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Causes of failure to effectively implement organizational strategy, and "project" failure contributions
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by Alan Stretton

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INTRODUCTION

In Stretton 2018a I mapped some 34 different causes of "project" failure (from an earlier investigation I made in Stretton 2015a) on to an organisational strategic framework which I originally developed in Stretton 2017l, and which I continue to use with only slight modifications. The sources of these causes of "project" failure were far from representative of projects at large, but were all I could find at the time.

Later, in Stretton 2018k, I separately mapped two sets of causes of "project" failure from Jenner 2015 onto this strategic framework. One set of eight causes he cited derived from NAO/OGC (National Audit Office/Office of Government Commerce) (OGC 2009). The other set of eight derived from Jenner's own identification of other causes. At that stage I did not attempt to amalgamate these fifty causes.

However, I was aware that many causes of "project" failure cited in both listings were not attributable to project management per se, and appeared to be more broadly related to failures in strategy implementation at large. More recently, I have come across two sets of causes specifically concerned with unsuccessful strategy implementation – namely Verweire 2018, who nominates five root causes for unsuccessful strategy implementation, and Beer & Eisenstat 2000 (via Dalcher 2018b) who set down six major barriers to strategy implementation.

This has prompted me to revisit causes of "project" /strategy-implementation failure, and to try and map all the sixty-one causes/barriers on to the strategic management framework, to see if any insights might emerge. To cope with the large number of causes, I will split the amalgamation in two. I start by mapping the eleven causes/barriers re strategy implementation, plus the sixteen causes from Jenner 2015, onto the organisational strategic management framework. These will be divided into seven groups of causes/barriers. I will then map the thirty-four causes from Stretton 2018a into what appear to be the most appropriate groups.

It will be seen that there are many duplications and near-duplications, and also that some causes have relatively specialised areas of application. Overall, I hope to summarise the most important and generally applicable causes of failure in strategy implementation that emerge from all these listings, and relate them to the basic organisational strategic management framework. But before launching into this detailed work, we first look at some broader attributes of strategy implementation.

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SOME ATTRIBUTES OF STRATEGY IMPLEMENTATION

Many large organisations struggle to implement their strategies effectively

As I discussed in Stretton 2018g, many large organisations struggle to implement their strategies effectively. The very low success rates quoted by various authors in that article included:

- Fortune Magazine – less than 10% of business strategies are effectively delivered. (Butler 2008)
- Australian Institute of Company Directors – 70% CEOs who fail, do so not because of wrong strategy, but because of poor execution. (Butler 2008)
- …. multiple studies indicate that between two-thirds and three-quarters of large organisations struggle to implement their strategies. Similar figures are regularly quoted in most strategy textbooks. (Sull et al 2015, quoted by Dalcher 2018)
- less than 10% of all organisations successfully execute the strategy (Sealy 2018)
- Yet studies have found that less than 10 percent of effectively formulated strategies carry through to effective implementation. (Bucero 2018)

In discussing problems associated with strategy execution, Dalcher 2018 also pointed to another factor which appears to be related to poor performance in strategy implementation, namely poor coverage in the literature.

Strategy implementation is not well covered in the literature

As recorded in Stretton 2018g, Dalcher quotes from Sull et al 2015, as follows.

> Since Michael Porter's seminal work in the 1980s we have had a clear and widely accepted definition of what strategy is – but we know a lot less about translating a strategy into results. Books and articles on strategy outnumber those on execution by an order of magnitude. And what little has been written on execution tends to focus on tactics or generalise from a single case.

Dalcher also discusses an article by Verweire 2018, which discusses another attribute of strategy implementation, as follows.

Strategy implementation typically has many components

Verweire 2018 discussion on this attribute includes the following:

> What actually is strategic implementation? Some management authors see strategy implementation as a performance and measurement and management exercise, where you translate strategies into key performance indicators that you cascade further down in the organisation. Others see strategy implementation as creating an organisational culture that empowers people to act in line with the strategy. And still others see implementation as strategic project portfolio management. As I will show later, strategy implementation is all of that, and even more.

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In addition to pointing out that organisations first need to establish good strategies, Dalcher 2018 adds to the above components of strategy implementation as follows.

> …. successful companies comprehend that they need a good strategy before proceeding to appropriately realign structure, systems, leadership behaviour, human resources policies, culture, values and management processes. ….

Strategy includes project components and *other strategic work*

In the project management literature the focus has rather naturally been on the project components of strategy execution. However, as is indicated in the above quote from Dalcher, there are other factors involved in implementing strategies, which I have collectively described as *other strategic work*. This can often be very substantial indeed, and sometimes dominant. For example, in the following quote Dalcher 2017 indicates that it could comprise up to 80% of the total investment.

