the main issues in the field of strategic management, focusing on competition-oriented organizational change based on exogenous forces and/or endogenous needs (Helfat et al., 2007). Since the practical manifestation of the research topic, the failure of strategic change projects, is placed within the thematic arena of strategic change, this review mainly concentrates on respective literature, yet without ignoring potentially insightful documents from associated disciplines.
Compared to the ancient doctrine of strategy as a measure of warfare (Griffith, 1971), strategic management and its derivative *strategic change* are relatively youthful disciplines. While strategic management originated in the 1950s, mainly propagated by prominent exponents such as Chandler (1992), Ansoff (1987), and Drucker (2001), the discipline of strategic change emerged in 1969, when Peter Drucker coined the phrase “age of discontinuity” to describe the way increasing change disrupts lives (1969). In the following years several other authors pointed at the phenomenon of rapid change, whether in technology, knowledge, politics, or culture, and demanded new ways of looking at strategy and the associated organizational measures.
Key issues were differentiated and continuously reshaped and several strategy planning and implementation frameworks, such as the *SWOT Analysis*, the *Growth Share Matrix* of the Boston Consulting Group, or McKinsey’s *Portfolio Matrix*, were presented – and widely applied (Chakravarthy, Mueller-Stewens, Lorange, & Lechner, 2003; Mintzberg & Quinn, 1988; Tichy, 1983; Toffler, 1980). In the 1990s prominent exponents of the field, like Clayton M. Christensen (1997), who propagated the term *disruptive technology* and the idea that successful established companies run into danger of failure during periods of radical technological change, or Constantinos Markides (1999), who stressed the fluid nature of strategy, pointed at the thematic connections with complexity theories. Later on, also Gary Hamel (2003) emphasized that strategy is an ongoing and highly emergent process and that largely static strategies lose their power over time. Authors like Senge and Scharmer (2006) supported this notion of evanescence and propagated the theory of the *learning organization*, which further transcended the still dominating mechanistic mindset and opened up a large space of *systems thinking* and its application on complex strategic management processes.

While the disciplines of strategic management and strategic change had been studied for several decades, the systematic in-depth examination of *failure* of strategic organization-transforming large-scale undertakings was established only in the mid-1990s by Harvard Business School Professor John Kotter (1995). Kotter and several other authors recognized the fact that strategic change was not only of fluid and emergent nature, but also largely a matter of the mindset of the involved individuals (Angehrn, 2005; M. Beer & Eisenstat, 1996; Black & Gregersen, 2003; Hays, 2003; Kotter, 2002; Maitlis & Lawrence, 2003; Straub, 2007; Strebel, 1996).
As a consequence questions were raised such as “…does strategy bubble bottom-up or is it set top-down?” (Chakravarthy et al., 2003, p. xii), “…is strategy the work of a lone genius or the result of a collective effort?” (Balogun & Hope Hailey, 2004, p. 1), or “…does the blind spot concern not the what and how – what leaders do and how they do it – but the who – who we are and the inner source from which we operate, both individually and collectively?” (Senge, 2006, p. 5).

Many authors do not only acknowledge that strategy is a highly eclectic task, but even point out that successful strategic planning and implementation are more art than science. However, the most actual research findings indicate that strategic change is never a steady one way process – in neither direction, but an iterative and highly complex course, which involves all stakeholders in one way or the other, more or less, depending on the type and the respective phase of the project (Cavanagh, 2012; Kapferer, 2012; Management-Consulting-News, 2011).

One of the latest approaches advocates maximum flexibility and recommends to give up on “big strategy” and, instead, implement “little strategies”, which are iteratively verified and, if necessary, adjusted. All in the sense of a continuous learning cycle (Bishop, 2013; Senge, 2006).\(^\text{15}\)

\[\text{Figure 6: Strategy as iterative learning cycle} \quad \text{Source: Bishop (2013)}\]

\(^{15}\) This approach is further discussed in the \textit{Conclusions} chapter.
Despite all the sophisticated new insight that has emerged during the period of thorough strategy research, it is a fact that failure rates of strategic change projects have not gone down (Angehrn, 2005; Carroll & Mui, 2008; Geckeler, 2007; Straub, 2007). In 2010 Byron C. Clayton, a prominent Australian Business School Professor, emphasized that “50 years of research have had no measurable impact on failure rates and that researchers continue to be bewildered by the unpredictable nature of this kind of project” (p. 1). In order to get to the bottom of this extraordinarily persistent phenomenon, the selected literature is searched for facts that shed some more light on the thematic essentials.

2.4 Most prominent issues

Most documents characterize failure as the non-achievement of the initially defined goals of a project, entirely or in essential parts, so that the project does not support the overall strategic goal of competitive advantage (Angehrn, 2005; Baumard & Starbuck, 2005; Maitlis & Lawrence, 2003; Straub, 2007; Wright, van der Heijden, Burt, Bradfield, & Cairns, 2008). The specifications of predicates like “…in essential parts…”, “…does not support…”, or “…goal of competitive advantage”, are largely industry-, organization-, project-, or even individual-specific, and, therefore, are not defined any further. Hence, stated incidences of failure are considered compliant with the research focus of this thesis whenever the respective organizations consider the results of their projects a failure in the aforementioned sense. Formulations such as “partial failure” or “challenged” are not treated as separate category of project outcomes. If an outcome is not unambiguously declared, then the document is excluded, unless a specific failure/success-ratio is mentioned.
At first, one of the questions that this review needs to answer is whether *failure* is indeed more prevalent than *success*. After all, it might be that the professional focus simply lies rather on the negative outcome, not least due to its frequent devastating consequences for the concerned organization and its personnel, whereas success unfolds smoothly and mostly in an unspectacular manner. For this purpose it seems sensible to refrain from reciting further subjective speculations and, instead, letting numbers speak for themselves: 97 percent of the assessed documents state that failure is more prevalent than success. Only three percent claim the domination of success.

![Figure 7: Failure/success ratio](image)

Neither in the academic nor in the professional fields it is disputed that most strategic change projects fail. In order to specify this imperative, the rates at which projects commonly fail need to be identified. The most stated numbers of project failures are put between 70 and 79 percent.
The identified areas of non-compliance are various. The most stated ones, which frequently result in the termination of the project altogether, are cost overruns between 50 and 150 percent on average, time overruns between 50 and 200 percent on average, and functional goal achievement of 50 percent or less. In most cases the final failure consists of a combination of all of them.
There is a large number of attempts to explain the phenomenon of abundant non-compliance and final failure. The most frequently stated reasons for failure are **deficiencies** in various areas, namely management style and leadership, communication, complexity acknowledgment, understanding of human cognitive and behavioral characteristics, coordination of stakeholders, handling of interfaces, organization culture, definitions of requirements and scope, risk analysis, linking the project with the organization’s key strategic priorities, acknowledgment of organizational shadow structures, and incentive culture.

**Figure 10: Reasons for failure**
The widespread occurrence of one or more of the aforementioned deficiencies is stated by all authors and clearly indicates the happening of one or more errors committed by one or more of the key participants, or errors that commonly are not assignable to specific entities, but rather to an emergent development based on their complex interplay (Black & Gregersen, 2003; Hafsi & Thomas, 2005; Hutzschenreuter & Kleindienst, 2006; Kotter & Schlesinger, 2008; Segal-Horn, 2004; K. T. Yeo, 2002).

In the sense of a superordinate precondition for failure, many authors refer to Druckerian\(^\text{16}\) notions of change and emphasize the ever faster shifting conditions of the organizations’ environments. After all, in recent years there has been broad consensus among strategic management researchers that change for virtually all organizations accelerated to a never before recorded level and that the increasing environmental uncertainty and instability have an impact on strategic decisions and, eventually, on the outcome of strategic projects (M. Beer & Nohria, 2000; Bridges, 2003; Geckeler, 2007; Hays, 2003; Helfat et al., 2007; Hinings & Greenwood, 1988; Senge, 2006; Väyrynen, 2007).

Based on the unquestioned fact of increased environmental change, many authors emphasize the problems that are caused by the impact on the human being who is, on the one hand, imperatively connected with this change and, on the other hand, change- and risk-averse by nature (Black & Gregersen, 2003; Chakravarthy et al., 2003; Daniel Duck, 1993; Dutton & Duncan, 1987; Parish, Cadwallader, & Busch, 2008; Strebel, 1996).

\(^{16}\) Peter Drucker (2001).
Independent of the authors’ backgrounds, specific interests, or research findings, they agree upon one thing: The issue is pressing. Billions of dollars are destroyed year after year. In the U.S. 80 percent of major companies list leading strategic change as one of the top five core organizational competencies for the future (Clayton, 2010; Fenton, 2007; Johnson, 2010; Mittelsdorf, 2005).

In summary, based on the examined literature it can be stated that strategic change projects, independent of their specific field, have a strong tendency to fail. In fact, most of them fail, i.e. do not achieve the initially defined goals, entirely or in essential parts, so that they do not contribute to the competitive advantage of the respective organization. This widespread phenomenon, as such, has been studied thoroughly only since the mid-1990s. During the past two decades many potentially problem-solving hypotheses have been developed, many theories have come – and gone, yet without having had a measurable impact on failure rates, which are identified at around 70 percent on average.

2.5 Basis for the development of the methodological research approach

By now a large part of the concerned scientific community has acknowledged that the process of strategic change does not simply fit into a mathematical formula, but is of emergent and highly complex nature. Approaches that do not consider this fact imperatively fall short and, consequently, do not deliver the targeted results; at least not as practical application is concerned.

Today one is confronted with an apparently paradoxical situation. Despite the large number of sophisticated field-specific studies, continuous new insight, and increased cooperation between science and industry, failure rates stay stable.
On closer inspection, however, the situation is less paradoxical than supposed, since transdisciplinary knowledge-unifying approaches, which could do justice to the issue’s high level of field-crossing complexity, are largely missing.

What does the literature say to this obvious scholarly handicap? According to several authors, the social sciences in general have failed to provide effective tools for understanding and guiding respective individual and organizational activity, so that it does not make sense to apply established approaches, based on previous field-specific knowledge, with great rigor, as long as there is no overarching understanding that allows for the evaluation of these approaches in the first place (Bishop, 2013; Kapferer, 2012; Wallis, 2012).

Already some years ago, several authors pointed at the weaknesses of traditional approaches to the problem and the need for new ideas to break from the limitations of existing mindsets (Backhausen & Thommen, 2006; Sanders & McCabe, 2003; Vester, 2004). Mindsets and their prevailing scientific paradigm are considered not only productive, but also potentially limiting, as the timely adaptation to socio-economic shifts is concerned. For some time past, paradigms in general have been recurrently criticized as inertial mental patterns fostering insight-limiting biased thinking, which impedes necessary progress and problem-adequate solutions (Feyerabend, 1986; Houchin & MacLean, 2005; Schreyögg & Conrad, 2000).

Authors like Robson (2007), Burnes (2005), or Hays (2003) plead in favor of strategy-oriented approaches that embrace change, emergence, and complexity as well as open-minded interdisciplinarity.
Furthermore, they indicate that it seems reasonable to assume that the core problem lies not within the individual strategic plan, but rather in the underlying methodology or models used to develop those plans – thereby pointing at the need for a new level of understanding.

Other prominent exponents are even more specific and insistently call for the application of a systemic-constructivist meta-methodology, in order to ensure maximum understanding of the underlying problem structure and the conceptual interrelations and to meet the requirements of the highly multifaceted nature of the issue (Foerster, Glasersfeld, Hejl, Schmidt, & Watzlawick, 2008; Poerksen, 2008; Stacey, 2007; Wallis, 2011).

In summary, the call for new border-crossing approaches that live up to today’s demanding environmental conditions and, at the same time, consider human nature as well as their complex interrelations, cannot be ignored. Outdated mindsets must be acknowledged as well as scrutinized and, eventually, overcome. Thorough understanding of structural and processual patterns on meta level,\textsuperscript{17} which goes above and beyond the obvious and allows for new ways of problem-interpretation, is urgently needed. Hence, the research gap here does not consist of more field-specific research data, but the consolidation of existing knowledge fragments, led by an neutral transdisciplinary and complexity-acknowledging attitude.

\textsuperscript{17} \textit{Meta-}: Occurring later than or in succession to; situated behind or beyond; more highly organized or specialized form (Merriam-Webster-Online-Dictionary, 2013).
Therefore, the following three guiding principles are to be considered during the subsequent process of the methodology development – also graphically represented in the conceptual framework development status 2:

- Pursuing meta-level understanding.
- Approaching the problem area with a neutral transdisciplinary and complexity-acknowledging mindset.
- Synthesizing existing knowledge fragments.

Figure 11: Conceptual framework development status 2
According to the aforementioned insights of the examination of the nature of the problem and the corresponding literature, there are three guiding principles that have to be considered while deciding for the most suitable research approach. These are:

- Pursuing meta-level understanding.
- Approaching the problem area with a neutral transdisciplinary and complexity-acknowledging mindset.
- Synthesizing existing knowledge fragments.

Retrospectively, these notions are highly plausible not least due to the fact that the current era is characterized by a general information flood and the societal need for practice-oriented knowledge consolidation (Senge et al., 2006). The present standard of information technology provides advantageous conditions for an efficient handling of this task (Schimitzek, 2005). A myriad of existing topic-related literature is just waiting to be synthesized, in order to create practical solutions to unsolved problems within the realm of organizational management (Pandey, 2010), whereas the main aim is the thorough understanding of the essential structures and processes as well as the interrelationships among the most active variables (Stacey, 2007). After all, it is the knowledge about the mechanics of these variables that finally ensure self-determined actions and probable goal achievements within every strategic change project (Balogun & Hope Hailey, 2004; Malik, 2003).

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18 The term “methodology” is used synonymously for the entire chapter that is concerned with the development of the overall research approach and the single paradigmatic component that is placed between epistemology and method (Charles-Sturt-University, 2010)
In this sense, the methodological assessment and the final choice of the researcher are of great importance. Hence, the procedural details of this thesis are rigorously and coherently developed, iteratively questioning and reinterpreting common thematic and methodological concepts (Keegan, 2011).

3.1 Conceptual framework

The conceptual framework constitutes a diligent attempt to sensibly define and meaningfully structure the identified problem-related key concepts and their most obvious relations (Veal, 2005). In a strict methodological sense the conceptual framework also constitutes the initiating deductive part of the thesis, by assuming a set of basic problem-specific configuration parameters, which will be probed during the inductive phase of the research (Velde, 2004).

The core of the proposed framework has been developed in the introductory problem description chapter and also used for summarizing the literature review. It does neither define specific fields of research nor any potential dependencies and/or hypothesized causalities between key concepts, in order to ensure maximum flexibility during the following iterative research process.

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19 Due to the focus of this thesis on meta-level understanding hitherto conventional comprehension of topic-relevant concepts is systematically scrutinized. The theoretical parts of this thesis are therefore more comprehensive than in comparable DBA-theses.

20 The conceptual framework therefore can be seen as a *working hypothesis* (Shields & Tajalli, 2006).
In order to consistently follow a real-world problem-oriented path, the originally introduced key concepts are adopted: Environment, organization, “the human side”, project, and failure. The thematic key concept structure is framed by concept terminology as well as the methodological sphere along with its consolidating constituent, the research design (Velde, 2004). These layers and the thematic core structure are surrounded as well as penetrated by ontological and epistemological fundamentals (Heil, 2009; M. Williams, 2001). Each element is comprehensively elaborated in the following Research Approach chapters.
In order to do justice to the distinct systemic nature of the research problem, which became apparent during the elaboration of the topical fundamentals, the actual state of the conceptual framework is verified by confronting it with the most basic – and widely acknowledged – systemic structure of organizational conduct, according to Beer’s (1995) *Viable Systems Model* (Malik, 2003).

Beer’s basic assumption concerning the main structure of every viable system consists of three elements: Environment, operation, and metasystem. Fundamental to Beer’s notion is the assumption that there are operational units that conduct the basic activities, controlled by an integrative metasystem, which also ensures that the system in focus is in balance with its environment (Hugos, 2011).

**Figure 13: The Viable Systems Model**  
Source: Hugos (2011)

The similarities of the central elements of the conceptual framework and the essentials of the Viable System Model are obvious.
Both emphasize the distinction between an operations-related element (Viable Systems Model = operation; conceptual framework = organization), an intellectual control-related element (Viable Systems Model = metasystem; conceptual framework = ‘The human side’), and an environment (Viable Systems Model = environment; conceptual framework = environment).

In order to be as precise as possible concerning the distinction of the key concepts’ characteristics during the following data analysis and synthesis the framework’s key concept “The human side” is further specified, according to the core meaning of its Viable Systems Model sibling metasystem. The general human intellectual aspect is concretized by focusing on its steering function within the strategic change project, namely management, in a wider sense, and strategist, in an exact strategy-related sense. Hence, the individual element of the previous key concept “The human side” is covered, while the collective element is transferred to the present key concept organization. Every essential collaborative conduct is therefore examined within the thematic sphere of the key concept organization. The key concept strategist, on the other hand, concentrates on the personal aspects of strategy making and organizational control.21 It is now placed in the center of the framework, emphasizing its vital role in every organizational long-term project. In order not to impair the relevance of the interconnection between environment and organization as well as their influence on the project, the two key concepts are visually linked with a line, intersecting the central strategist-project connection.

The conceptual framework is accordingly adjusted as the following figure shows:

21 Although the key concept strategist focuses on individual conduct on top-management level, it might in practice consist of more than one person, such as Chief Executive Officer, Chief Strategist Officer, and others who are mainly engaged with strategy matters.
Figure 14: Conceptual framework development status 4

All the concept-interrelating lines of the framework can be seen not only as simple contingent connections between concepts but also as lines of communication (Desouza & Hensgen, 2005); communication as a vital and dynamic interconnecting element within every organizational conduct. Therefore, it is considered an additional, complementary key concept, closely examined in the next chapters along with the others.

3.2 Main research question and related sub-questions

The wording of the overarching research question of this thesis can be plausibly derived from the introductory chapters and the literature review: Why do most strategic change projects fail?

It is this generally formulated question that stands for one of today’s major unsolved problems of strategic management (Black & Gregersen, 2003).
According to the defined aim of this thesis it is supposed to deliver a solid explanation for this omnipresent organizational phenomenon, on which a meta model for the guidance of future strategic change projects is developed.

In order to achieve this aim, the nature of the essential constituents of this phenomenon, i.e. key concepts, must first be thoroughly understood. On this basis further – underlying and problem-inherent – key variables and the essential interrelations among them can be explored (Senge et al., 2006) and, finally, potentially promising intervention points formulated (Klein, 1999) – as means of structural and processual control within strategic change projects (Malik, 2003; Stacey, 2007).

Jointly, the mentioned requirements feature clear *semiotic* characteristics (Eco, 2002). *Semiotics* is, originally, a philosophical theory of signs and symbols that deals especially with their function in, generally, communication and, specifically, languages and comprises the categories *semantics*, *syntactics*, and *pragmatics*, whereas *semantics* refers to meaning, *syntactics* to structural traits, and *pragmatics* to practical effect (Vannini, 2007).

While the first requirement “nature of the key concepts” denotes the semantic aspect of the problem (meaning), the second requirement “key variables and interrelations” denotes the syntactical aspect (structure), and, finally, the third requirement “intervention points” constitutes the pragmatic characteristic (effect).
Due to its versatile and established use in many different branches of the sciences – organization theory (Xie, Liu, & Emmitt) among others – semiotics, as an analytical tool, are a practical means to ensure the systematic, transparent, and coherent planning and implementation of a scientific undertaking of the herewith conducted kind (Danesi, 2007). Therefore, it is used, within the frame of this thesis, as a general guiding principle.²²

In summary, the sub-questions of this thesis read as follows:

- What is the nature of the key concepts of the examined phenomenon?
- What are the underlying key variables and the interrelations among them?
- What are the critical intervention points in strategic change projects?

The following figure serves as an illustration of the meta structure of this thesis, according to the formulated core questions and their semiotic attribution. It also shows the main chapters in which the respective question is examined and answered. Here it becomes clear that the “sub-questions” do not just represent a sub-division of the main research question, but of the whole research problem and its practical consequences. The answering of the first sub-question ensures the solid linguistic basis for the main part of the thesis. This main part, namely the data selection, analysis, and synthesis, needs to answer the second sub-question and its structure-related content – which is essential for the answering of the main research question. The third, practice-oriented, sub-question is a matter of the Conclusions chapter and its implications for policy and practice.

²² For further explanation of the concept of semiotics see the following Epistemology part of the Overall research approach chapter, as well as the Findings chapter, especially the Communication part.
3.3 Research approach

“There is nothing as practical as a good theory”
Kurt Lewin\textsuperscript{23}

This chapter starts with a thorough terminological and thematic examination of the main components of the overall research approach: Ontology, epistemology, methodology, method, and design (Charles-Sturt-University, 2010; Guba & Lincoln, 1994), preceded by a short introduction to the philosophy of science, which constitutes the main frame of every scientific research approach (Hands, 2001).

\textsuperscript{23} Kurt Lewin (September 9, 1890 - February 12, 1947) was a German-American psychologist, known as one of the modern pioneers of social, organizational, and applied psychology. The introductorily stated quotation “There is nothing as practical as a good theory” implies that a solid theory must be seen as an imperative precondition of any practical solution to a specific problem (Willke, 2001).
Then the data requirements are defined on the basis of the thematic and methodological antecedents, followed by the specific problem-related evaluation of each component and their final integration, focusing on the nature of the research problem and taking into account the researcher’s personal background and philosophical worldview,\(^{24}\) in order to formulate the most beneficial overall research approach.

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\(^{24}\) Ontological and epistemological notions are highly influenced by the researcher’s personal mindset – no matter if he is aware of it or not – and, therefore, only marginally adjustable to the nature of the research problem (Foerster et al., 2008). However, this apparent objectivity-reducing handicap is largely defused by the presumption that the specific formulation of the research problem, respectively research question, is also based on the researcher’s inherent mindset, which, in turn, ensures respective consistency of the study’s fundamentals.
3.3.1 Research approach terminology

The main characteristics of this thesis can be described as phenomenological exploration, understanding, and explanation. Due to its semiotic focus\(^\text{25}\) it is crucial to thoroughly understand the exact meaning not only of the thematic key concepts but also of the methodological components. In this sense each component is terminologically defined, focusing on the core question that is connected with the respective component (Charles-Sturt-University, 2010):

- **Ontology**: What is real?
- **Epistemology**: What can be known?
- **Methodology**: How to go about finding out?
- **Method**: What techniques are adequate?
- **Design**: How to ensure overall consistency?

Antecedently, in order to set the scene for the investigation, the theoretical foundation of scientific methodological activity, i.e. philosophy of science (Hands, 2001), is described in compact form.

3.3.1.1 Philosophy of Science

The philosophy of science is concerned with the assumptions, foundations, methods and implications of science. It is also concerned with the use and merit of science and sometimes overlaps metaphysics and epistemology by exploring whether scientific results are actually a study of truth.

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\(^{25}\) The meta-level focus of this thesis demands close examination of linguistic communication and the exact understanding of commonly used terms within this sphere.
In addition to these central problems of science as a whole, many philosophers of
science also consider problems that apply to particular sciences (e.g. philosophy
of biology or philosophy of physics). Some philosophers of science also use
contemporary results in science to reach conclusions about philosophy. (Schaffer,
2010)

The historical development of philosophy of science and, primarily, philosophy as
the “mother” of all systematic knowledge generation, presents itself as a complex
web of interwoven concepts, approaches, schools, disciplines, doctrines, etc. Every
era was dominated by certain philosophers and scientists and their respective beliefs
– and, to some degree, by the counter reaction of their declared opponents
(Machamer, 2002). In order to shed some light on this conceptual thicket and to
ensure the necessary degree of orientation and guidance for the identification of
one’s own position within, a concept map, displaying the main topic-related concepts
and their basic relations, is presented. 26 This map has been developed by the author
through countless hours of struggling through corresponding literature. The single
concepts along with their underlying literature sources are discussed in the following
chapters, arranged according to the main components of the overall research
approach, which are highlighted in the figure below.

26 The displayed concept maps within this and the following chapters contain only the most topic-
relevant concepts and relationships. Therefore, they are not considered exhaustive. They neither
display hierarchical notions, but need to be seen as a form of a visually structured mind map. The
entire series of concept maps is placed in the Appendix of this study – in full-size format.

Table to concept maps:
- Blue dots: Relevant concepts within the thematic realm of a component.
- Red dots: Associated concepts beyond the thematic realm of a component.
- Blue lines: Conceptual relations.
- Red lines: Conceptual interrelations.
- Red arrows: Contradictory conceptual interrelations.
- Green marks: Main discussed concepts and paths.
3.3.1.2 Ontology: What is real?

The formal definition of the term ontology according to established lexica reads as follows:

Definition (1): The philosophical study of being in general, or of what applies neutrally to everything that is real (Encyclopaedia-Britannica, 2010).

Definition (2): A particular theory about the nature of being or the kinds of things that have existence (Merriam-Webster-Online-Dictionary, 2013).

Having outlined the encyclopedical definitions of the term ontology it immediately becomes clear that even these sophisticated characterizations raise certain comprehension questions, not least due to the inclusion of further concepts which, in turn, have to be defined in order to fully understand the meaning of the initial term. Therefore, the obviously related key terms *reality*, *existence*, and *being* are defined as well (Merriam-Webster-Online-Dictionary, 2010):
- **Reality**: something that is neither derivative nor dependent but exists necessarily.

- **Existence**: the state or fact of having being especially independently of human consciousness and as contrasted with nonexistence.

- **Being**: the quality or state of having existence.\(^{27}\)

According to Guba & Lincoln (1994) ontology raises the question “what is the form and nature of reality as advocated by the respective author?”, implying the subjective, i.e. individually perceived, nature of the term. This approach obviously conflicts with the aforementioned term definition, which emphasizes the “independency of human consciousness”. It is this contradiction – expressed by Kuhn’s (1996) notion of paradigms – that divides the scientific world in two major groups: on the one hand, there are the ones that view the world as an ordered place that is governed by physical laws, able to be examined objectively, being real in the sense of existing independently from human existence and the way people create meaning – known as positivism (Rosenberg, 2008); on the other hand, there are the ones that view the world as a rather chaotic place, perceived only subjectively by constructing meaning internally and, therefore, never capable of being experienced as “real” independently of human consciousness – known as constructivism or, especially in the social sciences, interpretivism (Rosenberg, 2008).\(^{28}\)

\(^{27}\) Remarkable here is the self-referential term definition, along with the accordingly raised question of general validity of the delineation. However, there is no other suitable definition.

\(^{28}\) In the broader context of research theory in the social sciences, there are two major philosophical traditions--positivist and interpretivist. These two traditions are based on different assumptions about the nature of reality. Positivists consider that, as in the field of science, knowledge can only be based on what can be observed and experienced. Key positivist tenets are therefore measurement and objectivity, resulting in a focus on quantitative data. The associated style of reasoning is deductive, where the argument moves from general principles to particular instances. Positivist research usually begins with theories and models, defines variables for study, and predicts their
Additionally, there are a number of compromising approaches, which have developed over time – not least due to the rigid and bounded characteristics of the extreme positions –, such as post-positivism or critical theory (Charles-Sturt-University, 2007), each containing a distinct view on ontology and its associated implications. Furthermore, there are an immense number of other approaches that contain explicit or implicit ontological conceptions, as shown in the following table.

Table 3: Philosophical ontology-related approaches

<table>
<thead>
<tr>
<th>Anti-positivism</th>
<th>Inductionism</th>
<th>Organic realism</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cartesianism</td>
<td>Instrumentalism</td>
<td>Philosophical realism</td>
</tr>
<tr>
<td>Coherentism</td>
<td>Logical positivism</td>
<td>Quasi-realism</td>
</tr>
<tr>
<td>Constructionism</td>
<td>Materialism</td>
<td>Representative realism</td>
</tr>
<tr>
<td>Contextualism</td>
<td>Scientific materialism</td>
<td>Scientific realism</td>
</tr>
<tr>
<td>Conventionalism</td>
<td>Newtonianism</td>
<td>Speculative realism</td>
</tr>
<tr>
<td>Determinism</td>
<td>Obscurantism</td>
<td>Transcendental realism</td>
</tr>
<tr>
<td>Empiricism</td>
<td>Panklossianism</td>
<td>Reductionism</td>
</tr>
<tr>
<td>Constructive</td>
<td>Positivistic animism</td>
<td>Anti-reductionism</td>
</tr>
<tr>
<td>Empiricism</td>
<td>Postmodernism</td>
<td>Scientific formalism</td>
</tr>
<tr>
<td>Contextual</td>
<td>Pragmatism</td>
<td>Scientific pluralism</td>
</tr>
<tr>
<td>Empiricism</td>
<td>Rationalism</td>
<td>Science</td>
</tr>
<tr>
<td>Evolutionism</td>
<td>Realism</td>
<td>Structuralism</td>
</tr>
<tr>
<td>Fallibilism</td>
<td>Anti-realism</td>
<td>Post-structuralism</td>
</tr>
<tr>
<td>Foundationalism</td>
<td>Constructive realism</td>
<td>Skepticism</td>
</tr>
<tr>
<td>Functionalism</td>
<td>Critical realism</td>
<td>Pseudoskepticism</td>
</tr>
<tr>
<td>Structural</td>
<td>Historical realism</td>
<td>Uniformitarianism</td>
</tr>
<tr>
<td>Functionalism</td>
<td>Moderate realism</td>
<td>Verificationism</td>
</tr>
<tr>
<td>Holism</td>
<td></td>
<td>Vitalism</td>
</tr>
</tbody>
</table>

relationships through framing hypotheses that are then tested. Generalizations are eventually made. Validity and reliability are key constructs for positivist researchers. On the other hand the interpretivist philosophy, where the constructivist paradigm fits, takes a different view of reality. Interpretivism is a broad term that encompasses a number of different paradigms, all concerned with the meanings and experiences of human beings. Since the central tenet of interpretivism is that people are constantly involved in interpreting their ever-changing world, researchers who are interpretivists believe that the social world is constructed by people and is therefore different from the world of nature. They favor naturalistic inquiry, embrace an inductive style of reasoning, and emphasize qualitative data (Williamson, 2006).
The enormous diversity of approaches makes clear that there is not much consensus among philosophers and scientists to build upon. Spontaneously, the quotation of philosopher Paul Feyerabend (1986) comes to mind: “Anything goes”.

