



ESCUELA INTERNACIONAL DE DOCTORADO
Programa de Doctorado en Ciencias Sociales

" STRATEGIC ALIGNMENT
—CURRENT METHODS AND APPROACHES,
CORPORATE REQUIREMENTS AND TRENDS "

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Murcia, 28 de junio de 2025



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FOR SUBMISSION**

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RESUMEN (SPANISH ABSTRACT)

En la implementación de estrategias corporativas, se producen una y otra vez desviaciones de las estrategias acordadas, lo que conduce a desalineaciones. La alineación estratégica es la vinculación completa y exhaustiva de todas las acciones corporativas con la estrategia como documento de planificación supremo. Una buena alineación ahorra recursos, como tiempo, dinero y mano de obra, y sirve para crear una ventaja competitiva.

En la investigación académica, la alineación estratégica se ha descuidado en gran medida, ya que la mayor parte de la investigación estratégica se centra en el desarrollo y la formulación de estrategias, más que en su implementación. En los negocios internacionales, el término «alineación estratégica» se utiliza comúnmente como metáfora de una buena implementación de la estrategia. En los países de habla alemana, donde la alineación estratégica se entiende en la práctica operativa, es posible que el término en sí no se utilice activamente. Si bien existen diversos modelos de alineación estratégica, algunos de los cuales tienen varias décadas de antigüedad, no se ha realizado una investigación sistemática sobre el tema y, por lo tanto, no hay innovaciones importantes en este campo.

El interés de la investigación de esta tesis se centra en una definición más precisa del tema de la alineación estratégica y en una posible teoría sobre cómo abordarlo en la práctica operativa. En este trabajo se describe detalladamente la orientación estratégica como término científico «alineación estratégica». Este ámbito de interés (DoI) desglosa el tema de la alineación estratégica en diferentes aspectos:

- La alineación estratégica como fenómeno observable
 - Alineación estratégica como función en la empresa
 - Alineación estratégica como parte del proceso estratégico en forma de subproceso o conjunto de tareas
-

- Alineación estratégica como requisito previo para un trabajo estratégico eficaz
- Alineación estratégica como método o, en el mejor de los casos, como herramienta de gestión específica.

El alcance de esta investigación es el estado actual de la implementación de la estrategia y, en especial, de la alineación estratégica. Esto incluye métodos, procedimientos y procesos. La tesis adoptó un enfoque cualitativo de la alineación estratégica, con un diseño de investigación desarrollado e implementado según la metodología de la teoría fundamentada (GTM). En este sentido, la investigación tiene como objetivo desarrollar una teoría, normalmente una teoría para la investigación aplicada o un área de aplicación específica. La teoría fundamentada se centra más en realizar una investigación amplia que abarque todo el campo de la alineación estratégica que en examinar en profundidad un problema concreto (muestreo cualitativo). Básicamente, la investigación se lleva a cabo hasta que se alcanza una saturación teórica, determinada por el investigador. La investigación mediante entrevistas se complementa generalmente con una revisión de la literatura y casos prácticos.

Los disruptivos acontecimientos de los últimos cinco años han tenido un impacto enorme en el trabajo de investigación. Por ejemplo, contrariamente a las intenciones originales, que habrían implicado, al menos en parte, entrevistas presenciales, la investigación se llevó a cabo necesariamente de forma exclusiva por teléfono y videoconferencia como consecuencia de la pandemia provocada por la COVID-19. Por supuesto, esta disrupción (= cambios drásticos y destructivos), junto con la guerra en Ucrania desde febrero de 2022, ha tenido innumerables consecuencias económicas y de otro tipo.

Los resultados del estudio se presentan en forma de revisión general del desarrollo del tema de la alineación estratégica, vinculado a un desarrollo teórico sistemático según la teoría fundamentada.

Una de las conclusiones es que el compromiso personal con la estrategia solo es posible mediante una comunicación personalizada y que, además, es necesario el compromiso externo a través de requisitos políticos y legales.

Palabras clave:

Estrategia corporativa, cambios disruptivos, implementación de estrategias, alineación estratégica, metodología de la teoría fundamentada.

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Furthermore, I would like to thank everyone who helped with the accompanying publications and the associated research work.

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Thorsten Schmude

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Bibliography.....	Fehler! Textmarke nicht definiert.

The outline. The text of this research report temporally follows the flow in the research. This chronology starts from the first considerations of the research (Introduction), through the planning of the research and its implementation, to the results of the research. Literature is referenced where necessary from the research. Grounded Theory Methodology is addressed particularly in research planning, but also in analysis and evaluation through coding to theoretical saturation. Then the theory building section begins. A theory or model calls for Grounded Theory as an outcome.

The underlying research process includes seven steps. Each step with clearly defined outcomes. These steps vary greatly in length in the written thesis presentation. For quicker orientation of the reader, the diagram below is inserted as a guide at the point where a new step is started according to Grounded Theory. The corresponding step is then highlighted in color (guidance system). A detailed presentation of the contents of the chart is reserved for the methods chapter (→ chapter 3: Methodology and Research Design, cf. page 105).

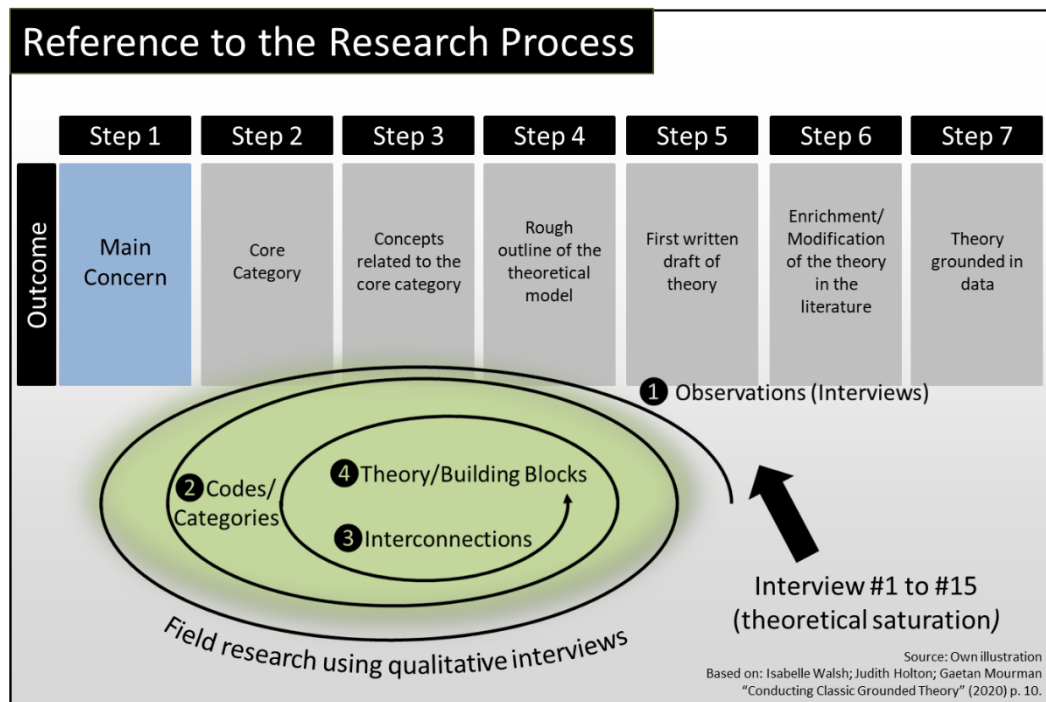


Figure 1
Reference to the Grounded Theory research process¹

Research method requires its own terminology. Qualitative research based on Grounded Theory uses its own research logic and terminology. This dissertation, as the final document of the research, follows the research process, whereby the preparation of the results from the research interviews and the conclusions take up a great deal of space in the dissertation. The diagram is used for the reader's orientation. Here, the iterative research is shown as a spiral together with the most important results from the research. Where this chart is included purely as an orientation aid, the framework and background used in this study for charts is missing. The corresponding references are also only given here.

Research report in the format of a dissertation. The requirement for this research report in the form of a dissertation is that the research procedure is presented in a comprehensible and plausible manner for an uninvolved third party, i.e. an expert reader. This also requires that important thought processes of the researcher and his considerations are comprehensible. Especially in the back part of the research report, this requires that the creative sources and associated topics of the work are included in the presentation.

¹ Source: Own illustration, Schmude (2021) based on Walsh, Isabelle; Holton, Judith; Mourman, Gaetan "Conducting Classic Grounded Theory" (2020), p. 10.

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LIST OF ABBREVIATIONS

AC	Andersen Consulting (now: Accenture)
AAC	Annual Alignment Conversation
BaFin	Bundesanstalt für Finanzdienstleistungsaufsicht
BSC	Balanced Scorecard
BWRS	Business War Room Simulation
CD&E	Concept Development & Experimentation
CEO	Chief Executive Officer
CFO	Chief Financial Officer
COA	Course of Action
CSP	Corporate Strategic Planning
DoI	Domain of Interest
DSR	Design Science Research
EDM	Enterprise Design Methodology
EBP	Evidence-Based Practice
ERP	Enterprise Resource Planning
HQ	Headquarters
HRM	Human Resource Management
IPO	Initial Public Offering
KPI	Key Performance Indicators
LGT	Literature Grounded Theory
LoS	Line of Sight
LRP	Long Range Planning
MCS	Management Control Systems
MAK	Mindestanforderungen an das Kreditwesen
MaRisk	Mindestanforderungen an das Risikomanagement
MBB	Big 3 Strategy Consulting: McKinsey, BCG and Bain

MNEs	Multinational Enterprises
MoC	Memorandum of Change
OD&D	Organizational Design and Development
OEQ	Open-Ended Questions
OKR	Objectives and Key Results
OP	Organizational Prosperity
OSINT	Open Source Intelligence
PSF	Professional Service Firm
PICO	Patient Intervention Comparison Outcome
PR	Public Relations
RBV	Resource Based View
ROL	Review of Literature
ROT	Real Option Theory
R&D	Research and Development
SAC	Strategic Alignment Chart
SAM	Strategic Alignment Model
SAF	Strategic Alignment Forces
SAF ²	Strategic Alignment Framework TM
SAMM	Strategic Alignment Maturity Model
SAO	Strategic Alignment Officer
SAS	Strategic Alignment Score
SI	Strategic Initiative
SMJ	Strategic Management Journal
SMS	Strategic Management Society
SOE	State-owned Enterprise
SJR	Scientific Journal Rankings

² Jonathan Trevor, *Align: A Leadership Blueprint for Aligning Enterprise Purpose, Strategy and Organization* (London: Bloomsbury Business, 2019) p. 33. This is not a general or common abbreviation, rather, it is used only in this very recent book.

SRP	Strategic Reference Point
UCAM	Universidad Católica San Antonio de Murcia
VC	Videoconference

Note for citation technique and references. The text is written in American English, so the appropriate standard for citation was chosen. The rules of the ‘Chicago Manual of Style’³ were applied in the text. Within the CITAVI software (version 6.10), the citation style ‘CMOS Chicago Manual of Style, 17th ed. (Notes)’ was used for the text of the dissertation. Footnotes are the usual form of references in European science. The researcher's own summaries and observations made in the course of the research work are not cited. References to the researcher's internal documents, such as the research diary or the collection of notes on the research project (WORD document), are not provided; these documents are only available in German.

Selection of a citation style and style guide. Alternatively, APA style was also checked before starting to write this dissertation. It would be suitable in principle and suggestions for structuring qualitative research writing⁴ and citing interviews were taken from the associated handbook.⁵ The standards for reporting qualitative design formulated in the APA style guide (JARS-Qual) as presented on pages 95 to 99 were taken into account in the preparation of this dissertation.

Publications during the dissertation project. As part of the PhD program, it was mandatory to give conference presentations on the research topic and publish journal articles. This content, in the form of text and diagrams, can be found in this dissertation, which is a summary of the entire research project (→ 10. Publications during the PhD Program, cf. page 490).

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³ The University of Chicago, *The Chicago Manual of Style*, Seventeenth edition (Chicago: The University of Chicago Press, 2017).

⁴ American Psychological Association, issuing body, *Publication Manual of the American Psychological Association: The Official Guide to APA Style*, Seventh edition (Washington, D.C: American Psychological Association, 2020). pp. 94-100.

⁵ American Psychological Association, issuing body, *Publication manual of the American Psychological Association*. p. 259.

ABSTRACT

In the implementation of corporate strategies, deviations from the agreed strategies occur time and again, leading to misalignments. **Strategic Alignment** is the complete and comprehensive binding of all corporate actions to the strategy as the supreme planning document. Good alignment saves resources, such as time, money and labor, and serves to create a competitive advantage.

In academic research, Strategic Alignment has been largely neglected, as most strategic research is related to the development and formulation of strategies rather than their implementation. In international business the term Strategic Alignment is commonly used as a metaphor for good strategy implementation. In German-speaking countries, where Strategic Alignment is understood in operational practice, the term itself may not actively be used. While a variety of models on Strategic Alignment exist, some of which are several decades old, there has been no systematic research on the topic and there are, therefore, no major innovations in this field.

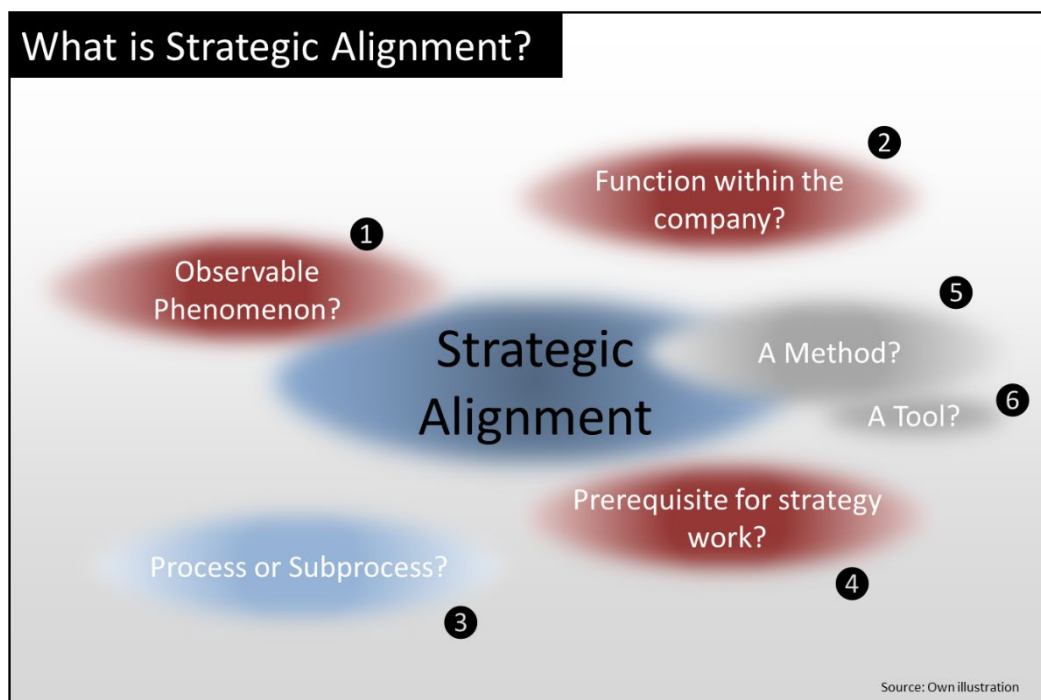


Figure 2
Conceptual meaning of Strategic Alignment⁶

⁶ Source: Own illustration, Schmude (2024).

The research interest of this dissertation is focused on a closer definition of the topic of Strategic Alignment and a possible theory of how to deal with it in operational practice. Strategic orientation is described in detail as a scientific term ‘Strategic Alignment’ in this paper. This Domain of Interest (DoI) breaks down the topic of Strategic Alignment into different aspects:

- Strategic Alignment as an **observable phenomenon** ❶
- Strategic Alignment as a **function in the company** ❷
- Strategic Alignment as **part of the strategy process** in the form of a sub-process or a bundle of tasks ❸
- Strategic Alignment as a **prerequisite for effective strategy work** ❹
- Strategic Alignment as a **method** ❺ or, at best, as a specific **management tool** ❻.

