

Louvain School of Management

Unleashing Strategic Success in a Complex Environment

Overcoming Challenges in Strategy Execution and the
Role of Management Consultancies

Author: Pascal Palm
Supervisor: Professor Loïc Decaux, PhD
Academic year 2023-2024
Dissertation for the Master (120) in Management & CEMS International
Management (GEST2MS/GE)
Master subject and focus: Innovation and Strategy
Daytime schedule

Declaration

During the preparation of this master's thesis, the author utilized the digital and AI tools mentioned in *Table 1* for the listed purposes.

Table 1: Digital and AI tool overview
Source: Own illustration

Tool	Usage
ChatGPT	<ul style="list-style-type: none">• Completion of themes identification process in the literature review to ensure coverage of all relevant topics• Challenging of interview questions• Grammar and language consistency checks• Rephrasing of individual sentences for enhanced clarity
DeepL	<ul style="list-style-type: none">• Initial translation of German interview transcripts
Grammarly	<ul style="list-style-type: none">• Grammar and spelling checks
MAXQDA	<ul style="list-style-type: none">• Coding of interviews
Mendeley	<ul style="list-style-type: none">• Citation generator
Microsoft Teams	<ul style="list-style-type: none">• Conducting and transcribing of interviews

After using the mentioned tools, the author diligently reviewed and edited the content produced by the tools. I take full responsibility for the final content presented in this thesis.

By signing this declaration, I affirm that the content of this master's thesis reflects my original work, augmented by the responsible use of AI.



Signature (Pascal Palm)

Foreword

My internship at Arthur D. Little in Vienna raised my interest in the topic of this master's thesis. It provided a firsthand look at the dynamic field of management consulting, helping me understand the everyday struggles of strategic work and the role of management consultants as external supporters.

I want to thank Professor Loïc Decaux for his guidance and continuous support in structuring this thesis and for constantly challenging and enriching my approach. My thanks also go to the interview partners who are the backbone of this research with their practical insights, including Dr. Karim Taga, Andreas Moosdorf (Ph.D.), Volker Baltes, Dr. Markus Gunnesch, Dominic Sattler, Edwin de Boer, Daniel Guzmics, Joachim Weber, and Tabea Barho. Furthermore, I want to thank my peers and colleagues for their stimulating discussions.

Finally, I want to thank my family and friends for supporting me throughout my studies and during this final step. This thesis reflects that not only is strategy execution a people's business but also that without the help of the many contributors, I would not have been able to dive as deeply into the topic.



Singapore, May (2024)

Pascal Palm

Table of Contents

LIST OF FIGURES..... III

LIST OF TABLES..... III

LIST OF ABBREVIATIONS.....IV

1. INTRODUCTION..... 1

1.1. PURPOSE OF THE STUDY 2

1.2. APPROACH AND CONTRIBUTION 2

2. LITERATURE REVIEW 3

2.1. INTRODUCTION TO STRATEGY 3

2.1.1. *Strategy definition and background* 3

2.1.2. *Strategic management* 6

2.2. KEY STRATEGY EXECUTION FRAMEWORKS 14

2.2.1. *Balanced Scorecard (BSC)* 14

2.2.2. *McKinsey’s 7-S framework / 8-S framework* 15

2.2.3. *Kotter’s 8-Stage Change Process* 16

2.3. ROLE OF MANAGEMENT CONSULTANTS 17

2.3.1. *Management consulting background* 18

2.3.2. *Management consultants as knowledge agents* 18

2.3.3. *Criticism of management consultants* 19

3. METHODOLOGY 20

3.1. RESEARCH DESIGN 20

3.2. INTERVIEW SAMPLE 20

3.3. INTERVIEW DESIGN AND DATA COLLECTION 21

3.4. DATA ANALYSIS 22

4. FINDINGS..... 22

4.1. RQ FINDINGS..... 23

4.1.1. *Leadership commitment to strategy*..... 23

4.1.2. *Effective people communication*..... 25

4.1.3. *Alignment of organization and culture*..... 26

4.1.4. *Agility in strategy execution*..... 27

4.1.5. *Clarity of strategic measures*..... 28

4.2. SQ FINDINGS 30

4.2.1. *Strategy clarification*..... 30

4.2.2. *Transformation support*..... 32

4.2.3. *Capability enhancement and empowering* 33

5. DISCUSSION 34

5.1. CRITIQUE OF FRAMEWORKS 34

5.2. STRATEGY EXECUTION CHALLENGES 35

5.3. ROLE OF MANAGEMENT CONSULTANTS 36

6. CONCLUSION 37

6.1. IMPLICATIONS FOR THEORY AND PRACTICE 39

6.2. LIMITATIONS AND FUTURE RESEARCH 40

7. REFERENCES..... 41

APPENDIX 52

List of Figures

Figure 1: Corporate-, business-, and functional- strategies 4
Figure 2: Strategic management process overview 6
Figure 3: Strategy formulation process 10
Figure 4: 7-S and 8-S frameworks 15
Figure 5: RQ coding structure overview 23
Figure 6: SQ coding structure overview 30

List of Tables

Table 1: Digital and AI tool overview II

List of Abbreviations

AI	Artificial Intelligence
BSC	Balanced Scorecard
C	Consultant
COVID-19	Coronavirus disease of 2019
DACH	Acronym referring to the region Germany, Austria, and Switzerland
E	Corporate executive
e.g.,	Latin phrase <i>exempli gratia</i> , meaning "for example"
et al.	Latin phrase <i>et alia</i> , meaning "and others"
KPI	Key Performance Indicator
OKRs	Objectives and Key Results
PLCA	Product Life Cycle Assessment
R&D	Research and Development
RQ	Research question
SAP	Strategy-as-practice
SQ	Sub-question
SWOT	Strengths, weaknesses, Opportunities, Threats
VRIN	Valuable, Rare, Imperfectly imitable, Non-substitutable
VUCA	Volatile, Uncertain, Complex, and Ambiguous

1. Introduction

Successful strategies are the bottom line of each successful business. Researchers extensively explored the concept of strategic management, delineating the different process stages of a strategic initiative (e.g., Alkhafaji & Nelson, 2013; Henry, 2021; Hunger & Wheelen, 2020). However, Hrebiniak observes that “[...] *as difficult as strategy making is, making strategy work is even more difficult and challenging*” (Hrebiniak, 2013, p. 1). Today, there still exists a substantial disparity in the volume of literature on strategy development compared to that on strategy execution (Sull et al., 2015). The reasons for strategy execution failures are as diverse as the strategies themselves, encompassing a range of factors such as the dependency on numerous actors who may not be involved in the planning phase, the number of variables impacting a strategy’s success, the shifting external environmental influences, and the lack of organizational support and resources (Gibson, 2023; Hrebiniak, 2013).

In contemporary times, the complexity of external business environments is intensifying. This increasingly leads to challenges in strategy execution. The rapid pace of changes not only requires more frequent decision-making but also more complex solutions to tackle emerging challenges (Pacheco-Velázquez et al., 2023; Papulova & Gazova, 2016). Market disruptions through new digital technologies such as AI, unforeseen events like the COVID-19 pandemic, high inflation rates, and rising energy prices have posed significant challenges for companies in recent years. Moreover, the international business landscape keeps evolving. Geopolitical tensions are intensifying, and global power relations between countries, as well as between firms and countries, are shifting (Condon et al., 2023; Ghauri et al., 2021). These developments have led to new strategic approaches, such as the move towards deglobalization (Livesey, 2018; Petricevic & Teece, 2019). Furthermore, the adoption of the United Nations Sustainable Development Goals (United Nations, n.d.) exemplifies the growing emphasis on sustainability in decision-making, illustrating how strategic boundaries can be influenced by both formal and informal institutional rules (Peng et al., 2008). These dynamics make not only strategy development but also execution more difficult. Fast changes in market conditions and expectations can make strategies obsolete even before they are fully implemented, underscoring the need for agile execution processes that can adapt.

In the world of strategy, management consultants are a well-established independent resource that can support companies in achieving their organizational goals (Kubr, 2002). Consultants promise to add value through their outside-in perspective and a specialized skill set, thereby enhancing the success of strategy execution (Cerruti et al., 2019; Ciampi, 2014; Kipping &

Engwall, 2002). The consulting sector has witnessed strong growth in recent years (Statista Research Department, 2024). Kieser (2002) notes that, particularly in uncertain and volatile times, companies tend to reach out for external consulting support. Therefore, collaborations with management consultants are pivotal to overcoming challenges in strategy execution in complex environments.

1.1. Purpose of the study

Past literature has primarily focused on strategy concepts, strategic management, VUCA (volatile, uncertain, complex, and ambiguous) business environments, and management consultants. However, these areas have often been examined in isolation, leading to a fragmented understanding of strategy execution challenges.

Prominent early strategists focused on defining strategy and what it constitutes, exploring how organizations gain competitive advantages. Furthermore, they defined what distinguishes strategies from each other (e.g., Porter, 1980; Steiner & Miner, 1977). As research in strategic management evolved, scholars delved deeper into the process of a strategic initiative, covering its initial development to its implementation stage (e.g., Alkhafaji & Nelson, 2013; Henry, 2021; Hunger & Wheelen, 2020). The concept of VUCA recognizes the necessity of navigating the challenging external environment and how leaders can strategically position companies (Bennett & Lemoine, 2014). Although closely linked to the early steps, discussions around VUCA environments are often treated separately or in different contexts. Lastly, the literature on management consultants primarily addresses the client-consultant relationship (e.g., Appelbaum & Steed, 2005; Werr & Styhre, 2002) and consultants' role as a source of knowledge (e.g., Abrahamson & Fairchild, 1999; Fincham & Clark, 2002).

Despite the wealth of research in each of these areas, there is an apparent lack of integration and focus on the execution stage of strategy. This gap in the literature makes a practical understanding for companies difficult. Therefore, this study aims to bridge this gap and answer the central research question:

How can organizations overcome challenges in effectively executing a corporate strategy?

1.2. Approach and contribution

This thesis addresses the research question by integrating insights from the four literature areas and gathering real-world perspectives from consultants and corporate executives. By synthesizing the different research areas and integrating external voices while focusing on the

execution phase, the thesis enhances scholars' understanding of why strategy execution still frequently fails and how to address these pitfalls. The dual perspective approach merges two knowledge sources and recognizes the essential role of management consultants. It emphasizes how these consultants serve as vital resources, extending their support far beyond the initial strategy development phase through their capabilities, resources, and strategic methodologies.

The paper is organized into six chapters. Following this introduction, the literature review provides theoretical background on the four key topics, whereas it integrates the VUCA external environment within the strategic management discourse. The methodology section details the qualitative research design, information gathering, and data analysis. Afterward, it presents the findings from the interviews, formulating five key drivers to overcome challenges in the execution and three key drivers describing how consultants can support them. Subsequently, the discussion compares these findings with existing literature. Finally, the conclusion summarizes the findings, their implications for researchers and practitioners, and the limitations that lead to future research areas.

2. Literature Review

2.1. Introduction to strategy

2.1.1. *Strategy definition and background*

To understand the reasons for strategy execution failure in complex environments, it is essential to understand the concept of strategy, its definitions, and the increasing importance of adapting a strategy to dynamic environments. Therefore, the first stage of the literature review delves into how strategies changed over time and how they differ from each other.

The concept of strategy can be applied to business and non-business contexts, resulting in a wide array of definitions. Porter (1980) articulates that a strategy defines a company's goals, its competitive approach, and the policies that are essential for achieving these objectives. He further claims that an effective strategy secures a long-term market advantage over competitors (Porter, 1996). According to Steiner & Miner (1977), a strategy sets an organizational mission, purpose, and objective alongside actions to achieve them, adding that strategy execution builds upon a mission and purpose. A key element of understanding strategy is that a strategy outlines future directions and goals. However, it simultaneously requires assessing potential options and alternatives based on the organization's available capabilities and resources. Therefore, a

strategic initiative plans how to coordinate its resources to achieve the desired outcome (Peppard & Ward, 2016).

The term strategy varies across different contexts and settings. Within a business context, it is common to distinguish between corporate strategy and business strategy. Corporate strategy applies to the entire enterprise and sets the overall direction. Thereby, it includes strategies related to firm growth and the portfolio management of various business and product units. In contrast, business strategy occurs at the business unit level, targeting the “[...] *improvement of the competitive position of a corporation’s products or services in the specific industry or market segment served by that business unit*” (Hunger & Wheelen, 2020, p. 24). Business strategies are further divided into competitive strategies and cooperative strategies. Competitive strategies aim to gain a competitive advantageous market position, while cooperative strategies try to succeed through alliances (Foss, 1997; Hunger & Wheelen, 2020). Further expanding the strategy framework, scholars introduce functional/operational strategies, which focus on functional teams within an organization (e.g., marketing). Those functional teams support the business unit strategy, assisting the overarching corporate strategy. Functional strategies are designed to improve a business unit’s productivity and profitability (Foss, 1997; Henry, 2021). *Figure 1: Corporate-, business-, and functional- strategies* *Figure 1* shows how these various levels of strategy hierarchies complement one another.

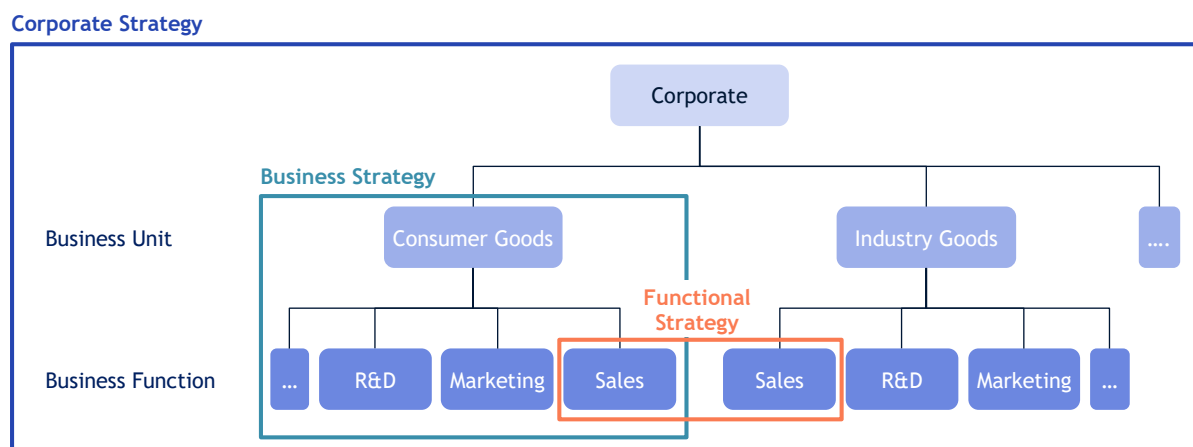


Figure 1: Corporate-, business-, and functional- strategies
Source: Own illustration

In the evolving discourse of management strategies, Porter (2008) initially claimed that organizations could attain competitive advantage through one of three strategies: cost leadership, differentiation, or focus. Cost leadership is about becoming the most cost-efficient producer in the market. Differentiation, however, describes securing market leadership by offering unique features or superior quality. Focus strategies target niche markets and are either

cost-focused or differentiation-focused. However, Porter himself later acknowledged the static nature of this framework, which does not sufficiently consider the rapid adaptation of competitors in dynamic business landscapes. He argued that advantages gained through traditional strategies are temporary, requiring more adaptable approaches to ensure long-term success (Porter, 1996). Therefore, organizations should adjust to new business realities and continuously seek and leverage growth opportunities.

The necessity for adaptable approaches highlights that organizational structures should foster learning and knowledge transfer to stay agile (Hussein et al., 2016; Mallén et al., 2016). In this regard, absorptive capacity is a crucial concept. It was introduced by Cohen and Levinthal (1990) and gained significant attention. It describes “[...] *the ability of a firm to recognize the values of new, external information, assimilate it, and apply it to commercial ends*” (Cohen & Levinthal, 1990, p. 1). This statement links back to the strategy of ambidextrous organizations, as initially proposed by Duncan (1976). Ambidexterity in this context characterizes a firm’s capability to exploit existing opportunities while exploring new ones simultaneously. Therefore, companies secure a competitive advantage by fulfilling both current and emerging customer needs (Jansen et al., 2008; Tushman & O’Reilly, 1996). However, exploration and exploitation require different capabilities and organizational architectures (Benner & Tushman, 2003; Jansen et al., 2006). Furthermore, organizations should avoid falling into the failure or success trap, which occurs when they overly prioritize one over the other. Doing so can result in an excessive focus on either short-term or long-term benefits (Levinthal & March, 1993).