> Realising value from the investment requires action beyond the mere delivery of IT systems; it necessitates real change within the organisation to enable the new systems to be utilised. The change would often impact many other aspects including: the nature of the business itself; business processes; skills and competencies; and the organization. Such change, which is not IT-specific, or even project related, could often account for up to 80% of the total investment.

This is certainly a somewhat dramatically high proportion of *other strategic work* compared with the project contribution. However, it is not totally out of line with my experience with substantial internal strategic change initiatives in Lend Lease, where, in some cases, the magnitude of the *other strategic work* was significantly greater than the original project content.

Overall, it is evident that most strategic initiatives will include *other strategic work* to varying degrees, from relatively slight, to very extensive.

Organisational strategy and implementation in a VUCA world

As I see it, some of the implementation success rates quoted earlier are so low as to be barely credible. In particular, it makes me wonder about who set the criteria for success, and how they did it. My many years experience in organisational strategic planning were in a relatively stable era compared with the more recent VUCA (Volatile, Uncertain, Complex, Ambiguous) era. However, even then our strategic objectives were moving targets, as external and internal factors changed, with new opportunities emerging, and others disappearing. In other words, success criteria were also moving targets. They are evidently even more so in this day and age, which makes me wonder about the validity of the above figures about success rates.

However, having made that point, there is no doubting the broader finding that so many organisations have real difficulties in satisfactorily implementing their organisational strategies, and we go on to look at a range of causes which have been suggested in the literature.

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STRATEGY IMPLEMENTATION: FAILURE CAUSES & BARRIERS TO SUCCESS

We start with tables of five root cause for unsuccessful strategy implementation from Verweire 2018, and six major barriers to strategy implementation from Beer & Eisenstat 2000 (from Dalcher 2016b).

Verweire 2018: Five root causes for unsuccessful strategy implementation	Beer & Eisenstat 2000 (Dalcher 2018b): Major barriers to strategy implementation
• Too much focus on financials in strategy discussions • Functional strategies are no substitute for a business strategy • Strategy implementation is too fragmented • Managers communicate about strategy but forget to translate strategy into action • Strategy implementation requires leadership capabilities	o Top-down or laissez-faire senior management style o Unclear strategy and conflicting priorities o An ineffective senior management team o Poor vertical communication o Poor coordination across functions, businesses or borders o Inadequate down-the-line leadership skills and development

Figure 1: Strategy implementation – causes of lack of success, and barriers to success

I have given these strategy implementation related causes rounded bullet points, to help distinguish them in the later mapping of these and the following causes of "project" failure onto the organisational strategic management framework.

CAUSES OF "PROJECT" FAILURE, FROM JENNER 2015

OGC 2009: NAO/OGC list of common causes of project failure
➢ *Lack of clear link between the project and the organisation's key strategic priorities, including agreed measures of success*
➢ *Lack of clear senior management and Ministerial ownership and leadership*
➢ *Lack of effective engagement with stakeholders*
➢ *Lack of skills and proven approach to project management and risk management*
➢ *Too little attention to breaking development and implementation into manageable steps*
➢ *Evaluation of proposals driven by initial price rather than long-term value for money (especially securing delivery of business benefits)*
➢ *Lack of understanding of and contact with the supply industry at senior levels in the organisation*
➢ *Lack of effective project team integration between clients, the supplier team and the supply chain*

Jenner 2015: Additional causes of project failure
❖ *The separation of strategy formulation ('choosing') from implementation ('doing')*
❖ *Adopting activity-based rather than results or benefits-led change*
❖ *Failure to adequately address transition management*
❖ *Failure to include all required business changes within the scope of the initiative*
❖ *Poorly defined requirements*
❖ *Governance failures*
❖ *Unrealistic cost estimates and/or benefits forecasts*

Figure 2: Two tables of causes of "project" failure

I have given these causes of "project" failure different types of bullet points, and represented them in italics, to help distinguish them from the strategy implementation causes/barriers in the following mapping on to an organisational strategic management framework.

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MAPPING THE ABOVE CAUSES/BARRIERS ONTO AN ORGANISATIONAL STRATEGIC MANAGEMENT FRAMEWORK

My allocation of some of the above causes/barriers into the various sub-headings may be open to question, but I believe that any mis-allocations should not unduly affect the overall picture represented in this figure. It will be noted that I have duplicated the first cause under the Top Level Strategic Management heading in the Stage 3 (Handover) causes, because, perhaps more than with certain other causes, it appears to be particularly relevant to both categories, as will be further discussed later in more detailed discussions on each of these groupings.