The scope of this research is the current status in strategy implementation and, especially, in Strategic Alignment. This includes methods, procedures and processes. The thesis took a qualitative approach to Strategic Alignment, with the research design developed and implemented according to **Grounded Theory Methodology (GTM)**. In this, the research aims to develop a theory, usually a theory for applied research or a specific application area. Grounded Theory is more about conducting broad research to cover the whole field of Strategic Alignment than an in-depth look at a detailed problem (qualitative sampling). Essentially, research is conducted until a **theoretical saturation** is reached, as determined by the researcher. Research using interviews is generally supplemented with a literature review and case histories.

The disruptive developments of the last five years have had a massive impact on the research work. For instance, contrary to original intentions which would have, in part at least, involved face-to-face interview appointments, the research was necessarily conducted exclusively via telephone and videoconferencing as a result of the pandemic caused by Covid-19. Of course, this **disruption** (= drastic destructive changes), together with, since February 2022, the war in Ukraine, have led to an untold number of economic and other consequences.

The results of the study are in the form of a general review of the development of the topic of Strategic Alignment connected to a systematic theory development according to Grounded Theory.

One finding is that self-commitment to strategy is only possible through customized communication and that, in addition, external commitment through political and legal requirements is necessary. The communication of the strategy and its contents is of particular importance for Strategic Alignment in order to achieve an understanding of the strategy among managers and employees. A better understanding of strategy generally also leads to better Strategic Alignment (self-alignment). A visualized **Strategic Alignment Process Model (SAPM)** concludes the paper and is intended as a starting point for further research as well as work in the field.

Keywords:

Corporate Strategy, Disruptive Changes, Strategy Implementation, Strategic Alignment, Grounded Theory Methodology

1. INTRODUCTION, SCOPE AND OBJECTIVE

This first chapter of the dissertation introduces the reader to the topic of Strategic Alignment with the associated technical aspects of strategy implementation. The concept of the scientific research presented here is explained and the research topic is sufficiently defined. The structure of the documentation of the research results as a monograph in the form of this dissertation is explained.

A new term in corporate strategy work. The term **Strategic Alignment** is an insufficiently defined technical term, which stems more from managerial language than the scientific literature. Bringing something in line, where that line refers to the strategic line, is probably the simplest way to grasp the term. What is to be brought into a line is the company: the organization together with **all its components and actions**. The meaning can also be derived from the military: to 'line up' means to bring one's own forces in an order. In short, Strategic Alignment refers to **effective and smooth implementation of a strategy**. The current starting point for research into Strategic Alignment is as follows: the **phenomenon of Strategic Alignment** is not clearly described or defined. No one knows how to measure Strategic Alignment. The basic research on Strategic Alignment in companies when implementing corporate strategy is developed in this dissertation.

The starting point for this scientific research. In this first chapter, the research topic and the research project are categorized from the perspective of the researcher. A delimitation is made and the scope for the subsequent research work is determined. The personal pre-understanding, as well as experiences and considerations are presented in this chapter. The reader is familiarized with the object of research and with the thoughts and considerations on the identified research gap and the necessary scientific research on this subject area.

The research process determines the structure of this work report. The structure of this thesis follows and maps the research process. The research process depends on the research style in addition to project-typical characteristics. This work follows the research style of Grounded Theory, which means that the focus of the work lies on the interviews and the findings derived from them. The structure of the dissertation is divided into five main chapters, which are closely aligned with the chronological research process. The classic literature review in scientific papers could be omitted at the beginning according to the Grounded Theory. It is

inserted in later chapters if needed. The idea behind this is that the existing literature obscures the view of the primary research, i.e. the interviews. For the reader of this dissertation, who approaches the reading without prior knowledge, a brief insight into the existing knowledge in the form of a literature review is useful (→ Chapter 2: Explaining the Research Issue, cf. page 59). Regarding the results from the interview research, further literature sources are consulted where this is important, for example, to understand the content from the interview or to continue a briefly mentioned thought (→ Chapter 4: Description of Results and Findings, cf. page 145). The artificial separation of literature review and results from qualitative research is thus eliminated, and the published content of science is interlocked with the results from the interviews. Each section of the research report in this dissertation ends with a CONCLUSION. For easier orientation, these text components are clearly set off from the text and emphasize what is relevant from the respective section for the further research work.

Detailed description of the methodological approach. The research methodology, according to Grounded Theory, is not a fixed toolset but rather a research procedure that must be individually adapted for each research project and tailored to the specific situation (→ Chapter 3 Methodology and Research Design, cf. page 105). Subsequent literature work. Examples from the literature, which show the contents of the concrete individual case, are integrated in as many places of the work as possible because, in this way, the abstract consideration of Strategic Alignment can be illustrated by a specific situation.

The result of Grounded Theory research is a theory or a model. The development of a theory or model is reserved for the final chapter (→ Chapter 5: Theory Building, cf. page 423). All findings from the research are brought together here, where it is discussed whether a theoretical approach to Strategic Alignment is possible and, if this is affirmed, what such an approach might look like.

Fixed time frame for research work. Writing on the actual thesis began in early December 2021. Up to this point, all content and findings were presented in a chronologically structured collection of material, which eventually comprised several hundred pages. Therefore, this document could also be called a research diary. Furthermore, it should be noted that the research is carried out alongside a professional activity and is therefore subject to certain material and time constraints.

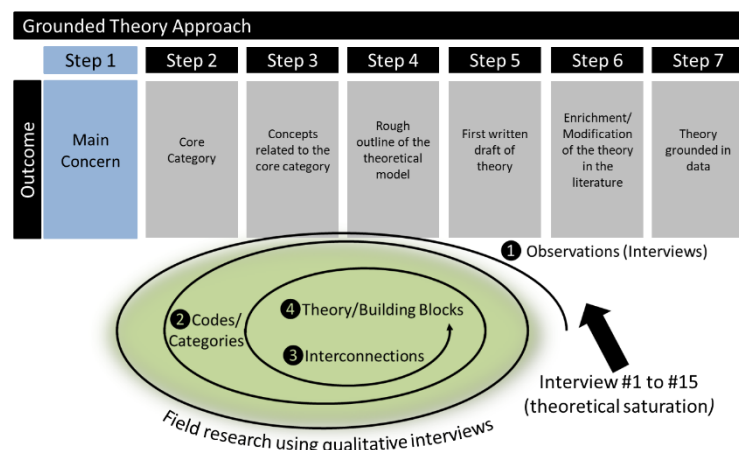
Disruption determined the research period. The research, and thus this thesis, has been forced into a topical reference due to current disruptive events. For this reason, current sources that provide background information on the events are also cited. The research began during the pandemic, which had a major impact on the implementation of the research due to the contact restrictions and the lockdown. In the first months of this research project, it was not clear in what form the actual research could be carried out and whether meetings or workshops would be possible. For this reason, a virtual form of interview research had to be planned.

CONCLUSION: Strategic Alignment is a term that **is understood by managers** in practice and is also widely and actively used in **management language**. Strategic Alignment is a general requirement that has been neglected in research and literature so far. Due to the sudden dramatic changes in politics and the global economy, Strategic Alignment is becoming increasingly important. Therefore, this **aspect of strategy implementation** should also be researched more thoroughly.

1.1. CURRENT STATUS OF STRATEGY IMPLEMENTATION

1.1.1. Forces on Strategy Implementation

This chapter summarizes the preliminary understanding and observations of the researcher. It outlines the researcher's reflections and thoughts on strategy implementation in organizations and its relation to Strategic Alignment. The increasing disruptions in the economy and the constant need for adjustment of strategy and companies requires systematic Strategic Alignment.



Strategy in binders — Unused corporate strategies. Most large companies have a good number of ready-made strategic papers in their binders, ripe for implementation. There is usually no lack of strategic preparatory work and analysis—it is the implementation of these strategies that is lacking. These strategic considerations are simply shelved and thus never come to fruition. In large companies, while there is a deficit of strategy implementation, there is usually no a lack of strategy. This is different in medium-sized and smaller companies, where there is simply a lack of strategy content, and corporate development is dominated by the day-to-day business. Corporate strategy that is not implemented, i.e., that which merely remains on file, is useless and ineffective.

Strategy as an instrument of power. In the past, strategy and its implementation was not only a means to achieve an end, but also understood as an instrument to exercise power. The construction of the pyramids in ancient Egypt would have been inconceivable without strategic planning. Only by clearly envisioning a structure as the end product of the work was planning and the organization of work possible. Through a clear strategy, it was possible for the rulers to direct all available human, technical and other resources to the construction and creation of something completely new. The result of the pyramids has survived for several millennia and, to this day, we wonder how this great achievement was accomplished. Only the diaries of a middle-ranking official in the bureaucratic apparatus by the name of *Merer* show us how the implementation of this strategic vision transpired. It is, therefore, not only an important document in terms of construction history, its importance also lies in its presentation on how the strategic orientation of all forces towards one goal, the organization of the Pharaoh's empire, took place.⁷

Strategic Alignment is a constant task. Strategy implementation should reward strategy-adherence behavior. Commitment and loyalty with regard to the strategy are basic prerequisites for the direct implementation of the adopted strategy. All actions in a company with an adopted corporate strategy should also be in conformity with this strategy. Strategic Alignment ensures this binding of the organization and its actions to the strategy. Once the strategic direction has been abandoned, management sometimes wishes they could start all over again,

⁷ Pierre Tallet, *Le "Journal De Merer" (Papyrus Jarfa Et B)*, Publications de l'Institut Français d'Archéologie Orientale (Le Caire: Institut français d'archéologie orientale, 2017).

effectively from scratch. This is, of course, possible, but it shows that Strategic Alignment is an ongoing task and that early failures can either no longer be corrected later or only with disproportionately high effort. A study published in 2024 identifies the problems with strategy implementation. According to the study, 19% of participants consider their company's strategy implementation to be very ineffective and a further 36% consider it to be ineffective. This means that more than half of those surveyed rate strategy implementation as below average. The average time required to implement the strategy is more than 24 months for 67% of respondents. Only 1% cited an extremely short period of 1 to 3 months. The conclusions drawn from the study are a better catalyzed (accelerated) **strategy process** and **strategic thinking** throughout the organization. Managers and employees must be empowered to adapt strategically. Communicating the strategy and the ability to adapt to fulfill it is seen as a way to improve Strategic Alignment.⁸

Tight or loose commitment to the strategy. Alignment can be close to strategy or just loosely follow it. It also depends to a large extent on the type and form of the corporate strategy and how the alignment must be designed: if the strategy, similar to an **agenda setting**, only specifies the future strategic topic areas, the alignment can also only be correspondingly broad. Boards of management that deliberately do not want to commit themselves to their strategy like to use agenda setting, which originates from politics, because central topics are roughly outlined in this way, but the concrete shaping and definition of what is to be done is left to the lower levels of the hierarchy.

The short-sighted view dominates management behavior at the moment. The honorable businessman and long-term business activity have been replaced by an increasing short-term orientation aimed at skimming off quick profits. 2020 saw the first insolvency of a listed DAX company in the form of Wirecard, something that had heretofore been thought impossible. Political support for individual industries and companies has always led to distortions and inequalities in the market. Companies that can actively influence legislation are on one side, while the other side is a kind of protectionism on the part of politics for individual companies. In this context, the issue of fraud in companies is also of increasing importance, which

⁸ Michael K. Allio, "Catalyzing Strategy: Guidelines for Better Strategy and Strategic Thinking," *Strategy & Leadership* 53, no. 1 (2024), <https://doi.org/10.1108/SL-05-2024-0048>.

is clearly not being sufficiently combated in some areas or is even accepted if it promises profits. Illegal actions are not-strategic and therefore always lead to misalignment.

Rapid changes in the market. Competition often arises in global markets seemingly overnight because a complete overview of the market is hardly possible, and copying and adapting give rise to substitute products that push high-quality branded products to the sidelines.

Delay in strategy implementation. A strategy becomes useless if subsequent actions are not aligned with this strategy and the company's future path is not tied to it. Strategy papers that are set for implementation which are later either not or only insufficiently implemented are the problematic cases because, here, doing nothing as regards the strategy implementation obviously prevents it from taking place. This can be seen as a kind of **procrastination** on an organizational level, which are also the cases that are not immediately clear. In contrast, there are clear resolutions that a strategy that has been formulated and developed will not be implemented for certain reasons.

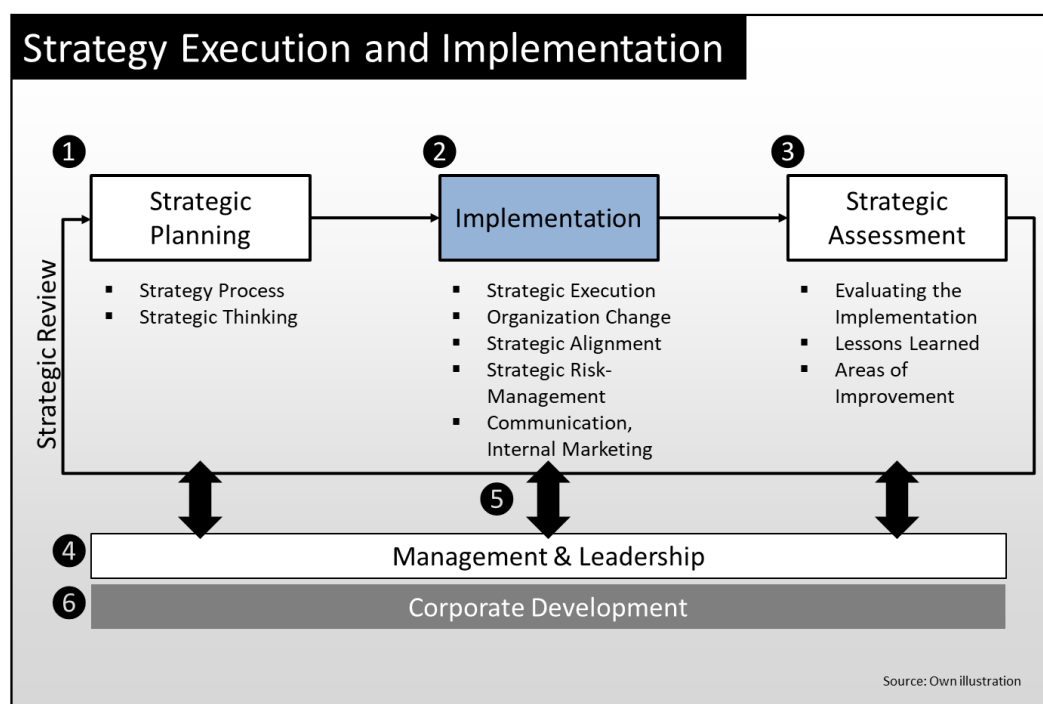


Figure 3
Strategy execution process⁹

⁹ Source: Own illustration, Schmude (2021).

Strategic Alignment as part of the strategy process. The prerequisite is the existence of a strategy that has been developed on the basis of strategic thinking and a strategy process of some kind ❶. The implementation of the strategy puts the strategy into action. Personnel and organizational changes are to be mentioned, as well as the communication and leadership work to anchor the strategy in the minds of managers and employees ❷. Implementation must be monitored and lessons for the future must be drawn from the strategy and its implementation. One method is strategic assessment, for example on the basis of questionnaires or interviews. The findings from this lead to a strategy adjustment in the form of a strategic review ❸. Management is constantly making decisions that should be in line with the strategy, but in practice often run counter to the strategy ❹. In particular, strategy implementation and strategic alignment should be subject to continuous comparison ❺. Corporate development or a strategy office are responsible for strategic planning and carry out the operational planning work. This function is often outsourced to external consultants or at least supplemented by them ❻.