The strategy-as-practice approach (SAP) emerged through the understanding that strategy requires a dynamic approach utilizing multiple practices. Scholars such as Jarzabkowski (2004), Jarzabkowski et al. (2007), and Whittington (2006) developed and supported the SAP approach. According to their definition, strategy is a collection of behaviors and interactions that fall into three categories: praxis (the entirety of human action within societal and institutional contexts), practices (routinized behaviors encompassing activities and knowledge crucial for strategic execution), and practitioners (the actors engaging in these practices). One of the key findings is the high influence of internal and external actors on strategic direction. Therefore, the researchers call for a dual-lens perspective that considers strategy within and beyond organizational boundaries. The SAP approach aims to capture the dynamic interplay between practices, actors, and societal forces. Despite progress in this research area, Jarzabkowski et al. (2021) criticize the ongoing dominance of traditional strategic frameworks, calling for a deeper examination of the indirect and consequential external effects.

In conclusion, the research shows that strategy evolves from a traditional, static perspective towards a more agile and dynamic approach. One major reason for that is the recognition of the impact of external environmental influences. Researchers emphasize that a holistic understanding of strategy requires organizational mechanisms and structures that allow the integration of complex internal and external elements in the planning and execution phase.

2.1.2. Strategic management

Henry defines strategic management as “*The process of undertaking a strategy is strategic management*” (Henry, 2021, p. 56). Strategic management unfolds through four phases: environmental scanning, strategy formulation/planning, implementation, and evaluation and control (Alkhafaji & Nelson, 2013; Hunger & Wheelen, 2020). In this thesis, the term strategy execution covers the implementation as well as evaluation and control stages. Although the primary focus is on strategy execution, it is essential to recognize the process of strategic management as iterative. Therefore, during the execution, it is important to continue scanning the environment and adjusting the strategic plan if necessary. In other words, overcoming strategy execution challenges requires an understanding of how strategies are developed in the first place to know how to adjust them during the execution. The strategic management process is shown in *Figure 2*, which provides a clear overview of its components and order.

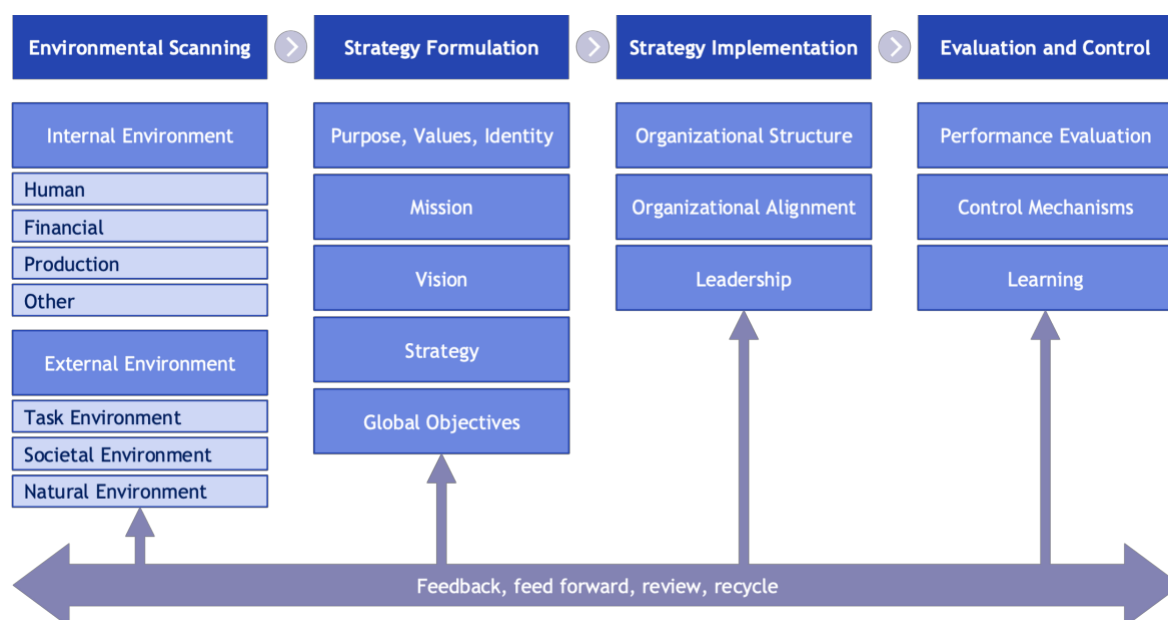


Figure 2: Strategic management process overview
Source: Own illustration based on Alkhafaji & Nelson (2013, p. 1)

2.1.2.1. Environmental scanning

The first step in the strategic management process is environmental scanning. This process, which involves identifying and differentiating between internal and external influences, determines an organization's strengths, weaknesses, opportunities, and threats (SWOT). The SWOT analysis, often a direct result of this process, begins internally by assessing the quality and quantity of available resources. It then extends externally to consider both industry-specific and non-industry-specific operational influences that are beyond the organization's control (Alkhafaji & Nelson, 2013; Hunger & Wheelen, 2020).

On the internal side, the organization focuses on identifying and developing its resources. Hunger & Wheelen (2020) suggest initiating this analysis by understanding the organization's business model and value chain, thus gathering insights into how resources and capabilities interact. Afterward, this allows managers to analyze functional areas in more detail to detect strengths and weaknesses. Additionally, it enables an analysis of communication processes, task flows, and responsibility relationships (Alkhafaji & Nelson, 2013).

Strategic execution success requires effective allocation of financial, human, and material resources (Grant, 2018). Barney (1991) underscores the importance of developing unique competencies from a resource-based view, suggesting the assessment of both tangible and intangible resources using the VRIN (valuable, rare, imperfectly imitable, non-substitutable) framework. This view encompasses “[...] *all assets, capabilities, organizational processes, firm attributes, information, knowledge, etc. controlled by a firm that enable the firm to conceive of and implement strategies that improve its efficiency and effectiveness*” (Barney, 1991, p. 101). Hart (1995) expands this perspective with the natural resource-based view, incorporating external natural resources into strategic considerations.

On the external side, managers navigate the task, societal, and natural environments. The task environment consists of direct interactions with stakeholders. Here, managers should continuously assess the relationships with stakeholders such as shareholders, customers, and competitors. For the competitors, such assessments include i) evaluating the relative market positioning of the organization's products compared to those of competitors as well as ii) examining the potential for introducing new products or substitutes. Frequently used tools and frameworks in this matter are Porter's Five Forces and the Product Life Cycle Assessment (PLCA). The concept of Porter's Five Forces assesses an organization's power dynamics within the industry and evaluates the threat posed by new entrants and substitute products. Meanwhile,

the PLCA links a product's four life stages—introduction (embryonic), growth, maturity, and decline—to future strategic planning (Alkhafaji & Nelson, 2013; Hunger & Wheelen, 2020).

The societal environment describes economic, technological, political-legal, and sociocultural forces. Economic forces include fiscal and monetary factors beyond the firm's influence, including overall economic trends, inflation rates, and energy costs. Technological forces cover governmental and industrial R&D spending or the current state of telecommunications infrastructure. Political-legal forces relate to shifts in regulations (e.g., environmental or taxation changes) or specific governmental initiatives. Sociocultural forces entail trends, for example, in lifestyle, healthcare practices, or birth rates (Hunger & Wheelen, 2020).

Lastly, the natural environment, which includes physical resources and climate considerations, ties back to the (natural) resource-based view. The natural environment perspective helps derive strategic implications related to efficient resource usage and environmental changes, such as climate change or shifts in resource availability (Alkhafaji & Nelson, 2013; Hunger & Wheelen, 2020).

To sum up, contemporary technologies and communication methods present managers with the opportunity to access vast quantities of data on the environment. However, while this is a chance, it also poses significant challenges in effectively synthesizing the information overload into coherent insights. This difficulty not only undermines managerial efficacy but also complicates decision-making processes (Dean & Webb, 2011). Furthermore, the growing importance of natural environments and sustainability presents new expectations and constraints for businesses, underscoring the strategic significance of ecological considerations. Linking these findings back to the thesis research question, it shows that business environments are complex, fast-paced, and challenging. Managers cannot rely on initial environmental scanning. Throughout the strategy execution, they must continuously track changes in the environment that potentially endanger the implementation and adapt to them (Sull, 2007).

2.1.2.2. Strategy formulation/planning

After scanning the environment, organizations must integrate the collected insights on potential opportunities and threats within their strategies. A strategic plan must be based on a comprehensive analysis of all factors to avoid mere reliance on experience for decision-making, preventing managers from dangerous misjudgment due to evolving environments. Therefore, managers should utilize all available information as well as ask for missing information until sufficient evidence supports informed decision-making (Henry, 2021).

However, this approach has two primary challenges. First, Markides (2000) observes that asking questions does not directly resolve the initial problem. Instead, it can reveal new perspectives, stimulate potential scenarios and outcomes, or deliver new insightful questions. He highlights the importance of asking the right questions, stating that “[...] *correctly formulating the questions is often more important than finding a "solution," thinking through an issue from a variety of angles is often more productive than collecting and analyzing unlimited data, and actually experimenting with new ideas is often more productive than conducting extensive analysis and discussion*” (Markides, 2000, p. ix). This leads over to the second challenge. Despite various information flows from internal and external analyses and the continuous refinement of questions, managers must ultimately make decisions. Indecision can be as harmful as poor decision-making. Henry states, “*A common reason for poor strategy is that leaders are unwilling, or unable, to make the necessary choices between competing groups in their organizations and the different solutions on offer*” (Henry, 2021, p. 86).

Therefore, the first step in formulating the strategy is to align the environmental analysis findings with the strategic direction, which is based on three core elements: mission, vision, and global objectives, as described by Chiavenato (2009). These elements support, supplement, and reinforce one another. Furthermore, Collins & Porras (2002) introduce the core ideology, containing core values and purpose. In their work, the authors emphasize that a company’s core ideology is the foundation for its mission, vision, and objectives.

Core values define the organization’s fundamental principles and thinking guidance, guiding specific operational or cultural practices. Those values are protected and should not be compromised for short-term gains. Next, the purpose proves the organization’s legitimacy, such as a pharmaceutical company’s goal to improve lives through medical advancements beyond mere financial objectives (Collins & Porras, 2002). A company’s mission describes its business domain, desired reputation, addressed customer needs, and targeted markets, thereby highlighting its uniqueness. In its vision, the organization outlines its future direction for the coming years, which allows managers to have a consistent point of reference for strategic adjustments. Lastly, global objectives set measurable targets within specific timeframes, distinguishing between short-term (annual) and long-term goals (beyond one year, typically over five years) (Alkhafaji & Nelson, 2013; Chiavenato, 2009).

Stressing the interconnectedness of all elements within the strategic formulation process, it is essential to recognize that they require combined development to ensure coherence and alignment (Fuertes et al., 2020). The Ashridge Model, introduced by Campbell and Yeung

(1991), describes the sequential nature of organizational decision-making. The authors advise that a company should first articulate its mission, encompassing purpose, values, and identity. Subsequently, it must find a strategy that aligns with the mission and allows it to reach the stated objectives, with organizational culture supporting the chosen strategy. This interconnectedness and process flow is shown in *Figure 3*.

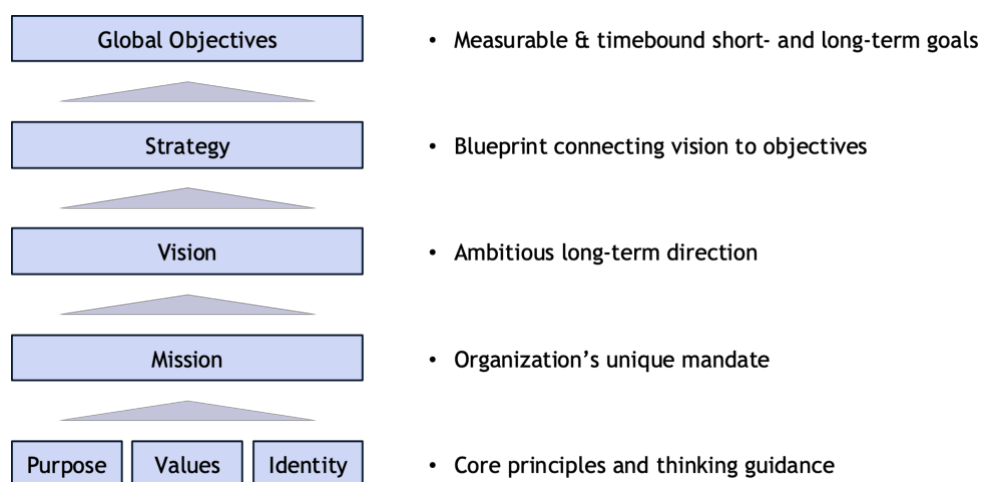


Figure 3: Strategy formulation process

Source: Own illustration based on Henry (2021, p. 110)

After completion of the strategy formulation phase, the organization can start crafting a strategic plan. This plan combines all insights gained from the analysis, respecting alignment with the organizational values, mission, vision, and objectives, as well as with internal strengths and weaknesses and external opportunities and threats. The strategic planning phase is preparatory for the actual implementation, carefully planning input factors and timing. This phase may also involve the formulation of policies to facilitate smooth implementation (Alkhafaji & Nelson, 2013).

The conventional strategic planning process has faced criticism regarding its efficacy. Collins & Porras (2002) note, “*In examining the history of the visionary companies, we were struck by how often they made some of their best moves not by detailed strategic planning, but rather by experimentation, trial and error, opportunism, and—quite literally—accident*” (Collins & Porras, 2002, p. 232). This finding aligns with Mintzberg’s (1994) criticism of formal strategic planning, which points out that the rigorous methodology of the process may be harmful. Mintzberg distinguishes between strategic planning and strategic thinking. He characterizes the latter as the process of connecting various sources of knowledge to create a coherent vision. To be able to outperform standard strategic planning techniques, Mintzberg recommends a more adaptable, learning-based strategy that integrates analytics, conventional knowledge, and

emergent strategies. By using this approach, managers could foster a more dynamic and adaptive strategy formulation process that would be aligned with real-world complexities and innovation opportunities.

Considering these findings in the context of this study's research question, it emerges that a strategic plan struggles to fully anticipate reality during implementation. The researchers recognize that strategic formulation and planning must be based on the findings of previous analyses. Nevertheless, they point out the importance of an agile process. This process must be able to respond quickly to potential changes in the environment by processing new knowledge efficiently and drawing the right conclusions to modify the strategic plan subsequently.

2.1.2.3. Strategy implementation

Strategy implementation is defined as the process of developing strategies and translating them into actions (Hunger & Wheelen, 2020). This transition from theoretical plans to practical application in this phase has been the focus of extensive research (e.g., Amason & Ward (2020); Kaplan & Norton (1996); Mintzberg (1994); Serra & Kunc, 2015). Various studies highlighted the critical role of strategy implementation within the strategic management process, mentioning it as a significant cause of strategic failures (Kaplan & Norton, 2005; PMI, 2013; *The Strategy Crisis: Insights from the Strategy Profiler*, 2019).

However, the reasons for these implementation challenges vary across organizations. Gibson (2023) identifies five common pitfalls: ineffective resource allocation, inadequate risk management, vague strategic goals, lack of organizational support, and imbalance of innovation and control. By revealing those pitfalls, he highlights the importance of clear leadership guidance alongside alignments of the organization's objectives with its organizational capabilities. At the same time, organizations are asked to balance a pragmatic approach with a visionary outlook to ensure effective implementation.

In his discourse on strategic alignment, Chandler (1962) connected strategy with organizational structures, which significantly influenced the understanding of strategy execution. In his book, he advocates for a three-step method to design an aligned organization. His approach suggests that managers should make use of a standard organizational structure and adapt it to their organization's specific needs. Furthermore, they should introduce coordinating elements that enhance flexibility, thereby tailoring the organizational structure to its strategic direction. Follow-up research expanded on this topic by introducing different organizational structures and non-structural elements. Those non-structural elements include the environment, human

resources, and culture, thereby recognizing high environmental complexities (Galbraith, 2002; Kaplan & Norton, 2001; Mintzberg, 1989; Porter, 1996).

Contemporary studies acknowledge that comprehensive organizational alignment involves both a range of internal and external factors as well as different organizational levels. For example, organizations frequently encounter difficulties in aligning business and corporate strategies, resulting in strategic failure. However, when aligning strategies, it is essential to distinguish between long-term strategies and short-term tactics. Long-term strategies outline the organization's direction over an extended period, while tactics are rather a set of practices and capabilities open to more frequent adjustments. Additionally, researchers emphasize that this alignment requires the integration of top-down and bottom-up management practices to mitigate internal friction (Kaplan & Norton, 2005; McChrystal Group, 2023). However, Sull et al. (2015) caution against overemphasizing alignment and argue, "*If managers focus too narrowly on improving alignment, they risk developing ever more refined answers to the wrong question*" (Sull et al., 2015, p. 10). Therefore, strategies that are too specific and defined may not hold up in volatile or changing circumstances, emphasizing the complexity of strategy implementation and the risk of oversimplification.