TOP-LEVEL GENERAL MANAGEMENT ❖ *Governance failures* ➤ *Lack of clear senior management and ministerial ownership and leadership* o An ineffective senior management team o Top-down or laissez-faire senior **management** style o Poor vertical communication o Inadequate down-the-line leadership skills and development				
TOP-LEVEL STRATEGIC MANAGEMENT ❖ *The separation of strategy formulation ('choosing') from implementation ('doing')* • Managers communicate about strategy but forget to translate strategy into action ➤ *Lack of clear link between the project and the organisation's key strategic priorities* • Strategy implementation is too fragmented • Strategy implementation requires leadership capabilities o Poor coordination across functions, businesses or borders				
STRAGEGY FORMULATION		**[HANDOVER STAGE]**	**STRATEGY IMPLEMENTATON**	
1. Establish and shape strategic objectives	2. Develop strategic initiative options, evaluate, choose best	3. Elaborate/consolidate chosen strategic initiative(s)	4. Execute strategic initiatives	5. Achieve strategic objectives.
Establish and shape both deliberate and emergent strategic objectives; Confirm desired outcomes/ benefits	Develop alternative strategic initiatives to achieve strategic outcomes / benefits; Evaluate alternatives; Choose the best	Elaborate and define chosen strategic initiatives; Confirm feasibilities; Prioritise and consolidate	Execute strategic initiative component projects/programs and *other strategic work*	Achieve strategic outcomes and realise benefits
o Unclear strategy and conflicting priorities • Too much focus on financials in strategy discussions • Functional strategies are no substitute for a business strategy	➤ *Lack of effective engage-ment with stakeholders* ❖ *Unrealistic cost estimates and/or benefits forecasts* ➤ *Evaluation of proposals driven by initial price rather than long-term value* ❖ *Failure to develop a range of credible/ genuine options* ❖ *Failure to include all required business changes* ❖ *Adopting activity-based rather than results or benefits-led change*	❖ *[The separation of strategy formulation ('choosing') from implementation ('doing')]* ❖ *Poorly defined requirements*	➤ *Lack of skills and proven approach to project management and risk management* ➤ *Too little attention to breaking development and implementation into manageable steps* ➤ *Lack of understanding of and contact with the supply industry at senior organisation levels* ➤ *Lack of effective project team integration between clients, the supplier team and supply chain*	❖ *Failure to adequately address transition management*

Figure 3: Mapping "project" and strategic implementation causes/barriers on to the organisational strategic management framework

In the headings to the organisational strategic management framework in Figure 3 I show a handover zone between strategy formulation and its implementation. This is because, in practice, handover from the former to the latter varies from very early in Stage 3 (a full Management of Projects mode), to the end of Stage 3 (a traditional execution-delivery tender mode), or can take place at any point between the two.

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We now go on to look at each of the seven groupings of causes/barriers in Figure 3 in more detail. I will also add the 34 causes of project failure from Stretton 2018a in separate uncoloured text-boxes to the right, and attempt to match them with the above where they seem to fit best, or simply list them under what appear to be the most appropriate groupings where they don't. In this way, all the causes/barriers I have found to date will be represented in the following seven figures.

TOP-LEVEL GENERAL MANAGEMENT CAUSES/BARRIERS

TOP-LEVEL GENERAL MANAGEMENT	
o An ineffective senior management team o Top-down or laissez-faire senior management style o Poor vertical communication o Inadequate down-the-line leadership skills and development ➤ *Lack of clear senior management and ministerial ownership and leadership* ❖ *Governance failures*	***From Stretton 2018a*** ▪ *Lack of top management support (3)* ▪ *No leadership stability* ▪ *Inadequate governance*

Figure 4: Top-level management causes/barriers

Top-level general management-related barriers/causes

The first four entries on the left are from Beer & Eisenstat's "major barriers" to strategy implementation in Figure 1, and aim squarely at barriers which are due to substantial deficiencies in top management performance and leadership. These deficiencies are replicated to some extent in the first of the causes of so-called "project" failure listed immediately under these four, namely *Lack of clear senior management and ministerial ownership and leadership* (from OGC 2009).

We now come to the list of causes of "project" failure from Stretton 2018a in the uncoloured text-box on the right. The first two entries, *Lack of top management support (cited 3 times),* and *No leadership stability,* together very closely match the NAO/OGC cause on the left, and are shown in direct horizontal alignment with it.