Strategy implementation as corporate value creation. In many companies, the development of corporate strategy is clearly separated from strategy implementation. Staff departments are only involved in the development of new strategies with the associated analysis, such as market and competition studies. The implementation of the strategy is then often left to the organization, meaning the different hierarchical levels. In some cases, the board of management is content with a resolution that the strategy is to be implemented; in other cases, a structured procedure is chosen for rolling out the strategy and the changes resulting from it. Implementing and anchoring the strategy in the organization and its people involves more than just communicating strategy content. The organizational changes must be planned and implemented in the form of structural and also process organizational changes. Strategic risk management and Strategic Alignment aspects are also here in the implementation phase. The strategic status-quo analysis, which shows the current status of the strategy and its implementation, is referred to as a **Strategic Assessment**. In the sense of a closed control loop, an analysis should be run through before each new strategy development, but this is often not the case due to a lack of time and the scarcity of resources.

Good Strategic Alignment or misalignment. A fundamental question at the beginning of the research is: am I interested in a phenomenon or a theory? In the case of a phenomenon,

Grounded Theory is a suitable approach. This research on Strategic Alignment is about a phenomenon. A theory can emerge as part of this research, but it does not necessarily have to. It would also be a step forward if the term 'Strategic Alignment' were to be defined more clearly and the phenomenon made more comprehensible for researchers. Perhaps there is a draft or an approach for theory formation, or perhaps conditions and content for model or theory formation can be formulated.

Consultancies drive the Strategy Business. Strategy consultancies, especially the so-called MBB or Big-Three of strategy consulting, have traditionally focused on the development of strategies and business models, leaving the implementation of the strategy mostly to the companies or the clients. On the one hand, there are more liability risks and difficulties with implementation-oriented consulting. On the other hand, these companies are sometimes accused of developing unrealistic strategies that simply cannot be implemented. Accenture first offered everything from strategy consulting to change management to technical implementation from a single source with its **Business Integration Model**¹⁰, making large projects and programs possible. Strategic Planning is a service for corporates, and it has become a business of its own kind. This means that the external perspective on Strategic Alignment from the consultants' point of view is also taken into account.

CONCLUSION: A variety of internal factors within the company influence strategy implementation. Disruption ultimately leads to poor strategy execution and thus misalignment within the company. Alignment or misalignment is thus a characterization of the **state of strategy implementation**. External consultants are also a force acting from the outside, contributing to a methodical synchronization of global companies. Often, strategy work is only possible with external consultants because the necessary knowledge is not available internally. It is often only possible to recognize whether an alignment or a misalignment has occurred in the company by looking at the past. This is where case studies help to improve understanding.

¹⁰ Andersen Consulting, *Business Integration Methodology: Pocket Guide* (Chicago, 1997).

1.1.2. External Drivers for Strategic Change

A large number of external factors influence strategy development in companies. Some aspects that are important for the following research work from the perspective of the researcher are highlighted here. In addition to the unexpected, and therefore disruptive disturbances, there are long-term trends, such as climate change, that have an impact on the company's strategy. Companies are involved in a context consisting of governmental organizations, competitors, customers and others operating in the market. Large companies can shape a location, as the automotive industry has shown.

Industrial crises. Detroit stood and fell with the auto industry, particularly General Motors. The crises in the auto industry directly impacted the city until Chapter 9 bankruptcy was finally filed for the city of Detroit in July 2013.¹¹ It is the largest bankruptcy of a city in the USA. The dependence on just one industry, which ultimately provided the purchasing power for the entire population, led to the decline of a major city with once 1.8 million inhabitants in the 1950s. The city is characterized by an exodus of population and, at the same time, a very high vacancy rate. Promising new strategic developments are not to be seen. On the contrary, the city has become an area with the highest crime rate in the U.S. The dependence on the automotive industry in Germany is not only directly present in the well-known car city of Wolfsburg, indeed the entire federal state of Lower Saxony is largely dedicated to the automotive industry. Of course, political decisions and corporate decisions in this field are closely bound together. Misalignment by an important company can ruin an entire city or country.

Origin of the corporate strategy. Strategic science is far older than business administration, which has only developed as a science for about a hundred years. The subject of accounting was almost always the starting point and, of course, law and its application in commercial transactions was the starting point for a business school, e.g., Harvard Business School, Pace University New York or Wharton School of Business. Corporate strategy and the entire concept of strategy are to be seen in the tradition of all strategic research and are ultimately a

¹¹ City of Detroit, *City of Detroit Bankruptcy Filing* (2013); Chapter 9 bankruptcy filing, 13-53846, www.mieb.uscourts.gov.

differentiation for the commercial sector. Sales strategy was, therefore, often also the beginning for strategic considerations or, however, because of the simple organization size, the question about the organization development and an associated this leading strategy.

Strategy is aligned with the market. The strategy is always focused on one market. This also distinguishes, for example, the pure inventor or researcher, who usually does not yet have a market or a customer group in mind but is inspired by the possibilities of technology to create something new.

A time of security and stability. As far as politics as a permanent strategic driver is concerned, while the policy of pure pragmatism of Chancellor *Angela Merkel* did not reach the hearts of the people, it did offer security and trust on a rational level. This led to a relatively stable strategic situation, even during the 2008 financial crisis.

Redistribution through inflation. External events were also the starting point for new economic developments in the past: the inflationary period from 1921 to 1923 was characterized by currency devaluation and, as a consequence, great poverty; at the same time, it was possible for some entrepreneurs to buy up entire corporations on credit without equity capital, as the example of *Hugo Stinnes* shows.¹² Price stability and low inflation increase planning security in companies. Inflation, on the other hand, can lead to disruption because entire corporate concepts are no longer economically viable.

China as an influencer of the global economy. In 2012, the Communist Party of China produced a paper distinguishing China's development from the Western world. This secret document, known as Document No. 9, was made public by a journalist. It deals with issues such as the fact that a Western-style democracy would undermine Chinese-style socialism, that the spread of universal values (human rights, the rule of law, freedom and democracy) is to be prevented because these endanger the theoretical foundation of CP China and, finally, that the spread of neoliberalism with privatization and market principle is to be stopped. Here the focus is a kind of political disruption. Almost unnoticed by the rest of the world, today's largest city in the world, with a population of 32 million, was built in just 14 years. The megacity is **Chongqing** in central China, with ideas for the city going back to Mao. The speed of

¹² Charles Poor Kindleberger, *Die Weltwirtschaftskrise: 1929–1939*, Orig.-Ausg., 3. Aufl., dtv 4124 Dtv-Wissenschaft (München: Dt. Taschenbuch-Verl., 1984). p. 32.

this development was completely unexpected from a European perspective and paves the way for further disruptive developments.¹³

Preparing for disruptive scenarios. New disruptive strategic influences may entail disruptions to the national economy and, in turn, to individual companies which can also emanate from political crises and asymmetric threats, in particular, the Islamic terror of the last two decades. This threat is latent, that is, it is constantly present and completely unpredictable for the individual company. For most companies, it is impossible to develop detailed scenarios on how to deal with such a threat. Warnings of the danger can only be issued via the media or politics if, as is the case with some large companies, there are no direct contacts that can provide a head start in the event of an emergency.

Sabotage of infrastructure. For a long time, business leaders had assumed stable internal security in Central Europe. For example, the attack on infrastructure, such as on the signaling technology of Deutsche Bahn on October 8, 2022, was simply unthinkable and had not been included in any strategic considerations. In this attack, the severing of two cables near Berlin and in the Ruhr region (500 kilometers away) was enough to disrupt train traffic in northern Germany for about a day.¹⁴

Energy prices as a limiting factor. Competitive costing is so tight that major unexpected price increases in raw materials or energy quickly become problems—especially in **energy-intensive industries** such as glass production (e.g., *Heinz Glas*) or paper and board production (e.g., *Baden Board GmbH*¹⁵). In both cases, rising prices for natural gas were the reason for insolvency. Here, effects on the commodity markets can have a direct impact on the company.

Primacy of diplomacy and politics. Since *Clausewitz*, the primacy of politics for all military action has been emphasized. The military only ensures the best possible implementation of political goals. In terms of corporate strategy, it is the **primacy of the owners** that determines the goals of the company; in the case of large publicly held companies, it can only ever be

¹³ Clive Hamilton and Mareike Ohlberg, *Die lautlose Eroberung: Wie China westliche Demokratien unterwandert und die Welt neu ordnet*, 1. Auflage (München: Deutsche Verlags-Anstalt, 2020).

¹⁴ Spiegel, "Bahn Bezichtigt Unbekannte Der Sabotage: Zugausfälle Im Norden," *Spiegel*, accessed November 19, 2022, <https://www.spiegel.de/panorama/deutsche-bahn-derzeit-kein-fernverkehr-in-nord-deutschland-a-3e03e230-ae20-463d-a91c-da6edfec8bf6>.

¹⁵ File number 11 IN 421/21 Baden-Baden Local Court, opening decision on January 1, 2022.

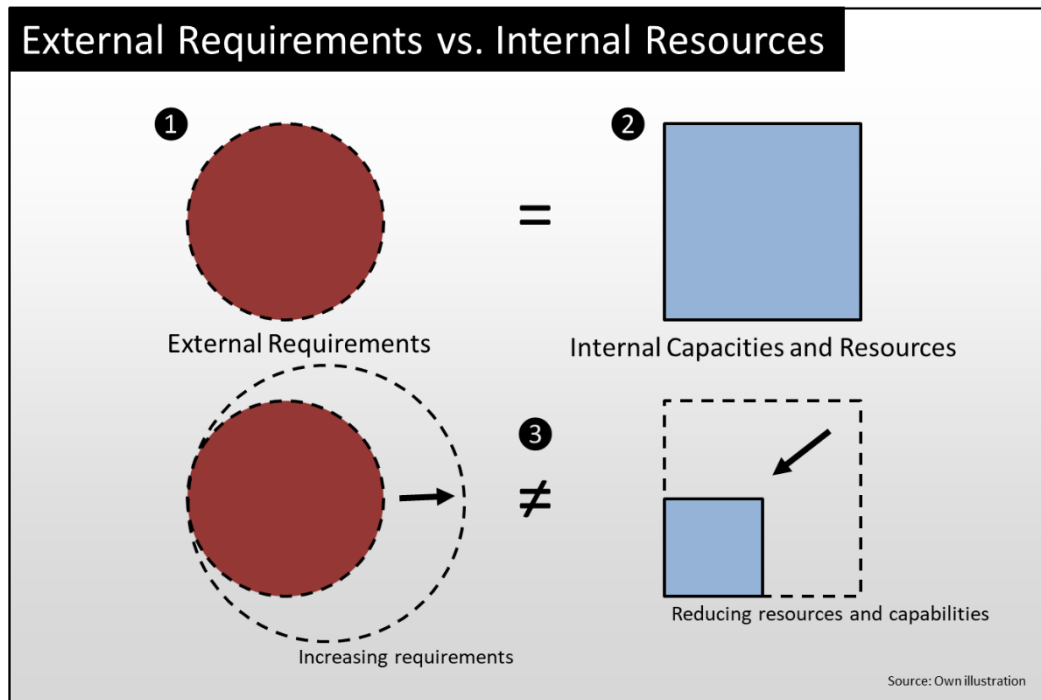
assumed that the goals are presumed, which gives the board of management wide-ranging scope for action. In the military, the 'strategic level' is the top military command level that interfaces with the political level. The need for diplomacy, the military and business to work together was recognized at the beginning of the 20th century and is more important today than ever before.¹⁶ The consequence for corporate strategy is that politics and diplomacy significantly influence **sales markets** and also **procurement markets**.

Highly complex policy issues. Today's conflicts involve interactive and complex problems, so-called '**Wicked problems**', as described by *Rittel and Webber*¹⁷ as early as the 1980s. Both stated that a basic idea of the problem solution must already be present for the concrete description of the problem's cause. There must be in one's mind the achievement of a system change. This is more than just thinking in systems, indeed, it requires a high degree of creativity.¹⁸ From a military perspective, the classic instruments of state power are reduced to diplomacy, information, military and economics. Instruments of the **rule of law** or **international law**, for example, are completely absent.

¹⁶ Jürgen Wimmer, "Operational Art Im 21. Jahrhundert," *Österreichische militärische Zeitschrift (ÖMZ)*, no. 1 (2019), www.oemz-online.at. pp. 22–23.

¹⁷ Nigel Cross, ed., *Developments in Design Methodology* (Chichester: Wiley, 1984). Chapter 2.3, pp. 135 et seqq.

¹⁸ Wimmer, "Operational Art im 21. Jahrhundert." p. 24.

**Figure 4**

External requirements need internal resources and capabilities¹⁹

Balancing opportunities and requirements. External influences from the company means a constant change its own **resources** and **capabilities**. Strategic Alignment also always means an alignment²⁰ between the external world ① and the internal human, financial and technical resources as well as the capabilities of the company ②, such as process efficiency, market development, or internal leadership. A problematic situation is one in which the external demands on the company change and increase, but where at the same time internal capabilities and resources become scarce. This also concerns a certain simultaneity. The diagram shows a state of equilibrium at the top, for example in a stable economic situation, and an imbalance at the bottom ③, for example due to sudden events. The lower part of the illustration shows an **imbalance**, which results in a strategic misalignment.

Losses are not enough anticipated in companies. The concept of military abrasion²¹ can also be simply called a loss. It is already planned in all military operations. Such a consideration is completely missing in the implementation of strategies in companies. The investment must pay off and open to show attrition, in kind, personnel, or other resources is unusual. In

¹⁹ Source: Own illustration, Schmude (2021).

²⁰ In German: Abgleich.

²¹ In German: Abnutzungen.

other words, the corporate strategy is based on an idealized implementation and the additional expense caused by external influences is underestimated.

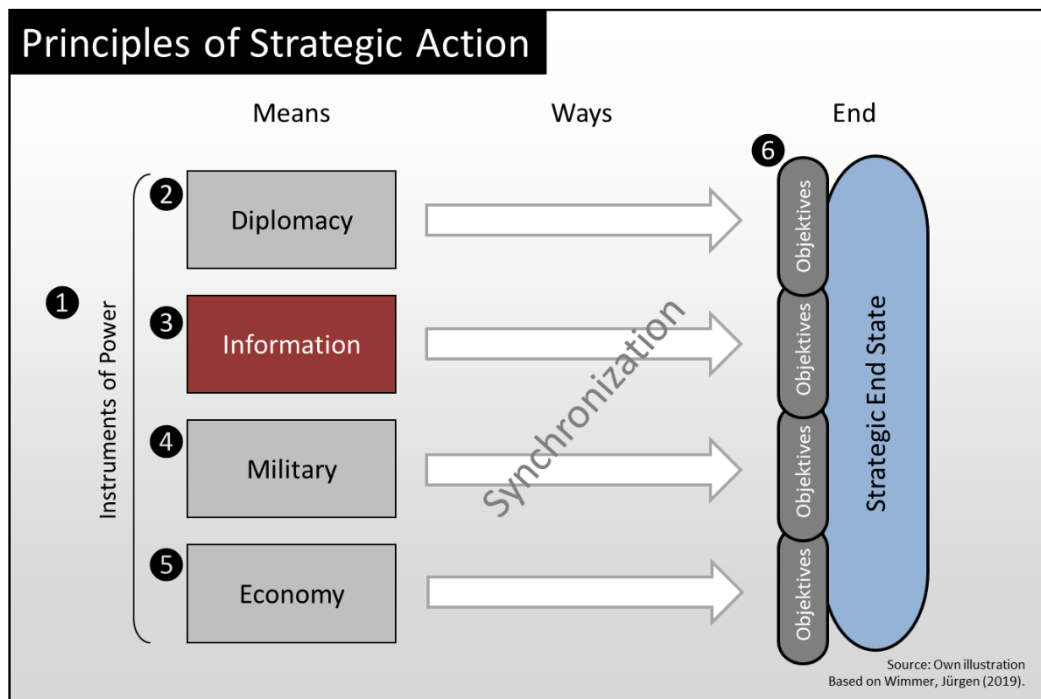


Figure 5
Instruments of strategic power²²

The Economy as part of Strategic Power. The four instruments of power ① represent resources at the state level: Diplomacy ②, Information ③, Military ④ and Economy ⑤. There are interdependencies and synergies between these instruments that need to be considered. Here, national power is defined as the sum of all resources available to the country to achieve national objectives ⑥. The model is an example of a contemporary military model that follows the primacy of politics and must bring interests together before formulating objectives and strategies. This is from the training literature of the Theresian Military Academy in Austria, founded in 1751 under Empress *Maria Theresa*. Since then, about 200 aspirants have been admitted annually. It is the oldest institution of its kind still in existence in the world, with a continuous training tradition.²³ Military defeats are conceptually planned, as are victories. Strategic planning in companies is always focused on a positive scenario, even though everyone knows that a worst-case scenario should be discussed and planned out.