Leadership is another key factor in bridging the gap between formulation and implementation. Leaders must counter the ambiguity of strategic initiatives by establishing communication networks that align functional areas and the employees with strategic objectives (Aaltonen & Ikävalko, 2002; Engert & Baumgartner, 2016; Rapert et al., 2002). Both internal and external communication channels are essential. For internal communication, companies can utilize the intranet or meetings, while on the external side, companies can use reports or stakeholder dialogues to enhance transparency and accountability (Engert & Baumgartner, 2016).

A balanced internal communication strategy combines top-down and bottom-up information streams. The senior leadership communicates changes top-down through the organizational levels but remains open to receiving feedback, allowing open discussion to foster engagement and transparency. In this process, middle managers play a key role. It is essential to inform and engage them, ensuring they understand the organizational implications of the strategic initiative (Miniace & Falter, 1996). Middle managers synthesize top-down information from the leadership and the macroenvironment with bottom-up insights from everyday work and the competitive environment (Floyd & Lane, 2000). Through this balanced approach, organizations can ensure that the strategic initiatives are understood across the organization and executed effectively on all levels (Aaltonen & Ikävalko, 2002).

The implementation step marks the beginning of the strategy execution phase. Successfully navigating this phase requires recognizing numerous challenges, such as aligning the organization towards the strategic goal, adequately supporting the strategy, effectively communicating changes, and engaging leaders across various hierarchical levels. These elements link back to the strategy development phase, underscoring the importance for both researchers and practitioners to have a holistic understanding of the strategic management process. To facilitate effective strategy implementation, various tools and frameworks have been developed, which are explored in detail in *Chapter 2.2*.

2.1.2.4. Evaluation and control

Lastly, the evaluation and control stage closes the strategic management cycle. Here, companies assess whether their strategic plan has met its initial set objectives. In this phase, managers retrospectively examine the defined mission, vision, and global objectives and check if they match with the business environment at the time of implementation. By collecting those evaluation insights, managers can integrate them back into the strategic management process, allowing for adjustments to the mission, vision, and global objectives. Organizations can not only gain insights into the effectiveness and efficiency of their strategy and execution but also identify newly emerged opportunities or threats and define their next steps (Alkhafaji & Nelson, 2013; Hunger & Wheelen, 2020).

An efficient evaluation and control process mandates referring back to the initially set global objectives. Those must be linked to specific, measurable key performance indicators (KPIs). By linking strategies to KPIs, organizations can assess whether performance objectives were achieved and if the strategic plan has been realized or requires corrective measures. KPIs might include return on investment, market share, or revenue figures. Here, it is critical to isolate the effects attributable to the strategic initiative to make a judgment. For example, costs and revenues must be allocatable to the strategic decision to reflect the initiative's financial impact accurately. The feasibility of isolating these effects varies with the strategy and prevailing circumstances, posing a challenge for managers in some cases (Hunger & Wheelen, 2020).

Concluding the exploration of strategic management research, it becomes clear that managers face a challenge in navigating the different phases of environmental scanning, strategy formulation and implementation, and evaluation and control. In the following subchapter, the thesis delves into frameworks and tools that aim to support the strategy execution process.

2.2. Key strategy execution frameworks

Researchers and management consultants performed extensive research to support the strategy execution process. Therefore, they developed various frameworks trying to streamline organizational processes towards higher efficiency and implementation success. Typically, those frameworks are generically formulated, allowing a broad appliance across industries, geographics, and business situations. In this section of the paper, three of the most commonly used frameworks are briefly discussed in order to show different approaches for managers to leverage the tools. Moreover, the paper reveals shortcomings in fostering an understanding of why strategy execution remains challenging despite the existence of these frameworks.

2.2.1. *Balanced Scorecard (BSC)*

In the domain of strategic management, the Balanced Scorecard (BSC) might have been the most prominent tool and reached usage rates of more than 60% in 2006 (*Management Tools Balanced Scorecard*, 2023). The BSC was introduced in 1992 by Kaplan & Norton and further developed in their book in 1996. The model aims to bridge the gap between strategy formulation and execution, operationalizing formulated strategies. Furthermore, it calls for a more holistic strategy execution approach. Specifically, it promotes linking internal operational activities with external market dynamics, as well as financial and non-financial dimensions. The BSC pools information across organizations and shows the interconnections, calling for more efficient intra-organizational communication across levels. The researchers combine four perspectives within the model: financial, customer, internal-business, and learning and growth. The BSC allows performance to be tracked in financial, service, and quality matters. Managers must clarify vision and strategy, develop objectives and measures for each dimension, and link objectives across perspectives, creating a so-called strategy map. Thereby, the framework recognizes the integration of external elements and the need to create a clear overview across the organization, allowing companies to make short-term adaptations based on the central BSC information (Kaplan & Norton, 1992, 1996).

Despite its initial popularity, the adoption of the BSC witnessed a decline to a 16% usage rate by 2022, as reported by Management Tools Balanced Scorecard (2023). Reasons can be found in the various voices of criticism. The implementation of the BSC demands substantial financial resources, which poses economic challenges for many companies, potentially outweighing the financial benefits (Mooraj et al., 1999). Additionally, the design and implementation of the BSC require skilled personnel. A lack of expertise contributes to a significant proportion of

BSC initiatives failing (Anand, 2016). Critics have also raised concerns regarding the framework's rigid classification into four perspectives, arguing that it fails to recognize all stakeholder interests comprehensively. Moreover, the correlation among different performance measures within the BSC is perceived as rather logical than causal, with a too strong emphasis on financial metrics. This suggests that analyses often rely on justification rather than evidence (e.g., Aryani & Setiawan, 2020; Lord et al., 2005; H. Nørreklit, 2003; Nørreklit, 2000; H. Nørreklit & Mitchell, 2014; L. Nørreklit et al., 2018; Tawse & Tabesh, 2023).

2.2.2. McKinsey's 7-S framework / 8-S framework

The McKinsey 7-S framework, initially introduced by former McKinsey consultants Peters & Waterman in their 1982 book *"In Search of Excellence,"* includes seven critical elements categorized as hard and soft factors: strategy, structure, systems, shared values, style, staff, and skills. The authors emphasize that these dimensions are closely interconnected and suggest addressing organizational misalignments with the help of the framework. Once such misalignments are identified, managers can devise the optimal organizational design and implement changes to achieve re-alignment. It is crucial to monitor each dimension continually, as a shift in one dimension affects the others.

Building on this, Higgins (2005) expanded the framework into the 8-S model, making two significant changes (see *Figure 4*). Firstly, he introduces the strategic performance element and underscores the necessity of aligning efforts and performance towards strategic objectives and goals. Secondly, he substitutes skills with reSources to acknowledge the complexity and variety of an organization's resources. He claims these changes enhance the framework's applicability and effectiveness in organizational design and performance evaluation.

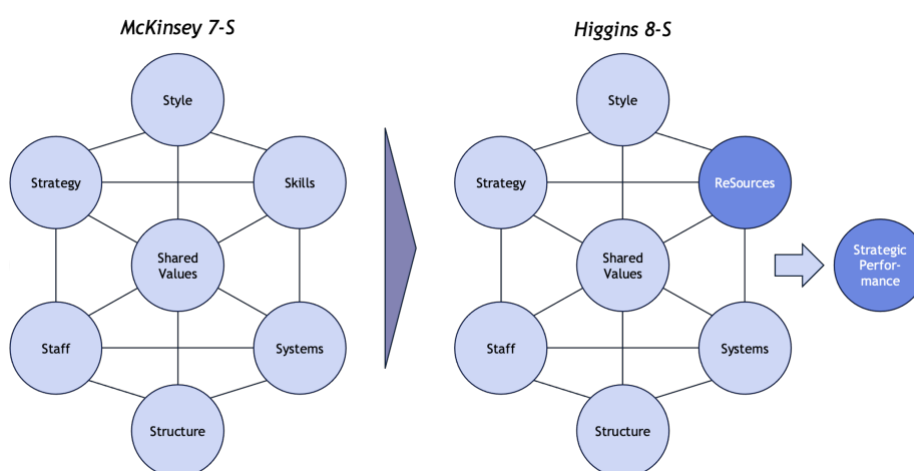


Figure 4: 7-S and 8-S frameworks
Source: Own illustration based on Higgins (2005, p. 6)

Despite the long-term benefits of the model, it has faced criticism for several reasons. Alshaher (2013) argues that the model's elements are challenging to quantify and assess objectively. Furthermore, neither version of the model substantially incorporates external influences into organizational decision-making, primarily focusing on aligning intra-organizational factors (Badi & Nasaj, 2023). Effective use and implementation of the models demand a comprehensive understanding of information flows and influencing factors, as well as concerted efforts to manage and analyze their interrelations (Singh, 2013). Additionally, the expansion of the framework shows that the model's terminology leaves room for interpretation, creating uncertainties about which aspects and subfactors to consider within the model (Higgins, 2005). This ambiguity, combined with the lack of a clear sequence among the interlinked factors, complicates identifying an appropriate starting point for initiating change and aligning the factors effectively.

2.2.3. Kotter's 8-Stage Change Process

Kotter's (2012) 8-Stage Change Process is a framework outlining the stages necessary for creating successful and enduring organizational change. This model synthesizes operational aspects of change with a human-centric perspective. The authors advocate for a departure from traditional top-down management approaches towards a more inclusive leadership model across all organizational levels. He states that although managers can craft plans and allocate resources, it is the leaders who will provide a vision and articulate a strategy that drives the organization's employees. The process encompasses the following eight stages:

- 1) Establishing a sense of urgency
- 2) Creating a guiding coalition
- 3) Developing a vision and strategy
- 4) Communicating the change vision
- 5) Empowering employees for broad-based action
- 6) Generating short-term wins
- 7) Consolidating gains and producing more change
- 8) Anchoring new approaches in the culture

The initial four stages focus on disrupting the current business, setting the path for stages five to seven to implement the change, with the eighth stage ensuring the change's permanence. The framework is relevant to the thesis topic in various aspects. The first steps are about overcoming

complacency by persuading stakeholders to depart from the status quo and adapt to the realities of the new business environment. This requires robust leadership across all organizational levels in order to drive strategic transformation by engaging the workforce. The following stages, five to seven, exemplify the dynamic and non-linear process of strategy execution that often requires flexible, iterative adjustment processes to come to a final strategic solution. The final stage shows that merely modifying operational procedures is insufficient. Real change requires aligning operations with the organization's way of thinking.

However, researchers criticize the framework's sequential and rigid structure. They argue that in the process of strategic change, organizations frequently face unforeseen hurdles that require adjustments that cannot be sufficiently reflected in a predetermined process. The complexity of large-scale strategic transformations further complicates the applicability of Kotter's model. Another criticism is that the framework offers limited guidance on executing its steps. Lastly, the framework lacks the adaptability needed for certain change scenarios (Appelbaum et al., 2012; Pfeifer et al., 2005; Pollack & Pollack, 2015). Therefore, despite its popularity and instances of successful application, the use of Kotter's framework remains challenging.

To summarize the subchapter on strategy execution frameworks, it showed that even the most popular models have limitations in addressing every aspect of strategy execution. As Teece et al. (1997) state, there is no universal solution. While each framework has its strengths within specific strategic management contexts, it also faces several limitations, particularly under rapid external changes. Integrating multiple frameworks can mitigate some limitations, as Kaplan (2005) attempted by combining the Balanced Scorecard and McKinsey's 7-S model. However, this further increases application complexity and the demand for highly skilled managers who execute those frameworks. The analysis indicates that while these frameworks get broad recognition, their ability to be agile and respond to dynamic environments is limited.

2.3. Role of management consultants

Following the discussion on the challenges in the strategic execution process and the complexity of selecting and applying the appropriate strategy execution framework, the thesis shifts its focus to the role of management consultants. The following chapter examines how they can assist executives in understanding the external environment and executing theoretical strategies using tailored theoretical execution knowledge.

2.3.1. Management consulting background

In the past, management consultants have undergone rapid expansion, establishing themselves as key players. Their significance stems from their ability to gain deep insights into organizational internals while also transferring knowledge and practices across various sectors. The consultancy industry serves clients of diverse sizes and operates as generalists or specialists in specific topics. This wide-ranging exposure equips management consultants with a comprehensive understanding of external business environments and industry trends (Cerruti et al., 2019; Fincham & Clark, 2002). Kubr defines management consulting as “[. . .] *an independent professional advisory service assisting managers and organizations to achieve organizational purposes and objectives by solving management and business problems, identifying and seizing new opportunities, enhancing learning and implementing changes*” (Kubr, 2002, p. 10). Independent consultants play a crucial role in the financial decision-making process, possessing the necessary skills to implement strategic actions effectively (Ciampi, 2014). Their outside-in perspective and expertise in overviewing complex business landscapes make them invaluable resources for organizations trying to bridge the gap between theory and practice in strategy execution.

2.3.2. Management consultants as knowledge agents

Management consultants emerge as essential in researching, consolidating, distributing, and institutionalizing new knowledge, thereby facilitating the adoption of innovative strategic approaches. Their capability to detect shifts in the external environment and to identify market or technological changes supports this role (Abrahamson & Fairchild, 1999; Fincham & Clark, 2002). Furthermore, consultants leverage learnings from best practices and innovative approaches across industries and geographies. By integrating these insights with existing knowledge, they make informed strategic decisions and organizational changes tailored to client needs (Gross & Poor, 2008; Werr & Styhre, 2002). This process of incorporating external knowledge, methodologies, and practices into an organizational setting is complex (Fincham, 2002). However, particularly in long-term engagements, consultants develop a deep understanding of organizational capabilities and resources, serving as a memory that leverages internal capabilities for new strategic initiatives (Werr & Styhre, 2002).

Scholars view consultants not merely as providers of premade solutions but increasingly as partners in a dynamic client-consultant relationship. They assist clients in navigating complex external influences and crafting customized strategic and operational adjustments (Fincham &

Clark, 2002). Herby, the autopoietic perspective on consultancy challenges the traditional view of straightforward communication and influence. Researchers state that consultants rather stimulate and provoke clients to generate their own solutions within their organizational limitations (Czarniawska, 2013; Luhmann, 1995). Weick describes an intermediate position in his works. Consultants act as organizational sense-makers, offering interpretive frameworks, metaphors, and terminologies that help organizations navigate ambiguous situations (Czarniawska, 2013; Weick, 1979, 2004). Building on this, successful consulting is seen as providing inspiring and aesthetically pleasing solutions that resonate with clients, encouraging them to explore, experiment, and seize new opportunities (Czarniawska, 2013; March, 1991a, 1991b).

2.3.3. Criticism of management consultants

Critics point out that consultants' exposure to various stakeholders and their own strive for profitability may result in conflicts of interest (Fincham & Clark, 2002). This issue is linked to the inherent uncertainty of consulting regarding the continuity of the client-consultant relationship. Such uncertainty can make it difficult for clients to depend on consultancy support beyond the project phase due to potential budget cuts. Moreover, consultants might feel compelled to employ tactics to secure client buy-in for strategic initiatives despite having limited authority (Fincham, 2002; Sturdy et al., 2013).

Additionally, the delineation between client and consultant represents a significant communication challenge. While managers emphasize the importance of maintaining clear boundaries to oversee the consulting process, effective strategic planning and execution necessitate close collaboration. The boundary can hinder effective communication and put the success of the project at risk (Sturdy et al., 2013; Werr & Styhre, 2002). The ambiguity in consultants' work and the potential for conflicts of interest further complicate the communication (Czarniawska, 2013; Fincham & Clark, 2002).

Another criticism is that consultants may not add substantial value, as their knowledge is not necessarily unique but often involves recombining existing knowledge to justify decisions and enhance decision-makers credibility. Consequently, organizations may use strategic consultancy primarily to legitimize their operations (Fincham & Clark, 2002; McKenna, 2012).

3. Methodology

3.1. Research design

This study applies a qualitative research design to investigate the reasons behind failures in strategy execution and the potential role of management consultancies in mitigating these issues. This topic received limited attention despite the extensive literature on strategy execution and management consultancies. A qualitative approach is particularly suitable as it helps to gain deeper insights into less explored topics (Strauss & Corbin, 1990). Qualitative methods are interpretive and require the researcher to analyze and logically interconnect findings (Denzin & Lincoln, 2011). Furthermore, the research builds upon an inductive reasoning approach, which is essential when the researcher aims to develop new understandings about previously obscure aspects of a topic. This methodology is preferable when researchers want to remain open for outcomes that lead to unexpected findings, avoiding any initial bias (Saunders et al., 2016).

The research's literature review combines both historical and theoretical reviews. The review follows the evolution of strategy execution over time and explores focus shifts. Furthermore, it explores existing concepts and frameworks to identify mistakes and gaps in the current literature. This dual approach addresses the shortcomings in existing knowledge about effective strategy execution and the supportive role of consultancies (Saunders et al., 2016).