The concept ontology has always been a realm of controversies – not least due to its elusive nature, which certainly is a recipe for widespread interpretations. According to relevant literature the main controversial approaches are pluralism and monism (King-Farlow, 1972), nihilism and realism (Chalmers, 2009), reductionism (Scott, 2004) and holism (Baofu, 2007), objectivity and subjectivity (Clark, 1994), functionalism and identity theory as well as qualitativity and dispositionality (Heil, 2009).

Whereas ontological reductionism implies linear causality and the existence of solid laws (corresponding to the aforementioned positivism), ontological holism assumes non-linear transformative causality and an emergent nature of reality (corresponding to the aforementioned constructivism). Similar to the notion of ontological holism Watson (2003) and Piaget (2003) postulate a reality that is in constant flux, incessantly becoming and dissolving. While, in the sciences, applied and meta approaches constitute plausible attempts to break from the constraints of traditional domains, in the open field of ontological philosophy, however, these aspirations seem rather odd. Nevertheless, they are very present and manifest in the form of meta ontology (Inwagen, 1998) and applied ontology (Guarino & Musen, 2005). The following figure summarizes the main concepts within the realm of ontology.
3.3.1.3 Epistemology: What can be known?

Merriam-Webster Dictionary (2013) defines the term epistemology as follows: The study or a theory of the nature and grounds of knowledge especially with reference to its limits and validity.
Important issues in epistemology, according to Encyclopaedia Britannica (2010), are: (1) whether knowledge of any kind is possible, and if so what kind; (2) whether some human knowledge is innate (i.e., present, in some sense, at birth) or whether instead all significant knowledge is acquired through experience; (3) whether knowledge is inherently a mental state; (4) whether certainty is a form of knowledge; and (5) whether the primary task of epistemology is to provide justifications for broad categories of knowledge claim or merely to describe what kinds of things are known and how that knowledge is acquired.

First of all, it must be stated that the attempt to read up on the ancient and in every respect fundamental philosophical concept of epistemology means “broaching a large cask”. The epistemological question “what can be known?” is crucial within the realms of philosophy and science theory, not least due to its implied relationship between the observer and the observed – on which all human insight is based. One of the most discussed problems in this regard is whether the observer can be abstracted from the observed, i.e. whether it is possible to acquire purely “objective” facts. After all, the abstraction of the observer and the observation process becomes difficult as soon as one gets involved with the topic concerning the biology of cognition (F. B. Simon, 2007b), which, in turn, leads to the question where all the – a-priori – terms come from with which philosophers and scientists have been trying to explain the world. What are the building blocks of world views?

And how do they get their form? These are questions that are strongly connected with other relevant philosophical branches.
Johnson and Onwuegbuzie (2004, p. 16) state that “the conduct of fully objective and value-free research is a myth”, and that social researchers should refrain from using the term “realities”, referring to subjective states of individuals; instead always speaking of “subjective reality” or, in many cases, “intersubjective reality”.

Much of the debate in epistemology has focused on analyzing the nature of knowledge and how it relates to connected notions such as truth, belief, and justification (M. Williams, 2001).

Especially the concept truth has been giving rise to all sorts of speculation concerning its nature for millennia. Consequently, many theories of truth have emerged. The most dominant are correspondence theory (Patterson, 2003), coherence theory (Thagard, 2007), constructivist theory (Piaget, 2003), consensus theory (Habermas, 2001), pragmatic theory (James, 1978), and semantic theory (Tarski, 1944). Furthermore, many approaches of wider epistemological comprehension – intertwined with ontological and methodological strands – have developed, such as contextualism (Lewis, 2004), realism (Freundlieb, 1991), empiricism (Hume, 2000), rationalism (Descartes, 2007), constructivism (Piaget, 2003), skepticism (Hume, 2000), holism (Quine, 1969), foundationalism (Alston, 1976), and reductionism (Hume, 2000). While some approaches postulate the feasibility of observer-independent insight, such as reductionism, others deny the validity of this notion, such as constructivism. There are even extreme positions that do not believe in any kind of systematic knowledge generation, such as solipsism (Oliver, 1970), which grew out of skepticism.
For Popper, a follower of the skepticist tradition himself, this notion went too far. Therefore he invented another approach called fallibilism (Popper, 2008), which is supposed to avoid the problems inherent in verificationism. Professing constructivists, such as von Foerster and von Glasersfeld, speak of epistemologically essential concepts like viability (Foerster et al., 2008), autopoiesis, and 2nd order cybernetics (Glasersfeld, 1985), emphasizing the highly complex interwovenness of everything – including the observer. As in ontology the complementary concepts objectivity and subjectivity (M. Williams, 2001) are of importance. Thanks to Husserl (1999) subjectivity received a “collective sibling” called intersubjectivity, whereas Habermas (2001) goes even one step further and establishes the term transsubjectivity, referring to an emergent fusion of individual subjectivities. Also mentioned in the ontology chapter are the applied and meta branches, which are present in the epistemological sphere too. The following figure summarizes the most relevant concepts within the realm of epistemology.
3.3.1.4 Methodology: How to go about finding out?

Definition: A body of methods, rules, and postulates employed by a discipline; a particular procedure or set of procedures; the analysis of the principles or procedures of inquiry in a particular field (Merriam-Webster-Online-Dictionary, 2013).

According to Guba & Lincoln (1994) methodology implicitly asks the question “how can the inquirer go about finding out whatever he believes can be known?” (p. 108). This rather vague conception, however, denotes the most tangible part of a research paradigm. For methodology builds an accessible bridge over philosophy-imbued abysms of ontology and epistemology with the practice-oriented realm of method.
The idea is to choose the methods for the conduct of a particular study in line with other encompassing methodological aspects and the paradigmatic basis, hence, building a self-consistent and fully comprehensible foundation for the entire research project (Guba & Lincoln, 1994). While, on the one hand, basic ontological and epistemological questions can be answered in general philosophical terms, methodology, on the other hand, asks for a specific problem that is in need of a solution. Methodology is the intellectual tool with which the problem is supposed to be solved. It usually takes up a considerable part of a research paper, placed between the explanation of the problem and the findings chapter (Perry, 2001, p. 76).

Although it is theoretically possible to employ more than one methodology in one study, it is advisable to refrain from doing that, not least due to fact that there is usually only one specific methodology which suits the specific research problem best. Furthermore, in the methodology chapter the researcher gets the chance to clarify issues concerning procedural quality.

Methodologies can be, among others, of qualitative or quantitative, inductive or deductive, experimental or non-experimental, nature. Furthermore, there are several combined approaches to methodology. The concept of inference (Godfrey-Smith, 2003) plays a vital role within the methodological realm. It is closely connected with the main aim of a study: Is the result of the study supposed to enable generalization, projection, explanation, description, or evaluation (Veal, 2005)? In accordance with the nature of the aim of the study the type of inference needs to be chosen.
Although, it must be stated that the researcher’s choice will not be completely free from worldview-related prejudice, because of the fundamental science-theoretical conditions underlying the various types of inference. While generalizing inference (M. Williams, 2001) is based on the belief that reliable knowledge can be generated through discovery of linear and replicable causation (Rosenberg, 2008) and, therefore, implying a rather positivistic worldview, explanatory inference, on the other hand, is based on the belief that causality is nonlinear and transformative (Stacey, 2005) and, therefore, implying an interpretivist worldview.

Provided that data and conduct of the study are of high quality, the results of an explanatory inference process can reach a high level of generalizability (Stacey, 2005) that potentially exceeds the one of projective or even generalizing inference – which seems paradox, at first. Other methodological concepts, which siblings are known from the previous categories, are methodological reductionism and holism (Baofu, 2007) as well as applied (Libakova, 2009) and meta methodology (Thomann, 1973). Last but not least, methodology leads to method and design, which are examined in the subsequent chapters. The following figure summarizes the most relevant concepts within the realm of methodology.
3.3.1.5 Method: What techniques are adequate?

Definition: A systematic procedure, technique, or mode of inquiry employed by or proper to a particular discipline (Merriam-Webster-Online-Dictionary, 2013).

The term method de facto denotes the concrete and practical manifestation of the chosen methodology. Considering the above mentioned term definition, however, there is a problem with this often used description: It does not clearly distinguish method from methodology, mainly by connecting it to the term discipline. Therefore, it is not uncommon, even in sophisticated studies, to confuse method with methodology and/or research design (Veal, 2005).
In order not to make this mistake one has to understand that there is nothing intrinsic about any methodology that requires a particular method. Although certain methodologies repeatedly use the same kind of method, data for any methodology can be identified with any method. How the data are collected is simply irrelevant to the logic of the methodology (New-York-University, 2010). Moreover, it is possible to combine complementing methods within one methodological framework.29

Basically, method consists of data acquisition and data processing (Veal, 2005). While data acquisition can be done based upon primary data, such as survey, interview, observation, and experiment, or secondary data of quantitative and qualitative nature (Veal, 2005), data processing techniques can be divided into statistical (Hair, Black, Babin, Anderson, & Tatham, 2006) and qualitative (Silverman, 2005), whereas data coding within the qualitative realm can be seen as a third group of mezzanine nature (Miles & Huberman, 1994). As mentioned before, data acquisition and processing techniques can be mixed quite unlimitedly, as long as the researcher can justify his decision. However, there are a number of integrated methods, which consist of established data acquisition and processing procedures. Common examples are meta analysis (Schulze, 2004), meta synthesis (Thorne, Jensen, Kearney, Noblit, & Sandelowski, 2010), meta ethnography (Noblit & Hare, 1988), meta study (Paterson, Thorne, Canam, & Jillings, 2001), hermeneutics (Silverman, 2005), grounded theory (Strübing, 2004), action research (Miles & Huberman, 1994), case study (Silverman, 2005), literature review (Hart, 2008), narration (Silverman, 2005), and heuristics (Moustakas, 1990).

29 See also „triangulation“ (N. K. Denzin, 2006).
Due to their rather comprehensive procedural scope, they are often subsumed under the methodological realm.

Another essential concept within the thematic sphere is method quality (Godfrey-Smith, 2003). Philosophers and scientists have been arguing over this subject – and its implications – for millennia. These arguments are mostly based on the researcher’s worldview. However, it is plausible for the positivist to look for validity, reliability, and representativity (Lancaster, 2005; Velde, 2004), while it is more appropriate for the interpretivist to emphasize intelligibility, comprehensiveness, trustworthiness, and practical relevance (Guba & Lincoln, 1994; Paterson et al., 2001; Rosenberg, 2008; Strübing, 2004) instead. The positivist tends to label the interpretivist’s quality measures as unscientific, whereas the interpretivist calls the positivist’s quality measures naïve or simply impossible. However, this dispute has not been solved as yet.

Finally, method is not an exception as far as applied (Calderon, 2000) and meta approaches (Paige, 1997) are concerned. They are all present. The following figure summarizes the most relevant concepts within the realm of method.
3.3.1.6 Design: How to ensure overall consistency?

“Design uncovers the inner nature of things”
Vincenzo Lancia

Definition: A plan or protocol for carrying out or accomplishing something (as a research project); the creative art of executing aesthetic or functional designs (Merriam-Webster-Online-Dictionary, 2013).

The term design stands for an essential part of every research project. The function of a research design is to ensure that the evidence obtained enables the researcher to answer the initial research question as unambiguously as possible (New-York-University, 2010). Although of largely functional nature – focusing on the execution of the project, this substantial concept holds a healthy portion of elusive subjectivity.
In order to ensure the complete and consistent answering of the research question it needs to merge the functional structure of the scheme as well as the highly subjective philosophical and personal background of the researcher along with project-specific ethical issues (Veal, 2005). Hence, it becomes clear why the dictionary uses – commonly considered unscientific – words such as creative, art, and aesthetics to define the term design. The act of designing a research project therefore needs to be seen and handled as an art rather than just a functional scientific task.\(^{30}\) In order to appropriately complement the aforementioned attempts to elicit the term’s meaning, the following figure is displayed (Maxwell, 2004).

![Figure 22: Research design](source.png)

\(^{30}\) The common use of the term *scientific*, shaped by centuries of positivistic mindset, seems too tight in order to meet the real-world requirements, especially within the realm of the social sciences. After all, the etymological definition of the term *scientific* is *producing knowledge*. 
Maxwell’s (2004) graphic description of the concept research design constitutes one of the most informative approaches within the vast amount of methodology-oriented scientific literature. Considering the immense thematic richness and versatility on the graphic, it becomes clear that the design constitutes by far the most demanding, yet often underestimated and neglected, part of a research project. Furthermore, the unambiguous definition of the term and its precise distinction from the related concepts paradigm, methodology, and even method is by no means a trivial task. Accordingly, the terms are often confused and/or misused. However, while established names can be applied to depict concepts such as paradigm (e.g. constructivist), methodology (e.g. qualitative) and method (e.g. literature review) of a research project, the embedding design needs to be comprehensively outlined in a manner that sensibly unifies the individual parts of the research project into a coherent, consistent, and stringent whole (Veal, 2005). One of the main challenges that arise from the complex interplay of research components is the intelligent handling of the iterative nature of the research design by the investigator. In order not to get lost in emergent complexity the investigator needs to concentrate on the immutable anchor points of the project. In this regard a clear and elaborate research design is crucial (Silverman, 2005). Maxwell (2004) emphasizes the importance of the unveiling of usually hidden (subjective) aspects of a research project, such as personal goals, biases, and beliefs of the researcher, which have to be brought in line with the (functional) properties of the research problem, such as nature, scope, depth, and goals of the project.
In order to establish this vital connection, ontological (Heil, 2009), epistemological (M. Williams, 2001), methodological and methodical (Godfrey-Smith, 2003) decisions serve as tools. The following figure summarizes the most relevant concepts within the realm of design.

![Concept map Design](image)

3.3.2 Data requirements

The key concepts of the conceptual framework\textsuperscript{31} constitute the main scope, individually and in combination, without any causal presumptions.

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\textsuperscript{31} The antecedently constructed conceptual framework constitutes the deductive part of the study, i.e. the presupposed tentative preconditions on which the main, inductive, part of the study is based (Veal, 2005, p. 27).
Further insights are to emerge from the exploratory research process (Charles-Sturt-University, 2008c). 32

Due to the complex nature of the research problem the area of investigation must not be narrowed too early in the process. The main task is to start exploring the tentative problem zone in a fuzzy manner, according to the defined conceptual framework, iteratively searching for underlying key variables and essential interrelations among them (Bojadziev, 1999; Miles & Huberman, 1994).

Nevertheless the thesis has a clear strategic focus and therefore allows for a specification of the character of the core examination issue, namely the strategic change project along with its participants and affected environments.

Doing justice to the problem complexity concerning profundity of examination, it seems sensible to go in-depth in order to elicit possible reasons for goal-outcome discrepancies. On the other hand, considering prior research on the problem of strategic failure, which can be characterized as vast, fragmented, discipline-specific, and lacking consolidation, it is crucial to look for large-scale patterns and to aim at fusion of existing knowledge fragments.

32 The theoretical basis for the distinction of research approaches is adopted from the CSU course work of DBA 711 (Charles-Sturt-University, 2007, pp. 45-46; 268).
The data acquisition process is based on specific criteria, in order to ensure a clear point of departure (Rosenthal, 1984). First of all, the research topic related key concepts are used as search terms, individually and in combination, whereas major academic online databases are deemed ideal sources of relevant literature, mainly considering high quality studies from academic journals in order to ensure scientific rigor and thematic broadness, books to ensure contentual integration and depth, and professional online sources to ensure practical relevance. In order to prevent publication bias (Beck, 2002), unpublished works, such as manuscripts, theses, and conference papers, are considered too.

The author refrains from limiting the search scope to certain fields of study, professional, geographical, and cultural areas, or specific timeframes; instead letting the field as open as possible while focusing on the inherent nature of the phenomenon, the intrinsic net of contentual interrelations as well as its semiotic exploration (Vannini, 2007).

Noblit and Hare (1988) have cautioned against an exhaustive sample or an attempt to locate all respective literature: “Unless there is some substantive reason for an exhaustive search, generalizing from all studies of a particular setting yields trite conclusions” (p. 28). The total number of literature sources needs to remain open to allow for the addition of complementary contents as the research continues (Bair, 1999).

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33 Publication bias is a well-known phenomenon in literature, in which positive results have a better chance of being published, are published earlier, and are published in journals with higher impact factors. Conclusions exclusively based on published studies, therefore, can be misleading.
As the search process is held as open as possible, aiming at maximal variety, the same is true for the definition of the data selection criteria, ensuring variety as well as quality (Walsh & Downe, 2005).  

3.3.3 Overall research approach: Development

This chapter consists of the specific problem-related evaluation of each research approach component and their final integration, focusing on the nature of the research problem and taking into account the researcher’s personal background and declaring his philosophical worldview, in order to formulate the most beneficial overall research approach.

The basis of any attempt to define a consistent and fruitful research approach is the transparency concerning the researcher’s academic and professional backgrounds, which have been shaping his personal mindset and his view on the world and the research problem embedded within this world (Foerster et al., 2008; Veal, 2005). In order to catch this topic-related view as precise as possible, the author of this thesis decides to switch – for the next paragraph – from the 3rd person voice to the 1st person voice:

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34 For more information on data selection criteria see chapter Literature selection.
35 This consolidating chapter corresponds largely to the nature of the previously described research design, merging the main components of the overall research approach into a consistent whole (Maxwell, 2004).
36 A more philosophic discourse about the researcher’s worldview follows in the next chapter.
37 In contemporary social science the researcher is seen to be part of the research process (Veal, 2005). Hence, the author purposely (over-)emphasizes his personal subjective mindset in the process of constituting the research approach towards a solution to the research problem in order to bring to light subtle yet potentially effective process- and outcome influencing tendencies. In this sense it can be seen as an additional bias risk mitigation measure.
My personal goal, which I have been pursuing for several years by now, is, in a broader sense, the generation of practical knowledge in strategic management, and, more specifically, recognizing the most relevant variables within major strategic change projects of organizations, along with their inherent relationships, in order to elicit target-oriented key leverages and effective ways of movement, which can be adapted to the contingent purpose of an arbitrary strategic change project. Or in other words: It is all about comprehension and control of structure and dynamics within the complex interplay of variables inherent in large-scale strategic enterprise over extensive periods of time. My personal worldview, which has developed during several years of management studies and more than twenty years of organizational practice, can be described, in short, as pragmatic and holistic. In order to reduce unwanted effects of personal biases, I have been pondering about associated risks for quite some time. I have come to the conclusion that my dominating idiosyncrasies are stereotyping and egocentrism. However, being aware of these tendencies is probably the most promising mitigation measure.

On the other side of the continuum there is the purely functional research problem, independent of the researcher’s subjective view on things, very “real” and omnipresent in the organizational realm: Strategic failure.
In order to construct the appropriate nexus between the researcher’s subjective characteristics and the functional research problem, each component of the overall research approach is developed and justified, on the basis of the previous insights of this chapter, as well as graphically displayed, by following the interrelational paths on the respective concept maps – starting with the initially displayed concept overview, complemented with the visualization of the most relevant conceptual interrelationships, and then going deeper, step by step.

Figure 24: Concept map *Philosophy interrelations*  

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**Table to concept maps:**
- Blue dots: Relevant concepts within the thematic realm of a component.
- Red dots: Associated concepts beyond the thematic realm of a component.
- Blue lines: Conceptual relations.
- Red lines: Conceptual interrelations.
- Red arrows: Contradictory conceptual interrelations.
- Green marks: Main discussed concepts and paths.
It is obvious: One could deprive this conceptual overview of its original purpose, due to its richness, which might result in spontaneous confusion rather than comprehension. Yet, the verified interrelations\(^{39}\) become clearer on the subsequently displayed maps, zooming in on the main components. However, it is exactly this enormously rich web of interwoven philosophical and scientific concepts that makes a strong statement: All the concepts are interrelated.

3.3.3.1 The researcher’s world view

The author of this thesis is a strong believer in a holistic world, where everyone and everything is interconnected, yet, without the individual ability to recognize all the interrelations and the true nature of the innumerable elements of this integrative super-system – in contrary to the Cartesian dualistic approach which sees the world as a linear mechanistic object that can be objectively explored by an independently acting human mind. Therefore he considers only a paradigm adequate, at least within the realm of the social sciences, which recognizes the premise that the observer, with his distinct sensorial and cognitive abilities, is part of the observed system and, hence, inevitably interprets subjectively and influences the allegedly “objective” research process and its outcome (Keegan, 2011).

There are two scientific approaches which optimally meet the aforementioned requirements: Systems theory\(^{40}\) and constructivism\(^{41}\).

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\(^{39}\) For verification of displayed interrelations see the following chapters about each single key concept.

\(^{40}\) Systems theory: Due to the scientific lack of a unified theory that deals with systems in general, the author uses the term systems theory in a wider sense, referring to complexity science at large.

\(^{41}\) Constructivism: the term constructivism refers, as used within this thesis, to an epistemological approach that stands in the tradition of philosophical notions of scientists such as Heinz von Foerster, Ernst von Glasersfeld, and Paul Watzlawick (2008). It strives for demonstrating the
Systems theory is concerned with the world of objects; but it does not isolate them from their context, instead putting them into relation to each other. And constructivism deals with human recognition, reasoning, and judgment, without separating these processes from the world that they refer to. It looks at the interrelationship between perception and perceived (F. B. Simon, 2007b). In order to ensure an integrated, consistent, and comprehensive paradigmatic basis the author decides to combine the two approaches and to use the term “systemic constructivism”.

Although systemic-constructivist approaches are already in use in a few fields, such as consulting/coaching (Backhausen & Thommen, 2006), psychology (Kreyenberg, 2009), and psychotherapy (Fergus & Reid, 2001), its application in economics, business administration, and strategic management seems largely unfamiliar. The two distinguished experts in the field of complex change management, Wilhelm Backhausen and Jean-Paul Thommen (2006), say that “present-day problems in the social sciences cannot be solved by the application of linear models; instead one has to reflect about chances and limits of ‘navigating while drifting’ and always including the fact of irresolvable uncertainty. The only contemporary instrument to confront these challenges is systemic-constructivist thinking” (p. 54).

Furthermore, Kreyenberg (2009), a reputable German coaching expert, points at the notion that “working with organizations means working with living systems.
Therefore, it is essential to have a map, an overall concept that deals with living systems. Constructivism and systemic approaches provide such a meta concept” (p. 87). Last but not least, the world-renowned sociologist, Niklas Luhmann, decided for the use of a research paradigm combining systems theory and constructivism, mainly due to his belief that systems are existing in reality, even though this reality is constructed by the human mind (Berghaus, 2004b).

3.3.3.2 Ontology

Attending to the ontological strand, which can be considered a facet of the researcher’s personal worldview (Heil, 2009) – the researcher must believe in some kind of reality in order to build up a coherent overall research approach –, the author believes, on the basis of his holistic worldview, in a reality that is in constant flux, in an endless process of becoming and dissolving (Piaget, 2003; Watson, 2003). It is obvious that only the notion of ontological holism (Baofu, 2007; Dürr, 2009) can do full justice to this belief, along with the connected ideas of transformative causality (Stacey, 2007) and emergence (Baofu, 2007).

42 According to Kreyenberg (2009), living systems are characterized by: Complexity, unpredictability, interconnectedness, dynamism, opacity, and indeterminacy.
Yet, there is also a close connection to existential dialectics (Baofu, 2007), which
does not postulate an “either-or approach” but a “both-and approach”, i.e. a
worldview that is based on Hegel’s dialectics (Jaspers, 1990; Ritsert, 2008) and
Russell’s paradox (1959), which, in turn, both depict the world as a dual place in
which everything oscillates between extreme poles, being in multivalent states at the
same moment.43 Hence, the sphere of ontological positivism and reductionism (Scott,
2004) cannot be ruled out completely. The same applies for other supposedly
conflicting ontological approaches, such as objectivity and subjectivity (Clark,
1994), or functionalism and identity theory (Heil, 2009). For the latter dyad the
dialectical notion seems especially accurate: While most processes on this planet
appear to fulfil an inherent function, they simultaneously do this in a distinct way
according to their individual nature. Furthermore, notions within the ontological
realm hold a strong epistemological aspect (M. Williams, 2001). After all, in order to
know “what is”, one needs to be clear about “what can be known”. The
aforementioned ontological objectivity and subjectivity are further concepts that are
closely connected to epistemological knowledge generation, whereas the author
attaches greater importance to holism-related subjectivity. The obvious relation
between ontological holism and the later discussed complexity science (Phelan,
2001; Stacey, 2007) deserves early attention.

43 Dialectics: Thesis – antithesis – synthesis (Merriam-Webster-Online-Dictionary, 2010). It is
declared that, within the frame of this thesis, dialectics does not refer to the method of argument for
resolving disagreement (Evans, 2010) – respectively for conquering an opponent in a verbal dispute
(see also Eristic Dialectics) (Schopenhauer, 2010) –, but exclusively to dualistic logic, based on
Kantian and Hegelian conceptions (Ritsert, 2008).
The semantic circle within this metaphysical realm (Loux, 2006) closes by acknowledging the various interrelations with human consciousness, perception, and cognition (Chalmers, Mandley, & Wasserman, 2009; Maturana, 2000), embedded within the metaphysical strand of philosophy of mind (Esfeld, 2001; Heil, 2009). Last but not least, the author wants to point at the ontology-related field of study called quantum mechanics (Dürr, 2009; Rosenblum & Kuttner, 2006) – a highly sophisticated field within the scientific realm of physics, which supports the truth value of a dialectic-paradoxical theory of reality. After all, it is this inherently reductionist approach – examining the tiniest physical particles – that has led to the most convincing holistic insights.

Dürr (2009), a renowned German physicist and nobel laureate, states in his actual book: “Modern physics has come to the surprising insight that matter is not made of matter! When we continue to dismantle matter, in the hopes to find the smallest existing particle, we find nothing but relation, form, and gestalt. At the end, there is nothing recognizable as substance. Therefore, the primate of matter turns around: The primary is relation, substance is secondary. Matter is nothing but the slag of vital potentiality, in which there are no clear cause/effect relations. The so called ‘reality’ does actually not ‘exist’, but is subject to a perpetual process of creation in which everything is involved”. (p. 86)

The following figure summarizes the most relevant concepts and interrelations within the realm of ontology, highlighting the author’s line of argument.
3.3.3.3 Epistemology

“If at first the idea is not absurd, then there is no hope for it”
Albert Einstein

The close connection between epistemology, ontology, and the researcher’s personal worldview has been mentioned several times within the frame of this thesis. Consequently, also the epistemological realm is considered worldview-dependent rather than research problem-related (M. Williams, 2001).

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44 Table to concept maps:
- Blue dots: Relevant concepts within the thematic realm of a component.
- Red dots: Associated concepts beyond the thematic realm of a component.
- Blue lines: Conceptual relations.
- Red lines: Conceptual interrelations.
- Red arrows: Contradictory conceptual interrelations.
- Green marks: Main discussed concepts and paths.
The author thus argues accordingly. Epistemological subjectivity (M. Williams, 2001), intersubjectivity (Husserl & Welton, 1999), and transsubjectivity (Habermas, 2001) are vital ontology-complementing concepts, corresponding with the author’s holistic worldview and, specifically, with epistemological holism (Quine, 2004). Furthermore they are related to constructivist theory (Piaget, 2003), which is one of several theories within the conceptual realm of truth (M. Williams, 2001) and associated with the holism-related paradigm called systemic constructivism (F. B. Simon, 2007a). Viability (Glasersfeld, 1985), along with 2\textsuperscript{nd} order cybernetics (Foerster, 1974), are, in turn, essential constructivist concepts, interwoven in logic and paradox (Goldman, 1986; Russell, 1959), complexity science and cybernetics (Bateson, 1979), cognitive science and self-reference (Heylighen, 2001), as well as communication theory, linguistics (Wittgenstein, 2009) and semiotics (D. Chandler, 2007). It thus becomes very clear that epistemology is by far the most interconnected philosophical concept and, therefore, the most vital. While ontological notions seem to lose evermore relevance in contemporary scientific research (Glasersfeld, 1985), the answering of epistemological questions of knowledge generation are inevitable, not least due to their close relation to research methodology (M. Williams, 2001).

In accordance with the aforementioned dialectic notion it must be stated that for an epistemological approach to be considered comprehensive it takes more than just the personal one-way attestation of a constructivist belief. After all, without a minimal belief in notions of realism (Freundlieb, 1991) and correspondence theory of truth (Patterson, 2003; Rhoda, 2003) it would not be possible to meaningfully examine the scope of this “real-world” research problem.
Furthermore, it seems sensible to include a healthy portion of pragmatic theory of truth (James, 1978), not least due to the practical and action-oriented application of the final results of this thesis. Once more, it becomes very clear that narrow-minded philosophical approaches can by no means do full justice to the enormous diversity and complexity of the concept called “truth”. Lastly, a connection to the subsequently discussed methodological component of the overall research approach can be drawn by stating the inductive nature (Rhoda, 2003) of both holism and correspondence theory. The following figure summarizes the most relevant concepts and interrelations within the realm of epistemology, highlighting the author’s line of argument.