²² Source: Own illustration, Schmude (2022) based on Wimmer, Jürgen (2019).

²³ Wimmer, "Operational Art im 21. Jahrhundert." p. 19.

Until 2022, a war on the borders of the European Union was unthinkable. The threat of war at the center of Europe completely disappeared after the fall of the Berlin Wall and the end of the Cold War, and was considered extremely unlikely by February 2022. The dispute over Ukraine became a central problem for politics and, subsequently, for the economy. Politicians had failed to identify and resolve the conflict early on at either the political or diplomatic level. Within less than 80 days, all established economic relations with Russia were terminated. What had begun with the supply of natural gas eventually went as far as critical questions of data security, as the example of *Kaspersky* shows. The software of *Kaspersky* from Moscow was one of the leading software solutions against harmful computer viruses for about 25 years. This software was used in companies as well as in public administration. Due to the war and the new friend/enemy relationship, the software is now seen as a possible gateway for cyber-attacks. According to the BSI (Federal Office for Information Security), anyone who continues to use Kaspersky software on their computer is now seen as acting negligently.²⁴

The end of long-time stability. For many decades, demonetization was not a problem in Central Europe. The inflation rate was in the low single digits. There was a relatively stable system in which wages and incomes, as well as the price development for living and consumption, developed relatively reliably. For companies, a reliably predictable inflation rate enables them to plan well ahead. Since the financial crisis 2008/09, Europe has operated with a very loose monetary policy, with the result that money on the capital markets costs virtually nothing anymore, meaning that banks and large corporations with an appropriate credit rating could borrow money almost endlessly. The same applies to municipalities and to other state institutions. In 2020 and 2021, sovereign debt expanded as a result of the bailout financing during the Corona crisis. Inflation is again a problem in Europe. The deceptive of inflation is that the money in the accounts and in the pocket ‘melts’, that is, continuously loses value. The fear of hyperinflation as in 1923 is still omnipresent today, some three generations later. Further driving inflation are developments outside the normal, and regulated money and capital markets: through cryptocurrencies, there has been an unimaginable proliferation of money in secret. Since around 2015, a parallel monetary system has emerged here, which is beyond any state or supranational control. In the canton of Zug, a kind of ‘Crypto-Valley’ has settled with

²⁴ Patrick Beuth and Marcel Rosenbach, “Plötzlich Böse: IT-Sicherheit Der Russische Antivirenspezialist Kaspersky Ist in Die Wirren Des Krieges Geraten,” *Spiegel*, no. 19 (2022).

promotion and local politics. Since the publications about the DAO hack, in which 50 million Bitcoin were stolen, it has become clear that the blockchain, which is praised as absolutely secure, can also be manipulated. Unfortunately, it seems that wherever a virtual system is created via programming, whether through ignorance or deliberate actions, mistakes do happen.

Radical Innovators is seen as at least a legitimate type of corporate strategy. Companies such as Uber or Goldman & Sachs are referred to as **radical innovators**. A common paraphrase is: you do it first, you can apologize later. Breaking with tradition, but also transgressing traditional boundaries such as laws, seems to be part of these disruptive enterprises. A special feature of these companies is that they have many, if not unlimited, capital resources available to them via the capital market and investors and can thus take risks that, if carefully considered, would be avoided by most companies.

CONCLUSION: Political stability in the world also leads to economic stability and vice versa.

Political strategy and military strategy are usually better prepared for crises than the basically optimistic corporate strategies. Boards of directors must promise growth to their owners; this is expected of them. At the moment, it looks like European countries and, probably, the global world economy are entering a period of greater instability.

1.1.3. Pandemic: The Major Strategic Disruption in the 21st Century

Stable conditions seem to belong to the past. Time has turned to instability in place of the usual stability that existed until the onset of the Corona crisis but, after two years of the pandemic, breaks in continuity are undeniable.

Global production networks. In recent decades, global supply chains have emerged, of which individual producers or companies no longer have a complete overview. For instance, a food product in Europe travels an average of 2,500 kilometers from production to the consumer. When disruptions occur in supply chains, they propagate like the **domino effect** (chain reaction). During the pandemic, food cans became scarce because the metal used, aluminum, became scarce, which was even more so with magnesium, used in the production of the metal. The supplier of magnesium is China. When disruptions in supply chains become known, consumers hamster purchases. This happened in March 2020 at the start of the pandemic when about 3 billion people worldwide were in lockdown.

Health crises quickly become global. Lockdowns, vaccination, death rates—the consequences made it clear this was not a regional phenomenon, such as SARS. Rather, Covid-19 became a global problem within weeks. In March 2019, offices, schools and social life were all shut down where possible. Home-Office, Home-Schooling and other forms of virtual work²⁵ became the norm, with all unnecessary meetings in person suspended. In most cases, these virtual forms of working and learning were put in place almost overnight, without the time for training or other supportive activities.

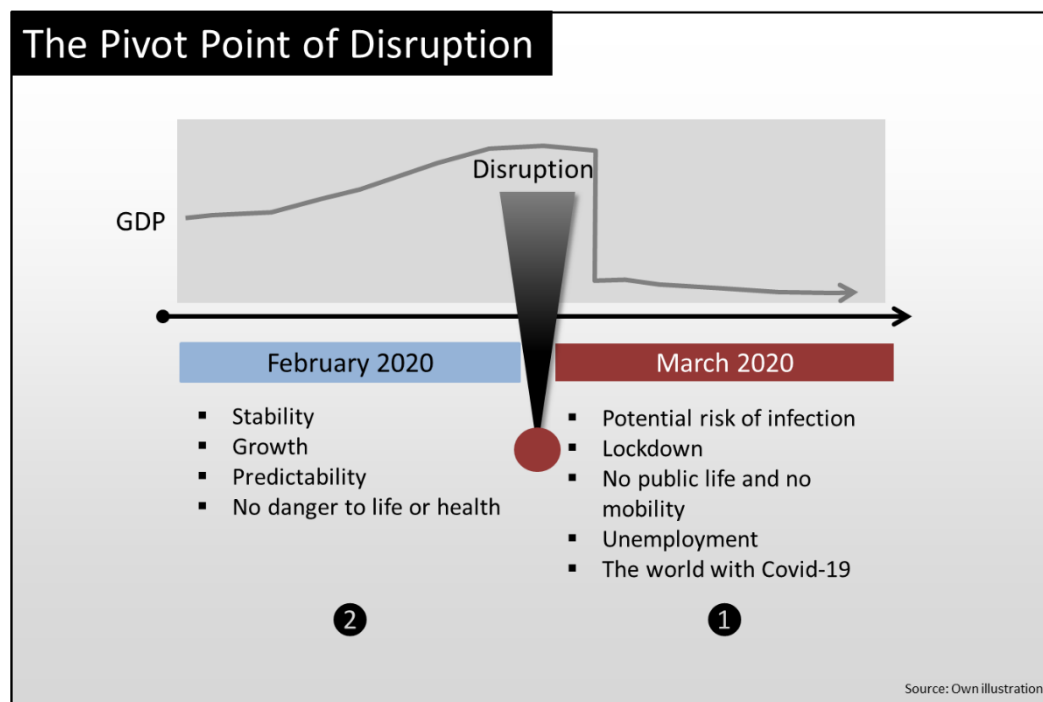


Figure 6

Extreme disruption leads to a strategic pivot point²⁶

The world after Covid-19. Indeed, it is looking increasingly certain that the world *post-Covid* ① will be a different one, with back to 'normal,' the *ante-Covid* era ② as we knew it, seemingly impossible. Of course, this has meant business models and corporate strategies have needed to be adjusted to these global changes. To be clear, within days, the behavior of consumers changed, in turn leading to more and more disruptive errors across global supply

²⁵ Sometimes referred to as 'New Work'.

²⁶ Thorsten Schmude, "Economic Disruption as a Strategic Accelerator: The Increased Importance of Strategic Alignment in the Post-Covid-Strategy," *Gazdaság és Társadalom* 14, 3-4 (2021), <https://doi.org/10.21637/GT.2021.3-4.01>. p. 6. Publication as part of this dissertation.

chains. A fully optimized logistics system without reserves and without redundancies is extremely prone to disruption.²⁷

Scenarios exist for the pandemic. The scenario of a worldwide pandemic similar to the Spanish flu in 1918, with an estimated 17–50 million deaths and 500 million confirmed cases, has for decades been seen as a potential trigger for a worldwide crisis.²⁸ The Spanish flu was the first pandemic caused by the H1N1 influenza virus, the second being swine flu in 2009. Even in broader communities, e.g., politics and leading companies, the latent problem of a pandemic has been discussed. The effects of a pandemic have been dealt with fictitiously in movies, such as in 2011's *'Contagion'*,²⁹ where the *Nipa* virus, a virus from Asia that causes meningitis, was used to build the storyline. In many ways, this film reminds us of what has happened in recent times: after a business trip to Hong Kong, one of the main characters in the movie becomes sick as a result of an unknown infection and later dies. The virus in the film shows symptoms of coughing and pneumonia, a virus which originally transferred from the bat to the pig and from there to human beings. This transfer from farm animals to humans is a narrow step in spreading the virus, which typically becomes more dangerous once it has crossed the boundary of a species. Scenarios of a pandemic of this size are also described in Garrett's 1996 text, *'The Coming Plague'*.³⁰

Origin of new health crises. Indeed, it is the handling and trade of wild animals that led to the SARS epidemic in 2002 (civet cat), the MERS epidemic in 2012 (camel), and now the SARS-CoV-2 (bat, pangolin). One problem is that a significant amount of this trade in wild animals is illegal. To illustrate the point, out of an annual turnover of EUR 48 billion annually, one-fourth of this is made up of illegal trading and, in Asia, this is often controlled by organized crime. Zoonoses have been known to be a danger for a very long time. Back in the 16th

²⁷ Schmude, "Economic disruption as a strategic accelerator: the increased importance of Strategic Alignment in the post-Covid-strategy." pp. 6-7.

²⁸ John M. Barry, *The Great Influenza: The Story of the Deadliest Pandemic in History* (New York: Penguin Books, 2009).

²⁹ Steven Soderbergh, *Contagion*, with the assistance of Matt Damon, Kate Winslet, and Jude Law (2011), www.scripts.com/script/contagion_5891#google_vignette.

³⁰ Laurie Garrett, *The Coming Plague: Newly Emerging Diseases in a World Out of Balance* (London: Penguin Books, 1996).

century, yellow fever was transferred by a special mosquito. Until the clearance of the rainforests, the disease only circulated among monkey populations. Today, however, the Zika (causing yellow fever) or Ebola viruses lead to diseases in these regions.³¹

Global issues and industry impact. Another development of global proportions besides the current health crisis is environmental challenges such as climate change and overpopulation. For companies, sustainability and an ecologically-clean footprint were almost irrelevant in the past. However, the current pandemic has shown that external factors can lead directly to disruptions, if not complete breakdowns, in all value chains. With profit maximization as the company's ultimate goal, this means a political or *anti-capitalist* correction factor is required to bring the companies into line. Unfortunately, it is absolutely certain that, without massive political intervention, the current crisis, or any potential future crises, cannot be solved. Even before any impact on industry was felt, questions arose about political consequences and changes. In political science, the question arose as to how the disruptive event of the pandemic would affect elections. A study based on the state elections 2020 in Bavaria, Germany, showed that the pandemic caused a kind of new Strategic Alignment effect. The concern and fear spreading among the population led to a unique effect that resulted in a convergence of political attitudes. In short, voters wanted continuity in government rather than change. The political science article cited here refers to a new Strategic Alignment effect, but this has little in common with the perspective taken in this dissertation.³²

Remote working is becoming the norm in many industries. After the pandemic, the office is may no longer be the place where eight hours of daily work is pursued, rather, it is likely take on a new meaning. Certainly, it will continue to be used for occasional meetings or special discussions, as well as for the indispensable work of administration and management. Overall, the office is changing from a place for work to a focal point for occasional or occasion-related meetings. In the hope that the market for commercial real estate would recover, a contractual clause with an "extend and pretend policy" was often agreed. With this approach, the borrower extends the terms of a loan unchanged if the value of the property has fallen. This

³¹ Wirtschaftswoche, "Stoppt Das Coronavirus Den Handel Mit Wildtieren?," *Wirtschaftswoche*, no. 9.4.2020 (2020).

³² Arndt Leininger and Max Schaub, "Strategic Alignment in Times of Crisis: Voting at the Dawn of a Global Pandemic," *Political Behavior*, no. 3 (2024), <https://doi.org/10.1007/s11109-023-09885-8>.

gives the borrower and the bank more time in the expectation that the market will improve. This approach works well for short-term and temporary disruptive events, but not for permanent and fundamental changes in the market, such as the fact that working from home means that fewer office buildings are needed. As a result, a crisis in the commercial real estate market, for example, only becomes visible to outsiders much later.