To address these gaps, the study gathers insights from practitioners experienced in strategy execution. The decision to collect data through interviews was based on three factors. First, interviews bridge the gap between theoretical knowledge and practical application by providing valuable insights into real-world experiences and processes (Rowley, 2012). Second, they allow testing ideas in varying contexts within strategy execution, such as differences in company size, industry, or strategic initiatives. These contexts are examined by contrasting perspectives of consultants versus executives. Third, interviews can lead to discoveries that have been overlooked in existing research. The choice of interviews over questionnaires is justified by the existing knowledge gap, which requires an open-ended approach, allowing unforeseen insights (Rowley, 2012; Saunders et al., 2016).

3.2. Interview sample

Determining an appropriate sample in terms of both quantity and quality is essential when conducting research interviews. Rowley (2012) recommends conducting at least 12 interviews

of 30 minutes or six interviews of one hour. In total, this study includes ten interviews lasting 45-60 minutes each. This allowed in-depth insights from the target group—four senior consultants (C) and six senior corporate executives (E). This dual perspective enables an understanding of strategy execution and the dynamics of consultant-corporate collaboration. The focus was explicitly on senior individuals due to their extensive knowledge and experience in the field, valuing quality over quantity.

The selection of interviewees also considered industry diversity, company size, and geographical spread to enhance the validity of the findings. Industries included different sectors, such as telecommunications and public freight railways. While company sizes varied, small enterprises were excluded because they generally have less frequent interactions with consultants. On the consulting side, participants ranged from small two-person firms to prominent industry leaders like McKinsey & Company. The focus on the DACH region was strategically chosen to leverage existing contacts, which increased the willingness of participants to engage. Detailed information about the interview participants and their backgrounds can be found in *Appendix A*.

3.3. Interview design and data collection

This study employed a semi-structured interview format, building on standardized questions that varied slightly between consultants and corporate executives, accounting for their specific perspectives (see *Appendices B-C*). This tailoring aimed to enhance the relevancy and depth of responses. Participants with dual experiences were categorized based on their most relevant roles. The semi-structured nature of interviews also kept the interview flow flexible, allowing the interviewer to dive deeper into relevant topics, ask for clarifications, and adapt the question order to the natural flow of conversation (Rowley, 2012; Saunders et al., 2016). This approach opens up possibilities for uncovering new, unanticipated insights (Adams, 2015).

Interviews were conducted as non-standardized, one-to-one sessions via internet-mediated channels, specifically Microsoft Teams, due to geographic constraints. Participants were provided with an information guide (Patton, 1990; Saunders et al., 2016) in advance, outlining the study's objectives, interview procedures, confidentiality measures, and the intended use of the recordings and documentation (see *Appendix D*). Furthermore, they received the list of standardized questions. These materials aimed to help interviewees provide more focused and relevant responses. Additionally, they could evaluate beforehand if their contributions are relevant. All interviews were conducted in either German or English and transcribed directly

using Microsoft Teams. If necessary, the transcripts were then translated using the software DeepL. Finally, the transcripts were cleaned of errors, and unnecessary filler words were removed. The transcripts are available in *Appendix E*.

3.4. Data analysis

The data analysis process for the conducted research interviews was structured around Mayring's (2000, 2015) guidelines. Transcripts were systematically coded using the software MAXQDA. The analysis summarized findings related to two questions. Primarily, the study's research question (RQ), "*How can organizations overcome challenges in effectively executing a corporate strategy?*" as well as the sub-question (SQ), "*How can management consultants support the strategy execution?*". The objective of the inductive coding was to summarize the content down to essential information, executed in seven steps.

Initially, the analysis units were created dependent on the type of answer, varying from entire responses to individual sentences. This flexibility in length acknowledged the broad nature of questions, which often resulted in multifaceted responses. Afterward, each unit was labeled with codes that concisely paraphrased the key message. Subsequently, these labels were abstracted and reduced, merging similar codes (e.g., "*constantly adapt plan*" and "*adjust plan regularly*") and aggregating them into higher-level categories. This inductive approach derives categories directly from the data and not from existing theoretical knowledge. 2nd level sub-categories were aggregated again into first-level categories, the main drivers of both questions.

After coding three interviews (30%), the researcher reviewed and refined the categories to enhance clarity and coherence. The initial three interviews were re-coded, and the process was extended to the remaining transcripts. Finally, the categories were further refined in subsequent iterations, resulting in a framework that shows the key drivers for each question. When more than three interviewees mentioned the same aspects, the study will exemplarily refer to those three interviewees who provided the most relevant answer.

4. Findings

The following chapter presents the key findings from comprehensive qualitative data analysis. In total, the interviews resulted in 479 coded segments, with 285 directly relating to the RQ and 194 addressing the SQ. For the RQ, the coding process led to five aggregated key drivers that corporations should consider for overcoming strategy execution challenges in complex environments. For the SQ, the study identified three main drivers that explain how management

consultants can support corporations in overcoming these challenges. The findings are structured around these drivers, with each driver explored and systematically described through their associated 2nd level sub-categories. The complete codebook can be found in *Appendix F*, including 3rd level codes. To underscore the practical implications of these findings, selected quotes from the interviews are incorporated throughout the discussion.

4.1. RQ findings

Interview findings related to the RQ can be categorized into five key drivers with 24 2nd level sub-categories (see *Figure 5*). The subsequent section offers a comprehensive summary of the interview insights, capturing key elements that corporate executives should consider.

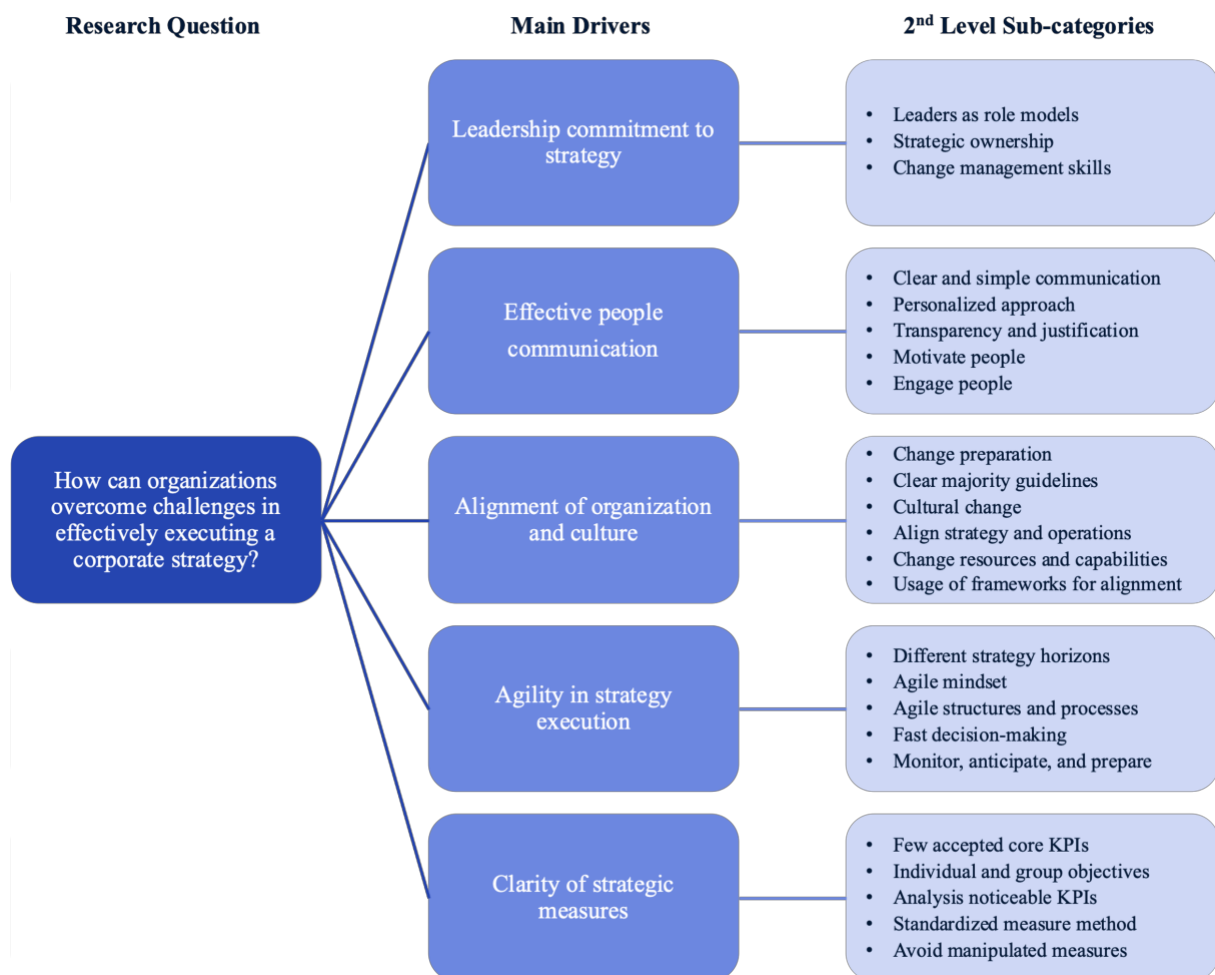


Figure 5: RQ coding structure overview
Source: Own illustration

4.1.1. Leadership commitment to strategy

The interviews reveal that leadership and ownership are essential in the strategic execution process. Interviewees state that change begins at the top of the organizational hierarchy (E1,

E4), with leaders playing a key role as role models and initiators of change (e.g., C2, E2, E5). Leaders are expected to authentically represent their strategic initiatives through actions (E5). Their behavior sets the tone for the organization and can have a cascading effect throughout the company, mirroring positive and negative behaviors (C2).

[...] the CEO has to set an example. When we do a cost-cutting project that involves everyone getting rid of their personal waste garbage cans and having only one large waste garbage can in the hallway, the CEO shouldn't have a garbage can in their office. They also have to go into the corridor and throw their sandwich wrapper in there. If people see that, it is helpful (C2)

Moreover, leaders should take ownership of the strategy and its execution while ensuring consistency and continuous accountability even amid staff changes (E6). Interviewees highlight the importance of robust governance structures that set the rules for extended strategic executions (E6). The management should actively take responsibility for projects from the beginning and back them up. By recognizing projects as their own, they can enhance the whole organization's commitment and increase the likelihood of success (e.g., C2, E1, E6). Responsibility is not limited to the management. Clear responsibility structures within a project can help reduce ambiguity during the implementation and hold people accountable (e.g., C1, C2, C3). Effective leadership includes empowering strategic departments or functions with sufficient autonomy and resources to challenge existing business models and make difficult decisions when necessary (C1).

No matter how good a strategy department you have, it will not be able to assert itself. This means that the strategy department must be strong enough to actually stand above the business units [...] (C1)

Leaders also need the required change management skills, including technical and business understanding, methodic capabilities, and a structured approach toward complex implementations. Furthermore, change agents need the ability to manage human challenges, including overcoming internal resistance. The role of change agents is crucial yet often unpopular, especially when pushing for changes among colleagues at higher hierarchical levels (C2, C3).

[...] it's not a particularly popular role because you're always the internal consultant in a change agent role. Although the CEO wants you to do what you're doing, 90% of the organization doesn't want you to do it [...] (C2)

4.1.2. *Effective people communication*

The interviews identify effective people communication as the second main driver. To execute a strategy effectively, companies should choose a clear and simple language (e.g., C4, E2, E5). Strategies are often communicated at a high level, using buzzwords that may not be understood by the broader company base (C4, E1, E2). Since strategies can be complex and not everyone is involved in their development, it is essential to break them down into tangible elements that are understandable to all employees (C4). This also involves tailoring the communication style to different recipient groups to ensure relevance and resonance on all levels. It is essential to demonstrate how the strategy impacts each individual's work, helping them align their behavior with the new strategy objectives (E2, E5). Ideally, strategies should be memorable and relatable at all levels of the organization:

And the great thing was that our people from Frankfurt were able to go through the workforce and ask the assembly line what their goal was, and they said, 'The black 0' (E1)

This also means that companies should communicate transparently and justify their decision. Interviewees noted that it is crucial to explain the reasons for change (C1, C2, E4) and the value behind strategic decisions (C4, E3). This rationale behind the decision helps to manage expectations and mitigate resistance. Transparency needs to be ongoing, with regular updates that involve all parties of the organization to foster a sense of involvement (e.g., C1, C4, E4).

Motivating people is another frequently mentioned challenge. Resistance to change often comes from a preference for the status quo, fears about job security, or simply contentment with current roles and demands (e.g., C3, E2, E4). Companies should highlight the benefits of the transformation (C2, C3, E5) and potential career opportunities to overcome these motivational barriers (e.g., C1, C3, E5). Managers should emphasize future roles and ensure that there are always opportunities for those who perform well (E5). Additionally, by training and guidance on the benefits of changes, companies can further reduce fear of change (C3).

Finally, the interview partners call for early people involvement in the strategic development process to raise acceptance and make the execution successful. Allowing employees to actively find their role in the new strategy and contribute to its success can significantly increase their buy-in (e.g., C2, C4, E1). For that, managers should integrate bottom-up feedback and maintain an open dialogue to address concerns at an operational level (e.g., C2, C4, E1). By generating momentum with capable individuals, decentralizing leadership, and encouraging ownership across the organization, leaders can find key supporters across the company (C1, C4, E1). These

supporters can generate a collective responsibility and drive broader organizational buy-in. However, it is essential to avoid launching too many initiatives, as this can dilute focus, and employees may choose to focus on personally preferred initiatives (E4, E6).

To help drive change, you have to focus on people that want to make a difference and involve them from the outset because they are often multipliers (C4)

4.1.3. Alignment of organization and culture

The interviewees stress the importance of preparing for the change before initiating the execution. This involves "unfreezing" organizational and cultural structures to ensure readiness for change (C2). Interview partners state that it is essential to assess whether internal structures need adjustments to support the initiative (C3) and to determine if employees possess the necessary skills or if training or hiring is necessary (E3). Otherwise, strategies are at risk of failing even before they start. Aligning the organization also entails directing everyone toward a common goal. By defining clear majority rules, organizations can facilitate this alignment. While it may not be possible to convince everyone about the changes, majority rules can help smooth the process and overcome blockers. However, one interviewee also made it clear that not every decision can be made fully democratically (E1).

We have just decided that if we have 80% support for one direction, then we have 100% commitment. This means that at some point, people have to go along or draw the consequences and leave (E1)

Furthermore, interviewees state that companies should introduce a culture open to changes. Employees should recognize the need for improvement and be receptive to implementing changes (C2, E1, E2). This cultural shift includes encouraging bottom-up initiatives and challenging outdated thinking patterns and tools. As challenges evolve, there should be openness to adapting tools and methods to find solutions (C4, E2). Experiencing failures and learning from them is also essential to improve the strategies and their execution (C1, E4). A culture of change should not only survive for the duration of a project:

You have to hammer in small pegs everywhere, and at some point the pegs are so deep, that nobody can pull them out anymore (C2)

Interviewees mention the importance of aligning strategies with operations to ensure a smooth execution. A common challenge is a disconnect between high-level strategies and daily operations, which creates obstacles due to a lack of practical application guidance (C1, C4, E5).

Then you can talk a lot about it, but if you don't make it realistic and handy with examples, everyone will say, 'Yes, that's nice, but it doesn't affect me.' And that's actually the worst thing that can happen to you. People don't follow you not because they can't or don't want to, but simply because there's too big a disconnect between strategy and reality (E5)

According to the interviewees, aligning strategy also means ensuring sufficient resources (e.g., C1, E2, E6) and capabilities are in place to support the strategic decisions. Often, failure during implementation stages arises because employees are either too engaged in operational tasks (e.g., C2, C3, E2) or lack the necessary skills (C1, E3, E6). It might help to establish an internal interface that connects different organizational segments and perspectives. This function solely focuses on the transformation and coordinates information streams and capabilities (E6). Furthermore, when discussing the usability of frameworks, interviewees highlight that frameworks can assist in breaking down complex problems (C3) and supporting initial strategy analysis (C3, E3). However, they must be tailored to the specific situation (C3, E5). Although frameworks provide structure and can enhance confidence during execution, they should not be seen as a guarantee of success but rather as tools to facilitate and organize the implementation process (C2, C3). Furthermore, without skilled users, the benefits of frameworks are limited (see *Chapter 4.2.2* for more details).

4.1.4. Agility in strategy execution

Interviewees frequently discussed the necessity of having multiple strategic horizons. Companies should keep a clear long-term direction (e.g., C1, C2, E6) while simultaneously staying flexible to adjust execution as needed (e.g., C4, E3, E6). This includes maintaining agility in short-term operations and periodically (e.g., quarterly) reviewing and adjusting strategies to re-align with changing market conditions or internal capabilities (C1, E6). Sometimes, deviating from the planned path may be beneficial if it aligns better with evolving circumstances (E5).