All this suggests that these top-level management-related causes of failure could be broadly amalgamated and summarised into the following more generalised cause:

➕ ***Top-level management leadership/ ownership/ support/ communication failures***

Governance failures

Here we have Jenner's *Governance failures* on the left, which is exactly matched by the third entry from Stretton 2018a, *Inadequate governance.* Although governance issues might be seen as different from top management issues, they are both top-level issues, and appear to be most conveniently included in this top-level general management category. We can summarise this cause of failure as follows.

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⬥ *Top-level governance failures*

The nature of so-called "project" failures

Both of the above bulleted causes derive substantially from the so-called "project" failures in Figure 4. What does "project" failure actually mean? For example, is it failure of the project to deliver the specified product/service, or is it failure of the latter to help achieve the desired broader ends? Or, is it due to the project not being done "right", or is it due to failure to choose the "right" project (borrowing these convenient shorthand descriptors from Cooke-Davies 2004)? Or ……………………?
We simply do not have sufficient supporting data from the cited causes to be in a position to answer such questions.

However, rightly or wrongly, I do have one particular concern about the descriptor "project" failure – which is that many could reasonably interpret this as implying that the failure is attributable to a responsible project manager.

As we will be discussing later, this is indeed the case in the execution stage of the strategic management framework. However, it does not apply to the two causes of "project" failure listed above – nor to many, if not most, of the other pre-execution causes to be discussed below. These types of causes are attributable to other parties in the earlier stages of organisational strategic management – and not to project management per se.

From time to time in the following discussions I will describe these as "so-called project" failures, and distinguish them by using the above type of bullet point.

TOP-LEVEL STRATEGIC MANAGEMENT CAUSES/BARRIERS

TOP-LEVEL STRATEGIC MANAGEMENT	
o Poor coordination across functions, businesses or borders • Strategy implementation is too fragmented • Strategy implementation requires leadership capabilities • Managers communicate about strategy but forget to translate strategy into action ❖ *The separation of strategy formulation ('choosing') from implementation ('doing')* ➤ *Lack of clear link between the project and the organisation's key strategic priorities*	*From Stretton 2018a* ▪ *Lack of project management culture* ▪ *Lack of project management focus*

Figure 5:Top-level strategic management causes/failures

Strategic management/implementation causes/barriers

The first four entries on the left of Figure 5 relate directly to strategy implementation. The first entry is a barrier to strategy implementation, and the other three are causes for unsuccessful strategy implementation, both from Figure 1. It is, perhaps, hardly surprising that there is no comparable causes of "project' failure opposite these from Stretton 2018a. I have amalgamated the above into one cause of failure, as follows.

⬩ *Strategic management coordination/ integration/ leadership/ communications failures*

Separation of strategy formulation ('choosing') from implementation ('doing')

The last of the first four entries above, part of which could be paraphrased as *Managers …. forget to translate strategy into action,* appears to me to be a particular example of the next cause of "project" failure from Jenner, namely *The separation of strategy formulation ('choosing') from implementation ('doing')*. The cause of "project" failure which follows this, namely *Lack of clear link between the project and the organisation's key strategic priorities* cause (from OGC 2009), appears to be yet another particular example of Jenner's "separation" cause. I have cited two rather specialised causes of "project" failure from Stretton 2018a against this OGC cause, as they are certainly linked with it.

Overall, I amalgamate the above into the following cause of so-called project failure.

⬩ *Failures due to separation of strategy formulation from its implementation*

Finally, as will be seen later, I have also used this cause as a sub-heading in the Strategic management Stage 3 causes, because it is so particularly relevant to that stage of organisational strategic management.

STRATEGIC MANAGEMENT STAGE 1 CAUSES/BARRIERS

STRATEGIC MANAGEMENT STAGE 1 Establish and shape strategic objectives	
o Unclear strategy and conflicting priorities • Too much focus on financials in strategy discussions • Functional strategies are no substitute for a business strategy	*From Stretton 2018a* ▪ *Unrealistic expectations (3)* ▪ *Overzealous advocacy* ▪ *Changing sponsor strategy* ▪ *Funding difficulties* ▪ *Inflation* ▪ *Poor political environment* ▪ *Adverse geophysical conditions*

Figure 6: Strategic management Stage 1 causes/barriers

Establish and shape organisational strategic objectives

The three causes/barriers shown in the left hand box come from Figure 1, and are directly related to strategy implementation. The first bullet pointed barrier to strategic implementation is concerned with unclear strategy and conflicting priorities. Overcoming the latter is one of the purposes of "shaping" in the heading. The other two bullet-pointed causes on the left are subsidiary to the main cause of failure. With regard to the latter, I will borrow from the *Unrealistic expectations* cause from Stretton 2018a by adding the descriptor "realistic", to express this cause as follows.