Figure 26: Concept map Epistemology interrelations

45 Table to concept maps:
- Blue dots: Relevant concepts within the thematic realm of a component.
- Red dots: Associated concepts beyond the thematic realm of a component.
- Blue lines: Conceptual relations.
- Red lines: Conceptual interrelations.
3.3.3.4 Methodology

“You can never solve a problem on the level on which it was created”
Albert Einstein

Speaking of methodology, first of all it must be stated that this is the “stage debut” of science as a distinct strand within the realm of systematic knowledge generation. For the previous ontological and epistemological statements within the frame of this thesis are not “scientific” in a strict sense. While ontology and epistemology are ancient philosophical disciplines, the sciences, on the other hand, have developed only later as knowledge generation became measurable and methodically refined (Heil, 2009; M. Williams, 2001). Consequently, methodology constitutes an interface between the two worlds, conveying personal subjective philosophical belief to the scientific sphere of rigor and exactness.

After all, it is now that the researcher must plausibly define and justify his undertaking. It is important to keep this in mind while working on a methodological concept, not least due to the fact that, within the social sciences, it has been a cause of quarrel for centuries. The corresponding key question is: Can and/or should the social sciences, methodology-wise, be treated like the natural sciences? Is the same grade of exactness, measurability, generalization, and predictability possible – or even desirable – at all? This is certainly a crucial issue that has to be taken into consideration before one enters the fray of a social research project (Rosenberg, 2008).

- Red arrows:   Contradictory conceptual interrelations.
- Green marks: Main discussed concepts and paths.
In the same sense Wallis (2011) points at the “real” problems of the world and the academic community’s obvious inability to solve those problems. He claims that “the root of that failure appears to be an over reliance on empirical data and a corresponding lack of understanding about the forms of logic used to describe the relationships between the data” (p. 34).

The academic world obviously needs to accept that there is a decisive difference between the systematic examination of mankind, on the one hand, and the examination of things that have neither free will nor the ability for self-reflection, on the other (Keegan, 2011); simply and foremost because mankind is lacking homogeneity, thus generalizability, thus predictability – which are fundamental preconditions for any scientific undertaking in the traditional sense (Stacey, 2007). It is neither wise nor purposeful to squeeze an examination object in a tight methodological frame that has been construed for something fundamentally different.

Therefore, it is beneficial for the process of knowledge generation within social fields of study to let go of the traditional restrictive science-theoretic demands concerning causality, generalizability, and predictability, in favor of deep comprehension and purposeful social applicability (Rosenberg, 2008), yet without giving up on conceptions of methodological rigor (Wallis, 2011). This notion is especially true for the decidedly practical and transdisciplinary field of management research (Noblit & Hare, 1988; Veal, 2005).

Another question that needs attention before one defines methodological measures: Can the researcher be considered independent of the research problem and the methodological process (Veal, 2005) and, therefore, uninfluential?
Advocates of constructivism do not believe in this kind of separability, which, in turn, implies that suppression of personal bias during the conduct of a research project is not possible (Glasersfeld, 1985; Piaget, 2003). Due to the fact that both the researcher and the examination object are intransparent and largely unpredictable makes it impossible for the research process to introduce the desired “objectivity” and compensate for this human deficiency. And the issue of unbreakable infinite regress between researcher and research problem, respectively examination object, does not help much either (Stacey, 2005).

The logical consequence of this insight is that the process of a social research project must be strictly divided into a (inductive) theory-building phase and a (deductive) theory-testing phase, which must be conducted by different researchers, in order not to transfer the same bias through the entire project. After all, the risk of the presence of a confirmation bias would be too high and, finally, degrade the project to some kind of self-fulfilling prophecy. Accepting the fact that it will never be possible to eliminate bias from a (theory-building) social science project, which needs the freedom of vision and creativity, it must be the task of the theory-testing researcher to bring possible bias-induced distortions to light by the conduct of rigorous and sophisticated testing methods (Strübing, 2004).
Furthermore, as management research is concerned, where there is a practice-based phenomenon that has to be explained and an associated problem that has to be solved, the research typically starts with the thorough observation of the phenomenon and continues with the investigation of data that stem from the observation, in order to eventually formulate a hypothesis concerning potentially problem-solving practical measures that are subsequently implemented. Here, the close relationship to business consultancy needs to be acknowledged. As Lancaster (2005, p. 26) states, “…inductive research has to be seen as the most powerful approach in management research”, “…and it is also better suited to the use and interpretation of qualitative data”.

To sum up, in the specific case of this research project, which seeks to elicit an explanation for the frequent failure of strategic change projects, an inductive quality-oriented approach, focusing on the superordinate (meta-) level of organizational management, i.e. second order management, i.e. the management of management (Cavanagh, 2012; Saynisch, 2007), is the means of choice to lead to further essential insights (Black & Gregersen, 2003; Paterson et al., 2001; Senge, 2006; Strübing, 2004; Veal, 2005).

As the omnipresent problem of strategic failure is of highly complex nature and, therefore, in need of deep comprehension (Balogun & Hope Hailey, 2004), the procedure of explanatory inference (Godfrey-Smith, 2003; Rhoda, 2003), closely connected to the notions of transformative causality (Stacey, 2007) and dialectics (Baofu, 2007), is an appropriate methodological instrument.
The following figure summarizes the most relevant concepts and interrelations within the realm of methodology, highlighting the author’s line of argument.

Figure 27: Concept map Methodology interrelations

3.3.3.5 Method

Based on the aforementioned statements of the methodological realm, the research-problem oriented methodical strand lays its focus on the most tangible level of the research process: Data acquisition and processing techniques (Veal, 2005). Although basically independent of its methodological relative (Johnson & Onwuegbuzie, 2004), a certain congeniality must not be ignored (Godfrey-Smith, 2003).

46 Table to concept maps:
- Blue dots: Relevant concepts within the thematic realm of a component.
- Red dots: Associated concepts beyond the thematic realm of a component.
- Blue lines: Conceptual relations.
- Red lines: Conceptual interrelations.
- Red arrows: Contradictory conceptual interrelations.
- Green marks: Main discussed concepts and paths.
In the sense of overall research process coherence, the chosen techniques need to comply with the thematic guidelines of the more theoretical levels. In summary, the predefined guidelines that have to be considered during the process of method specification include the concepts of holism, transformative causality, dialectics, semiotics, pragmatism, transsubjectivity, transdisciplinarity, research-approach transcendence, meta level, viability, complexity, applicability, quality, induction, explanation, “real-world” relation, and knowledge-fragment consolidation.

According to Veal (2005), the choice of a method for data selection and processing in business research is a matter of “paradigmatic awareness”, by which he emphasizes that method is logically connected with the ontological, epistemological, and methodological parameters of the overall research approach. In this sense, he distinguishes between research in the natural and the social sciences, states their respective typical and logically coherent research approach characteristics, and presents the following framework:
Due to the extensive span and the meta-level characteristics of the predefined methodological layout it is a plausible notion that large-scale secondary data acquisition, which, as its name implies, uses representative data that have already been systematically selected and verified, is at an advantage over, in this respect, limited primary data acquisition (Howell Major & Savin-Baden, 2012; Lancaster, 2005; Pandey, 2010).
Using secondary data has the advantage of being unobtrusive in itself, compared to other techniques where the involved subjects are aware of the researcher’s presence and may therefore modify their behaviour, or where reliance must be placed on subjects’ own recall and description of their behaviour, which can be inaccurate or distorted (Veal, 2005).

Yet, this vital methodical advantage is accompanied by the challenge that one has to rely on the quality of the underpinning data, which, in turn, raises reasonable doubt about the legitimacy of its preference. If primary data are biased and distorted in the first place, why should secondary data reveal a higher level of accuracy? Does is not simply aggregate the present bias and, therefore, lose track of the “truth” even more? Yes, if one assumes that the “truth” is something beyond or detached from the single human being and its collective, the society; no, if one assumes that the “sought truth” is a human representation and, eventually, the manifestation of collective human subjectivity as social construction (Keegan, 2011; Rosenberg, 2008). However it may be in a strict philosophical sense, within the frame of practice-oriented conduct – which clearly is the focus of this research –, tangible human thinking and acting, including possible associated distortions, is preferred over science-theoretic precision. After all, according to constructivist philosophy, for a human being, no matter if he is in the position of the investigator or the investigated, it is simply not possible to perceive absolute objective truth (Foerster et al., 2008). Hence, it seems sensible to include as many – verified – phenomenological discoveries as possible in order to elicit superordinate patterns of socially constructed reality, from which new practice-relevant knowledge can be derived (Poerksen, 2008).
Drawing on secondary data has the advantage that the range of already available data is extensive. Many institutions conduct studies on a large, national or even international scale that individual researchers would have a difficult time collecting. In this context, data quality is also an issue. Expertise and professionalism of institutional data collection and processing are usually of a very high standard, which is commonly not achievable by an individual researcher who collects and processes primary data (Crossman, 2013). Furthermore, secondary data processing allows for the impartial re-enactment of past events, especially over longer periods of time – as it is the case in the examination of the persistent phenomenon of strategic change project failure (Keegan, 2011).

However, in order to fully exploit the advantages of secondary data acquisition and processing it is crucial for the researcher to have unrestricted access to major global data bases. Otherwise, the gained insights will lack representativity and respective applicability.

Due to the multifaceted nature of the research problem, the variety of collected documents should be as high as possible, which includes qualitative and quantitative data (Lancaster, 2005). In order to do full justice to the aspiration concerning consolidation of existing discipline-spanning knowledge fragments, it is necessary to choose an effective and efficient data processing technique, which is as little discipline-dependent as possible, and allows for the handling of all sorts of data. Since topic-related knowledge is spread in mostly unaggregated studies, it takes a pragmatically oriented synthesis procedure to build knowledge useful for practitioners (Pandey, 2010).
Some management researchers propose not only the application of particular knowledge-unifying methods but an entirely new “synthesist paradigm” that uncompromisingly focuses on the specifics of management practice, rather than established science-theoretic notions (Gu, 2003). Others do not go that far and point at the need for qualitative research synthesis, mainly in order to manage the current “information explosion” (N. Denzin & Giardina, 2011; Howell Major & Savin-Baden, 2012).

Considering all the aforementioned methodological insight, an integrated technique that covers the essential needs of this research is qualitative meta-synthesis (Thorne et al., 2010), a sophisticated and relatively youthful technique which combines the advantages of meta-analysis, i.e. systematically processing a large amount of data (Schulze, 2004), critical literature review, i.e. ensuring the necessary thematic scope and depth (Hart, 2008), and heuristics, i.e. examining and solving problems coherently (Moustakas, 1990). It does that – which is crucial – in a purely qualitative manner, dissociating itself from any kind of content-adulterating data quantification (Keegan, 2011). Meta synthesis stands for intelligibility, comprehensiveness, trustworthiness, and, most notably, practical relevance (Guba & Lincoln, 1994; Rosenberg, 2008; Strübing, 2004).

In their well-recognized work “Research Methodology in Strategy and Management” Ketchen and Bergh (2005) emphasize the relevance of research synthesis on meta level and the appropriateness of the application of respective techniques.
They state that “…there are several aspects of the manner in which strategic management studies are typically conducted that make them especially appropriate for this kind of synthesis approach” (p. 31) and point at its established use in other fields of the social and applied sciences, where “hard facts” are also rather difficult to capture. One of these fields is medical science, where there is the ultimate assessment criterion of research methodology and the real-life application of its results, namely human health and survival (Paterson et al., 2001).

The application of a qualitative meta synthesis approach on complex social problems is promoted by exponents of the complexity sciences, such as Dörner (2008) and Frensch and Funke (1995), who emphasize the importance of the use of a research method that iteratively questions the processes with which primary-data based insight has been achieved.

In summary, the application of qualitative meta synthesis on this specific research problem is justified by the following arguments:

- The method allows for processing a large number of diverse data.
- The process of secondary data mining is transparent and undistorted.
- Incremental and iterative data processing provides high level of intelligibility.
- Consolidation of knowledge fragments leads to a higher level of understanding.
- Eliciting superordinate patterns of socially constructed reality, from which new practice-relevant knowledge can be derived.
- Impartial re-enactment of past events over long periods of time.
- High standard of expertise and professionalism manifests in underlying data.
- Method fits into a science-theoretically coherent overall research approach.
- Method corresponds to actual methodological tendencies in management research.
- Qualitative meta synthesis ensures the required thematic scope and depth as well as the aspired practical relevance.
- The inherent characteristics of qualitative meta synthesis meet the high level of complexity of the research problem and the need for critically questioning existing knowledge.

In order to close this chapter in conformance with the previous chapters, the following figure summarizes the most relevant concepts and interrelations within the realm of method, highlighting the author’s line of argument.
3.3.3.6 Meta synthesis and concept mapping

Meta synthesis is a relatively new technique that has been applied in areas such as transformational leadership (Noblit & Hare, 1988; Pielstick, 1998) and, typically, in the medical sciences (Thorne et al., 2010; Walsh & Downe, 2005). Stern and Harris (1985) were the first to coin the term “qualitative meta-synthesis”. Their aim was the development of an explanatory theory or model which could explain the findings of a group of similar studies, seeking to thoroughly understand phenomena.

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47 Table to concept maps:
- Blue dots: Relevant concepts within the thematic realm of a component.
- Red dots: Associated concepts beyond the thematic realm of a component.
- Blue lines: Conceptual relations.
- Red lines: Conceptual interrelations.
- Red arrows: Contradictory conceptual interrelations.
- Green marks: Main discussed concepts and paths.
In contrast to related methods, such as meta analysis or meta ethnography, meta synthesis uses both qualitative and quantitative research as sources of data and, therefore, fills a void in research methodology (Bair, 1999). It is typically considered an integrative approach in the phenomenological, or interpretive, paradigm of naturalistic inquiry, concerned with understanding and describing key points and themes contained within a research literature on a given topic, comparing and analyzing heterogeneous research in a constructivist way. Even previously unrelated or contradictory knowledge can be synthesized (Ward, 1983).

Traditionally the field of organizational management has been dominated by research based on quantitative techniques of data collection and analysis. Yet increasingly there is an interest in the in-depth studies that are produced from qualitative work. Furthermore, since current research practices are decidedly divergent, there has been a need for the introduction of a consolidating research approach. Due to its explorative and integrative strengths meta synthesis meets today’s demands in the most ideal way (Bondas & Hall, 2010; Hallberg, 2012).

In response to the critique that the method of analysis and synthesis is, per se, of reductionist nature, it may be helpful to view the process as opening up spaces for new insights and understandings to emerge, rather than one in which totalizing concepts are valued over richness and thickness of description. This moves the debate away from assumptions that the essence of phenomena has been revealed in a final, unarguable summary, and towards an appreciation that synthesis is an ever-expanding, boundary-breaking exercise (Sherwood, 1997).
This focus then respects the multi-layered contexts which can be peeled back to reveal generative processes of phenomena not glimpsed in standalone studies (Sandelowski, Docherty, & Emden, 1997).

Through meta synthesis, data are identified, retrieved, and organized, after which they are systematically analyzed (Noblit & Hare, 1988). Meta synthesis examines ideas, mind-sets, and approaches, as well as conclusions reached in findings elaborated in the results of previous research. It attends to words and ideas, going well beyond a counting of occurrences or of specific findings (Bair, 1999). Interpretation and induction are essential tasks of qualitative research synthesis (Noblit & Hare, 1988). Consequently, the practical research design of a meta synthesizing study must be emergent and variable, in order not to constrain the complexity of the information-building process (Guba & Lincoln, 1994). As literature is reviewed, ongoing decisions are made regarding data selection, condensation, display, observation of patterns, and the drawing of tentative conclusions (Miles & Huberman, 1994). This iterative process is guided by the overarching research question, which, however, does not restrict or confine the study.

The topic of iteration\textsuperscript{48} is crucial within the conduct of qualitative interdisciplinary research. According to Pohl & Hirsch Hadorn (2007) “one means of preventing insufficient quality of the results of interdisciplinary research is to shape the research process iteratively” (p. 22).

\textsuperscript{48} Iteration: Also called recursiveness.
Furthermore they state: “Iteration, which is important in all phases of the research process, implies foreseeing that project steps may be – in case of need – repeated several times in order to correct assumptions on which the production of knowledge is based” (p. 23).

Due to the fact that meta synthesis data analysis methods are far from uniform and seeking for complementary data sources (Finfgeld, 2003), findings from different epistemological and methodological perspectives are considered and analyzed (Johnson & Onwuegbuzie, 2004).49

No a priori categories are used for data analysis. While central findings across data sources are registered (Finfgeld, 2003), common categories gradually emerge (Paterson et al., 2001).50 The challenge here is to purposefully manage the balancing act between holding on to the original findings of the examined data sources and the detachment of respective contexts, in favor of cross-study contentual fusion and conceptual emergence (Sandelowski et al., 1997; Schreiber, Crooks, & Stern, 1997; Walsh & Downe, 2005). Furthermore, during data analysis the nature of relation between original data sources needs to be determined, i.e. whether they are directly comparable (reciprocal) or in opposition (refutational), or whether they represent a line of argument (Noblit & Hare, 1988). Within the frame of this thesis the focus clearly lies on the last-named type.

49 It is a distinct characteristic of meta synthesis that it allows for the integration of different approaches and perspectives, without distorting the results. In contrast to the positivist paradigm, qualitative meta synthesis follows an interpretive approach by using the essence of topical agreement among studies of diverse character. Despite certain caveats, recent trends suggest that synthesizing data that are generated from multiple epistemologies and methodologies has the potential to become a respected form of triangulation (N. K. Denzin, 2006; Finfgeld, 2003).

50 Findings are not coded, as (e.g.) in hermeneutics, in order to refrain from simplifying category-oriented thinking; instead keeping an open scope and focusing on emerging relations.
The author refrains from dividing the analysis in data, theory, and method, as Paterson et al. (2001) recommend for the conduct of the congeneric meta-study, because in order to meaningfully synthesize findings of different data sources it is not necessary to separate their underlying paradigms from the actual content (Bondas & Hall, 2010); instead, it is crucial to concentrate on their direct benefit for the explanation of the examined problem area. See the following figure for further explanation and a synopsis of the meta synthesis process within the entire research procedure.

**Figure 29: Meta synthesis research process**

Within the conduct of the meta synthesis procedure key concepts and interrelations are graphically displayed by a technique called concept mapping, in order to show emerging patterns.

Source: Adapted from Pandey (2010)
The technique of concept mapping was developed by Joseph D. Novak (1996) and his research team at Cornell University in the 1970s as a means of representing the emerging science knowledge of students. It has subsequently been used as a tool to increase meaningful learning in the sciences and other subjects as well as to represent the expert knowledge of individuals and teams in education, government and business.

Concept maps have their origin in the learning movement of constructivism, which holds that learners actively construct knowledge (Piaget, 2003) – perfectly suiting this thesis’ epistemological and methodological specifications. Each data source contributes its central insights to the gradually developing concept maps – without being weighed or otherwise discriminated (Bair, 1999). Determining for its grade of contribution is exclusively its research-problem related explanatory power. The ultimate synthesis of the various data sources, in the form of the final meta model, is the grounds on which the value of the study is judged and it therefore needs to convey explicitly how the whole is greater than the sum of its constituent parts (Walsh & Downe, 2005).

According to Ketchen and Bergh (2005) concept mapping is considered one of the most insightful compositional techniques for analyzing strategic judgment processes, i.e. the how and why organizations and strategists make the choices they do. This technique is particularly useful for theory building and for the identification of mediating processes between the perception of strategic variables and the development of a strategic judgment (Priem, Raheed, & Kotulic, 1995).
Furthermore, it provides the researcher with the opportunity to open a black box and investigate the choices’ underlying mental models of decision-making entities. Although concept maps do not raise a claim of showing conclusive causal relationships – which would also contradict this thesis’ underlying constructivist epistemology –, they capture time and emphasize classification and categorization, which allows managers and researchers to recognize essential patterns on individual and organizational levels within the complex process of strategy (Ketchen, Thomas, & McDaniel, 1996).

3.3.3.7 Design

Due to the chosen comprehensive structure of the methodology chapter the design chapter is held as short as possible. As mentioned at the beginning of the component integrating chapter, the task of research design formulation is represented by the entire process of incorporating the constituent components into an overall research approach. In order to recall the integrative nature of the design task the following figure is presented, highlighting the functional/universal part of the overall research approach as well as the subjective/individual part (Maxwell, 2004).
Methodological overall consistency is ensured by strictly focusing on the meta level of all methodological elements. Systemic constructivism serves as overarching paradigmatic meta concept, focusing on living systems that behave in nonlinear ways. Meta synthesis is the methodical means of choice in order to extract topic-related facts and to synthesize the various existing knowledge fragments.

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**Table to concept maps:**
- **Blue dots:** Relevant concepts within the thematic realm of a component.
- **Red dots:** Associated concepts beyond the thematic realm of a component.
- **Blue lines:** Conceptual relations.
- **Red lines:** Conceptual interrelations.
- **Red arrows:** Contradictory conceptual interrelations.
- **Green marks:** Main discussed concepts and paths.
Meta synthesis is concerned with the meta level of management and, eventually, the meta level of individual and collective human behavior, on which structural and dynamic rules are created, decisive for the interrelationships of the concerned objects on a practical level. Finally, a meta model is created in the sense of a practical tool for guidance in strategic planning and implementation.

### 3.3.3.8 Applied and meta approaches

After the development and integration of each component of the overall research approach, this chapter is complemented by displaying the repeatedly mentioned – since omnipresent – applied and meta-approaches within each major conceptual category.

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**Figure 31: Concept map Applied and meta approaches**

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52 Table to concept maps:  
- Blue dots: Relevant concepts within the thematic realm of a component.
For every key knowledge-generating approach there is a meta sibling which questions the nature of the respective approach itself on a higher abstraction level – as indicated in the figure. While some of these meta concepts, such as “meta-philosophy” (Wittgenstein, 2009) – which denotes “the philosophy of philosophy” –, are easily comprehensible, others are rather hard to grasp, such as “meta-reality” (Bhaskar, 2002), i.e. “the reality of reality”. It is a fact: The more abstract the nature of the basic concept, the harder to comprehend the respective meta concept. However, despite the intricacy of some meta concepts, one has to acknowledge their very existence. For there is an obvious need to question certain concepts on different levels of abstraction, in order to fully comprehend their true nature. As expounded in the previous chapters, the complexity-imbued topic of this thesis is a prime example of such a case.

On the other end of the abstraction scale there are the, equally ubiquitous, applied approaches. As the figure shows, for every major knowledge-generating approach, there is also an applied sibling, which, in turn, emphasizes the powerful need for practical application of theory. Within the applied realm, the same is true as for the meta realm: there are well established concepts, such as applied science, whereas others, such as applied truth, are rather unconventional.

- Red dots: Associated concepts beyond the thematic realm of a component.
- Blue lines: Conceptual relations.
- Red lines: Conceptual interrelations.
- Red arrows: Contradictory conceptual interrelations.
- Green marks: Main discussed concepts and paths.
In summary one has to recognize the increasing need for expansion of the traditional, rather narrowly defined, approaches, in both ways, the theoretical-abstract as well as the practical-concrete, reminding of Senge (2006) who states that “hitherto approaches seem neither wide nor narrow enough” (p. 5).

3.3.4 Overall research approach: Integration

“What overall research approach ensures the highest probability of conclusively answering the main research question of the thesis?” reads the question which the methodology chapter finally needs to answer, referring to the problem of strategic failure that the author seeks to explain.

The developed overall research approach tries to do justice to this pressing issue by following a dialectic maxim, manifesting (1.) theoretically, within the thematic realm of each research approach component and (2.) practically, in the pragmatic conduct of large-scale meta synthesis of commonly practice-oriented literature, as well as the effort to sensibly integrate personal subjectivity – according to Senge (2006, p. 5) “deeply personal” – and problem-oriented objectivity – according to Senge (2006, p. 5) “inherently systemic”.

The results of and decisions made within the domains of the individual research approach components, which are developed in accordance with the established characteristics of Veal’s (2005) ideal-typical paradigmatic framework, are recapitulated in compact form as follows: On an ontological level, it is assumed that “reality” is not a static state, but in perpetual flux, an ongoing process of becoming and dissolving. Holism, along with its associated concepts of emergence and existential dialectics, is favored over simplifying reductionism.
On an epistemological level, subjectivity and constructivist theory are considered valid, yet without excluding correspondence and pragmatic theory of truth, which constitute the epistemological allies of the complementary counterparts of holism, namely realism and empiricism. However, the main focus lies on the transdisciplinary concepts of viability and complexity, doing justice to both the ontological references and the nature of the research problem. The methodological level is characterized by the problem-scrutinizing and pattern-searching approaches of qualitative induction, explanatory inference along with its associated concept of transformative causality, as well as methodological holism. Eventually, on the level of method, qualitative meta synthesis as integrated technique based on large-scale secondary data acquisition fulfils the requirements of overall consistency, stringency, and coherency. The following figure displays the integrated research approach in compact form.

Figure 32: Overall research approach integration
3.4 Methodological quality criteria

Based on the preceding overall research approach and its underlying science-theoretic assumptions, the applicable quality criteria for data acquisition and processing are developed and justified.

As common in the positivist paradigm, which seeks objectivity by processing quantitative data in a deductive process, the quality criteria that are applied on research techniques and their yielded data include the dimensions of validity, reliability, and generalizability (Rosenberg, 2008). While validity needs to answer the question “does an instrument measure what it is supposed to measure?”, reliability focuses on the question “will the measure yield the same results on different occasions?”. Eventually, generalizability deals with the question “what is the probability that patterns observed in a sample will also be present in the wider population from which the sample is drawn?” (Lancaster, 2005, p. 73).

As far as research that follows a positivist paradigm is concerned, these quality criteria have been proven appropriate and reliable. However, they also have been a reason for dispute within the realm of social science research, in which the universal applicability of the positivist paradigm and its associated quality criteria is questioned or even strictly rejected – not least due to the fact that the oppositional interpretivist paradigm is gaining evermore recognition and currency. Especially in qualitative research, the role of these scientific quality criteria is blurred (Sinkovics, Penz, & Ghauri, 2005).
Since qualitative social science research mainly aims at thematic understanding and contextual anticipation – versus the quantitatively-oriented natural sciences, which aim at generalization, causality, and prediction – methodological quality criteria need to be defined and applied accordingly. Several authors such as Rosenberg (2008), Stacey (2007), Paterson (2001) and Strübing (2004) emphasize a differentiated approach and a sensible alignment of the quality criteria according to the nature of the research topic, instead of the unquestioned application of traditional scientific quality standards.

In order to circumvent the delicate discussion about reformulating quality criteria, especially in management research, Lancaster (2005) proposes the application of the common triad, yet with an adjusted meaning. *Validity* should answer the question “has the researcher gained full access to the knowledge and meanings of informants?”, *reliability* should concentrate on the question “will similar observations be made by different researchers on different occasions?”, and *generalizability* should address the question “how likely is it that ideas and theories generated in one setting will also apply in other settings?” (p. 73).

According to Guba & Lincoln (1994), qualitative social researchers are advised to concentrate on *truth value* (also: credibility), *consistency* (also: dependability), *applicability* (also: transferability), and *neutrality* (also: confirmability), which is especially accurate for theory-building inductive research.

While *truth value* creates confidence in the “truth” of the findings of a particular inquiry for the subjects and the context, *applicability* is the extent to which the findings can be transferred to other real-world contexts.
Neutrality means the degree to which the findings are determined by the subjects and conditions of the inquiry and not by the biases, motivations, interests, or perspectives of the inquirer. Lastly, consistency depicts whether the findings would be repeated if the inquiry were replicated with the same subjects in the same context – although this is a rather unlikely setting in the real world.

Concerning the concept of “truth”, which is supposed to be obtained by strict scientific activity, it must be emphasized that it is certainly a delicate issue. “Truths that we hold as sacred today, will be debunked in the future” is stated by Keegan (2011, p. 88). She furthermore claims that “objectivity always exists within a particular world view; the invisible web of rules, beliefs, assumptions that define our world – and therefore, is always relative” (p. 88).

However, although she disagrees with the idea of “objective truth”, she argues that “it is possible to achieve a relative ‘truth’; a partial, situated, contextualized ‘truth’, which is socially constructed” and that “legitimization of qualitative research knowledge cannot come from traditional means of validity and reliability used in ‘classical science’, but in a process of personal and shared reflection, reflexivity, analysis and questioning of the underlying basis for assumptions and theory” (p. 89).

According to Morse (1997), the criteria of clarity, structure, coherence, scope, and pragmatic utility are proposed for qualitative research, but a mechanical application of validity techniques should be discouraged; the significance is the ultimate indicator of the excellence of the research. Validity is recognized as doing something meaningful that furthers understanding and stimulates informed, humane thoughts and actions (Angen, 2000).
While certain potential problems of qualitative inquiry cannot be mitigated, or only allegedly, others can very well be managed. Therefore it is crucial to always use multiple credible sources and clear criteria. Furthermore, the intermediate results of the research should be repeatedly assessed by a critical third party, yet without exerting specific contentual influence on the researcher (Pandey, 2010).

In strict contrast to hypothesis-testing deductive research approaches, which claim absolute verifiability, respectively falsifiability of the results, a hypothesis-building inductive approach, as applied within the frame of this thesis, depicts a subprocess of continuous development and verification, without claiming absolute conclusiveness. Hence, it has to be understood as a segment of an iterative *abductive* theory-shaping process, alternating between inductive and deductive phases (Noblit & Hare, 1988; Strübing, 2004).

In conclusion, considering the various propositions on quality criteria definition and, most of all, the paradigmatic characteristics of the previously developed overall research approach of this thesis, which aims at deep thematic understanding, explanation of a phenomenon, and future contextual anticipation, the following criteria are applied on the entire research process and its results:

1. *Research process (data acquisition and processing)*:
   - Transparency and comprehensiveness.
   - Scope and quality of underlying data.
   - Overall consistency, coherency, and stringency.
2. Results of the research process:
   - Intelligibility and plausibility.
   - Trustworthiness.