But you also have to say that a good strategy should survive the test of time. If you define a strategy that can be fundamentally challenged every 3 months due to changes in the external environment, then I don't know how good the strategy was to begin with (C2)

Moreover, interviewees emphasize the role of establishing an agile mindset. Companies should be prepared to absorb external shocks that cannot be anticipated, which requires flexibility and resilience. Taking risks and learning from experiences are essential elements to enhance resilience (C3, E1, E4). However, companies should balance risk-taking with risk aversion

(E1). Furthermore, an agile mindset requires remaining open to changes, even when these changes challenge existing operations or bring up new difficulties (e.g., C1, E5, E6). According to the interviews, establishing reaction and escalation gates can help organizations accept and manage potential crises effectively (C1).

When new information comes in affecting your strategy and its implementation, there's a tendency for no one to want to know about it because it requires effort recalibration. It is hard because it also puts your previous choices under question (E6)

To support this flexibility, companies should put agile structures and processes in place that allow for short-term adjustments and guide decision-making processes (C2, E1, E6). Using tools and methods for faster and more adaptive project management can support decision-making. Here, it is essential to train employees on these tools (C4, E1, E3). Moreover, streamlining decision-making paths (E4, E6) and handing down decision responsibilities to employees at lower levels can speed up reaction times. Furthermore, it can enhance the quality of decisions as employees at the base often have a better understanding of the operational challenges and potential solutions (E1, E5, E6). These caretakers additionally bring a sense of ownership and engagement among all employees (E1).

However, the interviewees emphasize that agility in strategy execution requires continuous monitoring of internal operations and external market conditions to detect changes that could impact the initiative (e.g., C1, E3, E5). Companies can improve this monitoring and information processing by implementing systems that automatically report changes or performance metrics (e.g., C1, C2, E4). Some companies use an uncertainty management system to map emerging challenges and opportunities based on their impact and likelihood (C1, C2, E3). This system aids in prioritizing issues and preparing for various scenarios. This scenario planning enables agile reactions, anticipating future situations, and developing future capacities (C1, C3).

4.1.5. Clarity of strategic measures

Interviewees highlight the importance of setting core KPIs that are both limited in number and easily trackable (e.g., E1, E2, E5). These KPIs can help to maintain focus and accurately measure progress toward a strategic goal (e.g., C1, E2, E5). In general, these KPIs should remain consistent to ensure continuity and clarity in the strategic direction. However, they can be adjusted for short-term objectives (E1, E6). Companies are advised to employ both qualitative and quantitative measures to capture the progress of the strategy execution.

Nevertheless, over the long term, financial KPIs are the most important as strategies must ultimately deliver monetary returns (C4, E1, E6).

Yes, we have endless strategic KPIs, but I've just thrown them out the window because we had 117 of them. That's neither strategic nor a KPIs, they're just performance indicators (E2)

To effectively monitor progress and facilitate timely adjustments, organizations should utilize both leading and lagging indicators. Leading indicators allow early detection of deviations from expected outcomes and timely corrections (C4, E1, E4). Interviewees mentioned that collaboratively determining these KPIs can enhance their relevance and foster internal support, as including inputs from various levels of the organization ensures that the KPIs reflect diverse perspectives and needs (E5). Furthermore, each group and individual can set their own objectives to define their own contribution towards the overarching goal (C4, E5, E6). In this matter, companies should ensure that clear, standardized rules are set on how to formulate objectives and KPIs (C4).

In addition to these core KPIs, companies may implement deeper layers of performance indicators. In case a KPI underperforms, companies should conduct a deeper analysis to understand the root causes. Here, it is important to devise appropriate solutions rather than finding excuses. However, interviewees further stressed that while key KPIs are valuable, they do not fully replace the management sense (E1).

The point is, that was a negative KPI. At [name censored], if a KPI is negative, immediate action is required. It's not just about conducting an analysis but about finding a solution. You can't come back with a solution that shifts the blame to the market (E1)

Furthermore, according to the interviews, the integrity of how data are measured and communicated is essential (E2, E4). Companies should set standardized methods for data measurement and build reporting structures that hold individuals accountable, ensuring they feel responsible for the success of strategy execution. It is also crucial to be aware of potential manipulations of measures. Measures can be formulated in a way that suits personal agendas or short-term goals, which can undermine long-term organizational success. The success of the strategy should always stand over individual gains, such as reaching an employee's bonus target or getting a contract renewal. Therefore, organizations should avoid conflicting incentives internally (C1, C3).

In [name censored], for example, we had a longer issue because the company has contract negotiations at the end of this year. Accordingly, certain strategic goals have been defined in

such a way that they can still be achieved in advance. They have been tailored so that it pays off for the person concerned to be able to show results (C3)

4.2. SQ findings

The interviews further revealed valuable insights into how management consultants can support companies in addressing the challenges of strategy execution. Interview analysis resulted in three key drivers with 12 2nd level sub-categories that capture the primary ways in which consultants can contribute (see *Figure 6*). This subchapter will present these findings concerning the sub-question and explore how organizations can leverage management consultants to increase the success of their strategy executions.

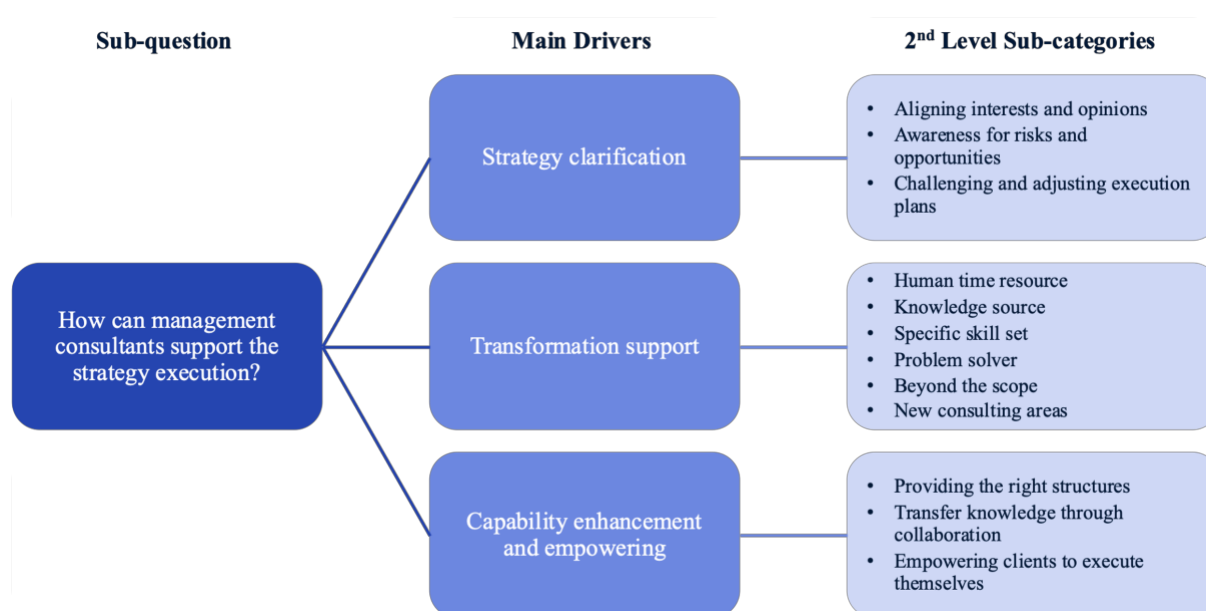


Figure 6: SQ coding structure overview
Source: Own illustration

4.2.1. Strategy clarification

The first main driver strategy clarification is the first step to overcoming strategy execution challenges. Although it partially overlaps with the strategy development phase, it can benefit the execution strongly. The interviewees mention that consultants can be used to align the different interests and opinions of a variety of stakeholders in the organization, which is crucial for overcoming resistance and empowering the relevant people. By moderating internal discussions, for example, in workshops, consultants can act as an organizational interface. Interviewees emphasized that the solutions for challenges are often already known in a company (e.g., C1, E1, E3). However, consultants can help to articulate an implementation roadmap that aligns with the differing agendas. This is closely linked to the role of consultants

in getting necessary organizational buy-in. Consultants can kick off the change by convincing the relevant stakeholders and getting the necessary sponsors to start the strategy execution (e.g., C1, C4, E3). Sometimes, this also means acting as an external political justification to push for the change, backing up a strategy that was already decided on (e.g., C3, E2, E3).

You can use a consultant as a battering ram. They can be the bad guys who say we have to do this now, even though the managers already know it makes sense but can't push for it because it might potentially backfire on them internally (E2)

Furthermore, the interviewees state that consultants can enhance clarity by identifying opportunities and risks that may have been overlooked or that the organization just does not want to see (C3, C4). They are proficient in tracking external trends and bringing them to the forefront (E5). This can help companies to shift from a reactive to a proactive stance during the implementation phase. At the same time, consultants do not only give impulses on what to do (C1, E2) but also find out what not to do (C1), thereby guiding a company in their decision making. Moreover, consultants are skilled at unraveling complex organizational processes that might pose risks or create challenges (C3).

Additionally, the interviewees see consultants as an essential external resource to challenge and refine execution plans. Their outside-in perspective offers a neutral big-picture view that is not influenced by internal politics, existing biases, or limited operational viewpoint (e.g., C2, E2, E6). This is closely linked to the topic of integrity that interviewees highlighted. The value of an external perspective depends on the consultant's integrity. Consultants must ensure their contributions are honest and unbiased, prioritizing the company's best interests over personal or commercial gains (E5, E6). This includes avoiding situations where the motivation to secure a follow-up project and satisfying the client representative could influence the contributions.

Usually, consultants speak the language of the one hiring them because they want to secure the second mandate as well to make money. And with that this one advantage gets a bit diminished in some cases (E6)

Additionally, consultants know how to ask the right questions, thereby questioning approaches and decisions critically (e.g., C1, E1, E4). Through their in-depth market understanding and reference points in the industry, they can be a valuable source for strategic clarity. Furthermore, their industry benchmarks provide an objective perspective to align strategies with market realities and competitive standards. The interviewees state that this helps organizations assess

if their ambitions are well-calibrated and if they have overlooked potential threats to execution success (e.g., E1, E2, E5).

4.2.2. Transformation support

Interviewees highlight that consultants can support organizational transformations in multiple ways. First, they can simply act as human time resources to address immediate capacity gaps, manage workload peaks, or fill roles that are not feasible to staff permanently (e.g., C1, E1, E2). This also includes the fact that sometimes it is easier to use consultants to go the extra mile (E3). Furthermore, developing internal capabilities sometimes takes too long, whereas consultants offer a quicker integration of new methods and practices, which shortens the implementation timeline (e.g., C1, C4, E6).

In fact, that's also manpower. I know, because I was a consultant myself, that people really don't like to hear the term "body leasing" and borrowing consultants to do certain things. But sometimes you simply need capacities (E3)

Moreover, consultants serve as an additional source of knowledge. They often have superior access to external information through their networks and databases, providing a broader data set that can be leveraged to understand external influences or customer behaviors (C2, E3, E6). Their extensive experience with similar projects enhances the execution process by leveraging past learnings to mitigate implementation risks (e.g., C1, E3, E5).

[...] we helped more than 20 companies to start a mobile virtual network operator. [...] We know this cost point costs this and that. In the contract negotiations with the operators, you have to pay attention to these five points. These are the main risks in the first few months.

This is how much money you should invest in your branding strategy [...] (C3)

This is also linked to their specialized topic expertise. Interviewees emphasize the value of consultants with deep subject matter expertise, especially when it is lacking in their own organization or the field is newly emerging. This expertise is crucial to overcome complex challenges where internal knowledge is not available (e.g., C2, E5, E6).

Yes, I think this generalist role, which is often practiced in consulting, is a false path. In the end, you leave the experts you have - and there are some very good experts in consultancies - a bit unnoticed, and I wouldn't recommend that. Bring this expertise forward. Then I think you'll have credibility in the pitch process and ultimately in the implementation (E5)

Furthermore, interviewees mention the specific skill set that consultants have. Although these skills are now more commonly available in corporations, their extensive training and application experience give them an edge. Their proficiency in applying and tailoring standard tools and models to various organizational contexts, coupled with a structured, result-oriented, and deadline-driven approach, can provide support for organizations during the implementation process (e.g., C1, E1, E3).

Overall, consultants can act as problem solvers who can tackle sensitive issues or even serve as an external force to make tough decisions or deliver uncomfortable truths without lasting organizational friction (e.g., C1, C2, C4). They can be used flexibly and focus on issues that need further care (C2, E6) or solve isolated problems (C3, E2, E3). Additionally, interviewees emphasized that consultants are typically intrinsically motivated to exceed expectations, aiming to secure future projects by demonstrating exceptional value and proactively identifying opportunities for further optimizations (e.g., C2, C3, E2). However, it has been observed that consultants tend to overestimate their contributions by leveraging unrealistic benchmarks or creating issues where none exist, which can mislead client organizations (E2).

However, the interview partners also noted a shift in the consulting industry. They expect a stronger focus on implementation support (e.g., C2, E2, E3) or on designing specific solutions (E3), attesting to a shift away from traditional strategy consulting:

Traditional strategy consulting is dead (E3)

4.2.3. Capability enhancement and empowering

The third main driver identified in the interviews focuses on enhancing the client's capabilities and empowering them. According to the interviewees, consultants can set the stage for a successful strategy execution by creating the suitable organizational structures (C1, C3, E3) and establishing a governance system (C3, E3, E6). These elements are described as essential for implementation success as they define roles, processes, and responsibilities. They warn that an initially poorly defined structure can harm the whole execution process (E3).

Moreover, consultants can enhance the client's capabilities by transferring knowledge and abilities during the client engagement. Interviewees stressed the importance of involving people early in projects and maintaining an active collaboration. This helps to avoid surprises during the execution and enhances the client's sense of ownership, countering potential deprioritization of external initiatives (e.g., C1, C2, E1). Simultaneously, close collaboration

addresses the problem that consultants often lack a personal connection to employees of the client organization (C3), requiring internal staff to understand thinking patterns.

I think you have the not-invented-here syndrome [...]. Even if the solution the consultant brings is the best solution for the problem in the eyes of the client, or the most suitable one, implementation can still be hindered because the client doesn't see it as their own baby (C2)

Furthermore, several interviewees highlight that collaboration is crucial as it reduces resistance to externally led initiatives and allows for an effective transfer of knowledge, expertise, and methodological know-how (e.g., C1, C4, E5). Consultants can train on a level of insight and capability that is typically more advanced than what could be developed internally in a comparable timeframe (C4).

The interviewees conclude that while consultants can lay the groundwork for strategic initiatives, the responsibility for ongoing execution carries the client. Consultants can empower clients by establishing fundamental principles, guidelines, and frameworks, enabling them to continue without the consultant (e.g., C4, E2, E6). Part of this empowerment involves identifying key team members within the client organization, training them, and building their confidence to take over execution responsibilities organically (C4).

5. Discussion

This section synthesizes the RQ and SQ findings, integrating them into the existing literature. In total, the thesis finds five main drivers that can help organizations overcome challenges and three main ways in which management consultants can support organizations in their strategy execution.

5.1. Critique of frameworks

The thesis initially discussed the benefits and limitations of using frameworks to guide strategy execution. The purpose of frameworks is to simplify complex processes. However, the findings from this study suggest that the topic of overcoming execution obstacles is too broad and deep to capture all elements in one simplistic model fully. Some researchers argue that strategy frameworks might increase uncertainty rather than mitigate it and call them potentially unhelpful or dangerous (Jarzabkowski & Kaplan, 2015; March, 2006). However, the study shows that frameworks remain valuable during the conceptualization phase and can increase confidence in decision-making. Interviewees consistently emphasized that the effective use of frameworks depends on the user's ability to adapt and combine them to specific contexts. This

challenges researchers claiming that simple frameworks require no methodic competencies (Frost, 2003; Jarzabkowski & Kaplan, 2015). Hence, while this thesis delineates five key drivers for the RQ and three for the SQ, it is crucial to acknowledge the depth and complexity of each driver. Simply reducing the information into a high-level framework would result in a significant loss of information. Instead, the study calls for a more tailored approach, recognizing that each of the main drivers requires a deep understanding of itself.