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⬥ *Failure to establish clear, realistic, prioritised strategic objectives*

In the right hand box I have listed seven causes of "project" failure from Stretton 2018a. The first two are broadly related to the "Unclear strategy and conflicting priorities" barrier to strategy implementation, but I believe are important enough to be identified as important causes in their own right, as now discussed.

⬥ *Unrealistic expectations*
⬥ *Overzealous advocacy*

In Australia, I tend to associate *Unrealistic expectations* (cited three times) and *Overzealous advocacy* with announcements by politicians – usually in the lead-up to elections – about proposed new public infrastructure and/or transportation facilities. Most such announcements are made without being supported by proper cost/benefit analyses. Wade 2018 points out that "Politicians find it hard to resist big, impressive sounding infrastructure announcements", but that the public pays a heavy price:

> The Grattan Institute recently analysed cost overruns on Australian transport infrastructure between 2001 and 2016. Government had spent a hefty $28 billion more than they told taxpayers they would – that's nearly a quarter of the total amount budgeted for projects.

This is a huge overspend in a relatively small economy like Australia's. But evidently this phenomenon is not confined to Australia, so that there appear to be good reasons to single out these two particular causes of "project" failure as important ones. These causes are not, of course, confined to the political arena, but the latter is where they appear to most prominently and adversely affect the public purse.

⬥ *Funding difficulties*

We come now to the *Funding difficulties* cause of "project" failure. In my experience, and that of many others, this is a key cause of failure to achieve planned strategic objectives. I have seen it from both sides – small entrepreneurial enterprises without a track record unable to attract enough finance to proceed at full steam – and some financial institutions which spend much of their time assessing applications from such enterprises, trying to make good choices, and having to reject many. Of course funding difficulties are not confined to such enterprises, but these are an ever-present example of this broader barrier to strategy implementation.

Other cited causes of "project" failure

We turn first to *Changing sponsor strategy* from Stretton 2018a. Although I understand the difficulties created by this cause, as discussed earlier in this article, strategic planning is an ongoing dynamic undertaking in this VUCA era, which typically necessitates changing strategies as changing conditions indicate. In these circumstances, I am hesitant to endorse *Changing sponsor strategy* as a key cause of failure, because I suspect that most organisations are now well geared up to cope with changing sponsor strategies and the like.

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The remaining three causes on the right are rather specialised, and would not appear to qualify for inclusion in a more generalised list of important causes of failure. Overall, the important causes of failure related to Stage 1 appear to be:

- *Failure to establish clear, realistic, prioritised strategic objectives*
- *Unrealistic expectations*
- *Overzealous advocacy*
- *Funding difficulties*

Although the latter three were originally cited as causes of "project" failure, projects have not yet entered the organisational strategic management framework, so that they are therefore clearly in the "so-called project" failures category.

STRATEGIC MANAGEMENT STAGE 2 CAUSES OF FAILURE

STRATEGIC MANAGEMENT STAGE 2 Develop strategic initiative options, evaluate, choose best	
➢ *Lack of effective engagement with stakeholders* ❖ *Unrealistic cost estimates and/or benefits forecasts* ➢ *Evaluation of proposals driven by initial price rather than long-term value* ❖ *Failure to develop a range of credible and genuine options* ❖ *Failure to include all required business changes* ❖ *Adopting activity-based rather than results or benefits-led change*	*From Stretton 2018a* ▪ *No owner-user involvement (3)* ▪ *Poor sales/marketing links* ▪ *Inadequate estimating (2)* ▪ *Unclear success criteria*

Figure 7: Strategic management Stage 2 causes

Develop strategic initiative options, evaluate, choose the best

In this stage, all six causes in the left hand box are "so-called project" failure causes, derived from OGC 2009 and Jenner 2015 in Figure 2. These are substantial causes indeed, and I discussed most of them in some detail in Stretton 2018k. The first three are supported by similar causes under Stretton 2018a on the right. I am adopting the first five causes on the left as important causes, but will exclude the last cause from this list, as it does not appear to be as broadly applicable as the others.

Lack of effective engagement with stakeholders

The corresponding first two causes of "project" failure under Stretton 2018a are concerned with the engagement of *owners-users* and *sales-marketing*. These are particular examples of stakeholders, and so are covered under this broader cause.