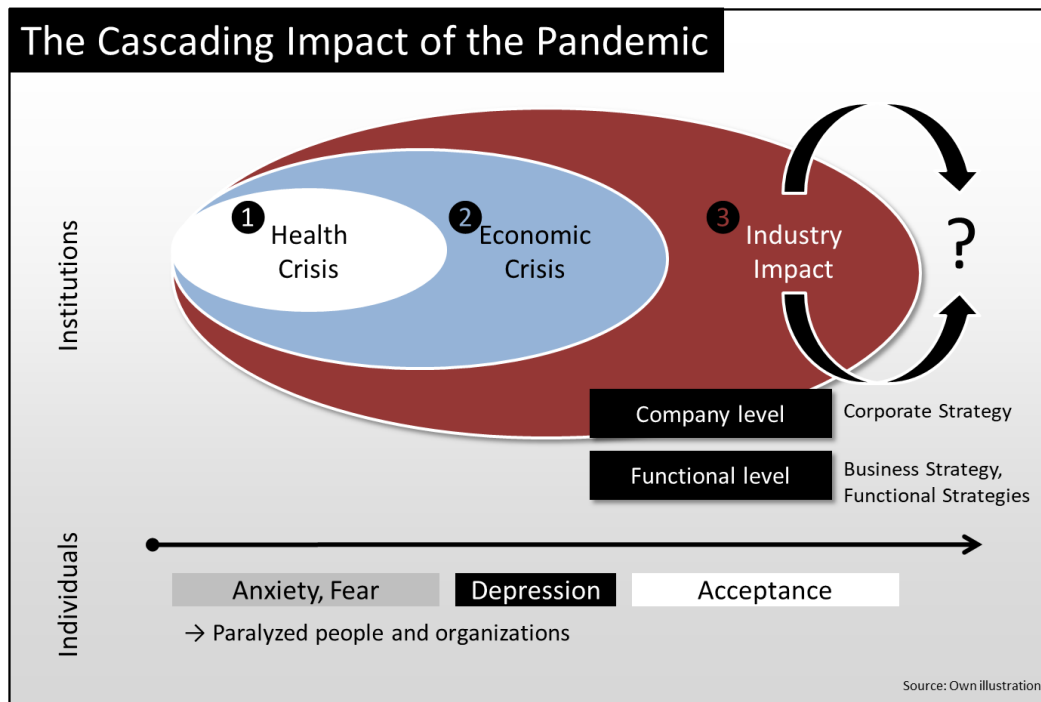


Figure 7
From health-crisis to impact on corporate strategy³³

The pandemic is not completely over. Returning to Covid-19, it is the viral infection that was the trigger that led to the health crisis ①, which then almost simultaneously gave rise to an economic crisis ② where companies found themselves constrained either by the numerous lockdowns or by other interruptions in the supply chain ③. As a basic comparison, the current situation is viewed as being the most dramatic event since the Second World War. Indeed, for the last 70 years, Europe and Germany have experienced relatively stable development and growth. However, over what is now almost two years, the media has bombarded us with new Covid-19 concerns, rules and regulations on a daily basis. In light of these developments, this

³³ Schmude, "Economic disruption as a strategic accelerator: the increased importance of Strategic Alignment in the post-Covid-strategy." p. 8. Own figure created as part of this dissertation project.

thesis attempts to show the linkage between the economic changes brought about by the coronavirus to the strategic implications for companies.³⁴

Tradition vs. new values. Values and perceptions of value are shifting rapidly. What is traditionally considered valuable, such as the craftsmanship of the cabinetmaker, is no longer valued and replaced by a mainstream taste as internationally known by IKEA furniture. It is similar in gastronomy: fast food instead of healthy and freshly cooked meals. The disruption caused by the pandemic has particularly affected gastronomy. The best restaurant in Germany for many years was the 'Schwarzwaldstube' in the Traube in Tonbach: a building that combines several Michelin-starred restaurants under one roof. Shortly before the outbreak of the pandemic, the house burned down and had to be rebuilt during the pandemic. It is very questionable whether it will be possible to build on old successes.³⁵ Another very well-known star chef and TV chef in Germany, *Alfons Schuhbeck* (71), had to file for insolvency for his catering businesses in July 2021. These are prominent examples that have also been portrayed by the media. The general death of inns in the countryside, where once every larger village had a pub or inn, is also evident. What is significant for strategic planning is that many old values are rapidly disappearing, with money no longer being spent on them. It seems as if every generation or even half a generation carries a new set of values.

Internal disruption triggered by the investor. Drastic events do not necessarily have to impact the company from the outside; they can also arise internally, as the topic of management buyouts (MBOs) shows. As the example of Nabisco and its LBO has shown, top management can also trigger something for personal reasons that have a self-destructive effect on the entire company.³⁶ In the 1980s, established traditions were deliberately broken by the new generation and the lifelong commitment—at least as concerns a significant number of the managers—no longer existed. *Ross Johnson*, as CEO of Nabisco, the 19th largest industrial company in the US, was a prototype of the **Business-Normades**, more a business popstar than a traditional

³⁴ Schmude, "Economic disruption as a strategic accelerator: the increased importance of Strategic Alignment in the post-Covid-strategy." p. 8.

³⁵ "Die Traube Tonbach: Comeback Für Einen Sternentempel?," Aired April 13, 2022, on SWR, www.youtube.com/watch?v=T-3ZFo0qZ4c.

³⁶ Bryan Burrough and John Helyar, *Die Nabisco-Story: Ein Unternehmen Wird Geplündert*, Ungekürzte Ausg, Ullstein-Buch (Frankfurt/M, Berlin: Ullstein, 1993). p. 17. First published in English: "Barbarians at the gate: The fall of RJR Nabisco" (1998 first edition; current edition: 2010, 20th edition).

Fortune 500 leader. His personal objective was to make money for himself and his closest friends within the company.³⁷ Initiating disruption was part of this management style, described as ‘**Noncompany Man**’ in contrast to the traditional ‘**Company Men**’.³⁸ Their personal agenda was against the corporate strategy of Nabisco. Nabisco was known for the cookie ‘Oreo’ — the bestselling cookie in the world.³⁹ In 1985, the company was dissolved, and only individual product brands have survived to this day, such as the above-mentioned cookie. Value creation was no longer associated with the production of goods or services but equated with the stock market value traded on the capital markets. This was the first major case of such a hostile takeover in the USA, which was processed not only as a bestseller but also as a TV movie. The working methods of financial investors thus became known to the general public. In the Nabisco transaction, KKR had a purchasing power greater than the gross national product of a country like Pakistan.⁴⁰ Since the 1980s, the influence of the private equity industry on the real economy has grown even further. Strategically external investors and raiders are a latent disruptive emergent factor for all larger companies.

Speculation with commodities can lead to global instability. One of the most far-reaching disruptive events can be disruptions in the supply of staple foods. Even if this is initially at the political level, the knock-on effects will also affect companies, for example, the food industry and the retail sector. The problem of crop failures and speculation in vital commodities, such as wheat, is a long-known and widely recognized problem: the award-winning documentary ‘September Wheat’⁴¹ had already shown the dependencies in wheat production in the USA to broad strata in the 1980s. Also, the permanently-related question of whether speculation in grain on commodity futures markets, such as the Chicago Board of Trade (CBoT) in particular, is a benefit to national economies or merely represents speculative profits at the expense of farmers and the population dependent on food. In the first half of 2022, due to the war in Ukraine, the price of wheat increased by 46%, soybeans and barley by 42%, and even

³⁷ Burrough and Helyar, *Die Nabisco-Story*. p. 60.

³⁸ Burrough and Helyar, *Die Nabisco-Story*. p. 25.

³⁹ Burrough and Helyar, *Die Nabisco-Story*. pp. 49–50.

⁴⁰ Burrough and Helyar, *Die Nabisco-Story*. p. 124.

⁴¹ Peter Krieg, writer, “Septemberweizen,” *Der Mensch stirbt nicht am Brot allein*. Aired October 17, 1980, on ZDF, www.bing.com/videos/search?q=septemberweizen+1980&&view=detail&mid=D0EF2C3588EDC4FB70E0D0EF2C3588EDC4FB70E0&&FORM=VRDGAR&ru=%2Fvideos%2Fsearch%3Fq%3Dseptemberweizen%2B1980%26FORM%3DHDRSC3.

corn, which is important for animal production, increased by 29%. At the same time, fertilizer production was endangered, also as a result of the drastic increase in the price of natural gas. Without the use of fertilizers, the yield of a field is reduced by about 3/4. The influence of speculation on the necessary hedging transactions in grain production is always strongly criticized, as well as the direct influence of political action. Increasingly, ETFs are investing in agricultural products as exchange-listed index funds, fueling demand.⁴² Speculation as a disruptive event is a possible cause of misalignment and the need to rethink strategy implementation.

Opposing trends. Another development driving the strategy is the so-called ‘**deglobalization**’: the pandemic and, subsequently, the disruptions in the synchronized global value chains have shown that central functions should not be located globally because this creates avoidable dependencies. Globalization has made Western countries dependent on their ‘extended workbench’, as China, India and other countries have often seen. These are avoidable dependencies compared to, for example, the natural dependency on raw materials such as oil, natural gas, or rare minerals.

A wide range of disruptive events. The pandemic, but also warlike conflicts, have shown since 2020 that stability has to be weighted, and that companies have to deal with increased new disruptive events. Climate change and natural events, e.g., volcanic eruptions, are so far removed from normal strategic planning that no one really goes through and plans for these events in scenarios. However, a look at history shows that entire peoples have been wiped out by drought. Among the Maya, there was a drought that lasted about 150 years, after which the Maya culture was eradicated. A combination of extremely rapid population growth due to initially very good harvests and later the inability to cope with persistent weather changes, except to increase blood sacrifices to the gods, were the conditions for this fatal development.⁴³

Focus on disruptive events. A recent study examines how companies align themselves in times of crisis. The current crises, especially the pandemic, have raised the question of how

⁴² Martin Gerth, Alexander Busch, and Frank Doll, “Die Mär Vom Hunger Und Den Spekulanten: Droht Eine Globale Lebensmittelkrise,” *Wirtschaftswoche*, no. 23 (2022). pp. 75–77.

⁴³ Douglas J. Kennett et al., “Development and Disintegration of Maya Political Systems in Response to Climate Change,” *Science (New York, N.Y.)* 338, no. 6108 (2012), <https://doi.org/10.1126/science.1226299>.

to optimize behavior in crisis situations. Decision-makers are unprepared and often make hasty decisions in a crisis. Crises are rare and extreme events that prevent a company from functioning normally. The four characteristics of these crises are: risky, urgent, disruptive, and surprising. Time is an important factor in decision-making and the actions of managers. Crisis research usually recommends quick action, although the study presented here also found situations in which hasty and rash action was far more damaging to the company than waiting. The study is based on start-ups in the US and UK. One conclusion is that, depending on the mindset of the decision-makers, some of the companies examined adapted much better to the crisis situation. For the researchers, this is a question of alignment.⁴⁴

CONCLUSION: The pandemic is not over, rather it has been overshadowed by new events such as international tensions and the Ukraine War. Disruptive events on a global level as well as on a regional or local level will always be a cause of disruption in strategy implementation and prevent a smooth Strategic Alignment. The pandemic is unintentionally influencing this research work. For this reason, the framework conditions for the present research must also be described in detail in the further work, because this exceptional situation is no longer or only partially understandable for a reader in the future.

1.1.4. Global Impact of the Ukraine War

Since February 2022, the Ukraine war has determined politics, the economy and also society in Europe. It is an event that can trigger profound lasting changes.

Outlook of the politicians. At the end of October 2022, German President *Frank-Walter Steinmeier* delivered a speech to the nation that envisions a time of constraints and shortages over the next 15 years. Since the 1960s, inexpensive natural gas has been the ever more important energy source both for private households and industry. In his speech, *Steinmeier* referenced the war in Ukraine as an epochal turning point. It came as a surprise to the public that

⁴⁴ Liliana Pérez-Nordtvedt, Kilho Shin, and Joohan Lee, "Effective Firm Alignment with SIGEL Crises: The Temporal Mindsets of Decision Makers," *Journal of Management Studies* 60, no. 6 (2023), <https://doi.org/10.1111/joms.12888>.

no member of the current government was present at this speech in the President's official residence, Bellevue Palace.⁴⁵

CONCLUSION: This conflict has quickly become an international issue. It snowballed as if diplomacy had failed and then escalation occurred. For research in the topic of strategy, this development has a direct impact because everyone in Europe is directly affected by it. In detail, this paper will not deal with this war, because there are still too few confirmed findings. Misalignments caused by wars and political crises are to be accepted by the individual company as an immutable fact and taken into account in strategic planning and its implementation.

1.2. RESEARCH OBJECTIVES AND DOMAIN OF INTEREST

Strategic Alignment ensures that an elaborated corporate strategy is also properly implemented. It therefore concerns not a new topic, but a problem that should be examined again and again. Each new situation also requires an adapted Strategic Alignment.

Misalignment is a central problem at the level of general management. A study published in 2023 with 500 employees from different levels of the company and from 12 different companies found that misalignment is very common. The study examined the participants' own assessment compared with a breakdown of their own strategy. On average, the strategic agreement is 82%, but the actual alignment is only 23% on average in the study.⁴⁶ The study concludes with three steps how executives can strengthen the alignment:

1. The corporate strategy must be focused on creating value for customers. This also includes prioritizing customers.
2. The corporate strategy must link up with the daily work of frontline employees.

⁴⁵ Frank-Walter Steinmeier, ""Alles stärken, was uns verbindet"" (Schloss Bellevue, October 28, 2022), accessed October 28, 2022.

⁴⁶ Vikas Mittal, Alessandro Piazza, and Ashwin Malshe, "Is Your Company as Strategically Aligned as You Think It Is? Strategy," *Harvard Business Review*, May 1, 2023; Digital Article, www.hbr.org. p. 2.

3. Corporate strategy should be implemented through dialog and not through top-down instructions.⁴⁷

Growing importance of the term Strategic Alignment. Strategic Alignment is repeatedly emphasized by academics and authors of management literature as one of the most important topics for management. Nevertheless, there are few publications and even fewer models or theories on this topic of strategy implementation or strategy fulfillment. The topic was particularly prominently represented by authors *Jonathan Trevor* and *Barry Varcoe* in a Harvard Business Review article in 2016. Both scholars emphasize that Strategic Alignment is one of the most important topics for management, especially top management. For them, Strategic Alignment is defined as follows:

"All elements of business - including the market strategy and the way the company itself is organized - are arranged in such a way as to best support the fulfillment of its long-term purpose."⁴⁸

It should be noted that the general description '**all elements of business**' is not defined in detail, but remains as a generic term.

Some 60 years of research in the field of business strategy. Research on Corporate Strategy and Business Strategy started in the 1960s with *Igor Ansoff*, who is considered the founder of US-style strategic management.⁴⁹ Prior to this, the historian *Chandler* used the corporate history of General Motors as a case study for his book, '*Strategy and Structures*'.⁵⁰ He used his connections to the Du Pont family to make further observations, and he later became one of the first influential consultants for McKinsey.⁵¹ As a petrochemical company, Du Pont

⁴⁷ Mittal, Piazza and Malshe, "Is Your Company as Strategically Aligned as You Think It Is?." pp. 3-6.

⁴⁸ Jonathan Trevor and Barry Varcoe, "A Simple Way to Test Your Company's Strategic Alignment: Strategy Execution," *Harvard Business Review*, May 16, 2016; Reprint. p. 2.

⁴⁹ Lawrence Freedman, *Strategy: A History*, 1. iss. as an Oxford Univ. Press paperback (Oxford: Oxford Univ. Press, 2015). p. XIV, pp. 499- 500

⁵⁰ A. D. Chandler, *Strategy and Structure: Chapters in the History of the Industrial Enterprise* (Cambridge, Mass.: MIT Press, 1962 (1975 printing)).

⁵¹ Thorsten Schmude, "Corporate Strategy in a Disruptive Economic Environment Foremost a Strategic Alignment Topic?," in *Pandémia – Fenntartható Gazdálkodás – Környezettudatosság*, ed. Csilla Obádovics, Richárd Resperger and Zsuzsanna Széles (Soproni Egyetem Kiadó, 2022). Publication as part of this dissertation.

was known for products such as nylon (textiles) and cellophane (food packaging), as well as coatings for the automotive industry. Du Pont with headquarters in Wilmington, Delaware. Tax legislation was tailor-made for the company. Today, Delaware is known as a tax haven for US companies.⁵² Of course, entrepreneurs like *John Davison Rockefeller*,⁵³ for example, had a *strategy*, just not a strategy in the formal and scientific sense that has emerged over the last 50 years.⁵⁴ Following *Ansoff*, strategic thinking was particularly in vogue for large enterprises over the next two decades. After the year 2000, strategic thinking began to be more influenced by traditional strategic thinking that had originated from politics and the military, with the term ‘business as war’⁵⁵ becoming especially popular.⁵⁶ Accordingly, these new interpretations brought the works of *Clausewitz* and his teacher *Scharnhorst* back into focus.⁵⁷

Grounded Theory requires its own methodology. The value of an approved strategy can only be achieved through full implementation.⁵⁸ This brings us to the subject of research for this study. In Grounded Theory, it is possible to work with a research question as it is known from other research methods.⁵⁹ Since this term has become generally established in science, it is also used here. The research question can be detailed and a section is defined on which the focus of the research lies.⁶⁰ In Grounded Theory, rather than using the word ‘research question’, it is the ‘main concern’ or **Domain of Interest (DoI)** that is referred to and is the interest or problem investigated in the grounded theory research project.⁶¹ This study on

⁵² Freedman, *Strategy*. p. 497.

⁵³ Ron Chernow, *John D. Rockefeller: Die Karriere Des Wirtschaftstitanen*, 1. Aufl. (Rosenheim: Börsenverlag, 2000).