5.2. Strategy execution challenges

The role of leaders in organizations is widely discussed in the literature, acknowledging their crucial role as change drivers, motivators, and guides (e.g., Azhar et al., 2013; Musaigwa, 2023). This study confirms the importance of leaders as authentic role models for change. Moreover, this research contributes new insights into the dynamics of leadership during strategy execution. It emphasizes not only the necessity for leaders to take ownership from the onset but also the importance of delegating responsibilities down the hierarchy. Additionally, the interviews confirm that leaders have to recognize the need for change and commit to it (Applebaum & Paese, 2001). Furthermore, the study findings highlight the importance of giving autonomy to the strategy decision units. Additionally, it extends the discussion by introducing the issue of maintaining leadership accountability, particularly when leadership changes occur during the execution phase.

The findings on inner-organizational communication align closely with existing literature, stating that the perception and understanding of communication differ among stakeholders within an organization, calling for a personalized approach (Johansson et al., 2019). The study builds on this by demonstrating the need to break down high-level strategies into actionable and understandable components to avoid resistance. However, the research further reveals that employees perceive communication differently depending on the communication channel (Shimizu, 2017), an aspect that interviewees did not take into account. Interview findings further highlighted the importance of winning critical supporters across the organization, which helps bring change to a broader audience. This is closely aligned with the previously discussed literature concerning middle managers who bridge the gap between lower and upper levels (Aaltonen & Ikävalko, 2002; Floyd & Lane, 2000; Miniace & Falter, 1996).

Thirdly, the thesis findings on the alignment of organization and culture resonate with the frameworks presented in the 7-S/8-S models (Higgins, 2005), which emphasize the importance of backing up strategies with sufficient resources and aligning organizational elements towards

a unified direction. Traditional researchers claim that strategy and objectives follow the establishment of cultural values, identity, and purposes (see *Figure 4*). Contrary to this, findings from this study suggest that in practical scenarios, the strategy can facilitate changes in organization and culture. Interviewees recommend preparing for this change by unfreezing existing structures and cultures.

The findings contribute to the research on agility in strategic execution. The findings align with the literature, emphasizing the necessity for agile responses to unforeseen events that pose risks or opportunities (e.g., Battistella et al., 2017; Clauss et al., 2021; Weber & Tarba, 2014). The interviewees highlight the need for different strategic horizons and balancing short-term agility with a long-term direction. Moreover, the findings show that organizations require agile structures and processes as well as decision-making structures. While a variety of agile tools exist, their success significantly depends on the contextual application (Manole & Avramescu, 2017). This underscores this study's findings that strategic execution demands skilled managers who not only understand theoretical tools but can also customize and apply these tools to meet unique organizational needs.

Lastly, the thesis extends to the domain of strategic measures. The research discusses methodologies for setting measurable goals and performance indicators such as those described in the BSC (*Management Tools Balanced Scorecard*, 2023) or Objectives and Key Results (OKRs) methods (e.g., Doerr, 2018). However, the interviews show that, in reality, organizations tend to put too many KPIs, causing confusion and focus dilution. The findings show a literature gap regarding streamlining KPIs to focus on a few critical indicators that enable deeper follow-up analysis. Additionally, the literature calls for a mix of qualitative and quantitative measures (Toor & Ogunlana, 2010), which is in line with this study's findings. However, the findings suggest that financial measures remain the most relevant factors, as strategies have to pay off financially in the long term.

5.3. Role of management consultants

The findings show that the role of management consultants in strategy execution is complex and extends beyond traditional expectations. While literature often sees consultants as carriers of knowledge and experience that help clients devise or integrate solutions (Canato & Giangreco, 2011; Hargadon, 1998), this study reveals that consultants and clients know that organizations usually already know the solutions. Consultants often do not develop a solution but moderate and align the different interests in an organization to secure the required buy-in

for execution. The findings further outline that the big picture view (e.g., Kubr, 2002) can not only be used to create solutions but to give impulses where an organization might miss risks or opportunities. Lastly, they benefit organizations by asking the right questions and challenging the determined solutions. Instead of bringing solutions to organizations, this study suggests that consultants primarily use their capabilities to clarify potential obstacles and fill gaps, thus facilitating successful strategy execution.

Moreover, the study finds that consultancies have multiple support functions in a transformation process. In general, there is an alignment about the use of consultants as a knowledge source, offering specialized expertise and access to cross-industry knowledge (e.g., Canato & Giangreco, 2011; Kubr, 2002). They also serve as a temporary resource, allowing organizations to overcome internal capacity shortages for projects (Kubr, 2002). However, while the external justification of solutions through consultants is described as rather negative in the literature (Fincham & Clark, 2002; McKenna, 2012), the interviewees describe it as sometimes essential to overcome internal resistance. Further, the findings counter the criticism concerning the relationship dependence. While Kraaijenbrink (2020) describes a dependence on external consultants as harmful, interviewee C2 highlights that such dependence could foster a beneficial, continuous external support mechanism. This study enriches the dialogue by emphasizing that the flexibility and intrinsic motivation of consultants to exceed expectations are what make their support exceptionally valuable.

Lastly, the topic of knowledge transfer through consultants is prominent both in the interviews and literature, displaying consultants as knowledge brokers that distribute general and methodic knowledge between clients and industries (e.g., Bessant & Rush, 1995; Kubr, 2002). Here, the findings contribute by emphasizing that knowledge transfer begins with early collaboration with clients, which simultaneously reduces internal resistance to change. Furthermore, the study underscores the necessity of knowledge transfer and empowerment, arguing that consultants must equip clients with the necessary structures and insights to enable them to proceed independently post-consultation. The interviewees highlighted that the client itself must carry the ultimate responsibility for execution.

6. Conclusion

This thesis has not only provided a comprehensive analysis of the challenges that corporations face in strategy execution but also shed light on the crucial role management consultants play in these complex environments. The literature review offers an insightful overview of the

domain of strategic management, describing how its iterative steps are interconnected and directly influence the execution stage. Furthermore, the study discusses the value and limitations of strategy execution frameworks alongside the potential benefits and limitations of consulting services. By integrating real-life insights from senior executives and consultants, this study aims to close the literature gap concerning the strategy execution stage. The findings show how to overcome execution obstacles and key areas in which consultants can support organizations, providing practical insights for strategic management researchers and management professionals.

Findings related to the RQ reveal that strategy execution challenges are complex to overcome, requiring knowledge and strategies concerning the following five main drivers:

1. Firstly, interviewees highlight that leaders should act as role models, setting an organizational standard through their actions and commitment. The leaders need to take ownership of projects and openly support them to increase the company's commitment. This commitment and accountability should be lasting, which requires clear governance structures that withstand personnel changes. Furthermore, they should empower key employees by giving them autonomy and responsibility. Change management skills are essential for leaders to guide the execution process. These skills include methodic project management as well as human skills to guide the company.
2. Secondly, it is crucial to establish an effective communication strategy so that employees clearly understand their roles in the process. This requires early involvement and a platform for bottom-up inputs to foster organization-wide engagement. Employee engagement helps overcome motivation problems such as fear of change or the wish to maintain the status quo. A well-defined communication strategy ensures transparency at all times and highlights the underlying reasons and added value of the transformation.
3. Thirdly, aligning organizational structure and culture with the strategic direction requires careful preparation ("unfreezing") and cultural adjustments supported by sufficient resources and adequate capabilities. By establishing clear decision rules, organizations can counter ambiguity. Additionally, an open culture allows an organization to overcome old thinking patterns and learn from failures. Using tailored frameworks or establishing specialized interface teams can enhance the effectiveness.
4. Fourthly, organizations should maintain agility in the execution process. Companies should set a clear long-term direction and maintain short-term agility for adjustments. This requires an agile mindset alongside agile processes and structures, enabling quick

reactions to emerging risks and opportunities during the execution stage. This might include establishing reaction gates or uncertainty assessment systems. Scenario planning allows companies to anticipate developments and proactively address them.

5. Finally, companies should set a small number of relevant and widely accepted KPIs that track the success of the strategy execution. Beyond its core KPIs, organizations can define further KPIs for in-depth analysis or individual and group contributions, ensuring that everyone can measure their contribution towards the strategic goal. Moreover, they should be collaboratively developed, easy to track, and not manipulated for personal interests and incentives.

The SQ findings reveal three main drivers for successful execution support through consultants:

1. Integer consultants can clarify the strategic direction by neutrally moderating internal discussions to align stakeholder interests and secure organizational buy-in. While companies often know the right solutions, consultants can challenge their approaches, highlight overlooked risks and opportunities, or act as external justification.
2. During transformations, consultants provide flexible time and knowledge support by resolving isolated issues or tackling problems. Consultants with specialized knowledge and benchmarks are particularly beneficial when this specific expertise is lacking internally and are often preferred against generalists. Furthermore, their intrinsic motivation to secure future projects can deliver significant value, going beyond the project scope.
3. Lastly, consultants are essential in establishing initial structures for implementation, transferring crucial knowledge, and empowering clients to execute independently. The findings emphasize that while consultants can enhance the execution process, the ultimate responsibility for strategy implementation remains with the client.

6.1. Implications for theory and practice

This study is a first step to adopting a more practice-oriented approach to strategic success. This thesis confirms that traditional execution frameworks frequently lack real-world relevance by simplifying complex elements (Okumus, 2003). Findings imply that applying pre-defined frameworks is not sufficient. Here, the findings reveal that experienced and skilled users are required to adapt these frameworks to specific contexts or use them to validate their approaches.

The findings build on the existing literature by highlighting the need for leaders on multiple hierarchical levels (O'Reilly et al., 2010) and extend it by suggesting that responsibilities should

be delegated to the company's operational basis, implying that leadership should be decentralized. Moreover, the findings emphasize that current practices do not sufficiently prepare the change process. Despite Lewin's (1947) widely accepted "*unfreeze-change-freeze*" model, this crucial first stage is often overlooked, implying that the topic requires stronger emphasis. Furthermore, this research criticizes the approach to strategic measurement, such as in the BSC concept (*Management Tools Balanced Scorecard*, 2023), as it can dilute its focus. The findings suggest that researchers should concentrate on how companies can formulate core KPIs and align them to short- and long-term strategic horizons.

Additionally, the study is not aligned with traditional views on management consultants. It shifts away from seeing them as solution providers and recognizes an evolving role towards challengers and initiators. Also, the paper questions negative connotations related to external justification (Fincham & Clark, 2002; McKenna, 2012) or dependency Kraaijenbrink (2020), indicating the need for a more nuanced understanding of the role and contributions of management consultants that considers both risks and chances.

6.2. Limitations and future research

The current study's findings have several limitations that provide opportunities for future research. Employing an exploratory qualitative research design has allowed a deep understanding of contexts and links among elements that pose challenges in the strategy execution. However, further research should test the effectiveness of findings quantitatively. For instance, it might be beneficial to measure the success of companies that incorporate the findings compared to a control group. Additionally, the sample size of 10 interviewees from the DACH region is relatively small. Expanding the geographical scope and increasing the number of participants would enhance the generalizability of the findings, confirming validity in different contexts. Moreover, the responses of consultants and executives showed notable differences but were not the primary focus of this study. Future studies could focus on these discrepancies to uncover how varying perspectives influence collaboration. Another promising area for further research is the involvement of middle management perspectives, as they have a vital role in the operational execution. This might lead to new insights that senior leadership potentially overlooks from their viewpoints. Lastly, the complexity of the topic means that each of the drivers requires further analysis to develop more nuanced strategies, accounting for different execution scenarios.

7. References

- Aaltonen, P., & Ikävalko, H. (2002). Implementing strategies successfully. *Integrated Manufacturing Systems*, 13(6), 415–418. <https://doi.org/10.1108/09576060210436669>
- Abrahamson, E., & Fairchild, G. (1999). Management Fashion: Lifecycles, Triggers, and Collective Learning Processes. *Administrative Science Quarterly*, 44(4), 708–740. <https://doi.org/10.2307/2667053>
- Adams, W. C. (2015). Conducting Semi-Structured Interviews. In *Handbook of Practical Program Evaluation* (pp. 492–505). Wiley. <https://doi.org/10.1002/9781119171386.ch19>
- Alkhafaji, A., & Nelson, R. A. (2013). *Strategic management: formulation, implementation, and control in a dynamic environment*. Routledge.
- Alshaher, A. A. (2013). The McKinsey 7S model framework for e-learning system readiness assessment. *International Journal of Advances in Engineering and Technology*, 6(5), 1948–1966.
- Amason, A. C., & Ward, A. (2020). *Strategic Management*. Routledge. <https://doi.org/10.4324/9781003000594>
- Anand, S. (2016). *Execution excellence: Making strategy work using the balanced scorecard*. John Wiley & Sons.
- Appelbaum, S. H., Habashy, S., Malo, J., & Shafiq, H. (2012). Back to the future: revisiting Kotter's 1996 change model. *Journal of Management Development*, 31(8), 764–782. <https://doi.org/10.1108/02621711211253231>
- Appelbaum, S. H., & Steed, A. J. (2005). The critical success factors in the client-consulting relationship. *Journal of Management Development*, 24(1), 68–93. <https://doi.org/10.1108/02621710510572362>
- Applebaum, L., & Paese, M. (2001). *What senior leaders do: The nine roles of strategic leadership*. DDI| Development Dimensions International.
- Aryani, Y. A., & Setiawan, D. (2020). Balanced Scorecard: Is It Beneficial Enough? A Literature Review. *Asian Journal of Accounting Perspectives*, 13(1), 65–84. <https://doi.org/10.22452/AJAP.vol13no1.4>

- Azhar, A., Ikram, S., Rashid, S., & Saqib, S. (2013). The role of leadership in strategy formulation and implementation. *International Journal of Management & Organizational Studies*, 1(2), 32–38.
- Badi, S., & Nasaj, M. (2023). Cybersecurity effectiveness in UK construction firms: an extended McKinsey 7S model approach. *Engineering, Construction and Architectural Management*. <https://doi.org/10.1108/ECAM-12-2022-1131>
- Barney, J. (1991). Firm Resources and Sustained Competitive Advantage. *Journal of Management*, 17(1), 99–120. <https://doi.org/10.1177/014920639101700108>
- Battistella, C., De Toni, A. F., De Zan, G., & Pessot, E. (2017). Cultivating business model agility through focused capabilities: A multiple case study. *Journal of Business Research*, 73, 65–82. <https://doi.org/10.1016/j.jbusres.2016.12.007>
- Benner, M. J., & Tushman, M. L. (2003). Exploitation, Exploration, and Process Management: The Productivity Dilemma Revisited. *Academy of Management Review*, 28(2), 238–256. <https://doi.org/10.5465/amr.2003.9416096>
- Bennett, N., & Lemoine, G. J. (2014). What a difference a word makes: Understanding threats to performance in a VUCA world. *Business Horizons*, 57(3), 311–317. <https://doi.org/10.1016/j.bushor.2014.01.001>
- Bessant, J., & Rush, H. (1995). Building bridges for innovation: the role of consultants in technology transfer. *Research Policy*, 24(1), 97–114. [https://doi.org/10.1016/0048-7333\(93\)00751-E](https://doi.org/10.1016/0048-7333(93)00751-E)
- Campbell, A., & Yeung, S. (1991). Creating a sense of mission. *Long Range Planning*, 24(4), 10–20. [https://doi.org/10.1016/0024-6301\(91\)90002-6](https://doi.org/10.1016/0024-6301(91)90002-6)
- Canato, A., & Giangreco, A. (2011). Gurus or Wizards? A Review of the Role of Management Consultants. *European Management Review*, 8(4), 231–244. <https://doi.org/10.1111/j.1740-4762.2011.01021.x>
- Cerruti, C., Tavoletti, E., & Grieco, C. (2019). Management consulting: a review of fifty years of scholarly research. *Management Research Review*, 42(8), 902–925. <https://doi.org/10.1108/MRR-03-2018-0100>
- Chiavenato, I. (2009). *Comportamiento organizacional* (Second Edition). https://www.gob.mx/cms/uploads/attachment/file/335680/Comportamiento_organizaciona_l_La_dina_mica_en_las_organizaciones..pdf

- Ciampi, F. (2014). Defining Management Consulting and Exploring Its Knowledge Creation Potential. *Oxford Journal: An International Journal of Business & Economics*, 5(1), 87–100.
- Clauss, T., Kraus, S., Kallinger, F. L., Bican, P. M., Brem, A., & Kailer, N. (2021). Organizational ambidexterity and competitive advantage: The role of strategic agility in the exploration-exploitation paradox. *Journal of Innovation & Knowledge*, 6(4), 203–213. <https://doi.org/10.1016/j.jik.2020.07.003>
- Cohen, W. M., & Levinthal, D. A. (1990). Absorptive Capacity: A New Perspective on Learning and Innovation. *Administrative Science Quarterly*, 35(1), 128. <https://doi.org/10.2307/2393553>
- Collins, J. C., & Porras, J. I. (2002). *Built to last* (Third). HarperCollins.
- Condon, J., Kwiatkowski, K., & Smit, S. (2023). *Economic conditions outlook during turbulent times, December 2023*. McKinsey & Company. <https://www.mckinsey.com/capabilities/strategy-and-corporate-finance/our-insights/economic-conditions-outlook-2023#section-header-december>
- Czarniawska, B. (2013). The Uncertainties of Consulting. *International Studies of Management*, 43(3), 11–21.
- Dean, D., & Webb, C. (2011). *Recovering from information overload*. McKinsey Quarterly. Recovering from information overload
- Denzin, N. K., & Lincoln, Y. S. (2011). *The Sage handbook of qualitative research*. Sage.
- Doerr, J. (2018). *Measure what matters: How Google, Bono, and the Gates Foundation rock the world with OKRs*. Penguin.
- Duncan, R. B. (1976). The Ambidextrous Organization: Designing Dual Structures for Innovation. *The Management of Organization*, 1, 167–188.
- Engert, S., & Baumgartner, R. J. (2016). Corporate sustainability strategy – bridging the gap between formulation and implementation. *Journal of Cleaner Production*, 113, 822–834. <https://doi.org/10.1016/j.jclepro.2015.11.094>
- Fincham, R. (2002). The Agent's Agent: Power, Knowledge, and Uncertainty in Management Consultancy. *International Studies of Management & Organization*, 32(4), 67–86.