3. Practical application of the results:
   - Relation to real organizational and social conditions.
   - Grade of general applicability.
   - Relevance and power to potentially influence the outcome of a strategic change undertaking.

During the iterative research process data are acquired through CSU’s sophisticated global online databases, which ensures maximum data-related compliance with the defined quality criteria. Furthermore, partial steps, milestones, and tentative insights of the research process are periodically questioned, respectively verified, by theoretically as well as practically competent and experienced third parties, in order to further maximize quality criteria compliance.\(^{53}\)

\(^{53}\) Main involved strategy experts: Prof. Leo Bürki, Prof. Denise Jarratt, Prof. Mark Farrell, Dr. Christoph Blocher.
Figure 33: Methodological quality criteria
4 Findings

This chapter is divided into a preliminary terminology part – examining the inherent meaning of the key concepts, followed by the literature selection, the examination of the inherent structure of the underlying key variables of strategic failure, and the synthesis of respective data, in order to eventually answer the main research question, why most strategic change projects fail. The chapter is closed with the illustration and explanation of the Failure meta model.

4.1 Concept terminology

“The beginning of wisdom is to call things by their right names”
Chinese proverb

The chosen key concepts and their inherent meaning play a vital role within the frame of this thesis, not least due to the condition that the author refrains from limiting the research scope to a certain professional area, but, instead, letting the field as open as possible while focusing on the intrinsic net of contentual interrelations within the research topic as well as its semiotic exploration. Therefore, each key concept is closely examined and precisely defined. Only on this solid linguistic basis the causal relations and interrelations between the concepts can afterwards be explored in a thorough manner and determined comprehensively.
And, last but not least, the profound understanding of the constituent problem variables ensures the basis for the assessment of the quality of the wording of the research question, especially in terms of compliance with the underlying research problem.\textsuperscript{54}

The examination starts with a close look at the key concept \textit{failure}, due to its dominant position within the conceptual framework – especially in terms of the characterization of a project’s final, immutable, and often devastating outcome.

\section*{4.1.1 Central key concepts}

This chapter comprises the five main key concepts according to the conceptual framework, while the next chapter takes a close look at the complementary key concepts \textit{communication} and \textit{system}.

\subsection*{4.1.1.1 Failure}

At a first glance, meticulously describing a common term such as \textit{failure} seems pointless and a waste of time; but, surprisingly, after dipping into the issue for a while it becomes clear that this task is not nearly as trivial as initially assumed. According to Merriam Webster Dictionary (2010) failure is defined as follows:

Etymologically\textsuperscript{55} the word is an alteration of Latin \textit{fallere}, or \textit{fallire}, meaning to deceive, to disappoint, retraceable back to the 13\textsuperscript{th} century.

\begin{flushright}
\footnotesize
\\footnotesize
\textsuperscript{54} References within the terminology chapter are based on generally accepted lexica and literature inquiry of previous chapters.  
\textsuperscript{55} Etymology: The history of a linguistic form (as a word) shown by tracing its development since its earliest recorded occurrence in the language where it is found, by tracing its transmission from one language to another, by analyzing it into its component parts, by identifying its cognates in other languages, or by tracing it and its cognates to a common ancestral form in an ancestral language.
\end{flushright}
Today it stands for:

- Omission of occurrence or performance.
- A state of inability to perform a normal function.
- An abrupt cessation of normal functioning.
- Lack of success.
- A falling short.
- One that has failed.

Synonyms are:\(^56\) Breakdown, malfunction, collapse, disappointment, deficiency, inadequacy, loser.

Antonyms are:\(^57\) Accomplishment, achievement, gain, success, winner.

Other related words are:\(^58\) Abortion, destruction, frustration, ineffectiveness, inefficiency, error, mistake, fault.

While most surrogate expressions show a clear and unambiguous relation to the key word failure, the semantic distinction of the words failure, error, mistake, and fault seems to be important and informative. In order to find out more about the distinction and the relations of these words and their exact meanings, they are further explored by conducting an analysis with Visual Thesaurus (2010), a sophisticated online thesaurus that constitutes an ideal instrument for this task. \(^59\) The analysis starts with the key word failure and its different meaning-branches, followed by a deepening investigation of the most topic-relevant branch and a contrasting juxtaposition with the related words error, mistake, and fault.

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\(^56\) Synonym: One of two or more words or expressions of the same language that have the same or nearly the same meaning in some or all senses.

\(^57\) Antonym: A word of opposite meaning.

\(^58\) Related word: A word of similar – but not exactly the same – meaning.

\(^59\) Visual Thesaurus is an interactive online dictionary and thesaurus which creates word maps that blossom with meanings and branch to related words.
Within the frame of this thesis it is obvious that the branch *an act that fails*, with its characteristics *nonaccomplishment* and *nonachievement*, is the most topic-relevant. In the following step Thesaurus zooms in on this branch, revealing its underlying meaning and semantic relations.

Figure 34: Semantic map *Failure*  
Source: Visualthesaurus.com by Thinkmap Inc.
This figure, displaying the term *an act that fails* and its semantic relations, confirms the direction illustrated by the antecedent map: Failure, in the specific sense of this study, implies an act, i.e. the process of doing, that fails, i.e. does not achieve its intended goal. Consequently, it represents the discrepancy between the initially formulated goal of a particular act and its final unwanted outcome. However, the extent of the discrepancy is not yet specified. Most synonyms imply a partial failure, while the term *naught* indicates a total failure. For the first time the term *error* appears, although referring exclusively to a misplay during the conduct of sports. In the next step Thesaurus zooms in on *an act that does not achieve its intended goal*, in order to further penetrate the core meaning of the term failure.
The two most topic-relevant branches of this semantic map are a wrong action attributable to bad judgment or ignorance, with its characteristics error, mistake, and fault, as well as something that people do or cause to happen, with its characteristics act, deed, human action, and human activity.

Due to the present plentiful harvest, the author of this study refrains from extending the scope of the analysis of the term failure any further; instead focusing on the related terms error, mistake, and fault, in order to clarify the similarities, respectively the differences, in meaning.
As seen before, *error* belongs to the branch *a wrong action attributable to bad judgment or ignorance*. In this sense it is interchangeable with the terms *mistake* and *fault* – and therefore not in need of any further examination.

At the bottom line it may be concisely deduced that an *error*, i.e. an *ignorantly executed activity*, can lead to *failure*, i.e. *the nonachievement of intended goals*, completely or in essential parts. However, the whole discussion raises the question where to set the limit for deviating outcomes still being considered a success and whether to call an outcome deviating from the initially planned goal by far, but generating other positive collateral effects, a *failure*. Therefore, one has to clearly define whether the verdict *failure* bears upon the discrepancy between the initially specified goal and the final outcome (relative description), or rather the autonomous final impact of the project, assessed according to the conditions at the time of the project closure (absolute description).
Finally the author wants to point out that it is not his intention to measure the outcome of a strategic change project in terms of quantifiable (financial) performance, due to the particularly qualitative nature of the research problem and its probable solution as well as the common fatal traps of quantitative performance measurement (Likierman, 2009).

4.1.1.2 Strategist

According to Merriam Webster Dictionary (2010) a strategist simply is a person skilled in strategy, i.e. in carefully planning towards a goal. In the context of a strategic change project, the term strategist is not limited to a single person. The strategic core team might consist of several members of the board of directors and the senior management of an organization, such as CEO, Chief Strategy Officer, Chief Business Development Officer, et al. Therefore the research focus lies on the concerned individuals and their aggregate, the group – and its inner dynamics.

First of all, it is appropriate to take a closer look at the single member of this strategic core group, or in other words, at the distinct component of this vital entity: The individual human being.

Analogous to the chapter failure the term strategist and its most topic-relevant synonyms are closely observed by looking at the semantic maps created with Visual Thesaurus.

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60 Performance: In financial management there are a vast number of key figures for quantitatively determining turnover, profit, return on investment, etc.

61 Traps of quantitative performance measurement, according to Likierman (2009): Measuring against oneself, looking backward, sticking to ones numbers too long, gaming ones metrics, generally putting too much faith in sheer numbers, and – last but not least – their tricky comparability.
A strategist is, first of all, an expert in strategy – corresponding with the term definition according to Merriam Webster.

An expert in strategy is, among others, a person who makes plans – accompanied by its characteristics contriver, deviser, and planner.
The term *a person who makes plans* can be split into several insightful surrogates, such as *a person skilled in manoeuvring*, i.e. a person who manages into or out of a position or condition, or in other words, a person who makes a series of changes in direction and position for a specific purpose. Interestingly, according to Merriam Webster, the term *manoeuvre* is closely related to *tactics*, originally used in the vocabulary of warfare. Yet, the interesting part is not the relation to warfare – which seems quite obvious –, but to *tactics*. As shown in the semantic map above, a *tactician*, i.e. *a person skilled at planning tactics*, is even displayed as a synonym for *strategist*, which seems quite odd, because of the clear functional difference between these two terms. While a *strategist* anticipates superordinate long-term problems, a *tactician* is directly confronted with subordinate short-term issues within the superior strategic guidelines (B. Marcus, 2010). Furthermore, it seems strange that the term definitions include only the planning phase of the strategic task, completely ignoring the execution – an equally important part of every project.
However, as displayed in the semantic map, there is always someone, i.e. a human being, that carries out the respective tasks.

As yet it can be concluded that a strategist is an expert in carefully planning towards a goal and, in this context, launching a series of changes in direction and position.

4.1.1.3 Organization

The organization is considered the aggregate of the single components of the whole, namely the individual human being. It is also considered the instrument of the strategist for realizing his entrepreneurial ideas, affecting the organizational environment. The concept organization is obviously a highly complex and dynamic entrepreneurial resource, fulfilling a critical conjoining meso-function (Liljenström & Svedin, 2005) between micro-level (the single human being) and macro-level (the social environment). Despite the complex functionality of this key concept, this chapter constitutes, analogous to the other concept chapters, a straightforward definition of the term and its related meanings – in the sense of a semantic foundation.

According to Merriam Webster Dictionary (2010) organization denotes an administrative and functional structure along with its personnel, as well as the act or process of organizing. Complementary, Visual Thesaurus displays the following figure.
First of all, organization is about people who work together. They work together in an uncountable number of different ways – indicated by the following figure.
Within the frame of this thesis it would lead too far to go into details concerning the different forms of organizational activity.

Yet, it is important to be aware of the immense versatility. Furthermore, in an organizational frame the group works in *an ordered manner by virtue of being methodical* – as shown in the following figure.

**Figure 43: Semantic map An ordered manner**

On this humble map two things are interesting. First, the branch with its characteristics *methodicalness* and *orderliness* named the quality of appreciating *method and system*; second, the reappearing term *system* in both branches. *System* seems to be a key term in organizational activity. In accordance with its obvious topic-relevance, the term is examined thoroughly at the end of the concept description chapter.
At the bottom line summarizing the extensive and widely ramified description of the term *organization* seems quite a challenge. Nevertheless, it is important to thoroughly understand this vital key concept. *Organization* denotes a complex functional structure along with its personnel, i.e. people who methodically work together towards a mutual objective, and, simultaneously, the process of organizing, i.e. to arrange by systematic planning and united effort.

### 4.1.1.4 Environment

Basically the term *environment* denotes all that surrounds something, spatially as well as contextually, or in more unambiguous words, physically as well as non-physically. However, in this particular case the focus lies on the environment that surrounds the central entity *organization* – although it is clear that the organization also constitutes an environment for the participating individual. Commonly, in the social field of study – and especially in strategic management, the macro-environment encompasses the political, economic, social, technological, and legal realms of society (Oxford-University-Press, 2007b), while the micro-environment includes elements in the organization’s immediate area of operations that affect its performance and decision making freedom, such as competitors, customers, distributors, suppliers, and the general public (Business-Dictionary, 2010).
More generally, according to Merriam Webster Dictionary (2010) the term currently stands for:

- The circumstances, objects, or conditions by which one is surrounded.

- The complex of physical, chemical, and biotic factors (as climate, soil, and living things) that act upon an organism or an ecological community and ultimately determine its form and survival.

- The aggregate of social and cultural conditions that influence the life of an individual or group.

- The characteristic position of a linguistic element in a sequence.

According to Visual Thesaurus the term contains the following meaning strings.

Figure 44: Semantic map *Environment*
Within the frame of this study the main focus does not lie on the spatial, respectively physical, meaning of the term *environment*, but on the contextual, respectively non-physical, one, i.e. the interrelated conditions in which something occurs. Therefore, it is zoomed in on the branch *the totality of surrounding conditions*.

Figure 45: Semantic map *Totality of surrounding conditions*

The figure above displays four topic-relevant meaning branches:

- The general state of things; the combination of circumstances at a given time, with its characteristics *situation* and *state of affairs*.

- The state of the environment in which the situation exists, with its characteristics *background*, *scope*, and *setting*.

- The set of facts or circumstances that surround a situation or event, with its characteristics *circumstance*, *context*, and *setting*.

- The environment as it relates to living organisms, with its characteristic *ecology*.
The most essential branches, in terms of topic-relevance, are the general state of things; the combination of circumstances at a given time and the environment as it relates to living organisms. Therefore, enlarging upon these domains is appropriate.

Figure 46: Semantic map General state of things

Here, in turn, the following branches are topic-relevant:

- The way something is with respect to its main attributes, with its characteristic state.

- A situation or condition that is complex, with its characteristic complication.

- A stable situation in which forces cancel one another, with its characteristic equilibrium.

- Loss of equilibrium attributable to an unstable situation in which some forces outweigh others, with its characteristic disequilibrium.
Although the main focus lies on the non-physical aspects of the term *environment*, the related term *ecology* and its biological relations must not be ignored. After all, the main players in every strategic change project are human beings, composed of flesh and blood. Furthermore, insights from biology are more and more applied to the social sciences due to the similarity in nature of these two fields of study (Kawamura, 2007; Maturana, 2000; Porath, 2003).

In summary, it can be stated that the concept *environment* constitutes the vital exogenous conditions that are required for the existence of every organismic structure, such as a human being or an organization.

### 4.1.1.5 Strategic change project

The concept *strategic change project* functions, within the frame of this study, as dynamic connection of the other structural key concepts *strategist*, *organization*, and *environment*. It fulfils this task by framing resources within the scope of space and time – and pooling them in order to achieve an integrative goal.
At first, this complex concept is split into its constituent parts, i.e. the sub-concepts strategy, change, and project, in order to clearly identify its true nature. Additionally, the semantic differences between the term project and its often used sibling initiative are elicited and outlined. The single sub-concepts are then described as the other concepts before and finally put back together, in order to get a clear picture of the integrative concept.

Due to the prior detailed description of the term strategist, the related term strategy is analyzed in compact form, focusing on the most topic-relevant elements. According to Merriam Webster Dictionary (2010) the term strategy denotes \textit{the art of devising or employing plans or stratagems toward a goal}. It seems quite noteworthy that the Dictionary uses the expression \textit{art} to describe the term strategy, because art stands for a creative realm that is usually not associated with the planning and conduct of – supposedly purely rational – projects. However, one needs to keep this notion in mind. Visual Thesaurus presents the following straightforward figure to describe the term strategy.

\begin{figure}[h]
\centering
\includegraphics[width=0.5\textwidth]{Strategy_map.png}
\caption{Semantic map \textit{Strategy}}
\end{figure}
The meaning branch the discipline dealing with the principles of warfare brings to mind that the term strategy originates from the realm of war and military. Therefore, it seems natural that strategies always have a certain ploy component, no matter in what field. Even in a friendly business environment one has to outmanoeuvre his competitors, although this self-serving act is usually not called by its real name. The other branch an elaborate and systematic plan of action underlines the notions made in the strategist chapter. Another – very insightful and contemporary – definition of the term is presented by a collaborative website of German universities (Uni-Protokolle, 2010), which states that a former – globally established – term interpretation implying the calculability of space and time as well as the controllability of therein contained objects, has been replaced with a more viable term interpretation viewing the world as an erratic labyrinth in which one has to find an adequate mode of movement, permanently verifying his own position, the initial objective formulation, and the associated pathway to its achievement.

As already stated in the introductory Delimitations chapter, strategy happens on a distinct level of management, positioned between the normative and the operational level, whereas the tactical level depicts the lowest level in the management hierarchy (Fishel, 2008). Although there is no general scientific consent on the organizational structure of management, the above mentioned definition is widely accepted and by all means appropriate for this specific investigation (Türke, 2008). While normative, strategic, and tactical levels have been investigated comprehensively in scientific literature, the operational level still lacks attention.
This seems an astounding neglect, not least due to its delicate and vital function as a transitional sphere mediating between strategy and tactics (Schwaninger, 2006a).

The term change, etymologically dating back to the 13th century, denotes the act, process, or result of changing, which, in turn, characterizes the occurrence of transformation, transition, or substitution (Merriam-Webster-Online-Dictionary, 2010). Change is, within the frame of this study, without a doubt a vital key concept, not least due to its strong implication of an innovating act with far reaching consequences – especially in combination with the term strategic.

What does Visual Thesaurus say about change?

Figure 49: Semantic map Change

| Student: Hubert C. Braendle, No. 11401028 132 | 132 |
In order not to get lost in the extensive realm of change one has to concentrate on the most topic-relevant branch of the above displayed semantic map, which is an event that occurs when something passes from one state to another; although, the term event implies more of an outcome than an – equally relevant – process.

The last sub-concept of this chapter, the project, is defined as follows, according to Merriam Webster Dictionary (2010): A specific plan or design and a planned undertaking. Furthermore, the verb form of the term means to devise in the mind and to plan or estimate for the future, which underlines the crucial anticipating character of every project – especially in the context of strategy. Visual Thesaurus confirms this notion.

![Figure 50: Semantic map Project](image-url)
In addition to the term *project*, Merriam Webster Dictionary defines the alternative term *initiative* as an *introductory step* and *energy or aptitude displayed in initiation of action*. Herewith, the initiating character of the term is clearly pointed out, while the processual character is merely implied.

Visual Thesaurus’ term definition also clearly limits the meaning to the initiating character. Due to the fact that the interest of the author includes the initiation, the planning, as well as the implementation phase, the author decides to preferably use the term *project*, which unquestionably includes all the relevant phases.\(^{62}\)

In a previously conducted in-depth interview with top-management executives of globally acting companies the term *strategic change project* was mutually defined as follows:

\(^{62}\) Due to the frequent use of the term *initiative* – actually meaning *project* – in practice, the terms are used synonymously by the author.
“Long-term and cross-departmental top-management project, induced by exogenous or endogenous forces, involving a vision- and/or mission-change of the organization with a rather revolutionary than incremental character, associated with high risk and high costs, calling for uncompromising staff commitment”. This notion can be complemented by the following meaning elements, extracted from the aforementioned term definitions.

Figure 52: Strategic change project semantics

In summary, describing the integrated concept, one can speak of the creative iterative process of planning and implementing an organization-transforming mission toward an anticipated long-term objective, based on a profound exogenous or endogenous stimulus, involving the vital resources of the organization in order to survive as an independent entity and to be successful according to self-defined as well as competitive criteria.
4.1.2 Complementary key concepts

In order to do justice to the high grade of complexity of the chosen research topic the initial conceptual framework – comprising the most central key concepts – is complemented with two further concepts, which turned out essential during the previous study of topic-relevant literature: communication and system.

4.1.2.1 Communication

Due to the vital role that communication plays in every human interaction and especially in highly complex ventures such as strategic projects, it is treated as an additional, complementary key concept.

Communication is, according to Merriam Webster (2013), a process by which information is exchanged between individuals through a common system of symbols, signs, or behavior. Visual Thesaurus (2010) shows that communication is, besides representing an information transfer process, “a general concept formed by extracting common features from specific examples”, pointing out that, in its most basic form, communicated information is always an abstract representation of some entity.

Figure 53: Semantic map Communication
Language, which has priority as an information transferring instrument, is considered an associated essential issue that needs proper attention in the context of communication. It is so vital due to its ability it provides human beings with, not only to think about themselves in a well-structured and economical manner, but also to gain access to the psychological processes of others, which would be inscrutable otherwise (F. B. Simon, 2007b).

In order to clarify the fundamental occurrences during a communication process, the author refers to the much-cited Shannon and Weaver model of communication, as illustrated below.

![Shannon and Weaver model of communication](image)

Figure 54: Shannon and Weaver model of communication  
Source: Eriksson (2007)

63 The linguistic relativity hypothesis of Benjamin Lee Whorf (Kay & Kempton, 1984) describes how the syntactic-semantic structure of a language becomes an underlying structure for the weltanschauung through the organization of the causal perception of the world and the linguistic categorization of entities. As linguistic categorization emerges as a representation of worldview and causality, it further modifies social perception and thereby leads to a continual interaction between language and perception. Remark: Whorf’s hypothesis has been criticized by many scientists. Nevertheless it has not lost its explanatory power and significance in linguistics and congeneric fields.

64 Shannon and Weaver model of communication: The author points out that he does not think of it as a conclusive model; nevertheless it does demonstrate the basic mechanism of the communication process - and its potential weak points - in a straightforward manner.
In this model, a sender (Individual 1) has an idea (Idea 1) that is formalized into a symbol, by means of encoding and then physically transferring it to the receiver (Individual 2). The latter interprets the received symbol by decoding it, which gives rise to an idea (Idea 2). The purpose of this communication is to secure that the idea of the sender is the same as the idea of the receiver. This goal is challenged by two types of transformation: the semantic transformation that occurs during encoding and decoding, and the syntactical transformation that occurs during the physical transfer of the symbol.

Eriksson (2007) makes an additional essential contribution to the subject of human communication by stating that there is no quantifiable one-to-one direct and exclusive relationship between human mental models, ideas, or meanings, on the one hand, and the actual situation, or objects, or facts in the world, on the other. Neither is there such a relationship between human expression, clauses, sentences, symbols, and the meaning that is assigned to them. This lack of direct relationship between the components of the “meaning triangle” (thing, idea, term; as illustrated above) gives rise to major difficulties in human communication.

A helpful concept within the realm of communication and language, indicated in the Shannon and Weaver model, is the long-established theory of semiotics (Morris, 1938), consisting of the components syntactics, semantics, and pragmatics, whereas syntactics refers to technical, respectively statistical traits of communication, semantics to meaning, and pragmatics to practical effect.65

65 See also Methodology chapter.
Watzlawick (2007b) includes semiotic theory when he points at the notion that certain phenomena remain inexplicable as long as they are not seen in a wide enough context; a context that comprises emergent properties which are not innate in the subjacent elements of the explored system. He therefore emphasizes the importance of communication as the medium of empirically observable manifestations of human interaction in place of unprovable assumptions about the nature of the human mind.

In summary it can be stated that every act of communication represents, on the one hand, a vital precondition for human interaction and, on the other hand, a highly complex and delicate interactive process, contingent upon subjective characteristics, featuring manifold cognitive and perceptive interfaces and, consequently, a liability to potential error.66

4.1.2.2 System

During the previous exploration of the semantic realms of the key concepts the author hit upon the term system several times, particularly in the chapter concerned with the complexity of organizational structures.

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66 There are many differing definitions of communication; such as Luhmann (1994) who sees communication as the most basic social entity (not the human being!) and refers to it as a system that unites information, message, and understanding. This thesis, however, focuses on the more pragmatic characteristics of communication, as mentioned above. Hence, neither considered is communication in the sense of an endogenous process within the single human brain.

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The thorough understanding of the term definitely plays a vital role within the specific problem area of this thesis. Therefore, the term is explored in the sense of an additional, complementary key concept, analogous to the integrative key concept *communication*.

According to Merriam Webster Dictionary the term *system* stems from the Greek *systēmat-*, *systēma*, from *synistanai* to combine, from *syn-* + *histanai* to cause to stand. Today it means:

- A regularly interacting or interdependent group of items forming a unified whole.
- A group of interacting bodies under the influence of related forces.
- An assemblage that is in or tends to equilibrium.
- A form of social, economic, or political *organization* or practice.
- An organized set of doctrines, ideas, or principles usually intended to explain the arrangement or working of a systematic whole.
- An organized or established procedure.
- A manner of classifying, symbolizing, or schematizing.

Synonyms are: Arrangement, complex, coordination, organization, course of action, definite plan, logical process, methodology, modus operandi, pattern, strategy.

Antonyms are: Part, disorder, disorganization.
Visual Thesaurus displays the following synoptic figure:

![Semantic Map of System](image)

**Figure 55: Semantic map System**

The following branches are of special interest (along with the essential *organization* branch):

- Instrumentality that combines interrelated interacting objects designed to work as a coherent entity, with its characteristics *instrumentation* and *instrumentality*.
- A group of independent but interrelated elements comprising a unified whole, with its characteristic *scheme*.
- A sample of matter in which substances in different phases are in equilibrium, with its characteristic *matter*.
- A complex of methods or rules governing behavior, with its characteristic *system of rules*. 

Student: Hubert C. Braendle, No. 11401028
- A procedure or process for obtaining an objective, with its characteristic *plan of action*.

- The body of a person, with its characteristic *live body*.

The term *system* and its related meanings constitute an insightful concept insofar as it denotes an interacting and interdependent group of items forming a unified whole that is in or tends to equilibrium and, consequently, pointing at the auspicious autopoietic organism metaphor\(^\text{67}\) (Maturana & Varela, 1987; G. Morgan, 2006). Furthermore, it stands for *a manner of symbolizing, a harmonious pattern, strategy,* and, interestingly, *the body of a human being* – the distinct component of every social organizational structure.\(^\text{68}\) Deductively one can say that the nature of the whole corresponds to the nature of its integral component. Hence, one can speak of an inherent fractal structure\(^\text{69}\) (Mandelbrot, 1987).

Closing the chapter of this vital interlinking concept with a contemporary quotation seems appropriate: The challenges of the 21\(^{\text{st}}\) century require new ways of thinking about and understanding the complex, interconnected and rapidly changing world. And the field of complexity science is providing the needed insights to push societal thinking in new directions.

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67 Autopoiesis literally means "auto (self)-creation" (from the Greek: auto – αυτό for self- and poiesis – ποίησις for creation or production), and expresses a fundamental dialectic between structure and function. The term was originally introduced by Chilean biologists Humberto Maturana and Francisco Varela in 1972.

68 Systems can also be differentiated into animate and inanimate ones as well as other categories; however, within the frame of this thesis, it would lead to far to thematize this issue in any more detail.

69 Fractal: A part that is similar in shape to a given larger or smaller part when magnified or reduced to the same size. The term "fractal" was coined by French mathematician Benoît Mandelbrot in 1975 and was derived from the Latin fractus meaning "broken" or "fractured." A mathematical fractal is based on an equation that undergoes iteration, a form of feedback based on recursion.
It is moving the focus away from a linear, mechanistic view of the world to one based on nonlinear dynamics, evolutionary development, and systems thinking. It is laying the foundation for a fundamental shift in how the world is viewed and how organizations are structured and managed. (Sanders & McCabe, 2003, p. 5)

4.1.3 Nature of the key concepts: *Answering the first sub-question*

Based on the foregoing examination of the characteristics of the key concepts, the semantic essence of each concept is formulated and juxtaposed to the others in the following illustration, referring to the initial conceptual framework.

![Figure 56: Nature of the key concepts](image-url)
The strategist represents the center of every strategic undertaking. He is “the expert in carefully planning towards a goal and launching a series of changes in direction and position”. The strategist function can be occupied by one or more persons, however, on highest managerial level.

He is surrounded by the organization, which – as a “complex functional structure” – supports the strategist and eventually conducts the necessary measures in order to “achieve the mutual objective”. Within the organizational setting, it is all about “people working together”, as effectively and efficiently as possible. The organization represents the vehicle that transports the strategic notions towards the respective goals. The organization, in turn, is surrounded by the (social) environment, respectively the “totality of surrounding conditions that are required for the existence and survival of the organization, as a – metaphorically spoken – organismic entity”.

The strategist is the main responsible person for the planning and the implementation of the project, which is defined as “a creative and iterative process of an organization-transforming mission toward an anticipated long-term objective, based on a profound exogenous or endogenous stimulus, involving the vital resources of the organization in order to be successful according to self-defined as well as competitive criteria”. The final outcome, namely the failure of the project, is defined as “the non-achievement of intended goals due to wrong action attributable to bad judgment or ignorance”. Strategist, organization, environment, and project are all considered “systemic”, whereas a system is defined as “an interacting and interdependent group of items forming a unified whole that is in or tends to equilibrium”. In a wider sense, also strategy as such and communication are considered systems.
Last but not least, “the body of a human being” is the smallest (physical) systemic entity within a strategic undertaking. All concepts are interconnected with the process of communication by which “information is exchanged between individuals through a common system of symbols, signs, or behavior”.

Due to its “highly complex and delicate interactive nature, featuring manifold cognitive and perceptive interfaces”, the act of communication is generally considered hard to control and, hence, “a liability to potential error”.

While the key concepts strategist, organization, and environment denote the major players in the “strategic game”, the system self-similarly characterizes the playing field as well as the inherent nature of all the other key concepts, except the outcome-referring concept failure. Communication serves as general concept-interconnecting element and, more specifically, as the “lifeblood” of every social activity, inside and outside the strategically acting organization.

Certainly, these theoretical definitions of the main concepts of the research topic are still “empty linguistic shells” that now have to be filled with life and tangible content in order to be insightful concerning the main purpose of this thesis, aiming at practical relevance. Nevertheless, they represent the theoretical basis for the analytical understanding of the highly complex events happening day by day in the “real world” of strategic management. But at first the clear definitions of the key concepts support the following search for relevant literature and ensure that the final selection is done in accordance with the – theoretically exact – characteristics of the examined problem.
Furthermore, the basically “neutral” concept definitions, independent of any concrete business case, also serve as permanent standard of comparison during the following examination of “real world” planning, implementation, and outcomes of strategic change projects.