⁵⁴ Freedman, *Strategy*. pp. 475-478.

⁵⁵ Schmude, “Corporate Strategy in a Disruptive Economic Environment Foremost A Strategic Alignment Topic?.” Excerpts from the content already published as part of this research project.

⁵⁶ Freedman, *Strategy*. p. 506, p. 511.

⁵⁷ Peter Paret, *Clausewitz in His Time: Essays in the Cultural and Intellectual History of Thinking About War*, 1st (New York: Berghahn Books, 2014).

⁵⁸ Eucman Lee and Phanish Puranam, “The Implementation Imperative: Why One Should Implement Even Imperfect Strategies Perfectly,” *Strategic Management Journal* 37, no. 12 (2016), <https://doi.org/10.1002/smj.2414>.

⁵⁹ Schmude, “Economic disruption as a strategic accelerator: the increased importance of Strategic Alignment in the post-Covid-strategy.” Excerpts from this have already been published in advance.

⁶⁰ Juliet M. Corbin and Anselm L. Strauss, *Basics of Qualitative Research: Techniques and Procedures for Developing Grounded Theory / Juliet Corbin, International Institute for Qualitative Methodology, Anselm Strauss*, Fourth edition (Los Angeles: Sage, 2015). pp. 34-35.

⁶¹ Isabelle Walsh, Judith Holton and Gaetan Mourman, *Conducting Classic Grounded Theory: For Business and Management Students*, 1st edition, Mastering business research methods (Thousand Oaks CA: SAGE Publications, 2020).

strategic alignment is deliberately broad in scope. Only when the dimensions of the topic have been narrowed down can the research on strategic alignment go into greater depth.⁶²

Starting point for research. Initially, the focus in this thesis was exclusively on German companies, but this preselection was too narrow, so companies and participants from other countries could be integrated into the study, e.g., Austria, Switzerland and the U.S. This procedure is permissible and even desirable when sampling according to Grounded Theory, because it opens up the researcher's perspective increasingly and continues until the self-chosen **criterion of theoretical saturation** is reached. By using **theoretical sampling**, Grounded Theory makes it possible to adjust the selection of participants as far as this is possible within the research time.⁶³

Table 1
Domain of Interest

Research Aspect	Specification for this Research Project
Domain of Interest⁶⁴	Identifying the appropriate methods and processes to optimize the Strategic Alignment of a company in times of uncertainty can be a major asset to future corporate performance. The prerequisite for this is a definition of terms and a meaningful thematic limitation.
Core Question	How can Strategic Alignment as the main function within strategy implementation be linked to economic changes and disruption?
Sub-Questions	Q 1: What alignment methods and instruments appear to be fundamentally suitable, currently and in the future, for aligning an organization's alignment (structures, processes, systems, cultures and people) with the organization's strategy? Q 2:

⁶² Schmude, "Economic disruption as a strategic accelerator: the increased importance of Strategic Alignment in the post-Covid-strategy." Excerpts from this have already been published in advance.

⁶³ Schmude, "Corporate Strategy in a Disruptive Economic Environment Foremost A Strategic Alignment Topic?." Excerpts from this have already been published in advance.

⁶⁴ A term outside of Grounded Theory is: Research Problem.

	Which of these alignment methods and tools continue to appear appropriate in the context of a rapidly changing environment? Q 3: How can the transformation of the organization or the company be improved through Strategic Alignment?

Advantage of the DoI over a classic research question. The **Domain of Interest** is very practically-oriented and requires an applied research approach.⁶⁵ Instead of formulating research questions, according to Grounded Theory it is sufficient to delineate the **research field** in terms of the Domain of Interest. For this reason, the formulation of a Domain of Interest is particularly useful for research on strategic issues. If the research field has not been worked on much yet, only the research field can be marked out, which corresponds to the concept of the Domain of Interest. No Domain of Interest has yet been identified in the research expose, which is why both approaches are listed and compared here.⁶⁶

Status quo in Strategic Alignment as DoI. Strategic Alignment concerns ensuring that **strategic decisions are rolled-out thoroughly** and that the organization and **all activities** within the organization **are in line with the corporate strategy**. Other words for alignment are **coordination** or **harmonization**. Strategy implementation and strategic action-taking are elements of the Strategic Alignment approach. The overall commitment to the corporate strategy by management and employees to the strategy is required. Building this commitment is more than just effectively communicating the strategy. It is a coordination process to link the activities and the continuous decision-making to the strategic path. The dilution of strategy execution by internal and external factors can result in the loss of market shares and future opportunities. The strategy execution has to be redirected and constantly aligned or realigned with the given strategy.

⁶⁵ Nicola Döring et al., *Forschungsmethoden Und Evaluation in Den Sozial- Und Humanwissenschaften*, Fifth edition, Springer-Lehrbuch (Berlin, Heidelberg: Springer, 2015).

⁶⁶ Schmude, "Corporate Strategy in a Disruptive Economic Environment Foremost A Strategic Alignment Topic?." Excerpts from this have already been published in advance.

Basic research must be carried out before a quantitative analysis. In quantitative research, it is the testing of existing theories that is the focus. The number of factors or dimensions which can be observed is limited to one or a small number. The reality is multi- or x-dimensional. If no applicable model is available, the influential factors and dimensions can be defined. This is the point where qualitative and explorative research methods come into play. Quantitative research requires a model that can be tested and validated. Such a model does not exist for the strategic alignment of corporate strategy.

Grounded Theory has been developing for about 40 years. Grounded Theory is a human cognitive practice following *Kant* and *Popper*.⁶⁷ The **special methodological language** legitimizes Grounded Theory for qualitative research.⁶⁸ The particular benefit of Grounded Theory is an establishing procedure with its own terminology that can be adapted by researchers to the **individual research design**. Understandably, the philosophical foundations do not offer pragmatic tools or a research process.

Clarification of two key terms. The subject of this research is the current state in the topic of 'Strategic Alignment'. The term includes strategy, which is not clearly defined even in business. In order to delimit the subject, a distinction will be made here between the term 'Strategy' and 'Strategic Alignment'. It is a workshop sketch and does not claim to be complete. The following table provides a synopsis and brief summary of the researcher's understanding of the term.

Table 2
Differentiators between strategy and Strategic Alignment

	Strategy	Strategic Alignment
Assignment to the process	Strategy development.	Strategy implementation.
Colloquial	The way.	The realization.
Explanatory note	When people talk about the need for a strategy, they are ask-	Alignment should ensure that actions are taken in line with the strategy at all levels of the company.

⁶⁷ Jan Kruse, *Qualitative Interviewforschung: Ein Integrativer Ansatz*, 2., überarbeitete und ergänzte Aufl., Grundlagentexte Methoden (Weinheim: Beltz Juventa, 2015). p. 96.

⁶⁸ Kruse, *Qualitative Interviewforschung*. p. 95.

	ing for a plan and for a procedure that is comprehensible to third parties.	
Type of performance	Individual performance → Only a small circle of people, usually around the CEO, is involved in strategy development. A quasi-democratic participation of everyone in strategy development is seen in the bottom-up planning process, which does not deliver strategies, but facts, information and analyses for the actual strategy work.	Collective performance → The entire company, including the most important stakeholders, must support the implementation of the strategy.
Time dimension	Project-oriented.	Continuous task.
Visualization	The individual strategy can be represented as a strategy vector , in total, on a strategy map.	Alignment chart, Roadmapping.

Corporate Strategy is a part of a whole strategy system. Generally speaking, Strategic Alignment is about corporate strategy, which must stand with the active actions and inactions of the organization. It should be noted here that the term corporate strategy is a superordinate term. The corporate strategy can be broken down into **business strategies** and **sub-strategies**, for example, a sales strategy, a marketing strategy, a human resources strategy, a risk strategy, and other strategies required depending on the situation. There are different views on which of the sub-strategies has higher priority. The priority of individual strategies can vary depending on the situation in the company: in a start-up company (start-up strategy), other strategy components are important than would be the case in a turnaround company (turnaround strategy). For instance, the sales strategy is often generally placed at the top because the entire value chain depends on it. In the case of a corporate restructuring, however, the financial strategy or the financing strategy for debt settlement may be more important than acquiring new orders and winning new customers. This shows that a generalization is hardly possible here and that prioritization should be made on a case-by-case basis. **The sub-strategies must also fit in and be aligned.** Since individual strategies must fit together to form a consistent strategy

building—otherwise a mistake will have already been made during strategy development—it is generally sufficient to talk here about the corporate strategy as a whole.

The timeliness and relevance of the Strategic Alignment topic. This is also reflected in the Strategic Management Society's annual conference 2023, which has chosen 'Aligning Strategy, Corporate Governance, and Resource Allocation in Turbulent Environments,' as its overarching theme for the conference to be held in Toronto from September 30 to October 3.⁶⁹ In many announced lectures and discussions, however, this motto is not given any special emphasis.

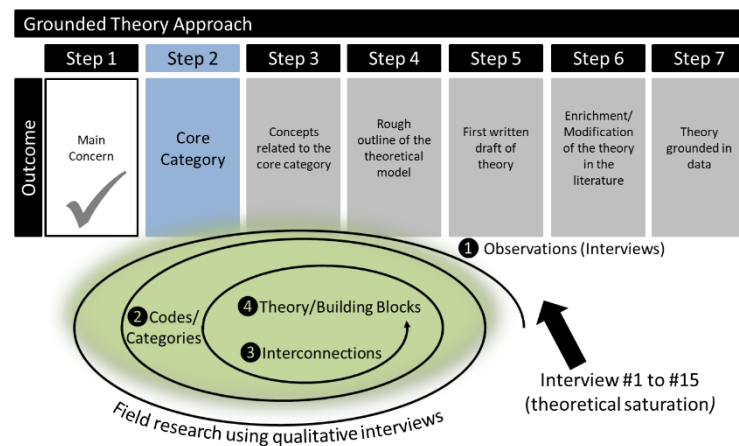
CONCLUSION: The DoI from this research project is clearly focused on strategy implementation, especially Strategic Alignment. So far, there is no generally accepted definition for Strategic Alignment. The researcher's prior knowledge and prior understanding of the content has already been outlined in the paper. However, Grounded Theory is the appropriate research approach for strategic research in a time of great uncertainty. The present work is a fundamental study that can lead to a theory or a model formation, but could also remain at a position determination due to the complexity of the Domain of Interest.

⁶⁹ "SMS 43rd Annual Conference Toronto: Sept 30 - Oct 3, 2023," accessed September 26, 2023, www.strategicmanagement.net/conferences-events/annual-conference-2023/.

2. EXPLAINING THE RESEARCH ISSUE

This chapter is about the research topic or central category in further research. This research topic is Strategic Alignment, although the term is not clearly defined and thus the research must first approach an understanding of Strategic Alignment. The preconceptions and knowledge about

the research topic that existed before the research is presented here. In principle, it is possible to start qualitative research based on Grounded Theory completely without prior knowledge and without a literature search.



2.1. QUALITATIVE RESEARCH BASED ON GTM

Literature work is optional at the beginning of a research project based on Grounded Theory. The research work traditionally starts with a review of the relevant literature for the research area. In the research approach according to Grounded Theory, this can be completely dispensed with. It is a decision of the researcher and a familiarization with the subject matter whether and to what extent published literature sources are used even before the actual data collection. The work with the literature can range from a selective reading into the topic, to a systematic **literature review** that is as complete as possible. The newly developed **literature synthesis** is of particular importance for the later derivation of a model according to the Grounded Theory.⁷⁰ Here, to narrow down the topic and to refer back to the same basic understanding regarding Strategic Alignment, we start with the literature regarding models and concepts of Strategic Alignment. The evaluation of examples and case studies on the topic will

⁷⁰ Ana Paula Cardoso Ermel et al., *Literature Reviews*, 1st ed. (Springer International Publishing, 2021). p 60.

only be presented following the presentation of the research results and is intended to enrich them with additional facts and insights.⁷¹

2.1.1. Literature as a Secondary Source for Theory Building

Literature synthesis as a building block for theory building. In Grounded Theory, the research goal is always to design a theory. Between the two basic variants of literature synthesis: **1. configurative synthesis** and **2. aggregative synthesis**, the first variant is to be preferred when research is qualitative and the goal is theory or model building.⁷² Configurative analysis also involves abstracting real-world examples and cases to be used as codes or categories in Grounded Theory. Not every case can be analyzed via a primary survey and through the interviews, so literature and documented examples and content can be used here. As a reminder, Grounded Theory is also understood as a systematic process of abstraction.⁷³ The literature review can be found in two places in the dissertation: first, at the beginning, to provide a basic understanding of qualitative research (→ 1.1 Current Status of Strategy Implementation, cf. page 29), and then following the evaluation of the interviews (→ 4.6 Secondary and additional Research on Strategic Alignment, cf. page 320).

Diverse literature sources are encouraged in Grounded Theory. According to *Corbin* and *Strauss*, **technical literature** and **non-technical literature** can be distinguished. Technical literature includes theoretical papers professional and literature sources belonging to the own scientific discipline. These can stimulate comparisons, generate new analytical questions, and also confirm existing results. Non-technical literature includes newspapers, non-scientific journals, client files, personal records, and correspondence (letters and e-mails). These are also primary sources for research. These sources can enrich existing content and add observations that would otherwise be impossible to collect.⁷⁴

Grounded Theory demands primary sources. The late integration of literature and other theories, as well as complementary or contradictory models, is a central principle in the research according to Grounded Theory. This prevents any kind of ‘forcing’ towards a given

⁷¹ Schmude, “Corporate Strategy in a Disruptive Economic Environment Foremost A Strategic Alignment Topic?.” Some content published in advance by the author in a conference presentation.

⁷² Ermel et al., *Literature Reviews*. pp. 60-67.

⁷³ Ermel et al., *Literature Reviews*. p. 72.

⁷⁴ Corbin and Strauss, *Basics of qualitative research*. pp. 49-52.

direction from literature, named **conceptual pollution**, with a barrier to emergence.⁷⁵ Grounded Theory works as a kind of **greenfield thinking**, ignoring the existence of other schools of thought. This allows for more creativity and fresh thinking about the research subject. After data gathering in **iterative stages** in combination with the analysis of ‘**open coding**’ and ‘**selective coding**,’ the literature is reviewed and integrated into the Grounded Theory research process. Open coding is also referred to as **microanalysis** in Grounded Theory.⁷⁶ At this point in the thesis, only an initial look at the existing literature and also gaps in the research is provided, which will be helpful to the reader at this point⁷⁷ (→ 2.2 Selected Theories of Strategic Alignment, cf. page 74).

The researcher’s view in qualitative research. In Grounded Theory, the scientist’s gaze should wander back and forth between the new findings and the survey on the one hand and the already-established findings on the other. This **change in perspective** has been a component of Grounded Theory from the beginning but has not been clearly defined to this day and is left in part to the researcher’s research design. In short, this is the iterative approach. The view goes once ahead to the still pending research work and also back to already researched contents of the own project as well as of other researchers in the same topic. In general terms, it means that the existing knowledge in the form of scientific literature is also tapped along the research process and not before the actual research work, as is usually the case (→ 5.3 Self-Reflection and Critical Appreciation, cf. page 440).

Theories with different scopes. The research objective according to Grounded Theory is to generate knowledge in the research domain. In this research project in the field of Strategic Alignment by collecting and analyzing data. The knowledge is based on the understanding of the **phenomenon of Strategic Alignment** and should lead to theoretical considerations or, in the ideal case, to theory. Theory building in business research is closely linked to the current situation, and the way business is performed these days. Theories in business are mostly **middle-range theories** and not **grand theories** as known from other sciences, foremost natural

⁷⁵ Walsh, Holton and Mourman, *Conducting classic grounded theory*.

⁷⁶ Corbin and Strauss, *Basics of qualitative research*. p. 70.