- Fincham, R., & Clark, T. (2002). Preface: Management Consultancy: Issues, Perspectives, and Agendas. *International Studies of Management & Organization*, 32(4), 3–18.
- Floyd, S. W., & Lane, P. J. (2000). Strategizing Throughout the Organization: Managing Role Conflict in Strategic Renewal. *Academy of Management Review*, 25(1), 154–177. <https://doi.org/10.5465/amr.2000.2791608>
- Foss, N. N. J. (1997). *Resources, Firms, and Strategies: A Reader in the Resource-based Perspective*. Oxford University Press.
- Frost, F. A. (2003). The use of strategic tools by small and medium-sized enterprises: an Australasian study. *Strategic Change*, 12(1), 49–62. <https://doi.org/10.1002/jsc.607>
- Fuertes, G., Alfaro, M., Vargas, M., Gutierrez, S., Ternero, R., & Sabattin, J. (2020). Conceptual Framework for the Strategic Management: A Literature Review - Descriptive. In *Journal of Engineering (United Kingdom)* (Vol. 2020). Hindawi Limited. <https://doi.org/10.1155/2020/6253013>
- Galbraith, J. R. (2002). Organizing to deliver solutions. *Organizational Dynamics*, 31(2), 194–207.
- Ghuri, P., Strange, R., & Cooke, F. L. (2021). Research on international business: The new realities. *International Business Review*, 30(2), 101794. <https://doi.org/10.1016/j.ibusrev.2021.101794>
- Gibson, K. (2023, December). *5 Reasons Strategy Execution Fails*. <https://online.hbs.edu/blog/post/why-do-strategic-plans-fail>
- Grant, R. M. (2018). *Contemporary strategy analysis* (10th Edition).
- Gross, A. C., & Poor, J. (2008). The Global Management Consulting Sector. *Business Economics*, 43(4), 59–68.
- Hargadon, A. B. (1998). Firms as Knowledge Brokers: Lessons in Pursuing Continuous Innovation. *California Management Review*, 40(3), 209–227. <https://doi.org/10.2307/41165951>
- Hart, S. L. (1995). A Natural-Resource-Based View of the Firm. *The Academy of Management Review*, 20(4), 986. <https://doi.org/10.2307/258963>
- Henry, A. (2021). *Understanding strategic management* (Fourth). Oxford University Press.

- Higgins, J. M. (2005). The Eight ‘S’s of successful strategy execution. *Journal of Change Management*, 5(1), 3–13. <https://doi.org/10.1080/14697010500036064>
- Hrebiniak, L. G. (2013). *Making Strategy Work: Leading Effective Execution and Change* (2nd ed.). FT Press.
- Hunger, J. D., & Wheelen, T. L. (2020). *Essentials of strategic management* (5th Edition).
- Hussein, N., Omar, S., Noordin, F., & Ishak, N. A. (2016). Learning Organization Culture, Organizational Performance and Organizational Innovativeness in a Public Institution of Higher Education in Malaysia: A Preliminary Study. *Procedia Economics and Finance*, 37, 512–519. [https://doi.org/10.1016/S2212-5671\(16\)30159-9](https://doi.org/10.1016/S2212-5671(16)30159-9)
- Jansen, J. J. P., George, G., Van den Bosch, F. A. J., & Volberda, H. W. (2008). Senior Team Attributes and Organizational Ambidexterity: The Moderating Role of Transformational Leadership. *Journal of Management Studies*, 45(5), 982–1007. <https://doi.org/10.1111/j.1467-6486.2008.00775.x>
- Jansen, J. J. P., Van Den Bosch, F. A. J., & Volberda, H. W. (2006). Exploratory Innovation, Exploitative Innovation, and Performance: Effects of Organizational Antecedents and Environmental Moderators. *Management Science*, 52(11), 1661–1674. <https://doi.org/10.1287/mnsc.1060.0576>
- Jarzabkowski, P. (2004). Strategy as Practice: Recursiveness, Adaptation, and Practices-in-Use. *Organization Studies*, 25(4), 529–560. <https://doi.org/10.1177/0170840604040675>
- Jarzabkowski, P., Balogun, J., & Seidl, D. (2007). Strategizing: The challenges of a practice perspective. *Human Relations*, 60(1), 5–27. <https://doi.org/10.1177/0018726707075703>
- Jarzabkowski, P., & Kaplan, S. (2015). Strategy tools-in-use: A framework for understanding “technologies of rationality” in practice. *Strategic Management Journal*, 36(4), 537–558. <https://doi.org/10.1002/smj.2270>
- Jarzabkowski, P., Kavas, M., & Krull, E. (2021). It’s Practice. But is it Strategy? Reinvigorating strategy-as-practice by rethinking consequentiality. *Organization Theory*, 2(3). <https://doi.org/10.1177/26317877211029665>
- Johansson, C., Grandien, C., & Strandh, K. (2019). Roadmap for a communication maturity index for organizations—Theorizing, analyzing and developing communication value. *Public Relations Review*, 45(4), 101791. <https://doi.org/10.1016/j.pubrev.2019.05.012>

- Kaplan, R. S. (2005). How the balanced scorecard complements the McKinsey 7-S model. *Strategy & Leadership*, 33(3), 41–46. <https://doi.org/10.1108/10878570510594442>
- Kaplan, R. S., & Norton, D. P. (1992). *The Balanced Scorecard: Measures that drive performance: Vol. Jan-Feb*. Harvard Business Review.
- Kaplan, R. S., & Norton, D. P. (1996). *The Balanced Scorecard: Translating Strategy into Action*. Harvard Business School Press.
- Kaplan, R. S., & Norton, D. P. (2001). The strategy-focused organization. *Strategy & Leadership*, 29(3). <https://doi.org/10.1108/sl.2001.26129cab.002>
- Kaplan, R. S., & Norton, D. P. (2005, October). *The Office of Strategy Management*. Harvard Business Review.
- Kieser, A. (2002). Managers as Marionettes? Using Fashion Theories to Explain the Success of Consultancies. In *Management Consulting* (pp. 167–183). Oxford University Press/Oxford. <https://doi.org/10.1093/oso/9780199242856.003.0010>
- Kipping, M., & Engwall, L. (2002). *Management consulting: Emergence and dynamics of a knowledge industry*. OUP Oxford.
- Kotter, J. P. (2012). *Leading Change*. Harvard Business Review Press.
- Kraaijenbrink, J. (2020). *Strategy Consulting*. Cambridge University Press. <https://doi.org/10.1017/9781108868365>
- Kubr, M. (2002). *Management consulting: A guide to the profession*. International Labour Organization.
- Levinthal, D. A., & March, J. G. (1993). The myopia of learning. *Strategic Management Journal*, 14(S2), 95–112. <https://doi.org/10.1002/smj.4250141009>
- Lewin, K. (1947). Frontiers in Group Dynamics. *Human Relations*, 1(1), 5–41. <https://doi.org/10.1177/001872674700100103>
- Livesey, F. (2018). Unpacking the possibilities of deglobalisation. *Cambridge Journal of Regions, Economy and Society*, 11(1), 177–187. <https://doi.org/10.1093/cjres/rsx030>
- Lord, B. R., Shanahan, Y. P., & Gage, M. J. (2005). The Balanced Scorecard: A New Zealand Perspective. *Pacific Accounting Review*, 17(1), 49–78. <https://doi.org/10.1108/01140580510818521>
- Luhmann, N. (1995). *Social systems*. Stanford University Press.

- Mallén, F., Chiva, R., Alegre, J., & Guinot, J. (2016). Organicity and performance in excellent HRM organizations: the importance of organizational learning capability. *Review of Managerial Science*, 10(3), 463–485. <https://doi.org/10.1007/s11846-014-0164-2>
- Management Tools Balanced Scorecard*. (2023). Bain & Company. <https://www.bain.com/insights/management-tools-balanced-scorecard/>
- Manole, M., & Avramescu, M.-Ş. (2017). Comparative analysis of agile project management tools. *Academy of Economic Studies. Economy Informatics*, 17(1), 25–31.
- March, J. G. (1991a). Exploration and Exploitation in Organizational Learning. *Organization Science*, 2(1), 71–87. <https://doi.org/10.1287/orsc.2.1.71>
- March, J. G. (1991b). Organizational consultants and organizational research. *Journal of Applied Communication Research*, 19(1–2), 20–31. <https://doi.org/10.1080/00909889109365290>
- March, J. G. (2006). Rationality, foolishness, and adaptive intelligence. *Strategic Management Journal*, 27(3), 201–214. <https://doi.org/10.1002/smj.515>
- Markides, C. (2000). *All the right moves: a guide to crafting breakthrough strategy*. Harvard Business Press.
- Mayring, P. (2000). *Qualitative Content Analysis*. <http://www.zuma-mannheim.de/research/en/methods/textanalysis/>
- Mayring, P. (2015). *Qualitative Inhaltsanalyse : Grundlagen und Techniken* (12th ed.). Beltz.
- McChrystal Group. (2023, March). *Everything You Need to Know About Strategy Alignment*. <https://www.mcchrystalgroup.com/insights/detail/2023/03/08/everything-you-need-to-know-about-strategy-alignment>
- McKenna, C. (2012). *Strategy Followed Structure: Management Consulting and the Creation of a Market for “Strategy,” 1950–2000* (pp. 153–186). [https://doi.org/10.1108/S0742-3322\(2012\)0000029010](https://doi.org/10.1108/S0742-3322(2012)0000029010)
- Miniace, J. N., & Falter, E. (1996). Communication: A key factor in strategy implementation. *Planning Review*, 24(1), 26–30. <https://doi.org/10.1108/eb054540>
- Mintzberg, H. (1989). *The structuring of organizations*. Macmillan Education UK.
- Mintzberg, H. (1994). *The Rise and Fall of Strategic Planning*. Harvard Business Review.

- Mooraj, S., Oyon, D., & Hostettler, D. (1999). The balanced scorecard: a necessary good or an unnecessary evil? *European Management Journal*, 17(5), 481–491. [https://doi.org/10.1016/S0263-2373\(99\)00034-1](https://doi.org/10.1016/S0263-2373(99)00034-1)
- Musaigwa, M. (2023). The Role of Leadership in Managing Change. *International Review of Management and Marketing*, 13(6), 1–9. <https://doi.org/10.32479/irmm.13526>
- Nørreklit, H. (2000). The balance on the balanced scorecard a critical analysis of some of its assumptions. *Management Accounting Research*, 11(1), 65–88. <https://doi.org/10.1006/mare.1999.0121>
- Nørreklit, H. (2003). The Balanced Scorecard: what is the score? A rhetorical analysis of the Balanced Scorecard. *Accounting, Organizations and Society*, 28(6), 591–619. [https://doi.org/10.1016/S0361-3682\(02\)00097-1](https://doi.org/10.1016/S0361-3682(02)00097-1)
- Nørreklit, H., & Mitchell, F. (2014). Contemporary issues on the balance scorecard. *Journal of Accounting & Organizational Change*, 10(4). <https://doi.org/10.1108/JAOC-04-2014-0026>
- Nørreklit, L., Jack, L., & Nørreklit, H. (2018). Beyond the Post-Truth Turn: From Habitus Based to Paranoiac Based Performance Management. *Proceedings of Pragmatic Constructivism*, 8(1), 17–18.
- Okumus, F. (2003). A framework to implement strategies in organizations. *Management Decision*, 41(9), 871–882. <https://doi.org/10.1108/00251740310499555>
- O'Reilly, C. A., Caldwell, D. F., Chatman, J. A., Lapid, M., & Self, W. (2010). How leadership matters: The effects of leaders' alignment on strategy implementation. *The Leadership Quarterly*, 21(1), 104–113. <https://doi.org/10.1016/j.leaqua.2009.10.008>
- Pacheco-Velázquez, E. A., Vázquez-Parra, J. C., Cruz-Sandoval, M., Salinas-Navarro, D. E., & Carlos-Arroyo, M. (2023). Business Decision-Making and Complex Thinking: A Bibliometric Study. *Administrative Sciences*, 13(3), 80. <https://doi.org/10.3390/admsci13030080>
- Papulova, Z., & Gazova, A. (2016). Role of Strategic Analysis in Strategic Decision-Making. *Procedia Economics and Finance*, 39, 571–579. [https://doi.org/10.1016/S2212-5671\(16\)30301-X](https://doi.org/10.1016/S2212-5671(16)30301-X)
- Patton, M. Q. (1990). *Qualitative evaluation and research method* (2nd ed.). Sage Publications, Inc.

- Peng, M. W., Wang, D. Y. L., & Jiang, Y. (2008). An institution-based view of international business strategy: a focus on emerging economies. *Journal of International Business Studies*, 39(5), 920–936. <https://doi.org/10.1057/palgrave.jibs.8400377>
- Peppard, J., & Ward, J. (2016). *The Strategic Management of Information Systems: Building a Digital Strategy*. John Wiley & Sons.
- Peters, T. J., & Waterman, R. H. (1982). *In search of excellence* (Issue 3). Harper & Row.
- Petricevic, O., & Teece, D. J. (2019). The structural reshaping of globalization: Implications for strategic sectors, profiting from innovation, and the multinational enterprise. *Journal of International Business Studies*, 50(9), 1487–1512. <https://doi.org/10.1057/s41267-019-00269-x>
- Pfeifer, T., Schmitt, R., & Voigt, T. (2005). Managing change: quality-oriented design of strategic change processes. *The TQM Magazine*, 17(4), 297–308. <https://doi.org/10.1108/09544780510603152>
- PMI. (2013). *Why Good Strategies Fail: Lessons for C-Suite*. PMI. <https://www.pmi.org/-/media/pmi/documents/public/pdf/learning/thought-leadership/why-good-strategies-fail-report.pdf>
- Pollack, J., & Pollack, R. (2015). Using Kotter's Eight Stage Process to Manage an Organisational Change Program: Presentation and Practice. *Systemic Practice and Action Research*, 28(1), 51–66. <https://doi.org/10.1007/s11213-014-9317-0>
- Porter, M. E. (1980). *Competitive Strategy: Techniques for Analyzing Industries and Competitors*. Free Press.
- Porter, M. E. (1996). *What Is Strategy?*
- Porter, M. E. (2008). *On competition*. Harvard Business Press.
- Rapert, M. I., Velliquette, A., & Garretson, J. A. (2002). The strategic implementation process: evoking strategic consensus through communication. *Journal of Business Research*, 55(4), 301–310. [https://doi.org/10.1016/S0148-2963\(00\)00157-0](https://doi.org/10.1016/S0148-2963(00)00157-0)
- Rowley, J. (2012). Conducting research interviews. *Management Research Review*, 35(3/4), 260–271. <https://doi.org/10.1108/01409171211210154>
- Saunders, M. N. K., Lewis, P., & Thornhill, A. (2016). *Research Methods for Business Students* (7th ed.). Prentice Hall.