Lack of effective engagement with stakeholders is seen as an abiding problem in the project management literature, and has been accorded increased attention in recent years, as is exampled by the addition of Project Stakeholder Management as a major component of the PMBOK Guide from the fifth edition (PMI 2013).

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✦ *Unrealistic cost estimates and/or benefits forecasts*

The *Inadequate estimating* cause on the right of Figure 7 is covered by this broader heading. These causes of failure are an abiding problem for most strategic initiatives, mainly because of the scarcity of people with proven skills in early cost estimating on the one hand, and forecasting outcomes on the other.

Regarding early cost estimates, it would seem both logical and prudent to engage project managers in helping in estimating the costs of the project component of strategic initiatives, and in their evaluation. However, project management does not normally become involved until some point in Stage 3. So, in these circumstances, this remains a cause of so-called project failure.

✦ *Evaluation of proposals driven by initial price rather than long-term value*

This short-sighted approach to evaluating strategic initiative proposals is not exactly the same as its counterpart from Stretton 2018a, *Unclear success criteria,* but they are strongly related. The latter citation was clearly concerned with unclear criteria about project success per se. But just what constitutes project success? Many writers have addressed this issue, but, as Westerveld 2003 recorded, "Research on project success further shows that it is impossible to generate a universal checklist of project success criteria suitable for all projects".

In this article we are concerned with success/failure in effectively implementing organisational strategy. Whilst projects are significant contributors to this process, there are others as well, as we are reminded by the next cause of failure.

✦ *Failure to include all required business changes*

The strategic initiatives developed and evaluated in this stage comprise both projects, and *other strategic work*. In the context of this cause of failure, many of the required business changes could typically fall into the *other strategic work* category. Whilst the project components of strategic initiatives receive most of the attention in the project management literature, as I discussed in some detail in Stretton 2019a, the other strategic work component can sometimes be more important than the project component, as some spectacular consequent failures have attested.

✦ *Failure to develop a range of credible and genuine options*

I have often emphasised the need to develop such options in all planning situations. This need was also identified in the public domain in an article by Gittins 2018, a well respected economics writer, in the *Sydney Morning Herald*. In discussing politically-influenced public works projects, he quoted from the head of Infrastructure Australia:

> …too often, we see projects being committed to before a business case has been prepared, a full set of options have been considered, and rigorous analysis of a potential project's benefits and costs has been undertaken.

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STRATEGIC MANAGEMENT STAGE 3 CAUSES

STRATEGIC MANAGEMENT STAGE 3 Elaborate/consolidate chosen strategic initiative(s)	
❖ *[Separation of strategy formulation ('choosing') from implementation ('doing')]*	*From Stretton 2018a*
❖ Poorly defined requirements	▪ *Incomplete requirements (4)* ▪ *Poor project definition (3)* ▪ *Unrealistic project baselines* ▪ *Problems re technology (3)* ▪ *Poor systems engineering* ▪ *No value engineering*

Figure 8: Strategic mgt. Stage 3 causes/barriers

Elaborate and consolidate chosen strategic initiative(s)

As noted earlier, the subheading in squared brackets has already been listed under the top-level strategic management heading. I have repeated it here because it seems to me that the separation of strategy formulation ('choosing') from its implementation ('doing') represents a root cause of poorly defined requirements for strategic initiatives and their component projects, as well as other causes.

Poorly defined requirements

This very commonly cited cause of "project" failure is also reflected in the first three causes from Stretton 2018a, which were cited eight times in all. The latter two of these refers specifically to the project components of strategic initiatives, and the question now arises as to whether or not this cause of failure can be attributed to project management.

In Figure 3 I designated Stage 3 as the "Handover Stage", because, under normal circumstances, this is when those who have undertaken strategy formulation hand over to the implementers, who most prominently include project management. If the work has been handed over at the beginning of Stage 3, then project management is clearly responsible for defining the project requirements correctly. Failure to do this properly could then certainly be classed as a direct project failure.

If the handover does not take place until the end of the stage, then failure during this stage could hardly be seen as a fault of project management. (However, as many have pointed out, a responsible project manager would check as thoroughly as possible that the project requirements had been properly prepared before handover.)

If handover takes place at some intermediate point in Stage 3, responsibility for failure would be shared between project management and strategic planning. However, it could be argued that the former should share more responsibility, because the project manager should have checked, as thoroughly as possible, that what has been handed over has been properly done before agreeing to proceed.

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I have used a hash-tag bullet point for the above cause of failure, to distinguish its "either-or" attribute from that of a "so-called project" type of failure.