⁷⁷ Schmude, “Economic disruption as a strategic accelerator: the increased importance of Strategic Alignment in the post-Covid-strategy.” Some content has been published in advance in a special publication by the University of Sopron (Hungary).

sciences.⁷⁸ The researcher and the methods used are linked; the methods are not neutral tools, but they are linked to the way we envisage social reality and how it should be examined.⁷⁹

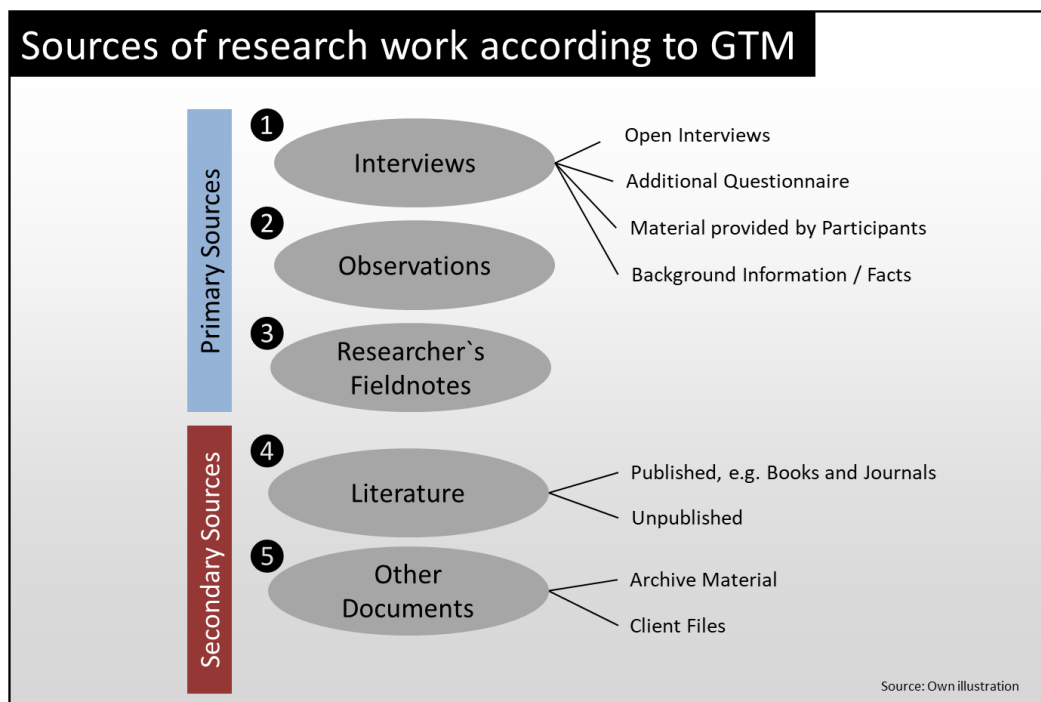


Figure 8

Input into the research process according to GTM⁸⁰

Qualitative scientific research according to the Grounded Theory methodology. The most important input for the present research are qualitative interviews ① as the primary source. Observations by the researcher should complement the pure interviews and enrich them with further knowledge and background ②. Notes and recordings by the researcher, e.g. during or after the interviews, as well as during preliminary discussions, are helpful ③. The secondary sources are the generally available literature ④, as well as other documents ⑤, e.g. client files, concepts and all legitimate documents that enrich the research.

Traditional studies with hypotheses. Let's look back at early scientific studies on business administration. In organizational research, the Hawthorne studies at Western Electric Company (1927–1932) are a historical example of how deductive research can generate knowledge and produce unexpected findings. The problem is that business researchers often

⁷⁸ Emma Bell, Alan Bryman and Bill Harley, *Business Research Methods*, Fifth edition (Oxford: Oxford University Press, 2019). p. 19.

⁷⁹ Ibid. p. 18.

⁸⁰ Source: Own illustration, Schmude (2020).

rewrite their hypotheses after having collected the data because the data does not fit. This disadvantage of the **deductive research** approach leads to observation-driven research in the inductive research logic. The idea is **that observations and findings** result in one theory. In this case, research is an inductive methodology involving qualitative data and often takes a Grounded Theory approach.⁸¹ To overcome the disadvantages and weaknesses of both pure opposite methods, the **abductive research** strategy has therefore become popular in business research in recent years. Abductive reasoning is related to hermeneutics (the study of interpretation) and the 'hermeneutic circle', a continuous dialog between data and the researcher's preunderstandings.

Roots of Grounded Theory. The philosopher *Charles Peirce* (1839–1914), a leading representative of **American pragmatism**, proposed **abductive logic** as a third way. In his understanding, the ability of a researcher to think rationally is limited. Therefore, for theory building, the cognitive reasoning in the mind of the researcher is of an underestimated relevance.⁸² In particular, Dewey's approach has influenced Grounded Theory in terms of a pragmatic orientation. *Pragma* from ancient Greek means action. Thus, it is about gaining insights that are relevant to life practice. Thus, any gain of knowledge must also always remain tied to social reality. In short, pragmatism places action above thought.⁸³

The idea of emergence. The notion of the early days of Grounded Theory that **a theory emerges as if by itself from the data** on coding and is thus '**emergent**' can be seen as inconclusive today. *Anselm* and *Strauss* assumed that concepts emerge from the material when the researcher approaches the field of investigation without presuppositions as far as possible.⁸⁴ Pragmatism, on the other hand, assumes that there is no neutral point of observation, which means that the model of emergence must be considered inconclusive in this pure form.⁸⁵ It is even more clearly stated in a recent research manual on Grounded Theory, here the position

⁸¹ Ibid. p. 23.

⁸² Ibid. p. 24.

⁸³ Claudia Equit and Christoph Hohage, eds., *Handbuch Grounded Theory: Von der Methodologie zur Forschungspraxis* (Weinheim, Basel: Beltz Juventa, 2016). p. 15.

⁸⁴ Corbin and Strauss, *Basics of qualitative research*. p. 18

⁸⁵ Equit and Hohage, *Handbuch Grounded Theory*. p. 17.

of emergence is described as a naive empiricism that can be considered obsolete, at least since *Kant's 'Critique of Pure Reason' (1781)*.⁸⁶

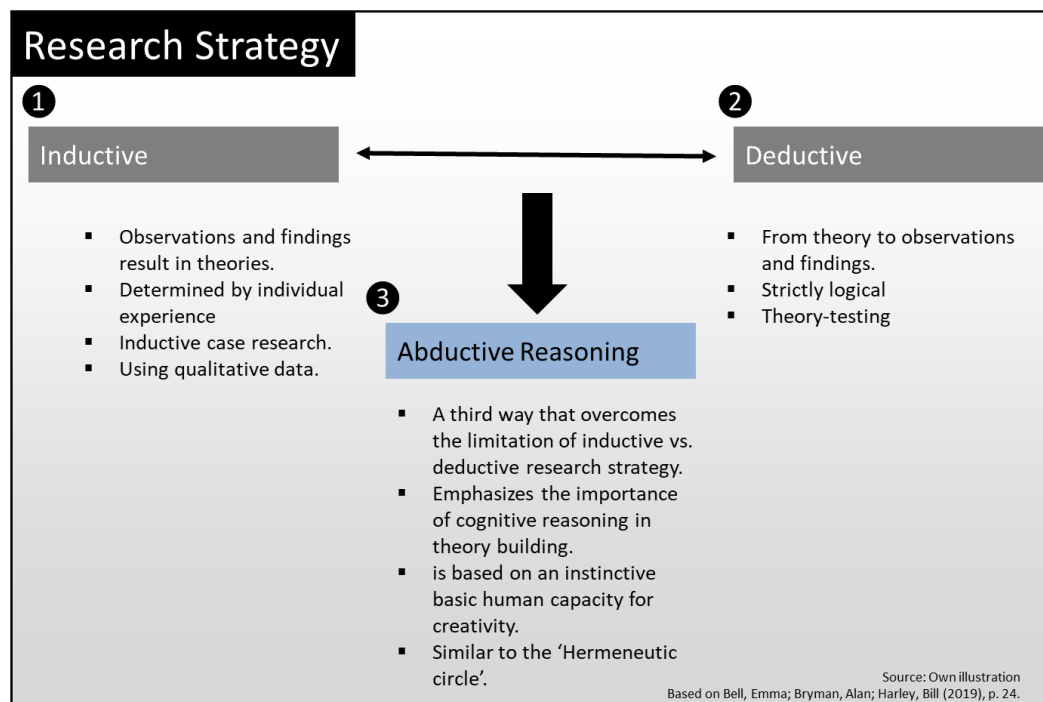


Figure 9

Inductive versus deductive research strategy⁸⁷

Basic research strategies for business research. Basically, the inductive **1** and the deductive approach **2** are distinguished as research strategy. As a kind of third way with the focus on the new development of ideas and theories there is the **abductive reasoning 3**.⁸⁸ For this research project, an inductive research approach with qualitative interviews has been used since the development of the research plan. If abductive reasoning is accepted as a third way, then Grounded Theory and the interactive approach would have to be regarded as abductive reasoning. The permissibility of using all forms of data and observations in research projects according to Grounded Theory is also an indication of the abductive reasoning approach.

The chosen research method determines the research process and thus also the project-specific research design. Grounded Theory can be reduced to three fundamental steps in the research process:

⁸⁶ Ibid.

⁸⁷ Source: Own Illustration, Schmude (2020) based on Bell, Emma; Bryman, Alan; Harley, Bill; (2019), p.24.

⁸⁸ Bell, Bryman and Harley, *Business research methods*. p. 24.

1. collecting data,
2. coding/encoding the raw data, and
3. developing theory.⁸⁹

The questionnaire as preparation. The current situation in which we find ourselves can also be seen as stimulating because, as a result of global disruption, new opportunities for companies are emerging. Therefore, it is important to examine the implementation of new strategies and systematic Strategic Alignment that reflect the new reality in a scientific study. For this study, the main data sources are open interviews with experts in the field of strategy and strategy implementation. The approach of **theoretical sampling** provides a guide through the process of relevant interview partner selection. The usual scientific interview techniques, which are often also used outside of science, for example, in consulting, are applied here.⁹⁰ The first draft of a questionnaire for a ‘*Strategic Alignment Survey*’ (SAS) was developed just before the outbreak of the pandemic. It was hoped that the responses from these interviews would deliver further insights and different perspectives. However, given the current stage in the pandemic, this meant the relevant managerial levels were burdened by more day-by-day decisions and were hence not available to take part in the interviews.⁹¹

Input and Sources of corporate strategy. The corporate strategy is the starting point for the entire business planning and budgeting processes. The first step in building a strategy is the analysis of the market and its customers, as well as existing and potential competitors. However, where there is a substantial disruption, much of this data becomes obsolete.⁹²

Historical examples and cases. The second source for strategy planning is to study patterns from the past combined with theories, models, and practical approaches. Learning from

⁸⁹ Corbin and Strauss, *Basics of qualitative research*. p. 7.

⁹⁰ Robert Kaiser, *Qualitative Experteninterviews* (Springer Fachmedien Wiesbaden, 2014).

⁹¹ Schmude, “Corporate Strategy in a Disruptive Economic Environment Foremost A Strategic Alignment Topic?.” Contents published in advance in parts as part of the publication obligations of this PhD program.

⁹² Schmude, “Corporate Strategy in a Disruptive Economic Environment Foremost A Strategic Alignment Topic?.” Contents published in advance in parts as part of the publication obligations of this PhD program.

the past and drawing conclusions, and building models from these analyses is the main approach in strategic scholarship.⁹³ This scientific approach is often referred to as *'history to theory'*.⁹⁴

2.1.2. Definitions Available for Strategic Alignment

Lack of definition of Strategic Alignment. There is no general definition for the term 'strategy',⁹⁵ nor has there to date been a generally binding definition for 'Strategic Alignment.' In the article, *'How aligned is your organization?'*, a sort of working definition is given:

'the value chain has to be aligned with the five following components: 'Enterprise purpose', 'Business strategy', 'Organizational capability', 'Resource architecture' and 'Management systems'.⁹⁶

Furthermore, a requirement is formulated for the actual strategy because this should be **flexible** and **adjustable**. If there is no binding definition for strategic alignment, the foundations for the formulation of such a definition must be developed in research.⁹⁷

The measuring of Strategic Alignment shown as a matrix. The development of an alignment model can be traced over several publications by the authors *Jonathan Trevor* and *Barry Varcoe*. In 2016, they present a kind of short assessment for Strategic Alignment that consists of only two questions. These questions are to be answered by a manager or an employee for the entire company or his area.

1. How well does your business strategy support the fulfillment of your company's purpose?

⁹³ Schmude, "Corporate Strategy in a Disruptive Economic Environment Foremost A Strategic Alignment Topic?." Contents published in advance in parts as part of the publication obligations of this PhD program.

⁹⁴ Nicholas S. Argyres et al., "History - informed Strategy Research: The Promise of History and Historical Research Methods in Advancing Strategy Scholarship," *Strategic Management Journal* 41, no. 3 (2020), <https://doi.org/10.1002/smj.3118>.

⁹⁵ Freedman, *Strategy*.

⁹⁶ Jonathan Trevor and Varcoe Barry, "How Aligned Is Your Organization?," *Harvard Business Review* February (2017), accessed October 31, 2022, www.hbr.org/2017/02/how-aligned-is-your-organization.

⁹⁷ Schmude, "Corporate Strategy in a Disruptive Economic Environment Foremost A Strategic Alignment Topic?." Contents published in advance in parts as part of the publication obligations of this PhD program.

2. How well does your organization support the achievement of your business strategy?⁹⁸

In each case, an assessment is to be made on a scale of 1 to 100, i.e. in percent. The second question uses the term "organization", which is intended to cover all the **company's capabilities** and **resources**, including human resources and management capabilities. An important observation is that in order to sustain Strategic Alignment over time it is important that the people in the organization, the culture, the structure and the business processes are flexible and adapt when a change in strategy is made. So in short, a good and fast alignment requires a highly flexible and dynamic enterprise.

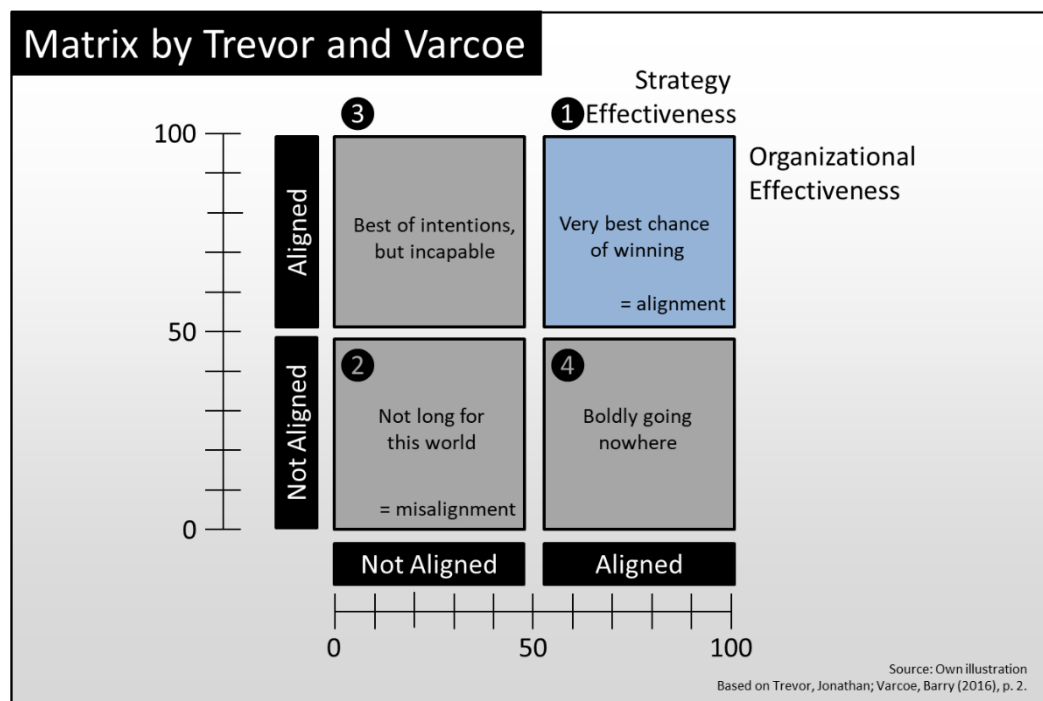


Figure 10
Strategic Alignment Matrix⁹⁹

The matrix as a form of representation for Strategic Alignment. *Trevor* and *Varcoe* propose a matrix and fill in the boxes with examples of their own choosing. Field "Very best chance of winning" is the case for a good Strategic Alignment ① and proves a high organizational effectiveness and a high strategic effectiveness. The division into the four fields forces a clear

⁹⁸ Trevor and Varcoe, "A Simple Way to Test Your Company's Strategic Alignment." p. 3.