4.2 Literature selection

The data requirements of a meta synthesis based on an extensive topic-relevant literature search are vast. Therefore one has to concentrate on the most relevant and promising key sources and to rely on the quality of the key concepts according to the conceptual framework, which are used as search terms (Strübing, 2004). Key sources are mainly represented by the global academic publishing houses, their specialist journals containing the most contemporary and sophisticated studies, and their wide assortment of reference books (Hart, 2008).

In order to avoid inexpedient journeys through the widely ramified jungle of literature, which entails loosing track of the main thematic purpose, potential sources are located through the powerful internet-based search engine *Academic Search Complete* of *EBSCO Information Services*, which is one of the global leading service providers of e-journal, e-book and e-journal package and print subscriptions, e-resource management tools, full-text and secondary databases, and related services for all types of libraries and research organizations (Charles-Sturt-University, 2008b). In its seventh decade of business, EBSCO upholds relationships with more than 81,000 publishers globally. EBSCO maintains a Dun & Bradstreet financial strength rating of 5A1, the highest awarded, which underscores the importance they place on providing outstanding ethical service.
The main focus of the literature search lies on the following fields of study:  

| Primary          | - Business administration.  
|                 | - Strategic management.  
|                 | - Strategic change.  
| Secondary       | - Organization theory.  
|                 | - Project management.  
|                 | - Systems theory.  
| Tertiary        | - Mathematics.  
|                 | - Biology.  
|                 | - Sociology.  
|                 | - Marketing.  
|                 | - Psychology.  
|                 | - Warfare.  

Table 5: Focus of literature search

The selection of the fields of study is mainly based on the School Faculty (business), the course type (business administration), the topic of the thesis (strategic management), the nature of the research problem (social, complex), and the insights of the preliminary literature review in chapter 2. Further, not directly course-related fields are added due to their thematic emergence during the conduct of the Concept terminology chapter.

The selection process consists of three stages. During the first stage, which aims at a rough overview of the topic-related literary scenery, each key concept is used as search term, combined with each field of study. The search result is then refined during the second stage by adding the pivotal key concept failure to each other key concept, again combined with each field of study; additionally, the selection criteria are tightened substantially.

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70 The prioritization of fields has no direct effect on the literature search process; it merely indicates the strength of the scholastic nexus between field and research problem.

71 The conduct of the entire literature selection process is based on methodologically neutral standards (Charles-Sturt-University, 2008b; Veal, 2005) as well as method-specific reference (Finfgeld, 2003; Sandelowski et al., 1997; Walsh & Downe, 2005). Furthermore, it is guided by the structure of the Data analysis chapter, which, in turn, is guided by the epistemological and methodological underpinnings of this thesis.
The literature search of the second stage, basically aiming at correspondence between each key concept, respectively field of study, and the literature content, is complemented with a more holistic approach, which searches for literature that represents the examined phenomenon, i.e. strategic change project failure, as a whole. Finally, during the third stage of the search process the contents of the remaining documents are checked for accordance with the research problem. The aim of the entire literature selection process is to sensibly filter out the most insightful documents, at a reasonable number, in order to ensure, on the one hand, a comprehensive enough literature pool and, on the other hand, the manageability of the selected material within the common frame of a doctoral thesis. Therefore, the immediate selection process is supposed to yield a number of approximately 200 documents, which are continuously complemented during the ongoing iterative research process, eventually completing the quantitative requirements.

4.2.1 First stage: Overlooking the literary scenery

During the first stage of the search process the following criteria are applied:

- Each key concept, combined with each field of study.
- Search terms present in title or abstract or text of documents.
- Documents not older than 20 years.\textsuperscript{72}
- Documents in English or German language.

\textsuperscript{72} With the exception of documents of extraordinarily durable, i.e. time-insensitive content and commonly known “classics” in the selected fields of study, which are not bound to the age criterion.
The search yielded the following results:

<table>
<thead>
<tr>
<th>Field</th>
<th>Business administration</th>
<th>Strategic management</th>
<th>Strategic change</th>
<th>Strategic management</th>
<th>Organization theory</th>
<th>Project management</th>
<th>Systems theory</th>
<th>Mathematics</th>
<th>Biology</th>
<th>Sociology</th>
<th>Marketing</th>
<th>Psychology</th>
<th>Warfare</th>
</tr>
</thead>
<tbody>
<tr>
<td>Failure</td>
<td>56</td>
<td>52</td>
<td>5</td>
<td>13</td>
<td>51</td>
<td>16</td>
<td>218</td>
<td>432</td>
<td>190</td>
<td>286</td>
<td>250</td>
<td>83</td>
<td>1652</td>
</tr>
<tr>
<td>Strategist</td>
<td>5</td>
<td>17</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>2</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>3</td>
<td>15</td>
<td>52</td>
</tr>
<tr>
<td>Organization</td>
<td>630</td>
<td>344</td>
<td>50</td>
<td>787</td>
<td>57</td>
<td>63</td>
<td>111</td>
<td>1080</td>
<td>1299</td>
<td>982</td>
<td>397</td>
<td>14</td>
<td>5814</td>
</tr>
<tr>
<td>Environment</td>
<td>408</td>
<td>241</td>
<td>17</td>
<td>52</td>
<td>91</td>
<td>58</td>
<td>859</td>
<td>2323</td>
<td>1002</td>
<td>997</td>
<td>888</td>
<td>20</td>
<td>6956</td>
</tr>
<tr>
<td>Project</td>
<td>1284</td>
<td>587</td>
<td>13</td>
<td>34</td>
<td>1020</td>
<td>36</td>
<td>751</td>
<td>503</td>
<td>600</td>
<td>2321</td>
<td>351</td>
<td>9</td>
<td>7509</td>
</tr>
<tr>
<td>Communication</td>
<td>670</td>
<td>250</td>
<td>11</td>
<td>79</td>
<td>103</td>
<td>91</td>
<td>451</td>
<td>720</td>
<td>997</td>
<td>3215</td>
<td>927</td>
<td>16</td>
<td>7530</td>
</tr>
<tr>
<td>System</td>
<td>2797</td>
<td>1196</td>
<td>31</td>
<td>120</td>
<td>1026</td>
<td>5306</td>
<td>9048</td>
<td>5797</td>
<td>1736</td>
<td>5420</td>
<td>1348</td>
<td>50</td>
<td>33875</td>
</tr>
<tr>
<td>Total</td>
<td>5850</td>
<td>2687</td>
<td>128</td>
<td>1085</td>
<td>2348</td>
<td>5570</td>
<td>11440</td>
<td>10859</td>
<td>5827</td>
<td>13223</td>
<td>4164</td>
<td>207</td>
<td>63388</td>
</tr>
</tbody>
</table>

**Table 6: Search results first stage**

Certainly, the results of this first superficial search have to be interpreted with caution; however, the extreme values can be used to reveal the literary landscape to a certain extent and to get an impression of the rough conceptual relations. By far the most thematized concept in the respective literature pool is the term *system* (33’857 hits); the least thematized concept is *strategist* (52 hits). The pivotal key concept *failure* is mentioned 1’652 times. The most hits were attained within the field of marketing (13’223 hits), while warfare provided only for a total of 207 hits. The core fields of business administration (5’850 hits) and strategic management (2’687 hits) turned out quite fruitful too.

### 4.2.2 Second stage: Refining the search

In order to detect the most potent data and to reduce the number of documents to a manageable size, the selection criteria are adjusted as follows:

- Each key concept *and* the concept failure, combined with each field of study.
- Search terms present in title *or* abstract *or* text of documents.
The search yielded the following results:

<table>
<thead>
<tr>
<th>Search term</th>
<th>Business administration</th>
<th>Strategic management</th>
<th>Strategic change</th>
<th>Organization theory</th>
<th>Project management</th>
<th>Systems theory</th>
<th>Mathematics</th>
<th>Biology</th>
<th>Sociology</th>
<th>Marketing</th>
<th>Psychology</th>
<th>Warfare</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strategist failure</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>2</td>
</tr>
<tr>
<td>Organization failure</td>
<td>19</td>
<td>20</td>
<td>15</td>
<td>93</td>
<td>64</td>
<td>4</td>
<td>9</td>
<td>21</td>
<td>45</td>
<td>9</td>
<td>56</td>
<td>7</td>
<td>362</td>
</tr>
<tr>
<td>Environment failure</td>
<td>4</td>
<td>1</td>
<td>8</td>
<td>16</td>
<td>35</td>
<td>3</td>
<td>27</td>
<td>40</td>
<td>31</td>
<td>8</td>
<td>63</td>
<td>4</td>
<td>240</td>
</tr>
<tr>
<td>Project failure</td>
<td>8</td>
<td>9</td>
<td>7</td>
<td>8</td>
<td>93</td>
<td>1</td>
<td>25</td>
<td>9</td>
<td>12</td>
<td>19</td>
<td>34</td>
<td>2</td>
<td>227</td>
</tr>
<tr>
<td>Communication failure</td>
<td>6</td>
<td>7</td>
<td>5</td>
<td>16</td>
<td>37</td>
<td>4</td>
<td>28</td>
<td>11</td>
<td>28</td>
<td>42</td>
<td>79</td>
<td>3</td>
<td>266</td>
</tr>
<tr>
<td>System failure</td>
<td>9</td>
<td>13</td>
<td>11</td>
<td>13</td>
<td>24</td>
<td>32</td>
<td>125</td>
<td>92</td>
<td>77</td>
<td>53</td>
<td>12</td>
<td>5</td>
<td>466</td>
</tr>
<tr>
<td>Total</td>
<td>47</td>
<td>50</td>
<td>46</td>
<td>146</td>
<td>254</td>
<td>44</td>
<td>214</td>
<td>173</td>
<td>193</td>
<td>131</td>
<td>244</td>
<td>21</td>
<td>1563</td>
</tr>
</tbody>
</table>

Table 7: Search results second stage (single concepts)

Due to the more restrictive selection criteria the total number of documents could be reduced substantially. Furthermore, the correspondence between the data and the examined research problem was improved.

Interestingly, the result relations correlate largely with the ones of the first stage: The most thematized concept is the term system failure (466 hits); the least thematized concept is strategist failure (2 hits). The most hits were attained within the field of project management (254 hits), while warfare provided only for a total of 21 hits.

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73 With the exception of documents of extraordinarily durable, i.e. time-insensitive content and commonly known “classics” in the selected fields of study, which are not bound to the age criterion.
The fields of business administration (47 hits) and strategic management (50 hits) delivered only a moderate yield. Hence, the rich return of other – commonly considered unrelated – fields of study is very welcome. There is psychology with 244 hits, mathematics with 214 hits, sociology with 193 hits, or biology with 173 hits.

In order not to miss documents which directly thematize the research problem, the previous results are complemented with a more holistic approach, which searches for literature that represents the examined phenomenon, i.e. strategic change project failure, as a whole.

The selection criteria for this search are the following:

- The term strategic change project failure, combined with each field of study.
- Search term present in title or abstract or text of documents.
- Documents not older than 2 years.  
- Documents in English or German language.
- Full copy of text available.
- All references available.

The search yielded the following results:

<table>
<thead>
<tr>
<th>Search term</th>
<th>Business administration</th>
<th>Strategic management</th>
<th>Strategic change</th>
<th>Organization theory</th>
<th>Project management</th>
<th>Systems theory</th>
<th>Mathematics</th>
<th>Biology</th>
<th>Sociology</th>
<th>Marketing</th>
<th>Psychology</th>
<th>Warfare</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strategic change project failure</td>
<td>13</td>
<td>62</td>
<td>8</td>
<td>5</td>
<td>18</td>
<td>0</td>
<td>11</td>
<td>5</td>
<td>33</td>
<td>45</td>
<td>45</td>
<td>7</td>
<td>252</td>
</tr>
</tbody>
</table>

Table 8: Search results second stage (integrated phenomenon)

74 With the exception of documents of extraordinarily durable, i.e. time-insensitive content and commonly known “classics” in the selected fields of study, which are not bound to the age criterion.
The search generated a total of 252 documents, which deal with the phenomenon of strategic change project failure, in one way or the other. The only field that delivered no results is, surprisingly, systems theory. Not at all surprising is that the field of strategic management provided the highest number of documents (62 hits). Both marketing and psychology delivered a respectable number too (45 hits each).

In summary, the second stage of the literature search generated a total number of 1’815 documents with potentially insightful content (single concept search: 1’563 hits; integrated phenomenon search: 252 hits). In order to exclude documents with incongruous content or other weaknesses, the third stage of the selection process examines the actual documents in greater depth.

**4.2.3 Third stage: Selecting the effective documents**

The contents of the documents filtered out during the conduct of the second stage are now checked for precise accordance with the research problem. The following criteria are applied for the decision whether a document is included or excluded in the further research process:

- Clearly recognizable topic-relevance.
- Significant findings.
- Reliable source.\(^{75}\)
- Comprehensible methodology.\(^{76}\)

\(^{75}\) Established publisher, institution, and/or author.
\(^{76}\) Criterion applicable only to academic studies.
At the bottom line, from the total of 1’815 documents, 214 met all the requirements and were processed within the frame of this thesis. They were continuously complemented with further relevant documents, which were selected during the iterative research process.

4.3 Data analysis

The data analysis chapter consists of two main parts. First, each key concept is analyzed in terms of its inherent failure potential, the underlying variables that are involved in failure of the concept, and their structural relations. Second, strategic change project failure is analyzed as an integrated phenomenon. Both parts are afterwards juxtaposed in the Data synthesis chapter, in order to reveal correlations between the results of the two converse approaches.

4.3.1 Concept failure analysis

On the basis of the insights of the Concept terminology chapter the relations between each – central and complementary – key concept and the pivotal concept failure are explored in order to clarify the different kinds of failure, on different levels, and to ensure the clear distinction between them. Within the thematic frame of each concept, a selection of relevant literature is examined in order to extract and eventually illustrate the most essential underlying key variables and their relations.

77 Third stage literature selection list see Appendix P.
78 Complementing documents need to fulfill the same requirements as the previously selected.
79 The structure of the Data analysis chapter is guided by the dualist, respectively dialectic epistemological and methodological approach of this thesis, which seeks to generate new knowledge by amalgamating converse positions.
80 It is emphasized that only literature sources are considered which are topic-relevant in terms of the grade of failure explanatory potential. The content of this chapter is explicitly not intended to be exhaustive otherwise.
81 Relations between key concepts and their underlying variable structure are purposely specified rudimentarily, allowing for redundancies.
4.3.1.1 Strategist failure

The previous description of the term *failure* clearly revealed the decisive connection with the term *error*, which stands for an ignorantly executed activity, considered the root cause of failure, i.e. the nonachievement of an intended goal, typically happening on individual level. The strategist, although member of the highest hierarchical organizational level, basically acts on the level of a single human being, while affecting the entire organization and the outcome of its projects. Therefore, *error* seems at least equally relevant as *failure* in terms of the thoughts and actions of a strategist. Nevertheless even on individual level one can speak of failure of a certain action carried out by a human being, such as a strategist, as soon as the action is completed and the initially intended goal of the action is not achieved.

In this context the author raises the provocative question whether it is reasonable to assume that eventually every organizational failure can be attributed to an error of the responsible strategist. After all, metaphorically spoken, it is him who navigates the tanker. And if the tanker crashes into the pier it is hardly the tanker’s fault. But, certainly, an organization – consisting of a large number of independently thinking and acting individuals – is a much more complex entity than a technical vehicle. However, theoretically the strategist will be the responsible at the end, but, within the frame of this thesis, the focus lies on weak spots and underlying failure sources of all concerned components during the entire process of the project, independent of intra-organizational responsibility matters.

Strategist failure can happen both as a consequence of reasoning error and/or application error, within the wide spectrum of the strategist’s tasks.
In any case, it is based on a wrong or neglected choice of the strategist (Hutzschenreuter & Kleindienst, 2006), which, in turn, is most often based on an inadequate diagnosis of essential strategic issues (Porac & Thomas, 2002). Hutzschenreuter & Kleindienst (2006) found that the way a strategist diagnoses strategic issue characteristics is contingent upon three main parameters: Strategist’s static characteristics (1.), referring to the behavioral side of strategic analysis and decision making, strategist’s personal and cognitive context (2.), referring to the sources of an individual’s predisposition, and the specific issue characteristics of a strategic project (3.), such as complexity (Rindova, 1999), urgency (Dutton, 1993), and strategic relevance (Dean & Sharfman, 1993). Additionally Warren (2008) points at the relevance of the strategist’s dynamic characteristics, which can be seen as a thematic area complementing Hutzschenreuter’s tripartite model, consisting of leadership qualities (Hatch, Kostera, & Kozminski, 2005; Steyrer, Schiffinger, & Lang, 2008; Yammarino, Dionne, Schriesheim, & Dansereau, 2008; Yukl, 2008), momentum creation capabilities (Jansen, 2008), networked thinking capabilities (Vester, 2004), and effect-oriented pragmatism capabilities (Zhu, 2004).

While the strategist’s static characteristics are focusing on the nature of the governing body, characterized by strategist team openness (Amason & Sapienza, 1997), team heterogeneity (Ferrier, 2001), and team size (Iaquinto & Fredrickson, 1997), the strategist’s personal and cognitive context is shaped by his cognitive model essentially based on cultural heritage (Hitt, Dacin, Tyler, & Park, 1997), expertise (Hopkins & Hopkins, 1997), and more fundamental human traits such as cognitive capabilities (Dubben, 2009; Durso, 2007; Finkelstein, 2009; G. Marcus, 2008) and subconscious mental archetypes (Jung, 2003).
The following synoptic concept map displays this interactive structure in a hierarchical manner.\textsuperscript{82}

![Concept Map: Strategist failure](image)

\textbf{Figure 57: Concept map Strategist failure}

\textbf{4.3.1.2 Organization failure}

After assessing the potential failure sources of the “brain” of the project, i.e. the strategist, it is necessary to do the same with the executing body, i.e. the organization.

According to the definition of the term organization denotes both the functional structure and the associated enforcing processes of a complex and dynamic entity, consisting of human beings who methodically work together towards a mutual objective.

\textsuperscript{82} See Appendix for larger graphic size.
Due to its extensive contents the organization seems to present an infinite abundance of potential failure sources, quasi representing the exponentiation of failure sources of the single strategist. Therefore, it is crucial to concentrate on the most pronounced and ascertained patterns of organizational failure.

It is self-evident that failures within the organizational structure can happen based on reasoning error and/or application error. However, failures in these areas are mostly a consequence of inadequate organizational decision making (Veliyath & Shortell, 1993) based on the organization-specific dominant logic (Washington & Ventresca, 2004), which, in turn, represents an emergent phenomenon grounded on exogenous, i.e. environmental, and endogenous, i.e. intra-organizational, characteristics. This dominant logic describes both an essential organizational quality as well as – probably due to its elusive nature – a widely neglected concept. It summarizes the organization’s self-perception, self-efficacy, and ability to recognize and exert vital opportunities. Metaphorically spoken, it represents the collective mind of an organizational entity.
The dominant logic is shaped by environmental influences (Brouthers, Brouthers, & Werner, 2000; Ferrier, 2001; Lant, Milliken, & Batra, 1992; Song, Calantone, & di Benedetto, 2002), such as competition, uncertainty, and complexity (Malik, 2003), organizational static characteristics (Hutzschenreuter & Kleindienst, 2006), such as organizational structure (Bourne & Walker, 2005; Fioretti & Visser, 2004) and organizational resources (Crook, Ketchen, Combs, & Todd, 2008, pp. 1143-1145; Ferrier, 2001; Warren, 2008, p. 45), dynamic characteristics (Hutzschenreuter & Kleindienst, 2006; Warren, 2008), mainly constituted by organizational processes (Bingham, Eisenhardt, & Furr, 2007; Chakravarthy et al., 2003), and, last but not least, the cultural traits of an organization (G. Morgan, 2006; Pant & Lachman, 1998), profoundly contingent upon size (Hopkins & Hopkins, 1997) and age (Withane, 1997) of the organization as well as its immanent archetypes (Mark, 2001) and success history (Audia, Locke, & Smith, 2000; Miller & Cardinal, 1994; Starbuck & Milliken, 1988).

While the basic constituent elements of the organizational structure are top management level (Malik, 2006), middle management level, and control systems (Marginson, 2002), organizational resources include personnel, capital, knowledge, and infrastructure (DS-Performance-Group, 2010). The domain of organizational process consists of strategic and tactical behavior competence (Covin, Slevin, & Schultz, 1994; Ferrier, 2001), communication (Mitchell & Jackson, 2006), coordination (Liu, Sun, Barjis, & Dietz, 2003; Malik, 2003), and learning capabilities (G. Morgan, 2006; zur Bonsen, 2003).
The following synoptic concept map displays this interactive structure in a hierarchical manner. The comparison of this configuration with the one displayed in the chapter assessing strategist failure clearly shows the fractal structure of these two interrelated key concepts.

Figure 58: Concept map Organization failure

4.3.1.3 Environment failure

The spontaneous question that comes to one’s mind when considering the combination of the two key concepts environment and failure is whether these two concepts are even meaningfully combinable. After all, in order to speak of failure one must be able to recognize a discrepancy between an initially formulated goal and an actual outcome.

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83 See Appendix for larger graphic size.
84 Fractal structure: Self-similarity; see also chapter System (Mandelbrot, 1987).
Hence, first of all, one has to clarify the subject whether there is an environmental\textsuperscript{85} goal and outcome which can produce failure.

However, it is obviously delicate to contemplate this matter on such an abstract theoretical level, without the inclusion of practical strategic and/or organizational context. But due to the semantic fact that the use of the term \textit{environment} is contingent upon the existence of a surrounded object – otherwise there would be no surrounding sphere –, it seems appropriate to include the entity organization in this examination. Subsequently, the environment can also fulfil its second vital characteristic, namely the constitution of the exogenous conditions that are required for the existence and survival of every organismic structure, such as an organization.

On this semantic basis it is possible to meaningfully combine the terms \textit{environment} and \textit{failure}, because it is obviously possible for an environment to withhold the essential conditions, which are required for the organization’s vitality and survival. In this sense one can speak of the environmental failure to provide.

Failure on environmental level is attributable to reasoning error and/or application error, analogous to the realms of strategist- and organization-failure. It is an inadequate environmental decision (Aikenhead, 1985; Nurmi, 1981), or neglect of the same, that leads to the mentioned errors.

\textsuperscript{85} The term \textit{environment}, or \textit{environmental}, is explicitly not used in a pure ecological sense. Environment term definition according to previous terminology chapter \textit{Environment}. 
The result of this, largely tacit decision-making process is based on the dominant environmental zeitgeist (Ashforth & Mael, 1989; Marx Ferree, 1985), which, in turn, is shaped by meta-environmental\textsuperscript{86} characteristics, static as well as dynamic attributes, and cultural peculiarities (Buckley, 2008).

In order to be as understandable as possible the author decides that the extensive sub-concept structures of each of the aforementioned characteristics are outlined completely and consecutively – instead of explaining one hierarchical level after another, as done in the previous chapters.

*First*, the static environment characteristics: Split into the domains environment structure (Whittington, 1988) and resource pool (Crook et al., 2008), it represents the most comprehensive concept, including the well established term micro-environment (Oxford-University-Press, 2007a), consisting of competitors (Porter, 1998, 2004), customers, distributors, suppliers (Thommen, 2003), and the general public (Ciarniene & Vienazindiene, 2007; Frewer, 1999, p. 581), and the term macro-environment (Bozeman, 2000), consisting of politics (Habermas, 2001, p. 770; Porter, 1998), economy (Friedman, 2006; Mankiw, 2003; Ohmae, 2005; F. B. Simon, 2009), society (Berghaus, 2004a; Habermas, 2001; Luhmann, 1982), technology (Friedman, 2006; Perez, 2002), and law (Habermas, 2001, p. 766; Sobota, 1997). The resource pool includes human resources (Ciarniene & Vienazindiene, 2007, p. 60; Kött, 2003), financial capital (Perez, 2002), and knowledge (zur Bonsen, 2003).

\textsuperscript{86} The term *meta-environment* refers to the adjacent environment of a particular environment. Or in other words: The distinction between *intra-* and *extra-environment*. 

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Student: Hubert C. Braendle, No. 11401028 161
Additionally the terms geographic characteristics (Churchill Semple, 2005) and general infrastructure (Chandra & Thompson, 2000) are considered essential within the static field.

Second, the dynamic environmental characteristics: In order not to overload this figure the author refrains from outlining all the associated sub-concepts; instead, he refers to the dynamic aspects (Bozeman, 2000) of the mentioned concepts contained within micro- and macro-environment of the static domain.

Third, environmental culture: historical incidents (Law, 2008), prevalent archetypes (Kött, 2003; Sarkar, 2007), and the collective mental model (Lupia, McCubbins, & Popkin, 2000, p. 142) shape the culture of a particular environment through continuous iterative progress.

The following synoptic concept map displays the entire configuration of potential error and failure sources within the environmental realm in a hierarchical manner.\(^7\)

The comparison of this arrangement with the ones displayed in the previous chapters assessing strategist- and organization-failure reconfirms the similar fractal structure of these interrelating key concepts.

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\(^7\) See Appendix for larger graphic size.
4.3.1.4 Project failure

The concept *project*, like the others before, is examined autonomously, i.e. without direct reference to any other key concept, except *failure*. The term *project* denotes a specific plan or estimate for the future and its goal-oriented execution. Due to its dynamic nature, containing the complexity- and uncertainty-imbued terms *plan*, *future*, *goal-orientation*, and *execution*, it presents a perfect platform for potential error and final failure. This concept, compared to the previously examined concepts, is of different nature. It cannot be placed within the hierarchical structure of strategist – organization – environment; instead, it fulfils a concept-connecting task and represents the action involving the other concepts. The most noticeable peculiarity, distinguishing it from the other concepts, is its absolute detachedness from any physical traits. It denotes pure activity, conducted by the participants on all levels and, therefore, lacks inherently static characteristics.
This activity can fail based on errors occurring in the planning phase (Andersen, 2000; Baker, Addams, & Davis, 1993; Berry, 1998; Dean & Sharfman, 1996; Gottschalk, 1999; Grundy & King, 1992; Miller & Cardinal, 1994) as well as in the execution phase (Barney & Zajac, 1994; Bryson & Bromiley, 1993; Chesley & Wenger, 1999; Dobni & Luffman, 2003; Dooley, Fryxell, & Judge, 2000; Tennant & Roberts, 2001).

According to the extracted literature the domains that constitute the main areas for potential failure of projects are: Basic project characteristics, resource exploitation facilitation, performance, adaptability, and contents.

*Basic project characteristics* include type (Keller, 1986), scope (Tatikonda & Rosenthal, 2000), duration (Brews & Hunt, 1999), and complexity (Malik, 2003; Tatikonda & Rosenthal, 2000). *Resource exploitation facilitation*, which denotes project conditions that affect the grade of utilization of the concerned resources, consists of environment integration (Bryson & Bromiley, 1993; Hough & White, 2003; Judge & Douglas, 1998; Khatri & Ng, 2000; Peel & Bridge, 1998; Priem et al., 1995; Rogers, Miller, & Judge, 1999; Slevin & Covin, 1997), creativity facilitation (Szulanski & Amin, 2001), pragmatics (Lumpkin & Dess, 1995), practicability (Veliyath, 1992), and controllability (Durand, 2003; Floyd & Wooldridge, 1997).
Essential performance influencing qualities are speed (Baum & Wally, 2003),
effectivity (Gerbing, Hamilton, & Freeman, 1994), efficiency (Brouthers,
Andriessen, & Nicolaes, 1998; Ketchen et al., 1996), dynamism (Goll & Raheed,
1997; Hough & White, 2003), momentum (Collier, Fishwick, & Floyd, 2004;
Gerbing et al., 1994; Hopkins & Hopkins, 1997), goal orientation (Dooley et al.,
2000), and archetypal power (Shaw, Brown, & Bromiley, 1998), which stands for the
activation of elemental, largely subconscious forces within the minds of the involved
human beings. The domain adaptability contains the concepts interconnectedness
(Pettigrew, 1992), change identification (Barney & Zajac, 1994), iterative validation
and optimization (Chesley & Wenger, 1999), flexibility (Nutt, 2000), and resilience
(Hamel, 2003). Last but not least, contents include consistency (Dess, Lumpkin, &
Covin, 1997; Dooley et al., 2000), stringency (Baker et al., 1993; Capon, Farley, &
Hulbert, 1994), coherence (Maitlis & Lawrence, 2003; Papke-Shields, Malhotra, &
Grover, 2002), and information flow (M. Beer & Eisenstat, 1996; Chesley &
Wenger, 1999; Ketchen et al., 1996; Maitlis & Lawrence, 2003).

The following synoptic concept map displays the entire configuration of potential
error and failure sources within the project realm. 88

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88 Although displaying different levels on the content map, the five domains are equivalent in every
respect, i.e. eventual prioritization is not provided. See Appendix for larger graphic size.
4.3.1.5 Communication failure

As stated in the terminology chapter, every act of communicating contains a vital information transporting element, without which no human interaction would be possible, as well as a distinct potential risk for errors due to its high level of inherent structural complexity and the various cognitive and perceptive interfaces that the transferring information needs to pass. Furthermore, communicated information is likely to be biased by the communicator’s personality and his intransparent intentions. The connection to the concept failure is, therefore, not far to seek.

Communication imperatively fails between a sender and a receiver, based upon specific communication characteristics (Eriksson, 2007), which, in turn, are consisting of communicator and information characteristics.
The communicating subject features identity-driven traits such as identification, sense of responsibility, intention (Desouza & Hensgen, 2005) and intrinsic and extrinsic motivation (Barnett, 1997; Nohria, Groysberg, & Lee, 2008), which are common causes of confusion in the communication process. Prone to error are also the subject’s manifold information processing abilities, respectively their absence (H. A. Simon, 2002), such as efficiency, effectivity, and information distribution (Desouza & Hensgen, 2005); the ability to adopt new information (Mitchell & Jackson, 2006); the basic ability of sense making (Eriksson, 2007); judgment accuracy (Bloomfield, 1996); attention scarcity as well as information organization and information overload (H. A. Simon, 2002).