It will also be seen that there are three additional causes of project failure from Stretton 2018a, which may, or may not, be directly attributable to deficiencies in project management, depending again on just when handover had taken place. I have amalgamated the bottom two, so that these additional causes are:

Problems re technology
Poor systems and/or value engineering

We now move on to look at causes of failure in Stage 4.

STRATEGIC MANAGEMENT STAGE 4 CAUSES OF FAILURE

STRATEGIC MANAGEMENT STAGE 4 Execute strategic initiatives		
	From Stretton 2018a	
➤ *Lack of skills and proven approach to project management and risk management*	▪ *Poor scope management* ▪ *Poor cost control (3)* ▪ *Poor quality assurance* ▪ *Poor change control (2)* ▪ *Poor communications (2)* ▪ *Poor risk management* ▪ *Lack of training*	▪ *Relationships management* ▪ *Lack of trust* ▪ *Lack of commitment* ▪ *Poor delegation* ▪ *Lack of focus* ▪ *No clear team objectives* ▪ *Commitment escalation*
➤ *Too little attention to breaking development and implementation into manageable steps*	▪ *Poor project planning (2)* ▪ *No agreed project life-cycle*	▪ *Concurrency problems* ▪ *Manpower issues (2)* ▪ *Resource mgt. problems (2)*
➤ *Lack of understanding of and contact with the supply industry at senior organisation levels* ➤ *Lack of effective project team integration between clients, the supplier team and supply chain*	▪ *Poor contract management (4)*	

Figure 9: Strategic management Stage 4 causes

Execute strategic initiatives

All the entries in Figure 9 are from sources which describe these as causes of "project" failure category – and this time there is no doubt about the validity of attributing causes of failure in the project component of the strategic initiatives to project management.

We start with the first cause of project failure in the left hand box, which has a different bullet-point to identify it as a genuine cause of project failure in the sense just described.

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✓ **Lack of skills and proven approach to project management and risk mgt.**

It can be seen that, under Stretton 2018a, we have a multitude of more detailed causes cited which would fall into this more generalised cause of project failure.

As I remarked in Stretton 2018a, when we consider that this project execution phase has virtually blanket coverage in the project management literature, one rather naturally raised the question as to why the number of citations of causes of failure in the project execution phase is so high.

✓ **Too little attention to breaking development and implementation into manageable steps**

I have retained this more generalised cause of failure, which has several more detailed components of this type listed under Stretton 2018a. The above remarks about the frequency of the latter citations also applies to these.

✓ **Poor contract management**

Here I have adopted the broader descriptor from Stretton 2018aq, which also covers the more detailed concerns about supply management and associated matters in the two entries to the left.

We complete this stage-by-stage survey by looking at causes of failure in Stage 5.

STRATEGIC MANAGEMENT STAGE 5 CAUSES OF FAILURE

STRATEGIC MANAGEMENT STAGE 5 Achieve strategic objectives	
❖ Failure to adequately address transition management	▪

Figure 10: Strategic management Stage 5 causes

Achieve strategic objectives

🔸 **Failure to adequately address transition management**

Jenner's "Failure to adequately address transition management" is the only entry for this final implementation stage, even though many practitioners can attest to there having been numerous failures in transitioning from strategic initiatives/projects to their effective contribution to the achievement of organisational strategic objectives.

So, in these circumstances, one could reasonably question why so few have been cited in the literature. This seems a potentially fruitful area for further investigation.

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SUMMARY

A summarised mapping of prominent generalised causes of failure

We can summarise the above by mapping the most prominent generalised causes of failure to effectively implement organisational strategy from these discussions on to the organisational strategic management framework, as shown in Figure 11.