- Serra, C. E. M., & Kunc, M. (2015). Benefits Realisation Management and its influence on project success and on the execution of business strategies. *International Journal of Project Management*, 33(1), 53–66. <https://doi.org/10.1016/j.ijproman.2014.03.011>
- Shimizu, K. (2017). Senders' Bias. *International Journal of Business Communication*, 54(1), 52–69. <https://doi.org/10.1177/2329488416675449>
- Singh, A. (2013). A Study of Role of McKinsey's 7S Framework in Achieving Organizational Excellence. *Organization Development Journal*, 31(3), 39–50.
- Statista Research Department. (2024). *Management consulting market size worldwide 2014-2023, with 2024 forecast*. <https://www.statista.com/statistics/1234833/global-management-consulting-services-market-size/>
- Steiner, G. A., & Miner, J. B. (1977). *Management policy and strategy* (1st ed.).
- Strauss, A., & Corbin, J. M. (1990). *Basics of qualitative research: Grounded theory procedures and techniques*. Sage Publications, Inc.
- Sturdy, A., Wylie, N., & Wright, C. (2013). Management Consultancy and Organizational Uncertainty: The Case of Internal Consultancy. *International Studies of Management & Organization*, 43(3), 58–73.
- Sull, D. (2007). Closing the Gap Between Strategy and Execution. *MIT Sloan Management Review*. <https://www.researchgate.net/publication/39334469>
- Sull, D., Homkes, R., & Sull, C. (2015). Why strategy execution unravels—and what to do about it. *Harvard Business Review*, 93(3), 57–66.
- Tawse, A., & Tabesh, P. (2023). Thirty years with the balanced scorecard: What we have learned. *Business Horizons*, 66(1), 123–132. <https://doi.org/10.1016/j.bushor.2022.03.005>
- Teece, D. J., Pisano, G., & Shuen, A. (1997). Dynamic Capabilities and Strategic Management. *Strategic Management Journal*, 18(7), 509–533.
- The Strategy Crisis: Insights from the Strategy Profiler*. (2019). Strategy&. <https://www.strategyand.pwc.com/gx/en/unique-solutions/cds/the-strategy-crisis.pdf>
- Toor, S.-R., & Ogunlana, S. O. (2010). Beyond the 'iron triangle': Stakeholder perception of key performance indicators (KPIs) for large-scale public sector development projects. *International Journal of Project Management*, 28(3), 228–236. <https://doi.org/10.1016/j.ijproman.2009.05.005>

- Tushman, M. L., & O'Reilly, C. A. (1996). Ambidextrous Organizations: Managing Evolutionary and Revolutionary Change. *California Management Review*, 38(4), 8–29. <https://doi.org/10.2307/41165852>
- United Nations. (n.d.). *The 17 Goals*. Retrieved May 1, 2024, from <https://sdgs.un.org/goals>
- Weber, Y., & Tarba, S. Y. (2014). Strategic Agility: A State of the Art Introduction to the Special Section on Strategic Agility. *California Management Review*, 56(3), 5–12. <https://doi.org/10.1525/cmr.2014.56.3.5>
- Weick, K. E. (1979). *The social psychology of organizing* (Second Edition).
- Weick, K. E. (2004). Chapter 21 FROM SENSEMAKING IN ORGANIZATIONS. In *The New Economic Sociology* (pp. 533–552). Princeton University Press. <https://doi.org/10.1515/9780691229270-022>
- Werr, A., & Styhre, A. (2002). Management Consultants— Friend or Foe?: Understanding the Ambiguous Client-Consultant Relationship. *International Studies of Management & Organization*, 32(4), 43–66.
- Whittington, R. (2006). Completing the Practice Turn in Strategy Research. *Organization Studies*, 27(5), 613–634. <https://doi.org/10.1177/0170840606064101>

Appendix

Appendix A: Interview partner details

Source: Own work

Description	Interviewee	Experience
Consultant 1 (C1)	Dr. Karim Taga	Managing Partner and Head of Global Functional Practices at Arthur D. Little
Consultant 2 (C2)	Andreas Moosdorf, Ph.D.	Advisor & Management Professor; Ex-Associate Principal at McKinsey & Company; Ex-Director at Amazon
Consultant 4 (C3)	Daniel Guzmics	Manager at Arthur D. Little; Executive Director at Stars for Africa
Consultant 4 (C4)	Tabea Barho	Founder & CEO 4brix GmbH
Executive 1 (E1)	Volker Baltes	Managing Director at Yakult Germany; previous CEO and board experiences in the food industry
Executive 2 (E2)	Dominic Sattler	Head of Strategy at Rail Cargo Group; Ex-Principal at Arthur D. Little
Executive 3 (E3)	Dr. Markus Gunnesch	Head of eCom, Strategy, Growth at Deichmann; Ex-Head of Corporate Strategy at Intersport
Executive 4 (E4)	Edwin de Boer	Financial Director (BU) at a multi-national pharma logistics company
Executive 5 (E5)	Anonymous	Head of Strategy at multi-national telecommunications provider
Executive 6 (E6)	Joachim Weber	Senior Strategist at Bayer Pharmaceuticals; Ex-Senior Consultant at Roland Berger

Appendix B: Question set – corporate executives

Source: Own work

Corporate executives – Question set:***General strategy execution questions for corporates:***

1. What are the main challenges you face when executing strategies? How do you address these challenges?

General questions regarding the role and perception of consultants:

2. Can you describe your positive and negative experiences working with management consultants when you executed a new strategic initiative together?

Usage of theoretical frameworks in organizations:

3. Do you use theoretical frameworks to guide the execution of strategic decisions and do you actively use them? If yes, which?
4. What skills, knowledge, and capabilities do you miss in your organization to execute strategies?

External environment challenges:

5. How does your organization stay flexible to shifts in the external environment during a strategy execution, enabling quick adaptations when necessary?

Benefits and skills of management consultancies:

6. How do you think management consultants can enhance your organization's strategy execution?
7. To what extent do you think management consultants have a broader understanding of trends in your external environment that impact the strategy execution?

Appendix C: Question set – consultants

Source: Own work

Consultants – Question set:***General strategy execution questions for consultants:***

1. What are the main challenges your clients face when executing strategies? How do you address these challenges?

General questions regarding the role and perception of consultants:

2. How do you perceive your role as a consultant when supporting clients in their strategic initiative execution?

Usage of theoretical frameworks in consultancies:

3. How do you bring knowledge from theoretical strategy execution frameworks to clients, ensuring they are suitable for your client's situation?

External environment challenges:

4. How capable are your clients to monitor and react to changes in the external environment while executing strategies? Is the external environment getting more or less challenging?

Benefits and skills of management consultancies:

5. How do you think consultancies and corporates differ in their ability to adapt quickly to changes in the external environment?
6. To what extent do you think management consultants have a broader understanding of trends in the external environment?
7. How do you think consultancies can help to execute a client's defined strategy? What is the value that consultants add?

Appendix D: Interview information sheet

Source: Own work

Interview Information Sheet

Researcher: Pascal Palm, CEMS Master's in International Management Candidate (Louvain-la-Neuve (Belgium), Rotterdam (Netherlands), and Singapore)



Overview

The purpose of my master's thesis "Unleashing Strategic Success in a Complex Environment: Overcoming Challenges in Strategy Execution and the Role of Management Consultancies", is to understand companies' struggles in strategy execution, despite the large availability of theoretical knowledge on the topic. Additionally, the thesis explores how management consultancies can support organizations in overcoming those challenges. The work focuses on the strategy execution step and therefore neglects the development of the strategy.

Q&A

- 1. *How do you benefit from participating?*** Participants will get exclusive access to the key findings of the research, helping them to extend their own knowledge and use the learnings.
- 2. *Who are the interview partners?*** Interviewees are C-level corporate executives and senior consultants. Their geographic focus is on the DACH and Benelux regions and their expertise ranges across various industries. I aim for approximately 15 interview partners.
- 3. *How long does each interview last?*** Interviews will last between 45 and 60 minutes.
- 4. *Where does the interview take place?*** Due to geographic constraints, interviews will take place via MS Teams.
- 5. *What does each interview contribute?*** Interviews are used to identify key challenges and collect insights into best practices. These practical experiences ensure that the thesis findings cover real-world problems and are not overly theoretical.
- 6. *What is the content of the interview?*** The interview questions cover the following areas:
 - Key learnings and challenges for successful strategy execution.
 - Usage of theoretical knowledge and frameworks in the strategy execution phase.
 - Challenges of changing external environments during strategy execution.
 - Benefits and skills of management consultants.

Rules of the interview:**1) Consent**

- a. Participation is entirely voluntary.
- b. Consent can be withdrawn at any time.
- c. Participants have the right to decline an answer or stop the interview at any time.

2) Confidentiality and anonymity

- a. Data confidentiality will be assured at any time.
- b. Participants have the right to stay anonymous.

3) Recording and documentation

- a. Interviews will be recorded and transcribed to simplify subsequent analysis.
- b. If interviews are conducted in a foreign language, they will be translated into English.
- c. Records or transcripts will not be shared with third parties.

4) Concerns and complaints

- a. For any questions or concerns regarding the interview, please feel free to contact me at pascal.palm@student.uclouvain.be
- b. Potential complaints can be addressed to the supervisor Loïc Decaux loic.decaux@uclouvain.be

Appendix E: Interview transcripts

Source: Own work

Please refer to the separate document “Appendix E – Interview transcripts” for the full collection of interview transcripts.

Appendix F: Codebook

Source: Own work

1 Research question	0
1.1 Leadership Commitment to Strategy	0
1.1.1 Change management skills	3
1.1.2 Leaders as role models	0
1.1.2.1 Change must start from management	2
1.1.2.2 Leadership role model	6
1.1.3 Strategic ownership	0
1.1.3.1 Consistency and accountability	2
1.1.3.2 Independent and empowered strategy function	2
1.1.3.3 Responsibility structure	6
1.1.3.4 Management ownership	7
1.2 Effective People Communication	0
1.2.1 Transparency and justification	0
1.2.1.1 Strategies must convince	5
1.2.1.2 Continuous transparency and openness	5
1.2.1.3 Speak the same language	2
1.2.1.4 Communicate the to-do's	2
1.2.1.5 Communicate added value	2
1.2.1.6 Communicate reasons for change	4
1.2.2 Engage people	0
1.2.2.1 Build momentum with capable people	5
1.2.2.2 Involve people early	8
1.2.2.3 Don't start too many initiatives	3
1.2.2.4 Bottom-up feedback integration	6
1.2.3 Motivate people	0
1.2.3.1 Overcome implementation blockages	5
1.2.3.2 Highlight future opportunities	5
1.2.3.3 Employees want business as usual	7
1.2.4 Clear and simple communication	0
1.2.4.1 Clear and simple language	10
1.2.4.2 Understandable on lowest level	3
1.2.5 Personalized approach	0
1.2.5.1 Show how it affects each individual	1
1.2.5.2 Adjust communication to groups	2
1.3 Alignment of Organization and Culture	0
1.3.1 Clear majority guidelines	0
1.3.1.1 Draw immediate consequences for destructors	1
1.3.1.2 Clear majority rules	3
1.3.2 Align strategy and operations	0

1.3.2.1 Operations must be willing and able to implement	1
1.3.2.2 Gap between strategy and operations	4
1.3.3 Change resources and capabilities	0
1.3.3.1 Internal interface	2
1.3.3.2 Have people with required skills	8
1.3.3.3 Sufficient resources	6
1.3.3.4 Busy with operational work	6
1.3.3.5 Transformation takes years	1
1.3.4 Change preparation	0
1.3.4.1 Skills that will we needed	1
1.3.4.2 Prepare change	2
1.3.4.3 Missing internal structures	1
1.3.5 Cultural change	0
1.3.5.1 Old thinking patterns and tools	2
1.3.5.2 Analyze failures and learn from mistakes	2
1.3.5.3 Culture open for changes	4
1.3.5.4 Make change lasting	1
1.3.6 Usage of frameworks for alignment	0
1.3.6.1 Frameworks for initial analysis	2
1.3.6.2 Lack of framework usage	1
1.3.6.3 Frameworks must be tailored	2
1.3.6.4 Frameworks breaks problems down	1
1.3.6.5 Frameworks give confidence	2
1.4 Agility in Strategy Execution	0
1.4.1 Fast decision-making	0
1.4.1.1 Quick path to decision-makers	3
1.4.1.2 Responsibility on low levels	6
1.4.2 Agile structures and processes	0
1.4.2.1 Agile tools and training	4
1.4.2.2 Specialized internal optimization teams	1
1.4.2.3 Structures and processes for agility	7
1.4.3 Monitor, anticipate and prepare	0
1.4.3.1 Monitor changes	11
1.4.3.2 Information processing	11
1.4.3.3 Scenario planning	5
1.4.3.4 Uncertainty assessment system	5
1.4.4 Different strategy horizons	0
1.4.4.1 Short-term strategic agility	12
1.4.4.2 High-level long-term direction	10
1.4.5 Agile mindset	0
1.4.5.1 Reaction and escalation gates	2

1.4.5.2 Openness to change	6
1.4.5.3 Culture of flexibility	4
1.5 Clarity of Strategic Measures	0
1.5.1 Analysis noticeable KPIs	0
1.5.1.1 Deep dive into noticeable KPIs	1
1.5.1.2 Find solutions not excuses	1
1.5.1.3 KPIs don't replace management sense	1
1.5.2 Avoid manipulated measures	0
1.5.2.1 Manipulation of goals for strategic gains	2
1.5.2.2 CEO need to justify KPIs	2
1.5.2.3 Conflicting incentives	2
1.5.3 Individual and group objectives	0
1.5.3.1 Defining individual and group contributions	4
1.5.3.2 Set rules for formulating objectives and KPIs	1
1.5.4 Standardized measure method	0
1.5.4.1 No internal reporting to held accountabilities	1
1.5.4.2 Automated reporting	1
1.5.4.3 Data must be trusted and measured standardized	2
1.5.5 Few accepted core KPIs	0
1.5.5.1 Adjust KPIs to new realities	1
1.5.5.2 Leading and lagging indicators	5
1.5.5.3 Define measurable goals	5
1.5.5.4 Few core KPIs	12
1.5.5.5 Collaborative KPI determination	1
2 Sub-question	0
2.1 Strategy Clarification	0
2.1.1 Challenging and adjusting execution plans	0
2.1.1.1 Neutral and integer perspective	9
2.1.1.2 Asking the right questions	11
2.1.1.3 Market understanding and reference points	20
2.1.2 Aligning interests and opinions	0
2.1.2.1 Moderate internal discussions	11
2.1.2.2 External political justification	4
2.1.2.3 Organizational buy-in	9
2.1.3 Awareness for risks and opportunities	0
2.1.3.1 Find out what not to do	1
2.1.3.2 Bring trends to the surface	1
2.1.3.3 Raise awareness for risks	3
2.1.3.4 Consultants unravel processes	1
2.1.3.5 Give impulses	4
2.2 Transformation Support	0

2.2.1 Human time resource	0
2.2.1.1 Building capabilities takes too long	4
2.2.1.2 Consultants as a time resource	12
2.2.2 New consulting areas	0
2.2.2.1 Traditional consulting is dead	3
2.2.2.2 Emerging market for implementation consulting	6
2.2.2.3 Support in building solutions	1
2.2.3 Specific skill set	0
2.2.3.1 Structured and result-driven approach	9
2.2.3.2 Experienced in tool usage	3
2.2.3.3 Basic skill set known in corporates	3
2.2.3.4 Specialized skill set	3
2.2.4 Knowledge source	0
2.2.4.1 External information access	3
2.2.4.2 Previous similar experiences	6
2.2.4.3 Specialized topic expertise	11
2.2.5 Problem solver	0
2.2.5.1 Solve isolated problems	5
2.2.5.2 External enemy	6
2.2.5.3 Flexible use of consultants	2
2.2.6 Beyond the scope	0
2.2.6.1 Intrinsically-motivated overdelivering	6
2.2.6.2 Success participation	1
2.3 Capability Enhancement and Empowering	0
2.3.1 Empowering clients to execute themselves	0
2.3.1.1 Empower client to continue without consultants	7
2.3.1.2 Empower management to make informed decisions	1
2.3.2 Transfer knowledge through collaboration	0
2.3.2.1 Not-invented-here syndrome	3
2.3.2.2 Involve people through collaboration	11
2.3.2.3 Transfer knowledge and know-how	6
2.3.3 Providing the right structures	0
2.3.3.1 Designing the organizational structure	3
2.3.3.2 Creating governance structures	5

Abstract: In today's complex business environment, failures in strategy execution are a significant cause of strategic failures. Over 61% of companies state they frequently struggle to bridge the gap between strategy formulation and implementation. Nevertheless, strategic management researchers continue to focus on the development stage. Researchers often neglect the role that management consultants play in modern businesses during this stage or analyze their work isolated. This study explores how companies can overcome their execution challenges and why current frameworks often fall short of addressing the complexity and deepness of this final step of strategic initiatives.

An inductively derived conceptual framework, based on insights from senior executives and consultants in the DACH region, reveals five key drivers for execution success: leadership commitment to strategy, effective communication from leadership, alignment of organization and culture, agility in strategy adaptation, and clarity of strategic measures. Moreover, the framework highlights the role of consultants in supporting execution processes through strategy clarification, transformation support, and client empowerment through knowledge transfer, challenging traditional views on these key actors. This integration of practical insights and synthesized literature provides a pragmatic contribution to the strategic management discourse.

Keywords: Strategy Execution • Strategy Implementation • Strategic Management • Management Consultants • Complex Environments