Characteristics of the communicated information include semantic, syntactic, and pragmatic elements (D. Chandler, 2007). Errors in the semantic category might happen in a technical, emotional, cultural, social, or moral sense (Watzlawick, Beavin, & Jackson, 2007a), while oral, written, or nonverbal errors happen in the syntactic category (Danesi, 2007). Pragmatic elements of information include accuracy, relevance, completeness, and timeliness (D. Chandler, 2007).

The following synoptic concept map displays the configuration of potential error and failure sources within the realm of communication.89

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89 See Appendix for larger graphic size.
According to its apparent nature, pragmatic errors are the commonly identified sources of communication failure. “Reliable information determines viability within the organization and can establish creditability outside the organization, while unreliable information can destroy an organization” (Desouza & Hensgen, 2005, p. 128). Watzlawick et al. (2007a) even put the pragmatic aspect of communication on the same level as behavior and performance.

The organization’s information processing abilities are also an often stated cause of organizational failure (Eriksson, 2007; H. A. Simon, 2002). Some authors even compare these abilities to an organism’s vital functions.
The ability for the organization to sustain itself depends on how information, the lifeblood of the organizational system, is managed. Like an organism must balance its metabolism, the organization must have the ability to handle the infusion of information as well as some method for the evacuation of waste. (Desouza & Hensgen, 2005, p. 128)

Besides the technical information processing abilities of the communicating entity, there are also “softer” characteristics, based on its identity, that need attention. Although often neglected, largely tacit human traits such as motivation and intention are crucial for the process of communication and associated organizational tasks (M. G. Morgan, Fischhoff, Bostrom, & Atman, 2002). After all, remembering Adam Smith (1999) who propagated his socio-economic theory of the “invisible hand” and the – allegedly paradoxical – notion that the exertion of every single market participant’s self-interest will always lead to the best possible outcome for society, the question must be allowed how this obviously present inherent selfishness of a human being influences his processual and outcome-specific motivations and intentions as well as his way of communicating within the collective of an organization.

In the view of Van Lange (2008), collective reasoning – and thinking, feeling, and acting in terms of collective rationality – is consistent with a social preferential model which considers the weights that people attach not only to outcomes for themselves, but also for others - all this in contrast to the historically established assumption that people are primarily or solely oriented to maximizing their own outcomes with little or no regard for others.
It is the mathematical discipline of game theory that he refers to by stating that past research has mainly focused on exchange situations such as the “Prisoner’s dilemma”90, rather than equally important coordination situations. Therefore, Van Lange conducted a study concerning this matter, finding that prosocial orientation, being concerned about joint outcomes and equality, is associated with judgments and reasoning from the perspective of collective rationality, whereas individualistic and competitive orientation, being strongly concerned with one’s own outcomes, is associated with judgments and reasoning from the perspective of individual rationality. The individual decision which position someone takes up, respectively what specific goals someone pursues, is strongly influenced by contextual variables, such as the framing of outcomes, the instructions, and the nature of outcomes. In other words, preferences may be shaped by individual differences as well as triggered in relatively implicit or subtle ways, causing effects even beyond a person’s awareness.

Desouza and Hensgen (2005) call the “egocentric games” that are played within an organization – especially on top management level – one of the most distinct barriers to optimal information processing.

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90 Prisoner’s dilemma (Dixit, Nalebuff, & Schütte, 2000): It constitutes a problem in game theory which illustrates that – simply spoken – in a group setting it can be more beneficial for one player to betray the others, in the sense that the added benefit for the one player leads to a disadvantage for the others. However, played repeatedly, punishing the betraying player, followed by cooperation among group members, may lead to a favourable Nash equilibrium situation (Nash, 2002).
More specifically, they state that the opponents to optimal information processing include the mental or emotional states of those assigned to the tasks. An individual’s mental models or cognitive frames of reference are initially challenged by the information at hand. If such information is contrary to the individual’s conventional perception of a situation, his ability to make fruitful decisions will be severely affected. But it is the individual’s perception, not necessarily the existing circumstances, which will determine decisions. (p. 131)

Furthermore, they point at an astounding phenomenon, which takes place on a regular basis within organizations, yet is hardly ever thematized. There are projects that take on a life of their own and continue to consume resources without ever reaching its desired objective. This is praxis and is evident in projects that demonstrate persistent failures. Individuals continue to invest in failed courses of action no matter how convincing new information may be telling them to quit. Many times organizational members take no action in the face of conflicting information. Either they go through phases of dissonance or do not have the ability or capabilities required for conducting actions. There are even cases where the wrong action is taken intentionally. (p. 132)

At the bottom line it can be concluded that communication errors and failures commonly happen on the level of the single communicating entity, within a collective gray zone of manifold mental models and potentially diverging motivations and intentions. This, in turn, implies that by all means decisive for productive communication is the presence of intentional accordance between the participants.
In this sense, the pragmatics of communication, i.e. what the communicator finally wants to achieve, represents the main point of interest, investigated by the means of meta communication (D. Chandler, 2007).

4.3.1.6 System failure

As outlined in the terminology chapter the term *system* denotes an interacting and interdependent group of items forming a unified whole that is in or tends to equilibrium – pointing at Maturana’s (2000) autopoietic organism metaphor. The term *system* also stands for the body of a human being – the distinct component of every social organizational structure. Deduced from this insight the author speaks of an inherent fractal structure (Mandelbrot, 1987; Schwaninger, 2006b), referring to the semantic congruence of the nature of the whole, i.e. the *organization*, and the nature of its integral component, i.e. the single human being, including the *strategist*. This conclusion can also be applied to the next higher contentual level, the organization and its environment. Hence, the validity of the related finding of the previous concept relation chapters concerning the underlying fractal structure of the concept-combinations *strategist-failure*, *organization-failure*, and *environment-failure*, is reconfirmed.

The concept *system* denotes not only these rather static and physical entities, but also the – dynamic and non-physical – act of strategy. Therefore one can speak of strategy as *system* (Finntrack, 2007; Goldstein, Hazy, & Silberstang, 2009; Hazy, Goldstein, & Lichtenstein, 2007; Leleur, 2007; Malik, 2003; Robson, 2007; Schwaninger, 2006b).
Although denoted a *system* like the other key concepts, strategy, respectively *strategic change project*, and its related concept-combination *project-failure* consist of a different, i.e. non-fractal structure, mainly due to its purely non-physical nature.

However, is it possible for a system to *fail*? Assessed spontaneously, the occurrence of system failure per se seems odd, not least due to the fact that the term *failure* denotes the discrepancy between an initially formulated goal and an actual outcome. Obviously it is possible for an artificial system, such as an IT-system, not to fulfill its initially intended purpose – and consequently fail, most likely based on human, i.e. programmer, error; but does this hold true for any natural system, which has not been constructed intentionally and, therefore, does not need to achieve an explicitly formulated goal? And if it would hold true, based on what kind of error? Is there such a thing as a system-immanent error? In order to answer this delicate question one has to define exactly what a *system-immanent error* is, and to look out for it during the analysis of the respective literature.

In order to define the expression *system-immanent* error, first of all, one has to make an assumption whether the meaning of the term *error* is combinable with an abstract subject such as a *system*; after all, according to the aforementioned definition the term *error* denotes a wrong action attributable to bad judgment or ignorance. Hence, if one assumes that the combination of these terms is valid, one must automatically accept that a *system* is capable of being evaluative.

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91 The term *system-immanent* characterizes a quality that is (unintentionally) produced by the rules of a system (Merriam-Webster-Online-Dictionary, 2010).
The central structure of systems literature, explaining the identity of the system and its potential failure and error sources, consists of the superordinate concepts basic system characteristics, environment interaction, intrinsic system behavior, and cybernetic properties, whereas the last-mentioned concept depicts a literary regnum of its own, examining communication and control within systems very thoroughly and stringently; therefore it is addressed separately (Ashby, 1974; Foerster et al., 2008; Malik, 2003; Schwaninger, 2004; Vester, 2004; Wiener, 1952).

These four superordinate concepts constitute the integrative nature of a system, which, in turn, is the source of every – perceptive and/or responsive – error that leads to a discrepancy between a contingent system purpose and an outcome and, finally, to the myth-enshrouded system failure (Thielemann, 2009). Additionally, or rather superior to the whole system issue, there is the literary domain concerned with the role of the system observer and the theoretical consequences of his being and doing, called 2nd order cybernetics (Foerster et al., 2008; Midgley, 2008; Poerksen, 2008). This epistemological domain, closely related to the constructivist paradigm, presupposes that it is imperative for the system-exploring observer to take his existence and, hence, his systemic interference into account while analyzing and evaluating a specific system. The inclusion of this co-player is crucial within this study, not least due to the fact that it is him who finally evaluates the moment as well as the extent of the discrepancy between system purpose and outcome.

Due to the widely ramified hierarchical sub-structure of the mentioned superordinate concepts it is advisable to outline each concept-string separately, one by one, which is done as follows.
Starting with basic system characteristics there are eight sub-concepts emerging from the relevant literature pool: system type (Malik, 2003), system level (Bar-Yam), system structure (Mitchell & Jackson, 2006; Mlakar, 2008), hierarchy (Johannessen, 1991), heterarchy (Kaden, 2002), system variables and system nexus (Vester, 2004), and, last but not least, complexity in its various forms (Bar-Yam; Dagnino, 2004; Eriksson, 2007; Malik, 2003; Nunn, 2007; Powles, 2008; Schwaninger, 2000; Sharif, 2006; A. C. T. Smith, 2005; Stacey, 2005; Tait, 2008; Vesterby, 2008).
The second distinct concept string, *environment interaction*, includes – like the rest of the superordinate concepts – two further sub-concept-levels, which are outlined concept per concept across the respective levels. Organism (Bar-Yam; Johannessen, 1991; Mitchell & Jackson, 2006, p. 42; H. A. Simon, 2002, p. 615) comprising the subordinate concepts self-organization (Heylighen, 2001; Malik, 2008; Maturana, 2000), viability (Skyttner, 2005), and viable system (S. Beer, 1995; Haslett, 2006; Malik, 2003); self-reference (Poerksen, 2008) comprising the subordinate concepts feedback-/loop (Skyttner, 2005) and iteration (Malik, 2003); autopoiesis (Maturana, 2000; F. B. Simon, 2009) comprising the subordinate concepts homeostasis (Butts, 2002; de Rosnay, 1997; Maturana, 2000), equilibrium and non-equilibrium (de Rosnay, 1997; Nash, 2002; Wadsworth, 2008); cognition (Fioretti & Visser, 2004; Gibbs, 2005; Storch, Cantieni, Hüther, & Tschacher, 2006) including the subordinate concept consciousness (Gibbs, 2005); adaptation capabilities (Dekkers, 2008) comprising the subordinate concepts evolution (Butts, 2002; Dekkers, 2008; Dopfer, 2004; Price, 2004), transformation (Goldstein et al., 2009), and emergence (Hazy et al., 2007; A. C. T. Smith, 2004; Stacey, 2005); and finally intelligence and learning capabilities (Hall, 2005; Pagano, 2008; Schwaninger, 2000; Senge et al., 2006; R. K. Yeo, 2005). It is noteworthy that despite the vast range of literature within this concept string there seem to be no references exclusively concerned with the “interface” between the system and its environment; nevertheless, the interface is taken into account as a complementary concept.92

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92 For reasons of transparency and comprehensibility the author speaks of an “interface between system and environment”; however, according to latest literature within the realm of systems theory, it is assumed that an “environment” cannot be distinguished conclusively from a “system”; hence,
The third concept string, *intrinsic system behavior*, includes the following subordinate concepts: communication (Barnett, 1997; Eriksson, 2007; McIntyre-Mills, 2008; Mitchell & Jackson, 2006); coordination (H. A. Simon, 2002); energy, entropy and negentropy (Skyttner, 2005); as well as interrelationships (Malik, 2003) including the subordinate concept interaction (R. K. Yeo, 2005); embodiment (Gibbs, 2005; Hayles, 1999; Storch et al., 2006) including the subordinate concept virtuality (Hayles, 1999); and finally drivers (Dagnino, 2004) comprising leverage points (Meadows, 2008) and system archetypes (Haraldsson, 2008; Senge, 2006).

The forth concept string, *cybernetic properties*, which denotes an autonomous domain within the field of systems theory, introducing an exceptional potential for systemic transparency and inferability, consists of two main subordinate concepts: endogenous “interfaces”, for which the author could not find any self-contained references – as for the environment “interface”, and the so called sensitivity model, based on the work of the late German Professor Frederic Vester (2004) with its components active, reactive, critical, and stabilizing variables; escalating and balancing tendencies; aligned and contrary effect; and at last impact delay.

Introductorily the author asked the essential question whether there was a *system-immanent error* that leads to the often-quoted system failure. Especially at a time when the subject of global financial crisis is omnipresent and media-hyped, there is an obvious societal tendency to lay the blame on the abstract concept *system*. 

there is no disjunctive “interface” definable; instead one can only focus on a specific part of the “overall system” (Stacey, 2007).
Yet, does the system deserve to be blamed? Does the system produce failure-causing errors by itself? And, considering the definition of the concept failure, is it correct to speak of system failure at all?

The analysis of the relevant literature reveals a blurry picture and rather ambivalent insights. On the one hand, there are articles titled system failure or system error that turn out to be products of sheer ignorance, erroneously blaming the system for errors in fact produced by naive participants and/or slack processes. On the other hand, there are articles which show unambiguous evidence of system failure caused by the specific nature of the inner workings of a certain system, i.e. failures that are not reducible to participant and/or process error. Especially Stafford Beer’s (1995, 2002) viable system model, Vester’s (2004) sensitivity model, and Malik’s (2003, 2006, 2008) synthesizing cybernetic discoveries represent vivid and practical examples of related literature, clearly describing the essential fact that one has to draw a strict semantic distinction between the assessment of a variable’s autonomous functionality and the inner workings of a system as a whole, emergent from the highly complex net of interrelationships among the concerned variables. In summary, it can be stated that system-immanent error is possible as soon as the respective system reaches a certain grade of coordinated self-organized complexity, developing an emergent organismic structure along with a distinct consciousness, virtually turning into an individual personality (Malik, 2003). Consequently, system failure is a plausible outcome, not least due to the fact that a structure, which deserves the characterization system, does have an inherent – albeit mostly implicit – purpose (S. Beer, 2002; Meadows, 2008; Storch et al., 2006) that can be missed, at least according to the judgement of the observer (Foerster et al., 2008).
One could call the final consequence of the previous insights and its circle-closing effect serendipitous: Due to the fact that each of the conceptual framework’s central key concepts, i.e. strategist, organization, environment, and project, are themselves systems, the validity of the formulated failure structures and their inherent relations, are reconfirmed; furthermore, it can be assumed that failures of all concerned key concepts may represent system failures – on different structural levels. Going one step further, another hypothesis can be formulated, namely that – in consideration of all the aforementioned findings of this chapter – every strategic change project failure is imperatively a system failure.93

Complementary to these essential insights about the concepts system failure and system error, there are other kinds of serious problems within a systemic structure that have to be considered. First: System-induced error. This error occurs on the variable level and does not directly lead to system failure in the aforementioned sense. Nevertheless, it represents a problem that is created within the system and might disturb its smooth functioning. This error happens as a reaction of one or more variables to their systemic environment, i.e. the error would not occur without the specific configuration of the system. A tangible practical example of such a phenomenon within a social system is groupthink (Janis, 1972). 94

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93 Quod esset demonstrandum.
94 Groupthink, a term coined by social psychologist Irving Janis (1972), occurs when a group makes faulty decisions because group pressures lead to a deterioration of “mental efficiency, reality testing, and moral judgment”. Groups affected by groupthink ignore alternatives and tend to take irrational actions. A group is especially vulnerable to groupthink when its members are similar in background, when the group is insulated from outside opinions, and when there are no clear rules for decision making.
The other phenomenon, representing a possible cause of system error, depicts most commonly processual problems: Systemic bias. This is the inherent tendency of a process to favor particular outcomes due to the specific nature of the system, e.g. an organization always makes the same mistakes, which can be attributed to the mental model of the dominating manager’s guild, due to an employee selection process based on the mental model of the concerned managers. It constitutes a certain unintentional behavior, based on the inner workings of the system, independent from rational planning and execution processes (Fleras, 2006).

The following synoptic concept map displays the configuration of potential error and failure sources within the systems realm.95

95 Although displaying different levels on the content map, the sub-concept-strings below the four superordinate concepts are equivalent in every respect. The displayed structure is merely a consequence of the limited space on the page. See Appendix for larger graphic size.
Figure 62: Concept map System failure
4.3.2 Strategic change project failure analysis: The integrated phenomenon

This chapter focuses on literature that is concerned with the examination of failure of strategic change projects and their underlying key variables. In contrast to the previous chapter, in which causes of single concept failure were examined, this approach allows for a more fuzzy and holistic view on the topic.

During the examination of relevant documents\(^\text{96}\) five categories of potential errors in strategic change projects – eventually leading to failure – emerged: System-related error, environment-related error, human nature-related error, organization-related error, and communication-related error.

First, the category system-related error includes general complexity overload (A. A. Marcus, 2005), ignorance concerning system dynamics (A. C. T. Smith, 2004) and social complexity (Camillus, 2008). Furthermore, misjudgement of the inherently complex nature of strategic change projects (Camillus, 2008) and lack of elemental holistic comprehension (Fraser, 2007). These errors occur in general systemic set-ups independent of the specific type of system or environmental situation.

\(^{96}\) See chapter Literature selection for details; Search term is Strategic change project failure, combined with each field of study.
The second category, environment-related error, can be split into the sub-categories analysis & evaluation and strategic decision-making. The former contains error concepts such as divergence between project design and exogenous realities (Heeks, 2003; Schwandt & Goldstein, 2008), inadequate market assumptions (Carroll & Mui, 2008; Straub, 2007) and ignorance concerning market changes (A. A. Marcus, 2005) as well as lack of stakeholder engagement (Fraser, 2007; Office-of-Government-Commerce-London, 2005), including customers (A. A. Marcus, 2005), competitors (Carroll & Mui, 2008; Hutzschenreuter & Kleindienst, 2006) and suppliers (A. A. Marcus, 2005). Inadequate risk analysis (K. T. Yeo, 2002) and even risk denial (Choo, 2008) are also common errors within this domain. Other often-quoted errors consist of the two sides of the same coin: Either ignorance concerning emerging environmental threats and opportunities (A. A. Marcus, 2005), or respective hypersensitivity and eventual overreaction (Wright et al., 2008).

Third, human nature-related error is a vital source of potential error within strategic change projects, not least due to the fact that every step of an project is shaped by thoughts and actions based on human cognition. Hence, human-inherent cognitive bias (Dörner, 2008; Hutzschenreuter & Kleindienst, 2006) and epistemic blind spots (Choo, 2008) can result in devastating outcomes. Another human nature typical trait, which is anything but beneficial for the smooth planning and execution of a strategic change project, is his natural resistance to change (Kotter & Schlesinger, 2008). According to Kotter (2002) and many other social scientists this barrier is hard-wired within human brains, mainly due to deep unsettling feelings of loss and uncertainty that go along with every fundamental change.
Last but not least, archetypal situations and their usually awkward handling (Heeks, 2003) can evolve into real killers of strategic change projects. The scary part of these situations is not their existence but the fact that they typically are not recognized, let alone deliberately and skilfully handled. Archetypal situations range from individual – mostly unconscious – human mentalities to typical organizational settings that lead to a certain type of outcome (Senge et al., 2006), such as failure.

The fourth category of potential error in strategic change projects, organization-related error, consists of five distinct sub-categories: capabilities, leadership, collaboration, forces, and project management. These sub-categories are outlined hereinafter, one by one. In order to ensure maximal clarity within this large category each sub-category is outlined in a separate paragraph.

**Capabilities**: Obviously, errors within this organizational sub-category happen quite often. After all, it is the total package of capabilities that constitutes the basic ground for every ambitious undertaking. Often the misery starts with slack recognition and management of endogenous strengths and weaknesses (A. A. Marcus, 2005) as well as a consequent deficient balancing of these vital characteristics. This, in turn, results in structural and dynamic deficiencies. Lack of adaptation capabilities certainly is one of the main reasons for project failure (Perception-Dynamics-Ltd., 2007; Straub, 2007). Within the same realm there are other common sources of error such as inadequate agility-/adherence ratio (A. A. Marcus, 2005), insufficient obstacles recognition and removal (Kotter, 1995), stubbornly staying the course (Carroll & Mui, 2008), or insufficient learning from committed errors and failures (Baumard & Starbuck, 2005).
Untreated organizational inertia (Wright et al., 2008), often exacerbated by organizational expansion (A. A. Marcus, 2005), leads to deficient flexibility and stringency (Carroll & Mui, 2008; A. A. Marcus, 2005). Typical structural impediments (Choo, 2008) consist of poor implementation of necessary structural changes (Neilson, Martin, & Powers, 2008) and insufficient control of morphogenic processes (Schwandt & Goldstein, 2008).

**Leadership:** There is a vast range of literature examining leadership and its frequent aberrations. As is well known, metaphorically spoken, a fish rots from the head down. It is exactly the same in the organizational realm. If top-management representatives do not recognize their responsibilities concerning leadership the entire organization will suffer from this devastating lack (Mittelsdorf, 2005; Office-of-Government-Commerce-London, 2005). Sadly, this scenario can be spotted quite often. The most harmful negligences are lack of clear strategic direction (A. A. Marcus, 2005), inadequate strategy design (Fraser, 2007), foggy vision (Kotter & Schlesinger, 2008; A. C. T. Smith, 2004; K. T. Yeo, 2002), and inadequate goal definition and communication (Giessner & van Knippenberg, 2008; Mittelsdorf, 2005; K. T. Yeo, 2002). Lacking management of tension between short-term and long-term goals (M. Beer & Nohria, 2000; Office-of-Government-Commerce-London, 2005) belong to the same realm of error. Missing creation of powerful guiding coalition (Kotter & Schlesinger, 2008) and lack of proactive conduct (A. A. Marcus, 2005) constitute other, not less fatal, managerial sins.

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97 Morphogenic: Relating to or concerned with the development of organic form and structure (Merriam-Webster-Online-Dictionary, 2010).
Collaboration: Organization-internal collaboration across all levels and areas is crucial; not least due to the organismic structure of an organization, which requires profound cooperation among all vital organs in order to ensure maximal performance. Hence, lack of open-minded collaboration in organizations can result in low performance or even total failure (Fraser, 2007), virtually causing death of the concerned “organism”. So what are the causes of such counterproductive organizational behavior? Basically, organizations that do not cherish a deliberate collaboration and/or communication culture usually neglect the power of collective rationality (van Lange, 2008), collective intelligence (Fraser, 2007), and group dynamics (Goddard, Hoy, & Woolfolk Hoy, 2004), not knowing that disregard of collective mindsets imperatively results in a devastating cultural misalignment (Mittelsdorf, 2005), intriguing political behavior (Maitlis & Lawrence, 2003), and uncontrollable organization-internal competition interferences (Keupp & Gassmann, 2008). Individual thoughts and actions ought to be orchestrated (Goddard et al., 2004) by leaders who best represent group identity (Giessner & van Knippenberg, 2008).

Forces: Strategic change projects need a vast amount of energy in order to achieve their ambitious goals. A deficiency of such energies results in half-hearted actions or, even worse, the abandonment of particular processes. Associated energies consist of forces such as creativity (Fraser, 2007), an appropriate grade of aggressiveness (A. A. Marcus, 2005), sense of urgency (Kotter & Schlesinger, 2008), efficacy (Goddard et al., 2004), momentum (Dutton & Duncan, 1987), and change culture (Kotter, 2002).
Lack of establishment of cultural motivation (A. A. Marcus, 2005) on all hierarchical levels (Hutzschenreuter & Kleindienst, 2006) is commonly interpreted by the work force as neglect of their emotional needs (Nohria et al., 2008) and, hence, constituting a “killer” for the general level of organizational motivation (Neilson et al., 2008).

**Project management:** it goes without saying that competent management constitutes the heart of every strategic change project. Certainly, this central task includes many features of the already mentioned categories of error. Nevertheless, it seems wise to handle this domain separately and redundantly, not least due to the vast amount of relevant literature. After all, respective emerging insights based on category-overlap are a welcome verifying side effect. Within the frame of this thesis project management is hierarchically positioned below organizational top-management level, concerned with hands-on handling of planning- and implementation-processes. Errors in this domain include insufficient project management skills (Office-of-Government-Commerce-London, 2005) and incompetent or inexperienced project managers (Mittelsdorf, 2005) as well as inadequate planning- and implementation-methods (Mittelsdorf, 2005), including insufficient manageability of distinct project steps (Office-of-Government-Commerce-London, 2005). Absurd combinations of quantitative and qualitative issues (M. Beer & Nohria, 2000), including respective methodical compounds (kfw-Bankengruppe, 2004), constitute common deficiencies. Even inadequate or plain faulty management of quantitative, especially financial, matters is not unusual (Carroll & Mui, 2008; Straub, 2007). Probably the most fatal domain of errors in project management is based on ignorance concerning the iterative nature of strategic change projects.
Disregard of continuous progress tracking (Mittelsdorf, 2005) and reiteration of vision- and goal-definition and -communication (Fraser, 2007; A. C. T. Smith, 2004) leads most certainly to project failure. Problems that manifest at the end of the project implementation phase, such as timeline underestimation (K. T. Yeo, 2002) or premature victory declaration (Kotter & Schlesinger, 2008) are usually the consequence of a lack of agreed measures regarding the outcome assessment (kfw-Bankengruppe, 2004; Office-of-Government-Commerce-London, 2005).

Finally, the fifth and last category, communication-related error: As mentioned before, communication is considered by many authors as the bloodstream of the metaphoric organism. Deficiencies often result in “cardiac infarction” and sudden “death” of the concerned entity. Therefore, adequate information practices (Choo, 2008) and general discourse (Maitlis & Lawrence, 2003) across hierarchical levels are highly relevant preconditions for every strategic change project (Kotter & Schlesinger, 2008). In the context of strategic change several communication channels need attention. The intra-organizational channels have to ensure a timely flow of relevant information to all participants (Neilson et al., 2008). Common problems in this regard are unilateral top-down information flow (Camillus, 2008) and lack of appreciation and integration of participants’ thoughts (Bushe & Kassam, 2005). This kind of information design imperatively leads to fatal discrepancies between participants’ view on change (Strebel, 1996) and, hence, to inadequate decision practices (Choo, 2008). Not less important is the information flow that connects an organization with the outside-world. However, often the channels between project team and stakeholders are clogged or, even worse, entirely inexistent (Mittelsdorf, 2005).
Last but not least, insufficient clarification of decision rights (Neilson et al., 2008), whether concerning intra- or extra-organizational matters, constitutes another communication deficiency with possible fatal consequences.

The following figure synoptically displays the outlined typical errors within the domain of strategic change projects.98

![Figure 63: Concept map Strategic change project failure](image)

**4.4 Data synthesis**

“Perfection is achieved, not when there is nothing more to add, but when there is nothing left to take away”

Antoine de Saint Exupery

The synthesis chapter compares the insights gained in the previous chapter, which examines the failure of the single concepts, with the ones gained in the chapter that examines errors within the integrated phenomenon.

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98 The discrepancy between this graphic and the previous one concerned with *project failure* – two related domains, which are assumed to be similar – is based on the different literature selection and assessment method (integrated vs. single concept view) and the not entirely corresponding conceptual content. This discrepancy, however, is welcome. See Appendix for larger graphic size.
This leads (1.) to the answering of the second sub-question, i.e. the key variables and interrelations, (2.) to the answering of the main research question, and (3.) to the eventual development of the Failure meta model. The entire data synthesis process basically aims at the incrementally executed maximum reduction of the previous insights down to the essential core of the phenomenon.

4.4.1 Merging the single concepts and the integrated phenomenon: Answering the second sub-question

By combining both approaches there is a revelation of verifying contentual overlap emerging. The most decisive congruencies are uncovered and consolidated, while redundancies are eliminated, which eventually results in the emergence of the key variables and their interrelations. See the following figure for further explanation of this pertinent knowledge-consolidating stage:
**Strategist failure and human nature-related error**: Extracted from literature within the individual-related domain of both approaches are the following corresponding variables: Archetypes (Jung, 2003) and handling of archetypal situations (Heeks, 2003), cognitive capabilities (Dubben, 2009; Durso, 2007; Finkelstein, 2009; G. Marcus, 2008) and cognitive bias (Dörner, 2008; Hutzschenreuter & Kleindienst, 2006), cognitive model (Hutzschenreuter & Kleindienst, 2006) and human resistance to change (Kotter & Schlesinger, 2008), as well as issue diagnosis (Porac & Thomas, 2002) and epistemic blind spots (Choo, 2008).99

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99 Within the frame of this thesis, *human-nature related error* exclusively refers to the key concept *strategist*, due to its essential project-related power. Yet, generally, it might be appropriate to apply the findings also on other individuals on lower hierarchical levels and/or in other organizational
Organization failure and organization-related error: Extracted from literature within the organization-related domain of both approaches are the following corresponding variables: Top-management (Malik, 2006) and lack of senior management ownership (Office-of-Government-Commerce-London, 2005), middle management (Marginson, 2002) and poor leadership (Mittelsdorf, 2005), control systems (Marginson, 2002) and insufficient recognition and removal of obstacles (Kotter & Schlesinger, 2008), organizational resources (Warren, 2008) and slack management of strengths and weaknesses (A. A. Marcus, 2005), infrastructure (DS-Performance-Group, 2010) and structural impediment (Choo, 2008), including deficient implementation of necessary structural changes (Neilson et al., 2008) and insufficient control of morphogenic processes (Schwandt & Goldstein, 2008), culture (Pant & Lachman, 1998) and missing creation of cultural motivation (A. A. Marcus, 2005), including insufficient establishment of change culture (Kotter, 2002) and cultural misalignment (Mittelsdorf, 2005), archetypes (Mark, 2001) and organizational inertia (Wright et al., 2008), organization size (Hopkins & Hopkins, 1997) and loss of organizational flexibility and stringency due to expansion and growth (A. A. Marcus, 2005), strategic and tactical competence (Ferrier, 2001) and inadequate agility-/adherence-ratio (A. A. Marcus, 2005), including lack of reiteration of vision-/goal-definition (A. C. T. Smith, 2004), communication (Mitchell & Jackson, 2006) and inadequate information practices (Choo, 2008), including lack of integration of workforce’s thoughts (Bushe & Kassam, 2005), coordination (Liu et al., 2003) and lack of open-minded collaboration (Fraser, 2007), including disregard of dynamics of collective rationality (Fraser, 2007; van Lange, 2005).
2008) and lack of orchestration of individual thoughts and actions (Goddard et al., 2004), as well as learning capabilities (zur Bonsen, 2003) and insufficient learning from errors and failures (Baumard & Starbuck, 2005).