TOP-LEVEL GENERAL MANAGEMENT ↓ Top-level management leadership/ ownership/ support/ communication failures ↓ Top-level governance failures				
TOP-LEVEL STRATEGIC MANAGEMENT ↓ Strategic management coordination/ integration/ leadership/ communications failures ↓ The separation of strategy formulation ('choosing') from implementation ('doing').				
STRAGEGY FORMULATION		[HANDOVER STAGE]	STRATEGY IMPLEMENTATON	
1. Establish and shape strategic objectives	2. Develop strategic initiative options, evaluate, choose best	3. Elaborate/consolidate chosen strategic initiative(s)	4. Execute strategic initiatives	5. Achieve strategic objectives.
Establish and shape both deliberate and emergent strategic objectives; Confirm desired outcomes/ benefits	Develop alternative strategic initiatives to achieve strategic outcomes / benefits; Evaluate alternatives; Choose the best	Elaborate and define chosen strategic initiatives; Confirm feasibilities; Prioritise and consolidate	Execute strategic initiative component projects/programs and *other strategic work*	Achieve strategic outcomes and realise benefits
↓ Failure to establish clear, realistic, prioritised strategic objectives ↓ Unrealistic expectations ↓ Overzealous advocacy ↓ Funding difficulties	↓ Lack of effective engage-ment with stakeholders ↓ Unrealistic cost estimates and/or benefits forecasts ↓ Evaluation of proposals driven by initial price rather than long-term value ↓ Failure to include all required business changes ↓ Failure to develop a range of credible/ genuine options	↓ *[The separation of strategy formulation ('choosing') from implementation ('doing')]* - - - - - - - - - # Poorly defined requirements # Problems with technology # Poor systems and/or value engineering	✓ Lack of skills and proven approach to project management and risk management ✓ Too little attention to breaking development and implementation into manageable steps ✓ Poor contract management	↓ Failure to adequately address transition management

Figure 11: Mapping the most prominent generalised causes of failure to effectively implement organisational strategy onto the organisational strategic management framework

The original sixty-one causes of failure have been brought down to twenty of what appear to be the most prominent generalised causes of failure to effectively implement organisational strategy. In doing this, I have

- Eliminated many duplications and near-duplications.
- Not included what might be called sub-causes of more generalised causes – but these "sub-causes" can be found in the more detailed Figures 2 to 9.
- Not included many less generalised or more specialised causes, but these can also be found in the more detailed Figures above.

Overall, there do not appear to be any real surprises here. The importance of effective top management and governance is widely recognised, as is the necessity to establish and shape the "right" organisational strategic objectives. The key to successful implementation of these strategic objectives is choosing the "right" strategic initiatives to accomplish them, as is reflected in the five causes of failure in Stage 2 which need to be fully addressed.

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These initiatives then need to be developed and specified "right". Defining their requirements and associated tasks sometimes "fall though the cracks" in the process of handing over from strategic planners to the "doers", normally in Stage 3. This is a particularly important factor to be recognised and appropriately managed.

Stages 4 and 5 are concerned with implementation. We had a plethora of sub-causes of project failure for the former, and none for the latter. That is a worrying imbalance.

Overall, the majority of the causes of failure in Figure 11 are attributable to the pre-execution stages of the organisational strategic management framework. Most of these have been listed as causes of "so-called project" failure, which is a rather imprecise descriptor. So we conclude with a brief discussion of the relationship between the latter and failures to effectively implement organisational strategy.

Strategic implementation failures and "project" failure contributions

Eleven of the original sixty-one causes of failure were described either directly as causes of unsuccessful strategy implementation, or as barriers to successful implementation. The other fifty were described as causes of "project" failure. There are three ways of looking at this latter descriptor.

- "Project" failure could be interpreted as failure by a responsible project manager to do the project "right". However, this is relevant to only some of the causes – namely those that directly apply to Stage 4: Execute strategic initiatives, and parts of Stage 3 after handover from strategic planning. Failures here will certainly contribute to ineffective strategy implementation.

- A broader interpretation, which appears to apply to the majority of the causes of "project" failure, is that pre-execution deficiencies by strategic planners, strategic management, or general management, will adversely affect subsequent projects – and thence ultimate strategy implementation.

- However, it is also clear that many of the pre-execution causes of "project" failure also affect *other strategic work* (in addition to projects), so that, in one sense, many of these causes also contribute rather more directly to ineffective strategy implementation.

So, although the majority of the causes cited were described as causes of "project" failure, they all contribute, directly or indirectly, to failure to effectively implement organisational strategy.

Finally, many of these causes of "project" failure were, in fact, due to failure to choose the "right" strategic initiatives, and thence failure to choose the "right" projects, in Stage 2. In discussing the latter, I pointed out that project management seldom becomes involved in helping choose the "right" projects, although it can be strongly argued that it should.

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In my next article I will discuss situations where project management has helped choose the "right" projects, and will promote the case for a much wider project management involvement in these processes.

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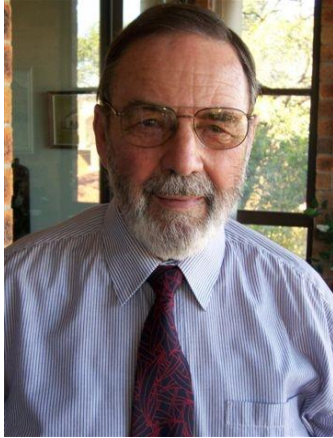
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