Environment failure and environment-related error: Extracted from literature within the environment-related domain of both approaches are the following corresponding variables: Macro-environment (Bozeman, 2000), consisting of politics (Habermas, 2001), economy (Friedman, 2006), society (Luhmann, 1982), technology (Perez, 2002), law (Sobota, 1997), and inadequate response to emerging threats and opportunities (Choo, 2008; A. A. Marcus, 2005; K. T. Yeo, 2002), micro-environment (Oxford-University-Press, 2007a), consisting of competitors (Porter, 2004), customers, distributors, suppliers (Thommen, 2003), public (Ciarniene & Vienazindiene, 2007), and wrong stakeholder-related decisions (Carroll & Mui, 2008; Fraser, 2007; Hutzschenreuter & Kleindienst, 2006; A. A. Marcus, 2005; Office-of-Government-Commerce-London, 2005), environment identity and culture (Ashforth & Mael, 1989; Buckley, 2008), including history (Law, 2008), archetypes (Kött, 2003), collective mental model (Lupia et al., 2000), and gap between project design and exogenous realities (Heeks, 2003; Schwandt & Goldstein, 2008).
Project failure and strategic change project failure/error. Extracted from literature within the project-related domain of both approaches are the following corresponding variables: Complexity (Tatikonda & Rosenthal, 2000) and complexity overload (A. A. Marcus, 2005), environment integration (Hough & White, 2003) and insufficient coordination of intrinsic and extrinsic realities (Schwandt & Goldstein, 2008), momentum creation (Collier et al., 2004) and lack of creation of momentum for change (Dutton & Duncan, 1987), speed (Baum & Wally, 2003) and insufficient sense of urgency (Kotter & Schlesinger, 2008), archetypal power (Brouthers et al., 1998) and mismatch of workforce’s emotional needs and mindsets (Fraser, 2007; Nohria et al., 2008), including lack of motivation (Hutzschenreuter & Kleindienst, 2006; Neilson et al., 2008), goal orientation (Dooley et al., 2000) and unclear goal definition (Mittelsdorf, 2005), dynamism (Hough & White, 2003) and low grade of creativity (Fraser, 2007), adaptability (Barney & Zajac, 1994; Chesley & Wenger, 1999; Hamel, 2003; Nutt, 2000; Pettigrew, 1992) and lack of adaptation capabilities (Straub, 2007), consistency (Dess et al., 1997) and lack of consistent strategic direction (A. A. Marcus, 2005), information flow (Maitlis & Lawrence, 2003) and insufficient information flow (Neilson et al., 2008), including undercommunication (Kotter & Schlesinger, 2008), planning error (Andersen, 2000) and insufficient planning processes (Mittelsdorf, 2005), as well as execution error (Tennant & Roberts, 2001) and inadequate implementation methods (Mittelsdorf, 2005).

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100 Strategic change project failure/error depicts the insights from the entire chapter Strategic change project failure analysis: The integrated phenomenon.
Communication failure and communication-related error: Extracted from literature within the communication-related domain of both approaches are the following corresponding variables: Information practices (Choo, 2008) and pragmatic elements of information (D. Chandler, 2007), general discourse (Maitlis & Lawrence, 2003) and information organization (H. A. Simon, 2002), timely flow of relevant information to all participants (Neilson et al., 2008) and information relevance and timeliness (D. Chandler, 2007), discrepancy between participant’s view (Strebel, 1996) and judgment accuracy (Bloomfield, 1996), inadequate decision practices (Choo, 2008) and information accuracy (D. Chandler, 2007), clogged channels between project team and stakeholders (Mittelsdorf, 2005) and information distribution (Desouza & Hensgen, 2005), and, finally, insufficient clarification of decision rights (Neilson et al., 2008) and information completeness (D. Chandler, 2007).
System failure and system-related error: Extracted from literature within the system-related domain of both approaches are the following corresponding variables: Complexity (Bar-Yam; Dagnino, 2004; Eriksson, 2007; Malik, 2003; Nunn, 2007; Powles, 2008; Schwaninger, 2000; Sharif, 2006; A. C. T. Smith, 2005; Stacey, 2005; Tait, 2008; Vesterby, 2008) and complexity overload (A. A. Marcus, 2005), cybernetics (Ashby, 1974; Foerster et al., 2008; Malik, 2003; Schwaninger, 2004; Vester, 2004; Wiener, 1952), respectively system drivers (Dagnino, 2004) including leverage points (Meadows, 2008) and system archetypes (Haraldsson, 2008; Senge et al., 2006), and system dynamics (Camillus, 2008; A. C. T. Smith, 2004), cognition (Fioretti & Visser, 2004; Gibbs, 2005; Storch et al., 2006), respectively intelligence and learning capabilities (Hall, 2005; Pagano, 2008; Schwaninger, 2000; Senge et al., 2006; R. K. Yeo, 2005), and holistic thinking (Fraser, 2007), as well as system identity and complex nature of strategic projects (Camillus, 2008).

In the next step each key conceptual realm, as outlined above, is examined for correspondence between variables within the respective realm as well as with the other realms, in order to work out the most influential key variables and their interrelations – and thereby answering the second sub-question.

The realms of the physical key concepts strategist, organization, and environment exhibit a similar – fractal – structure of variables, which contain a high risk for error and final failure.
They all show a strand of distinctly structural characteristics, i.e. physical static features of the concerned entity, and a strand of distinctly dynamic characteristics, i.e. non-physical fluid features of the respective entity; furthermore they all show a strand of largely unconscious characteristics, which are of distinct archetypal nature, i.e. enrooted in their cultural heritage. Together, the structural characteristics as well as the dynamic and archetypal characteristics constitute the identity of the respective entity and its dominant logic, with which it assesses and processes information. Additionally, extrinsic characteristics exert influence on the development of the identity. See the following illustration for further explanation.
The single concept per level of failure is not relevant here. Therefore the illustration is held fuzzy, only depicting the mutual characteristics. For details see the respective chapter and the Appendix.
Concerning the realms of the non-physical key concepts it can be stated that the integrative key concept *project* combines the perceptive and cognitive abilities, respectively inabilities, of the three physical key concepts by means of a multitude of communication channels. The processes within the project are of distinctly iterative and reciprocal nature, i.e. they constitute a continuous feedback loop between variables, which shapes the eventual manifestations as well as the entities’ original characteristics.¹⁰² In a systemic sense it can be noticed that all the key variables are systemically interwoven, forming a highly complex and sensitive web of interdependencies and potential interference, which exerts a distinct amplification effect on the weak points of all the key concepts. See the following table for a summary of the worked out key variables.¹⁰³

<table>
<thead>
<tr>
<th>Key concept:</th>
<th>Underlying key variables:</th>
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<tbody>
<tr>
<td>Strategist, organization, environment</td>
<td>- Structural characteristics</td>
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<td></td>
<td>- Archetypal characteristics</td>
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<td>- Dynamic characteristics</td>
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<td>- Identity</td>
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<td></td>
<td>- Extrinsic characteristics</td>
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<td>Project</td>
<td>- Perception</td>
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<td>- Decision</td>
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<td>- Action</td>
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<td>Communication</td>
<td>- Information transmission</td>
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<td>- Information processing</td>
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<td>- Feedback</td>
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<td></td>
<td>- Information transformation interfaces (semantic, syntactical)</td>
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<tr>
<td>System</td>
<td>- Complexity overload</td>
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<td></td>
<td>- Interference</td>
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<td></td>
<td>- Amplification effects</td>
</tr>
</tbody>
</table>

Table 9: Key variables

¹⁰² Self-referential process (Hofstadter, 1980).
¹⁰³ See chapter *Failure meta model* for more details concerning interrelations between key variables.
4.4.2 Reasons for failure: Answering the main research question

The thorough examination of the nature of the key concepts and their underlying key variables and interrelations reveals a highly complex compound of causes for the failure of strategic change projects. In order to draw a comprehensible – and, nevertheless, comprehensive – picture of the relevant insights, this main part of the thesis is organized according to basic structure of this study. At first, the question “why do most strategic change projects fail?” is answered in terms of the semantic point of view, i.e. by reference to the inherent meanings of the chosen – and repeatedly confirmed – key concepts, which depict the examined phenomenon as a whole. Secondly, the answer is given in terms of the syntactical point of view, i.e. on the basis of the structural examination of the phenomenon. Additionally, the author formulates the answer by means of the systemic point of view, doing justice to the complex nature of the research problem.

4.4.2.1 Semantic point of view

First of all, in order to answer any kind of question, it must be clear what exactly is meant by the question as a whole and by its constituent elements. What does the enquirer specifically mean by asking this question? What is the inherent nature of the problem that underlies this question? Is the wording of the question by all means unambiguously for everybody, or is there a high risk for misunderstanding? In the case of this specific examination, the underlying problem, i.e. the frequent failure of strategic change projects, and its associated research question, i.e. “why does that happen?”, depict a highly complex real world phenomenon that is historically myth-enshrouded and neither completely understood nor resolved – as the previous assessment has shown.
The evidence of prevalent semantic confusion reveals that the reason for – real and alleged – failure of strategic change projects lies, first of all, in the misapplication of the concerned key terms. The main semantic conflict is based on the misinterpretation and eventual misuse of the term strategic and its combination with the other key concepts, mainly with the terms project and failure.

The concept of strategy, originally meaning “the discipline dealing with the principles of warfare” (Merriam-Webster-Online-Dictionary, 2013), has been used during the last six decades as an organizational management measure, denoting the definition of overall vision, mission, and main objectives, as well as the associated long-term planning process. During this period many business consulting companies, university professors of the wider field of economics, and other representatives of various fields of study have used the term strategy to propagate their – often opposing – personal views on the topic and to deliver a new and tangible methodological framework, which is supposed to illustrate the “right” procedure in order to ensure organizational long-term success. Accordingly, volatile trends have come and gone - while the failure rate of strategic projects has remained on a constant high level. The semantic, respectively linguistic confusion is considerable. Neither specialist literature nor established dictionaries define the term in a consistent way; they do not even clearly distinguish between strategy, operations, and tactics – terms that are strictly to be kept apart. It is incorrect to speak of a strategic project if this project does not have a distinct competitive function. In fact, most projects that are declared strategic are at best strategy-relevant or strategy-associated.
Furthermore, *strategy* is of distinct aleatoric nature, i.e. highly dependent on external circumstances, which cannot be controlled by the strategist, and, therefore, not at all qualified for the provision of the objective management measure that organizations have been using it for. In this sense, the term *strategy* has been instrumentalized in improper ways in the conduct of an uncountable number of large-scale projects, lulling the participants into a false sense of security and clarity. Consequently, the definition and understanding of the object of examination, i.e. the *strategic project*, is unclear and misleading. This, in turn, gives rise to the conclusion that it is not precisely defined what *it* is that eventually fails.

In this context the question must be raised whether the terms *strategy* and *project* are validly connectable. After all, according to the most recent knowledge, *strategy* must not be seen as a means to setting precise goals, planning the respective measures, and controlling the implementation – which are the main elements of a *project*. Instead, *strategy* is inherently connected with a view that sees the world as “an erratic labyrinth in which one has to find an adequate mode of movement, permanently verifying his own position, the initial objective formulation, and the respective pathway to its achievement” (Uni-Protokolle, 2010). For a *strategy* it is essential to be designed in the most flexible way – always being able to act upon changes of competitive conditions, whereas a *project* must be designed and conducted rigorously throughout its span of existence. *Project goals* must be exact, concise, achievable, and their attainment controllable, strictly holding project leaders responsible for project outcomes. The involved personnel is by all means dependent on these stabilizing factors, providing a sense of security and orientation during the entire phase of the project (Blocher, 2011).
In contrast, a *strategy* cannot feature most of these characteristics – at least not in an absolute sense, mainly due to its long-term disposition, placed within a complex and fast changing environment. Another obvious contradiction is that the pragmatic content of a *goal* is always the result of an action, whereas most *strategies* do not even include the implementation phase, but limit themselves to theoretical planning – which opens up a large gap of indeterminacy between the initial purpose of the undertaking and the final outcome. At the bottom line it can be stated that unalterable *goals* are appropriate for *projects* and adaptable *directions* are appropriate for *strategies*. Interchanges of terms are by all means incorrect and lead to confusion, error, and final failure.

Next to the terms *strategy* and *project* there is the term *failure* that needs close attention in order to understand the nature and the practical manifestation of the examined phenomenon. First of all, there is a big diversity among outcomes that are considered a *failure*. Is a ten percent deviation from the initially formulated goal a *failure*? 20 percent? 30 percent? ...100 percent? Is a 100 percent deviation between the initial goal and the final outcome a *total failure*, although collateral effects of the project implementation compensate for most of the deviation? Is it a *failure*, although in the meantime changed environmental conditions support the accuracy of the deviated outcome? In order to answer these essential questions it is crucial to consider the aforementioned distinction between a *strategy* and a *project*. The *failure* of a *strategy* and the *failure* of a *project* are by far not the same thing. The failure of the strategy means to “lose the war”, i.e. losing against the competition in substantial parts and thereby putting the existence of the organization at risk.
On the other hand, the failure of the project means “to lose a fight”, i.e. losing against the competition in minor parts or – entirely competition-independent – not achieving self-defined goals, but thereby not affecting the overall health of the organization.

What this all amounts to is the insight that organizational undertakings can indeed fail because of a semantic misunderstanding and the eventual misapplication of the inherent meaning of the concerned key terms. Yet, it can also happen that an undertaking is mistakenly considered a **failure**, based on the wrong understanding of these terms, whereas, in fact, it could also be considered a success, or at least a partial success.

Last but not least, the author of this study wants to emphasize that, in a strict semantic sense, it is not valid to speak of the “failure of a project” at all, since the “project” as such cannot fail. Failing is imperatively based on error, which can only be done by one of the concerned physical entities. To use language in an improper sense, such as declaring a “failed project”, distracts from the primary features of failing and the real causes of this phenomenon; it obscures responsibilities and their neglect, which, in turn, makes it complicated for the management of a strategically active organization to get to the bottom of things and to ensure the eradication of the deficient attitude and/or behavior.
4.4.2.2 Syntactical point of view

Both the examination of the failure of the single key concepts and the examination of
the failure of the integrated phenomenon lead to the insight that the failure of an
organizational long-term undertaking is in any case caused by an error related to
human nature, intra-organizational mechanisms, and/or environmental conditions.
Furthermore, it can be caused – more specifically – by a communication-related
and/or – more generally – by a system-related error.

The error occurs either in the realm of preconditions that shaped the identities of the
concerned physical entities, i.e. strategist, organization, and social environment, or
during the ongoing process of perception – reasoning – decision – action of the
concerned entities. While the identities are shaped mainly by various conscious
intrinsic structural and dynamic preconditions, by intrinsic subconscious archetype,
as well as by stimuli that are of extrinsic origin, the process of perception – reasoning
– decision – action, in turn, is based on the interplay of the identities of the operative
entities and the characteristics of the current extrinsic stimuli. The result of the
entities’ cognitive processes is eventually put out by the act of communication –
internal and/or external to the entity. See the following figure for further
clarification.
The figure clearly shows that the variable *identity* takes up an essential key function within the attempted explanation of the examined phenomenon, combining nucleus and interface between the past and the future, serving as the central assessing instance of all physical key concepts, and thereby deciding largely upon the course of the entire undertaking. The term *identity* is of inherently dualistic nature (Leary & Price Tangney, 2003).

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104 The model shows remarkable similarities with the definition of *intelligence* according to Tschacher (Storch et al., 2006; Tschacher & Dauwalder, 2003), which concludes that the existence of intelligence, in a pure cognitive sense, is contingent upon the physical and environmental embeddedness of pattern formation (identity) based on archetypical characteristics.
On the one hand, it stands for sameness: “Sameness of essential or generic character in different instances” (Merriam-Webster-Online-Dictionary, 2013); on the other hand, it denotes the exact opposite, namely distinction: “The distinguishing character or personality of an individual” (Merriam-Webster-Online-Dictionary, 2013). During the conduct of this thesis several synonyms were encountered, depending on the level of abstraction of the indicated entity: Mental model, dominant logic, paradigm, and zeitgeist, among others. All of them play a decisive and central role in the process of error and failure. Identity is an essential precondition for the viability of any entity that features an individual personality structure. Yet, it can also act as a highly destructive impediment, especially in the context of required intrinsic and/or threatening extrinsic change. The aforementioned dualistic nature of this concept, always aiming for an intrinsic equilibrium state, can lead to paralyzing inertia, which makes it difficult for the entity to accommodate to a changing environment in a timely manner. Furthermore, an identity that has been shaped by distinct structural, dynamic, and archetypal preconditions is most likely to fail to promptly enact the appropriate measures when confronted with non-conforming and/or fast changing extrinsic conditions. The function of a cognitive apparatus will always follow its individual imprinting. Situations will be assessed and decisions will be made according to this deeply etched self-image and the corresponding view on the outside world, no matter if congruence between this subjective representation and the “real” conditions is given.\textsuperscript{105}

\textsuperscript{105} Human cognition as a function between intrinsic identity and extrinsic conditions, respectively requirements. This notion emphasizes the truth value of \textit{structural functionalism} (Buechner, 2008; Parsons & Shils, 2001).
Eventually, the information content of the potentially biased decisions will be transferred to involved recipients by internal and external communication channels – thereby opening up another black box of potential failure.

The previous examination has clearly shown: Deficient communication must be seen as one of the main failure causes within organizational long-term undertakings. No matter if oral, written, or non-verbal information transfer, the combination of biased information content with the implicit uncertainty concerning the exact understanding of the sent information by the multitude of recipients is highly error-prone.

4.4.2.3 Systemic point of view

Complementary to the semantic and syntactical explanation approaches there is the systemic view on the issue, doing justice to the complex nature of the phenomenon. Closely connected to the syntactical explanation model – with its depiction of the key variables and interrelations – the systemic approach focuses on the analytical insights as a whole, including the “third dimension” of the failure structure, i.e. the concerned system levels on the time axis. According to the conceptual framework there are three system levels that have to be considered: The strategist, i.e. the individual, the organization, i.e. the corporate collective, and the environment, i.e. the wider social surroundings. In order to tangibly illustrate this notion the following figure integrates the syntactical explanation model and the conceptual framework into the systemic explanation model.¹⁰⁶

¹⁰⁶ See Appendix for larger graphic size.
The three main system levels depict an analogous inherent structure, unified by the strategic process, which acts as an identity-interconnecting system, producing error and eventual failure by means of deficient cognitive and/or communicative processes enforced by the participants. The whole structure constitutes a highly sensitive web of interdependencies, causing an amplification of the complexity of the single systemic level. The joining of the distinct identities of all levels itself depicts a high probability of interference and consequential processual error. The tendency of the different identities to adhere to the status quo, i.e. to the intrinsic and extrinsic equilibrium state, accumulate to severe processual inertia and, hence, to an impediment concerning the execution of the strategic plan of change.
Furthermore, the far temporal horizon of the strategic process boosts the delay of communication feedback, which leads to confusion concerning cause-and-effect perception of the participants.

The extraordinary high level of complexity that imperatively emerges within every strategic undertaking, along with its increasing information inflow, leads to an overload of the cognitive capabilities of the involved individuals on all levels. This, in turn, results in the loss of control over the decisive system variables, drivers, and leverage points, which, over time, develop their own dynamics ("self-amplification effect")\textsuperscript{107} and eventually lead to an unforeseen and unwanted outcome of the whole undertaking, commonly called “failure”.

4.4.3 Failure meta model

The Failure meta model depicts the result of the final consolidation of the root causes for the failure of strategic undertakings in the most condensed graphic form. It shows the most essential key variables and interrelations as well as the critical cross-level effects and the main domains of error. In order to get to the most reduced graphic representation of strategic failure, without neglecting essential elements, the root causes of failure are previously consolidated and described in a concise manner.

\textsuperscript{107} Self-amplification effect: According to literature in Complexity Theory the self-amplification effect denotes a so called “positive feedback loop” among system variables, which eventually leads to an uncontrollable escalation of a system status (Stacey, 2005). The opposite dynamic, a “negative feedback loop”, i.e. system stabilizing effect, is not of interest concerning the explanation of failure.
4.4.3.1 Root cause consolidation

Surveying the previous examination of the research problem and, particularly, the explanation for the frequent failure of strategic undertakings, there are four core domains emerging that typically produce error and eventual failure; yet, it is difficult to clearly distinguish them, because their content is overlapping, closely intertwined and interdependent. These domains are: Preconditions, cognition, communication, and level-interconnecting (systemic) effects. They are dominant on all levels of examination and central to the strategic process and its outcome. In order to draw the lines to the Failure meta model each domain is characterized by reference to the previously worked out key variables.

4.4.3.1.1 First domain: Preconditions

According to the syntactical examination of the causes for strategic failure there are a large number of frequently mentioned failure causes that can be subsumed under the preconditions domain, such as inappropriate organizational structure, lacking resources and abilities, deficient process organization, technological deficits, not enough market coverage, infrastructure problems, inadequate collective mental model, lacking motivation of employees, and so forth. Due to the consolidating meta level approach of this thesis, the single cause is, explanation-wise, not essential; however, it is essential to acknowledge that all these causes are either of structural, dynamic, or archetypal character and that these attributes, together with various stimuli of extrinsic origin, substantially shape the identities of the participant entities. The decisive role that identities play in strategic undertakings has been emphasized several times.
4.4.3.1.2 Second domain: Cognition

While preconditions play a vital role previous to the start of a strategic undertaking, cognition on the other hand rules the proceedings as soon as the starting pistol has been fired, i.e. the first thought about a possible undertaking has been made, until the very last moment of the strategic activity. The participant receives information, reasons about it, and makes decisions – all based on the pre-conditional imprinting of his individual identity. Common cognitive errors in this phase are, among others, ignorance, misjudgement, denial, being unable, or simply not knowing. Another critical impediment to strategic change is the tendency of every organismic structure to adhere to its actual equilibrium state and to avoid essential steps of development. The cognitive process closes as soon as the information has left the entity through an oral, written, or non-verbal message – until extrinsic feedback receives the entity – which starts the cognitive process anew. During the entire cognitive process the expedient correlation between intrinsic and extrinsic conditions is vital.

4.4.3.1.3 Third domain: Communication

While perception, reasoning, decision, and action are essential features of the cognitive process they are also part of the domain concerned with communication, since communication starts with an “idea” of the sender.
As emphasized several times the most error-prone phases of the communication process are the semantic transformation of the information, which happens before the message leaves the communication apparatus of an entity, and the syntactic transformation, which happens after the message left the communication apparatus in the form of a symbol. As soon as the symbol has been transferred it will be decoded by the receiver, which constitutes another semantic transformation event. The interpretation provokes a reaction that will be, in the best case, returned to the sender, or, in the worst case, lost in nothingness. Most likely, the feedback will reach the original sender with some delay, depending on the scope and type of the sent information and, not to mention, the processing speed of the receiver. This delay is critical for the effectiveness of the interplay between the communicating entity and its environment. In the event of a large delay there is a high risk for loss of recognition of contentual relationship, which can lead to confusion and loss of control. Eventually the feedback is transmitted to the original sender by another syntactical transformation. In practice, there is a wide variety of communication errors. Frequently the error occurs through incongruence between the original intention of the sender and the final understanding of the receiver, based on their information processing and transmitting abilities as well as their identification with the task and their personal motivation.

4.4.3.1.4 Fourth domain: Level interconnection effects

The descriptions of the aforementioned domains of potential error are applicable to both the single examination level – i.e. strategist, organization, and environment – as well as their interplay. As soon as more than one level is involved there are effects to consider that emerge by this interactive process.
This phenomenon is commonly known and treated as “systemic” effect and is mainly based on an increase in complexity. As the examination of the research problem has clearly shown, an increase in complexity is only badly tolerated by the cognitive apparatus of the participants and almost inevitably leads to a higher error rate and, consequently, to a higher failure rate. The main effect consists of the amplification of the error-prone areas of the single level, such as information delay, the amount of incoming information, and cognitive inertia. Additionally, there is a high probability of incompatibility between the involved identities and a general complexity overload of the participant’s cognitive abilities, i.e. to perceive, to reason, and to make fruitful decisions. Once the participants have lost control over the cause and effect relations of the strategic undertaking – provided that control had been gained at all –, the complex process, driven by self-amplifying forces, will take on a life of its own, eventually leading to unforeseen consequences.

4.4.3.2 The model

The Failure meta model merges the main causes of error into a consistent graphic representation. The model depicts both the intrinsic processes of each level – i.e. strategist, organization, and environment – as well as their interplay. The worked out domains of error are marked with light blue color; the systemic cross-level effects are depicted in dark blue, pointing at the affected areas of error. The model is intentionally not divided into different areas – such as intrinsic/extrinsic, preconditions/process, or conscious/subconscious – unlike the previous models, on which the Failure meta model is based. The Failure meta model represents the maximal reduction of all the insights concerning the main reasons for error and eventual failure of strategic undertakings of organizations.
Figure 68: Failure meta model
5 Conclusions

The conclusions chapter mainly reflects on the insights of the findings chapter, in terms of the initial premises of the thesis, emphasizes discrepancies, and deduces theoretical and practical implications, whereas the focus lies on the practical part which delineates the application of the new insights to solve real problems in strategic management practice. The third and last research question is answered by pointing out the main intervention points in strategic undertakings, which help control this complex process and promote success. The Success meta model depicts these intervention points in graphic form and serves as the basis for the proposal of an exemplary practical application by reference to the initially worked out failure causes. Limitations and further research are discussed at the end of this chapter.

5.1 Implications for theory

First of all it can be stated that the initially defined premises of this thesis have been proven appropriate and fruitful. The basic dialectic approach, generating new insight from the juxtaposition and synthesis of opposites, turned out to be a vital impetus for the generation of new knowledge. New knowledge seems to ideally emerge in an environment of paradoxical tension and only a minimum of paradigmatic rules. Hence, the preferred qualitative methodological approach ensured the necessary “playground”. Meta synthesis as the method of choice fitted this maxim in the best way by offering a wide variety of analyzable sources and the flexible processing of data, without being unsystematic. It also made it possible to open up the field of view wide enough to detect underlying patterns, which would not have been recognizable otherwise.
The defined conceptual framework, based on the previous literature review, was useful in the same way and provided a coherent process of the examination.

Although this thesis does not claim to be a work based on systems theory, the researcher’s systemically oriented attitude facilitated the detection of unrecognized relations and interdependencies. Eventually, the iteratively questioned and revised insights led to the adequate answering of the main research question.

In order to consistently follow the basic structure of the thesis, further theoretical implications are concisely formulated in terms of their semantic, syntactical, and systemic content.

5.1.1 **Semantic implications**

The semantic examination of the research problem clearly revealed the widespread misuse of the terms *strategy*, *project*, and *failure* – as well as their incorrect combination. In order to ensure transparency, unambiguity, and clear criteria for all the participants, it is crucial to openly discuss, clearly formulate, and recurrently verify and adjust the main contents of a strategy. Since strategic undertakings are planned and implemented within a time frame of several years, there is the risk that zeitgeist-sensitive meanings subtly change without being noticed – and, consequently, blur the original strategic intention.

Another semantic phenomenon that has been encountered several times during the conduct of this thesis is the inappropriate mixing of terms and meanings from largely incompatible fields of study, such as strategy and ethics, which potentially causes a dilution of essentially stringent conceptualizations.
Participants are constantly tempted to give in to the various demands of the different stakeholders and to alternating societal trends, such as the current ethical and ecological movements, thereby weakening the core strategic purpose and the essential momentum for implementation. If issues such as ethics or ecology are not explicit strategic, i.e. competitive advantage increasing measures, then they need to be handled separately. A strategy must be conceptualized in a strictly pure manner in order to take full effect. 108

Another common semantic problem is the undifferentiated use of terms concerning their position within the management hierarchy. There is usually no strict distinction between normative, strategic, operational, and tactical levels. This mistake provides the basis for the undifferentiated allocation of responsibilities that, in turn, leads to the further dilution of strategically directed deployment and momentum. The operational level suffers the most from this neglect, even though it constitutes the vital connection between strategy and tactics and, consequently, between planning and implementation.

5.1.2 Syntactical implications

The author of this thesis emphasizes the vital relevance of the acknowledgment of the underlying pattern of strategic failure, as it is depicted in the *Failure meta model*. The assessment of the selected documents and the comprehensive analysis of their highly topic-relevant extract revealed the most influential key variables and interrelations in failed strategic undertakings.

108 This is certainly not a proposition for strategy to be “unethical”; yet, initially there needs to be strict distinction between the fields in order to ensure inherent consistency and to avoid excess of complexity generation.
Although the level of abstraction is high and the insights are strongly condensed, the truth content and the practical relevance are significant.

The model clearly depicts the weak points in strategic undertakings and emphasizes their thorough consideration. However, first of all it constitutes a hypothetical meta explanation for failure. More practical consequences concerning the question how to structure strategic undertakings in order to succeed are discussed in the chapter *Implications for policy and practice*.

### 5.1.3 Systemic implications

The most dominant systems-related insight of this thesis is the fact that a strategic undertaking is inherently complex and that it must be handled accordingly. Ignoring the complexity of strategy and its imperative consequences means losing the “battle” from the start. Everything is system: The strategist, the organization, the environment, the strategic undertaking itself, and even the related communication, not to mention their multifaceted interaction.

Everything is interconnected, although every operationally closed element – such as the chosen key concepts – is also a cosmos by itself, striving for an equilibrium state within chaotic surroundings. The dialectic interplay between intrinsic identity and extrinsic forces, respectively stability and change in general, strongly shapes the characteristics of the participant entities, their cognitive abilities, their drives, and their handling of organizational complex long-term undertakings.

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109 Meta explanation: See also Galitsky (2010).
5.2 Implications for policy and practice

This practice-oriented chapter constitutes the pragmatic part of the thesis. Since the aim of the research is not only to explain frequent *failure* of strategic undertakings, but also to work out practical measures that promote strategic *success*, conclusions are drawn from the previous insights. At first, the two counterparts are juxtaposed and allegedly obvious relations are called into question. Then, the third sub-question of this thesis is answered by emphasizing vital intervention points within strategic undertakings – in the form of a number of deduced hypotheses. The chapter closes with the illustration of the *Success meta model* and an exemplary demonstration of its practical application.

5.2.1 Success is not the inversion of failure

Definition of “success”: Favorable or desired outcome. The attainment of wealth, favor, or eminence (Merriam-Webster-Online-Dictionary, 2013).

Hypothetically, success-generating intervention points in strategic undertakings can be derived from the examination of strategic failure; constituting the exact terminological antonym, strategic success can be achieved by not making the mistakes that cause an undertaking to fail.

Yet, since the causes for failure have to be extracted by hindsight analysis, i.e. by cognitive fragmentation of a complex real-world phenomenon that happened in the past, there are two main problems emerging. Firstly, by braking up a “complex whole”, searching for failure causes, there are most probably some parts lost that are not essential for the explanation of failure, while their semantic opposite might constitute an important factor for the promotion of success.
Secondly, the assessment of events that happened in the past does not include conditions that have changed in the present, or will change in the future, which leads to a potentially inappropriate transfer of conclusions to present and future situations.

Consequently, the question is raised whether trying to define success promoting rules based on hindsight analysis of failed undertakings is foredoomed to: Failure.

Does this provocative implication maybe close the semantic circle? Does this constitute the final answer to the question why most strategic undertakings fail? Is it principally not possible to plan and implement long-term success? Is “success” a rather serendipitous outcome? According to the insights of this research these questions can be answered as follows: Yes and no.

Argumentation: Yes, because the cognitive apparatus of a human being is not geared for something other than learning based on hindsight analysis of events, while he is perpetually confronted with unprecedented complex phenomena, which overstrain his cognitive abilities and lead to error and failure. No, because “success” and “failure” are a matter of interpretation and, most of all, a matter of formulation of initial outcome specifications.

If strategic undertakings are seen and handled as continuous iterative process, pursuing an adjustable direction while applying rigorous goals to short-term projects, there is certainly a good chance to achieve minimum discrepancy between guidelines, goals, and eventual short- and long-term outcomes.
Furthermore, if top managements accomplish to configure the structure and the processes of strategically active organizations in a way that embraces the future – instead of the past – and to make up arrangements that ensure the efficient and effective handling of unanticipated events and developments, then it is highly likely that these organizations will interact with their environment in a fruitful way so that short-term goals are achieved and “success”, according to their strategic long-term orientation, will emerge.

However, due to the specific research design of this thesis, aiming at an explanation for the frequent failure of strategic undertakings, the appearance of success factors can only be seen as a spin-off effect. As aforementioned, since strategic success cannot be simply seen as the exact inversion of strategic failure, conclusive instructions for the achievement of strategic success cannot be provided within the frame of this thesis – assuming that there is such a thing at all. Nevertheless, there are factors – constituting essential preconditions for success – that can be deduced from the previous failure-related insights. They are thematized in the following chapter.

5.2.2 Intervention points: Answering the third sub-question

The third and last sub-question of this thesis asks for critical intervention points in strategic undertakings, implying practical success-promoting measures at a specific moment in the strategy process. According to the dictionary (Merriam-Webster-Online-Dictionary, 2013), the term intervention stands for the “interference with the outcome or course of a condition or process as to prevent harm or improve function”. Since a strategic undertaking is by all means a complex long-term process the
meaning of the term *intervention* is applied not only for spontaneous short-term interferences, but also for more elaborate arrangements based on structural and processual long-term planning. The incrementally, interdependently, and circularly formulated hypotheses\textsuperscript{110} include measures that aim at error prevention and/or error effect mitigation, respectively increasing error tolerance of the concerned entities. The proposed interventions are situated on meta level – according to the overall research approach of this thesis, focusing on the most essential synoptic patterns, from which concrete actions can be derived, according to the specific situation. These interventions depict a tangible guideline with an applicatory value added for practitioners in the field of strategic management.

**Hypotheses:**

- H1: Creating transparency and awareness of structural, dynamic, and archetypal characteristics of the involved entities leads to a harmonization of identities.

- H2: The harmonization of identities of the involved entities leads to a decrease in respective systemic interference.

- H3: The decrease in systemic interference of identities leads to an increase in understanding concerning strategic direction and project goals.

\textsuperscript{110} All proposed hypotheses are of provisional nature, according to the chosen inductive research approach. They are deduced exclusively from failure-related insights; therefore the author makes no claim of them being exhaustive otherwise. The hypotheses are not meant to be quantifiable or directly testable; for further examination they have to be specified. The hypotheses are applicable to all involved levels, i.e. strategist, organization, and environment, by themselves or in combination, according to the underpinning failure meta model.
- H4: The increase in understanding concerning strategic direction and project goals leads to a decrease in misinterpretation of present and incoming information.
- H5: The decrease in misinterpretation of present and incoming information leads to an increase in consistency of internal information processing and decision making.
- H6: The increase in consistency of internal information processing and decision making leads to a decrease in inefficiency of actions.
- H7: The decrease in inefficiency of actions leads to an increase in momentum concerning the impact of communication.
- H8: The increase in momentum concerning the impact of communication leads to a decrease in feedback delay.
- H9: The decrease in feedback delay leads to an increase in control over cause and effect relations.
- H10: The increase in control over cause and effect relations leads to a decrease in complexity experience, misinterpretation of intrinsic and extrinsic correlation, and systemic self-amplification effects.
- H11: The decrease in complexity experience, misinterpretation of intrinsic and extrinsic correlation, and systemic self-amplification effects leads to an increase in confidence concerning definition and adaptation of strategic direction.
- H12: The increase in confidence concerning definition and adaptation of strategic direction leads to a decrease in uncertainty and cognitive adherence.
- H13: The decrease in uncertainty and cognitive adherence leads to an increase in embrace of change.
- H14: The increase in embrace of change leads to a decrease in respective systemic inertia.
- H15: The decrease in systemic inertia leads to an increase in reactive identity shaping forces.
- H16: The increase in reactive identity shaping forces leads to a decrease in misperception and misconception of structural, dynamic, and archetypal characteristics of the involved entities.

In the next step, these hypotheses are applied on the main frame of the *Failure meta model*, visually interrelated, and further explained.

### 5.2.3 Success meta model

According to the formulated aim of the research, the thorough examination of the real-world phenomenon of strategic failure is supposed to result in a “guiding framework for strategy planning and implementation, which ensures that the main drivers, key variables, and potential barriers in such complex ventures are recognized, properly integrated, and controlled in a way that lays the foundations for success”.

The subsequently illustrated *Success meta model* consists of a combination of the basic structure of the *Failure meta model* and the aforementioned hypothetical interventions that promote success. The proposed interventions are placed within the framework at the position where they take effect. It is distinguished between interventions that take effect on one or more levels of examination (marked with green color) and interventions that distinctly induce systemic, i.e. level interconnecting effects (marked with red color).
The illustration emphasizes the direct relations between the key variables and the associated interventions as well as the circularity of the model. The basic idea of the Success meta model is that no matter where the cycle is entered, following the path of the model will eventually lead to the most favorable overall situation concerning the promotion of strategic success. This feature is essential not least due to the fact that, commonly, the awareness of the existence and location of potentially destructive problem areas is not present.

Effective and timely interventions are by all means based on constant attention, sound judgement and decision making, spontaneity, flexibility, realization power, and the allocation of the necessary resources. Since present and future situations cannot be conclusively replicated from past events and insights, the strategically active entities must always be prepared to adjust structures and processes within a short period of time. The Success meta model, however, is invariably applicable, on all levels, all the time.
Since the *Success meta model* is of meta-cognitive nature (Braddon-Mitchell & Jackson, 2007; Durso, 2007), i.e. it is concerned with continuously questioning knowledge, thoughts, decisions, and communications of the involved entities, it is particularly suited to make, usually hidden, self-referential processes transparent (Tschacher & Dauwalder, 2003). Hence, it has the potential to reveal destructive mental patterns and prevent consequent error and final failure.

This is one of the most prominent strengths of this model, provided that its application happens in a diligent and sincere manner, matching the distinct conditions of a specific strategic undertaking. The following example shows a possible application of the model in a real-world context.

### 5.2.4 Exemplary practical application of the Success meta model

At first, the hypotheses of the *Success meta model* are connected with the initially cited failure causes in order to unite the essential results of this thesis with its practice-rooted phenomenological foundation. The following table, which also serves as the basis for the practical example, shows these connections in a systematic and easy to read way, from the viewpoint of the strategist.\(^\text{111}\)

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\(^\text{111}\) The table shows the hypotheses H1-H16 and the cited errors leading to failure on strategist, organization, environment, and system level, according to the failure meta model. Due to the multi-level character of the model, the connection of (success) hypothesis and error/failure cause can be viewed from all concerned levels; however, in this example, only the strategist’s view is considered, since it is the one with the most strategic process-related leverage.
<table>
<thead>
<tr>
<th>Hypothesis</th>
<th>Strategic level</th>
<th>Organization level</th>
<th>Environment level</th>
<th>Level interconnection (System)</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1</td>
<td>Lacking provision of required strategic preconditions through insufficient questioning and recognition of the strategist's own native strengths and weaknesses.</td>
<td>Incomplete organizational assumptions through disregard of prevalent collective mental model and unfulfilled shadow or power structures.</td>
<td>Insufficient recognition of established external realities due to lack of stakeholder involvement; especially inadequate assumptions about the relevant markets and related competitors.</td>
<td>n/a</td>
</tr>
<tr>
<td>H2</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>Tension, misunderstandings and procedural errors through cross-level interference among intrapersonal and intergroup identities, missing generation of initial strategy-related momentum due to lack of simultaneity of identities.</td>
</tr>
<tr>
<td>H3</td>
<td>Inconsistent perception of strategic tasks through lack of networked thinking capabilities and ignorance concerning own cognitive bias and blind spots.</td>
<td>Insufficient consideration of the individual's tendency to resist change and its collective effect as organizational inertia.</td>
<td>Inadequate alignment of basic strategic assumptions with environmental realities due to ignorance concerning societal dynamics and its limited disposition for change.</td>
<td>n/a</td>
</tr>
<tr>
<td>H4</td>
<td>Wrong alignment of strategic issues due to misinterpretation of available information, based on own biased mental model.</td>
<td>Insufficient organizational provision and processing of relevant information.</td>
<td>Inadequate environmental risk analysis.</td>
<td>n/a</td>
</tr>
<tr>
<td>H5</td>
<td>Faulty semantic transformation of information by the strategist, i.e. the original strategy-relevant idea is not transformed properly into a concrete and viable decision.</td>
<td>Ineffective organizational information processing due to confusion concerning the distinction between normative, strategic, operational, and tactical realms.</td>
<td>Wrong strategic decision-making due to environmental intertransparency and inadequacy barrier assumptions.</td>
<td>n/a</td>
</tr>
<tr>
<td>H6</td>
<td>Faulty syntactical transformation of information by the strategist, i.e. decisions are not properly communicated.</td>
<td>Insufficient middle-management leadership causes insipid actions on lower hierarchical levels.</td>
<td>Stakeholders are not informed properly, timely, and comprehensively.</td>
<td>n/a</td>
</tr>
<tr>
<td>H7</td>
<td>Strategist does not generate maximal momentum at the receiving entities due to vagus information practices.</td>
<td>Uncoordinated leadership on various levels leads to low employee motivation.</td>
<td>Poor information practices do not achieve intended effects on relevant stakeholders.</td>
<td>n/a</td>
</tr>
<tr>
<td>Hypothesis</td>
<td>Strategist level</td>
<td>Organization level</td>
<td>Environment level</td>
<td>Level interconnection (system)</td>
</tr>
<tr>
<td>------------</td>
<td>-----------------</td>
<td>-------------------</td>
<td>------------------</td>
<td>--------------------------------</td>
</tr>
<tr>
<td>H10</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>Strong amplification effect on delay of information feedback due to inadequate handling of communication complexity.</td>
</tr>
<tr>
<td>H11</td>
<td>n/a</td>
<td>Faulty or insufficient processing of information feedback on various organizational levels and, hence, ineffective reporting towards executive board.</td>
<td>n/a</td>
<td>Intransparent causal direction of incoming information due to insufficient control over communication processes, thus high probability of misinterpretation and wrong consecutive decision making.</td>
</tr>
<tr>
<td>H12</td>
<td>n/a</td>
<td>Lack of increasing cognitive flexibility of the strategist through iterative learning cycles.</td>
<td>n/a</td>
<td>Complexity overload of process controlling entities leads to an increase in systemic self-amplification effects and, hence, to an increase in misjudgement concerning project/environmetal interrelations.</td>
</tr>
<tr>
<td>H13</td>
<td>Inadequate agility/adherence ratio of the organizational units.</td>
<td>Changes in markets and competition are not acknowledged and respective conclusions concerning strategic direction are not made.</td>
<td>n/a</td>
<td>Cognitive inertia within the system is not effectively reduced due to lack of promotion of embrace of change.</td>
</tr>
<tr>
<td>H14</td>
<td>n/a</td>
<td>Lack of continuous questioning of organizational structures, processes, and cultural traits along with respective adjustments.</td>
<td>n/a</td>
<td>Lack of continuous assessment of compliance between environmental strategist and own identity.</td>
</tr>
<tr>
<td>H15</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>Identity-shaping forces in the environment are not acknowledged and transferred into own strategic planning.</td>
</tr>
</tbody>
</table>

Table 10: Connecting success hypotheses and failure causes
The practical value of the model is further demonstrated by its exemplary application in a common real-world setting of strategic organizational conduct, in consideration of the foregoing table. In order to ensure a clear positioning of the example, an ideal-typical strategy management process (Kaplan & Norton, 2008) is depicted in the following figure, combined with a selection of established planning and implementation frameworks (Jurevicius, 2013).\(^\text{112}\)

![Figure 70: Ideal-typical strategy management process](source)

\(^{112}\) Neither the ideal-typical strategy management process nor the associated strategy planning and implementation frameworks are central issues within the frame of this thesis. Therefore, they are not further specified. They solely serve as means to position and explain the example of the practical application of the Success meta model.

The Success meta model is symbolically placed within the ideal-typical strategy management framework, depicting its multi-level characteristics (strategist, organization, environment, and system level) and its universal applicability on all stages of the process (red arrows). No. 1. and 2. (red dots) indicate the application of the model, on strategist level, on stages 1. (analysis) and 6. (monitoring) of the strategy management process in the following practical example.

The following abbreviations are used for the description of the allocated strategy planning and implementation frameworks:
- SWOT: Analysis of internal strengths and weaknesses and external opportunities and threats.
- PEST: Analysis of political, economic, societal, and technological conditions.
- 5-forces: Analysis of industry and business strategy development according to Porter (2004).
- BCG-matrix: Analysis of product portfolio according to Boston Consulting Group.
- BSC: Balanced Scorecard, strategy performance management tool.

---

\(\text{Source: Kaplan & Norton (2008) and Jurevicius (2013)}\)
Due to the meta-level characteristic of the model and its far-reaching applicability on all levels and all stages of the strategy planning and implementation process, the following example confines itself to two distinct events during the phases of *Strategic situation analysis* and *Monitoring and learning*, exclusively from the viewpoint of the strategist.

The basic setting of the exemplary strategic undertaking reads as follows:¹¹³

- New positioning of the Private Banking unit of a major Swiss bank in the Asia-Pacific region in the year 2007.
- The repositioning aims at profit increase and business expansion.
- Market conditions: Emerging shift from economic boom to recession.
- Implicit drivers of the initiative: Becoming “bigger and better” than the dominant long-term competitor.
- Major obstacles to the initiative: Irrational power-hungry CEO, no “early warning system” throughout the organization, and increasing economic recession.
- Outcome of the initiative in the year 2009, i.e. two years after the start of the implementation: Officially declared failure. The new positioning of the Private Banking unit in the Asia-Pacific region did not lead to profit increase or business expansion. It was discontinued due to massive cost and time overruns.

¹¹³ The rudimentarily outlined setting is based on an interview with a chief strategist conducted in March 2009 during the course of DBA 712, depicting his opinion on the factual conduct of an intragroup strategic initiative. However, any other setting could be used instead.
Perceived reasons for failure: Wrong anticipation of the development of the concerned markets, deviation from established corporate values (caution and stability), and unrealistic ideas as well as intransparent motives on the part of the CEO (he was fired shortly after this debacle).

When and where could the Success meta model have prevented error that eventually led to the total failure of the entire strategic undertaking? As stated before, considered are exemplary events during the phases of Strategic situation analysis and Monitoring and learning.\textsuperscript{114}

1. Application of Hypothesis 1 on stage 1. of the strategy management process

Strategic situation analysis: Hypothesis 1 states that “creating transparency and awareness of structural, dynamic, and archetypal characteristics of the involved entities leads to a harmonization of identities”. According to table 10 the main reason for failure associated with hypothesis 1 on strategist level is the “lack of provision of required strategic preconditions through insufficient questioning and recognition of the strategist’s own native strengths and weaknesses”.

\textsuperscript{114} The exemplary strategic setting and the model’s partial sample application are held as straightforward as possible in order not to introduce another complex subject area. The example is confined to the direct connecting points between the meta model and the ideal-typical strategy management process, without defining further organization-specific structural or processual properties.
Assuming that the organization used the SWOT-analysis framework during the phase of strategic situation analysis, the *Success meta model* would have demanded the additional assessment and disclosure of the strategy-related strengths and weaknesses of the “strategist” himself (depicting the model’s reflexive function) – in this case the CEO –, by which his hidden irrational and power-driven motives, that diverged from the organization’s established identity and its previously conservative strategic approach, could have been detected and fruitfully challenged.

2. Application of *Hypothesis 9* on stage 6. of the strategy management process

*Monitoring and learning*: Hypothesis 9 states that “the decrease in feedback delay leads to an increase in control over cause and effect relations”. According to table 10 the main reason for failure associated with hypothesis 9 on system level is the “intransparent causal direction of incoming information due to insufficient control over communication processes, thus high probability of misinterpretation and wrong consecutive decision making”.

Assuming that the organization used the Balanced Scorecard framework during the phase of monitoring and learning, the *Success meta model* would have demanded a strong focus on systemic effects and the constant assessment and disclosure of the strategy-related information inflow (depicting the function of an early warning system), by which deviating economic signals could have been detected, integrated, and used as a measure for the iterative adjustment of strategic direction.
The main strengths of the *Success meta model* are its universal, systemic, self-referential, circular, and iterative characteristics, constantly focusing on the most delicate and error-prone spots within the strategic management process, thereby fostering transparency and situational awareness on all levels, which, in turn, allow for timely error- and failure-preventing interventions, provided that the model and its underlying root ideas are properly integrated into the domains of corporate governance and culture.

5.2.5 **Closing the circle**

The thesis started with a short description of the outermost frame of reference for organizational activity and its failure in a strategic context. Then it was zoomed in on ever smaller sections of the phenomenon in order to extract the most relevant variables, interrelations, and intervention points. Now, at the end of the thesis, the focus is enlarged again so as to close the semantic circle of the whole work; yet, in just a few plain words – starting with a short reflection about the core of every strategic undertaking: Competitive advantage. Interestingly, the concept of competition, denoting the central raison d’être of strategic conduct, did not play a vital role in the development of the meta models. It seems as if competitive advantage was a by-product of a more basic process “done right”. In this sense, the ultimate strategic purpose is achieved not by aiming at it directly, but by setting and pursuing a roughly defined course towards it, which is constantly adjusted according to emerging project-related short-term insights, during a process of ongoing interactive communication within an environment of creative dialectic tension between various opposing forces.
The ever increasing global socioeconomic complexity calls for small, highly flexible, and innovative entities that are willing and able to adjust their identities and to exploit emerging chances promptly, in a self-responsible and self-confident way of thinking and acting.

Whatever we do, as individuals, as organizations, or as nations, the world is moving further at an enormously fast pace into unknown spheres. The cosmic forces are at the same time potentially destructive and creative, in a continuous cycle of emergence and dissolution.

In this sense, organizations and their staff are well advised to let go of inexpedient and outdated mindsets and not to be afraid of temporary phases of chaos and confusion, but to embrace these turbulences in order to give a chance to vital reorientation and fruitful reformation. That is what strategy is all about.

“People cannot discover new lands until they have the courage to lose sight of the shore”
André Gide

5.3 Limitations

In this chapter the author discusses potentially weak points of the thesis, mainly concerning the chosen research design, and reflects about their possible effects as well as their overcoming.

First of all, potential weaknesses of qualitative inquiry in general have to be considered. According to Johnson and Onwuegbuzie (2004) knowledge produced may not generalize to other settings, i.e. findings may be unique to the situations and people included in the study.
It can be difficult to test theories and hypotheses and to make quantitative predictions. The results may also be influenced by the researcher’s personal biases and idiosyncrasies. In this regard the author of this thesis points at the fact that the entire inquiry is of purely inductive nature, i.e. the final results, in the form of the hypotheses, have not been tested and confirmed or refuted, which will be the task of future deductively working researchers.

Potential method-specific problems in the conduct of a meta synthesis include reliability of data retrieval, missing data, sampling bias, loss of information, glossing over of details, heterogeneity of quality, differing level of analysis, deductive contamination from theories, literature, and exaggeration of interpretations (Bondas & Hall, 2010). The stated weaknesses might lead to one-sided, marginalized, oversimplified, and/or distorted findings and conclusions. In the specific case of this research it must be emphasized that the application of meta synthesis on a problem in the field of strategic organizational management is a novelty and, therefore, not directly comparable to other studies. This fact might cause some insecurity for the examiners to assess and rate this thesis. Furthermore, the specific design of this thesis, without common empirical measures such as personal interaction, direct observation, participation, or conversation, thus allegedly lacking “richness” or “freshness”, could potentially lead to confusion and disbelief concerning the problem adequacy of the selected and analyzed data, although it is a fact that also text analyses feature (meta-) empirical qualities (Wagner & Mecha, 2003).
Despite the potential weaknesses of the chosen research design, the meta level approach in general has many advantages. Mainly, it ensures the appropriate distance between the researcher, the research topic, and the examined data in order not to inevitably produce biased results through the exertion of personal influence on the object of study. Furthermore, by systematically selecting and analyzing a large number of literature sources the resulting insights are broadly supported and ensure an adequate level of generalizability.

The systemic constructivist world view provides for the necessary thematic respect and a differentiated attitude. It also prevents from prematurely adopting a certain stance and/or from naively following an established paradigm. It commits the researcher to always question his actual state of knowledge and to iteratively revise his progressing work. This eventually ensures a good chance for topic-adequate “truth” to emerge.

If there is a bias present in this thesis, it is most likely based on the author’s inherent mindset, respectively on his identity, with which he assessed the research topic and the following research approach. Hence, the bias would be drawn through the whole work in a steady manner and could be easily recognized by a third party who deductively tested the hypotheses.

At the end, it cannot be the researcher’s goal to completely prevent any kind of bias, which would allow oneself to be lulled into a false sense of security. As this thesis has shown, it is all about being honest to oneself, to the object of study, and to the environment and to ensure maximal transparency.
Especially in inhomogeneous social science research, bias and error will happen in all probability, no matter what precautions one tries to implement. One just has to learn to live with this fact in a straightforward and productive way.

5.4 Further research

The chosen methodological approach of this thesis aimed at the integration of existing knowledge fragments in order to answer the research question – distinguishing it from scientific conduct that tries to generate new knowledge by in-depth examination of narrow segments of phenomena. Hence, the aim was not to fill a research gap in the classical sense, but to raise existing knowledge to a higher level: To meta level.

Taking up a meta level perspective enables the observer to recognize the prominent key characteristics of a phenomenon, while disregarding the subordinate details. This approach ensures the effective and timely working out of key variables and interrelations as well as critical intervention points. In this sense, there is ample need for more knowledge-consolidating meta-level research, in order to generate a wide variety of tangible and effective solutions to today’s multifaceted complexity-driven socioeconomic problems in strategic management and associated fields.

Doing justice to the increasing global interconnectedness of various areas of life, systemic and cybernetic research should produce more reality-imaging transparency and, alike the meta level approach, offer practical solutions to complex problems.
Systems theory and chaos theory-based research should also rethink the issue of archetypes as well as point and strange attractors (Mark, 2001; Ruelle, 1995; Sarkar, 2007) in terms of their relevance concerning outcomes of organizational long-term undertakings.

As this thesis has clearly shown, organizations have to be extremely flexible, creative, and resilient nowadays, in order to cope with increasing dynamics, complexity, and competition. With this in mind, there is urgent need for research that examines and develops new forms of organizational models that facilitate the necessary abilities. “Virtual organizations” (Putnik & Cruz-Cunha, 2012), “project-based organizations” (Cattani, Ferriani, Frederiksen, & Täube, 2011), or “ambidextrous organizations” (O'Reilly & Tushman, 2004) are just a few examples of relevant previous research.

Future studies should increasingly focus on the error-prone area of managing horizontal and vertical interfaces between strategy-relevant entities, intrinsic and extrinsic to the organization, including the associated communication and transformation processes, in order to uncover the mechanisms that lead to information loss, misinterpretation, and procedural inertia.

The close examination of strategic undertakings revealed that the core purpose of strategy, i.e. competitive advantage, is achieved best by concentrating on excellence in the conduct of the critical meta processes, instead of directly heading for the desired outcome.

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115 In this regard, the potentially high costs of the implementation of essential qualities like flexibility, creativity, and resilience have to be considered and weighed up against each other.
It seems as if one has to temporarily lose sight of the purpose in order to promote its eventual emergence. Furthermore, it seems as if “failure” was not just a negative outcome facilitated by human deficiencies and other destructive forces, but also some kind of cathartic event, which allows for processual corrections and, therewith, a healthy long-term correspondence between human ambitions and environmental realities. Due to the potentially far-reaching consequences on strategic conduct, comprehensive research on this phenomenon of supposedly paradoxical nature seems promising.

Last but not least, the author of this thesis wants to encourage researchers to refine and test the stated hypotheses in this work by deductive empirical research.
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Appendix E: Concept map Method

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Appendix F: Research design

[Diagram of research design with nodes and arrows indicating relationships between conceptual context, research questions, validity, and methods.]
Appendix G: Concept map Design
Appendix H: Concept map Philosophy interrelations
Appendix J: Concept map 

Ontology interrelations

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Blocher, Christoph, Dr. (2011). Interview: Why do most strategic change projects fail? Männedorf.


Appendix S: Concept map Environment failure
Appendix T: Concept map Project failure

Initiative Failure

Initiative Characteristics

Planning Error
(Andersen, 2000; Gottschalk, 1999; Grundy, 1992; Baker, 1993; Berr; 1998; Miller, 1994; Dezn, 1996)

Execution Error
(Doolin, 2000; Byron, 1992; Chisholm, 1993; Tennant, 1991; Dobni, 2003; Barney, 1994)

Basic Initiative Characteristics

Scope
(Tallikd, 2000; Talikd, 2000, Taylor, 2000)

Complexity
(Talikd, 2000, Taylor, 2000)

Duration
(Brews, 1999)

Types
(Keller, 1986)

Resource Exploitation
Facilitation

Stability
(Ford, 1997; Currid, 2000; Baldrige, 1998)

Creativity Facilitation
(Schulze, 2001)

Adaptability

Performance

Momentum
(Hopkins, 1997; Collier, 2004; Gerbing, 1994)

Speed
(Robin, 2002)

Archetype Power
(Shaw, 1998)

Efficiency
(Hatchin, 1996, Goshen, 1999)

Goal Orientation
(Doolin, 2000)

Dynamism
(Goll, 1997; Haugh, 2003)

Change Identification
(Barney, 1994)

Resilience
(Barnee, 2003)

Iterative Validation and Optimization
(Chester, 1995)

Flexibility
(Hunt, 2000)

Interdepartmental Coherence
(Rote, 1992)

Information Flow
(Baker, 1996; Chisholm, 1993)

Continuity
(Drew, 1997; Doolin, 2000; Malin, 1998; Baker, 1996; Chisholm, 1993)

Severity
(Barney, 1996; Capon, 1998)

Cohesion
(Malini, 2003; Papke, 2002; Budoni, 1999)

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Blocher, C., Dr. (2011, 20.01.2011). [Interview: Why do most strategic change projects fail?].