⁹⁹ Source: Own illustration, Schmude (2020) based on Trevor, Jonathan; Varcoe, Barry (2016), p. 2.

assessment for both questions: above 50 points there is a positive alignment ③ and below that there is no Strategic Alignment ② and ④.

Table 3

Examples and cases by *Trevor* and *Varcoe* (2016)¹⁰⁰

Matrix field	Example	Additional Information
Very best chance of winning	ARM	Technological innovation in the microprocessor market.
Best of intentions, but incapable	Barclays	Critics about the culture, governance and risk attitude.
Boldly going nowhere	Kodak	No transition to the digital world.
Not long for this world	Royal Bank of Scotland (RBS)	No strategic priorities, continuous crisis, the former CEO Fred Goodwin was largely opportunistic and involved in aggressive plays. The company was known for not having a strategy and publicly representing it as such.

Views on Strategic Alignment. In the book, ‘A leadership blueprint for aligning enterprise purpose, strategy, and organization’, *Trevor* formulates the following five alignment perspectives¹⁰¹:

1. Enterprise purpose
2. Business strategy
3. Organizational capability
4. Organizational architecture
5. Management Systems¹⁰²

¹⁰⁰ Trevor and Varcoe, “A Simple Way to Test Your Company's Strategic Alignment.” pp. 4-6.

¹⁰¹ Schmude, “Economic disruption as a strategic accelerator: the increased importance of Strategic Alignment in the post-Covid-strategy.” Partially used in our own preliminary publication.

¹⁰² Ibid. p. 22.

Related terminology for Strategic Alignment. The corporate purpose, which should be reflected in the strategy, is highlighted here. Also, we do not speak of corporate strategy but of business strategy, which is commonly understood to be a sub-strategy. *Trevor* uses the words **Strategic Alignment** and **Strategic fit** interchangeably.¹⁰³ The goal is a strategically aligned company (enterprise) that is committed to its stakeholders. The owners are assumed to be the most important stakeholder group. This means that *Strategic Alignment* = *Stakeholder Alignment* (especially Shareholder Alignment) could also be abbreviated.¹⁰⁴

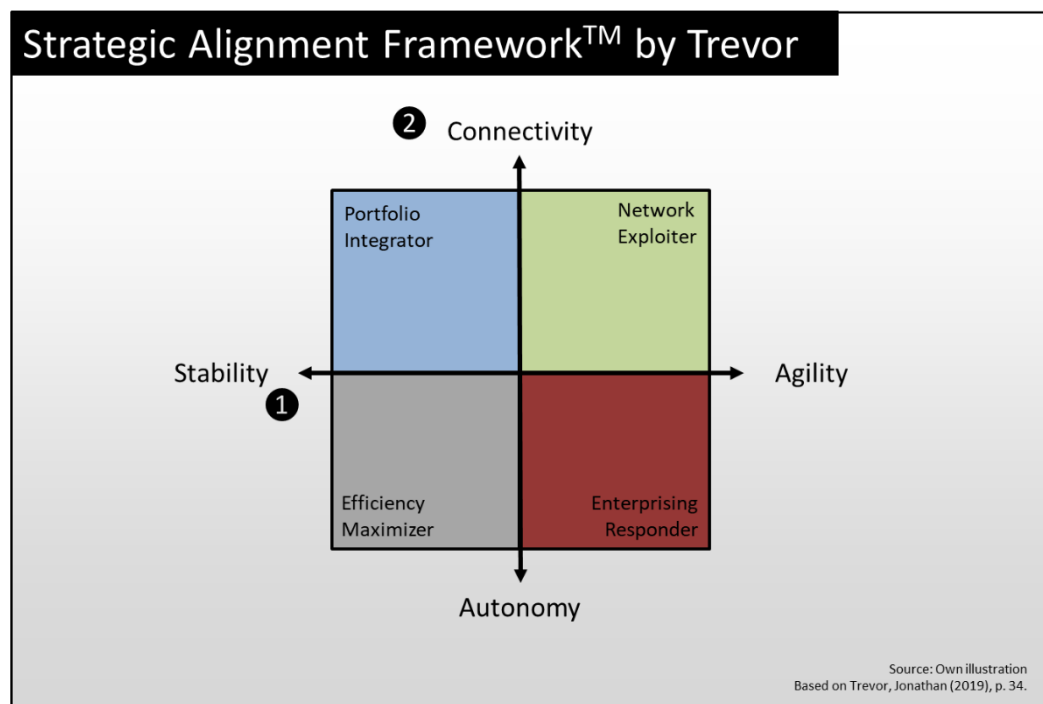


Figure 11

Strategic Alignment Framework according to *Jonathan Trevor* (2019)¹⁰⁵

Strategic Alignment Framework™. According to *Trevor*, all companies can be treated the same in terms of strategic planning: he puts it that every company is (not has or consists of) a value chain.¹⁰⁶ He goes on to say that, even regardless of company size, location and industry/sector, there are no differences in strategic planning and Strategic Alignment. After this basic statement, *Trevor* concludes that his **Strategic Alignment Framework™** (SAF) is applicable to all companies or enterprises.¹⁰⁷ This framework is based on a 2x2 fields matrix with

¹⁰³ Ibid. p. 19.

¹⁰⁴ Ibid. p. 5.

¹⁰⁵ Source: Own illustration, Schmude (2020) based on Trevor, Jonathan (2019), p. 34.

¹⁰⁶ Trevor, *Align*. p. 22.

¹⁰⁷ Trevor, *Align*. pp. 33–35.

the X-axis with Organizational Stability vs. Organizational Agility ❶ and the Y-axis with Organizational Connectivity vs. Organizational Autonomy ❷.¹⁰⁸ The positioning of the company in the matrix should then be improved with four basic strategies:

- Efficiency Maximizer
- Enterprise Responder
- Portfolio Integrator
- Network Exploiter¹⁰⁹

Designation and contents are often not identical. SAF reduces Strategic Alignment to organizational alignment. The consideration that organizational alignment is only one aspect of Strategic Alignment is not discussed. According to this framework, it would only be a question of organizational alignment and thus follows a change management approach.

From Strategic Alignment to Strategic Realignment. A book published during the writing of this dissertation is by Trevor 'ReAlign' (2022). The book is a revised and updated edition of the 2019 book "Align: A Leadership Blueprint for Aligning Enterprise Purpose, Strategy and Organization".¹¹⁰ The book was written in the wake of the global Covid-19 pandemic, when it became clear that this disruptive event would have a lasting impact on the economy. The author compares alignment with fitness and a company that is able to adapt dynamically and flexibly to external influences (realignment) has clear advantages in competition and survival in a competitive business environment.¹¹¹ His **definition of strategic Realignment** is:

"Adapt to the changing business environment and overcome disruption by realigning your enterprise [...]"¹¹²

¹⁰⁸ Trevor, *Align*. pp. 39–40.

¹⁰⁹ Trevor, *Align*. p. 41.

¹¹⁰ Jonathan Trevor, *Re:Align: A Leadership Blueprint for Overcoming Disruption and Improving Performance* (London, New York: Bloomsbury Business, 2022). p. 10.

¹¹¹ Trevor, *Re:Align*. p. 15.

¹¹² Trevor, *Re:Align*. p. 17.

The second chapter of the book is dedicated exclusively to the topic of realignment. In the case of disruptive events, a distinction is made between external disruptive events and 'self-disruption'. External events are inflation, pandemics, wars, etc., whereas self-disruption events are usually due to corporate misconduct.¹¹³

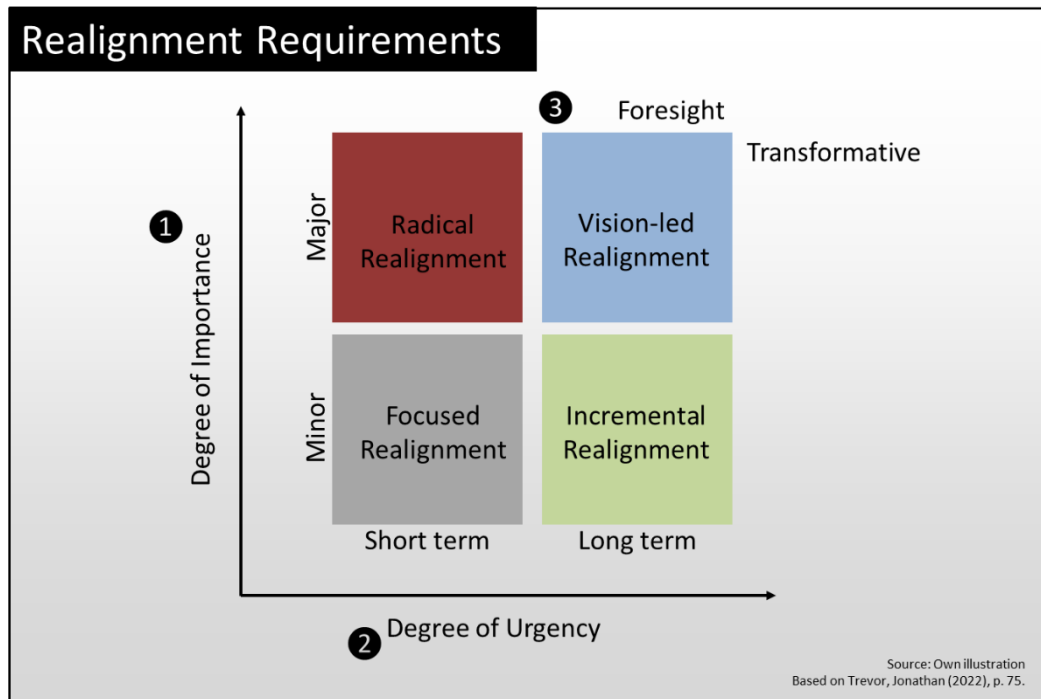


Figure 12

Requirements for strategic realignment according to Trevor¹¹⁴

Realignment as a special requirement in disruptive times. Trevor distinguishes four groups of realignment requirements according to importance ① and urgency ②. In the case of a large and high-impact event, e.g. a pandemic, the ideal case would be "vision-led realignment" ③. In this case, a forward-looking and transformative change is brought about for the entire company at all relevant levels and in all areas of the company involved. This is something like a forward-looking evolution of the company.

2.1.3. Other Sources for Research on Strategic Alignment

Management trends. The management literature, but also the entire business administration, is prone to buzzwords. Whether Strategic Alignment can be seen as a key word is viewed in

¹¹³ Trevor, *Re:Align*. pp. 56-60.

¹¹⁴ Source: Own Illustration, Schmude (2024) based on Trevor, Jonathan (2022), p. 75.

different ways: on the one hand, the term cannot be interpreted hermeneutically unambiguously on its own while, on the other, this *terminus technicus* describes a process, i.e., a control process, as well as a target conception (a well-aligned organization or well-aligned activities). Good Strategic Alignment results in efficiency and effectiveness in the organization: it prevents the waste of time and finances.

Literature is another source. Enrichment of the present thesis with knowledge from the scientific literature is performed after the interviews, as is the case with Grounded Theory.

Focus on journals or books. In the literature review, the question was whether more literature should be drawn from books or from scientific journals. The topic of Strategic Alignment has existed for a very long time, and the challenges have changed due to changing circumstances. Due to the breadth of content of the topic, it was decided to draw on as many monographs as possible, as these show in the required detail the topic, its interdependencies, and how to deal with the challenge of Strategic Alignment. Where current developments, e.g., disruptive events such as the pandemic, have a decisive influence, journals were understandably used (→ III. Hit list from EBSCOhost, cf. page 699; → IV. Hit list from Researchgate, cf. page 704). The search was conducted not only for the DoI 'Strategic Alignment', but also for authors and individuals who have published in this field. Commonly used platforms and databases were utilized to identify current research and establish direct contact with researchers (→ V. Hit list from ECONBIZ, cf. page 716).

Grounded Theory as a method for working with the available literature. Literature Grounded Theory (LGT) is a method for reviewing, analyzing, and synthesizing existing literature. The advantage is that this work with existing written sources also has theory building as a target point and is characterized by a very open approach, which can be quite interdisciplinary.¹¹⁵

¹¹⁵ Ermel et al., *Literature Reviews*. pp. 85-88.

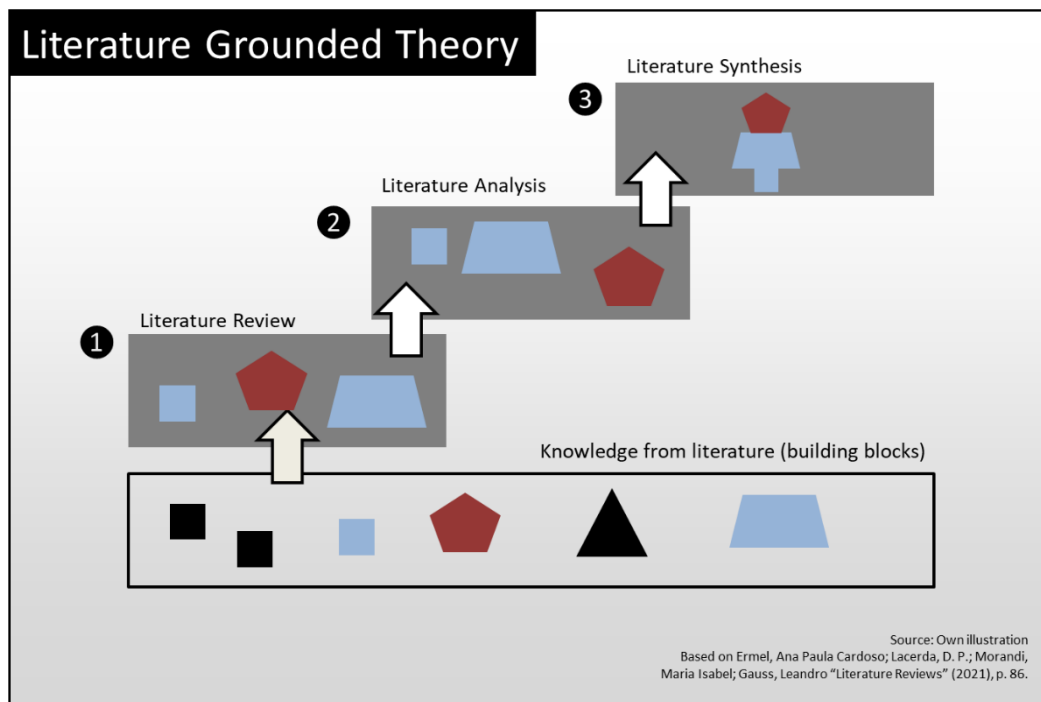


Figure 13

Integration of literature work in Grounded Theory framework¹¹⁶

Basically, any available literature in books, journals, internet and databases is accepted. In the literature review step ①, a selection of sources and associated content is made by the researcher. In the literature analysis step ②, the literature is evaluated on a meta-level (scope, usefulness, scientificity) and the contents are evaluated in terms of their content-relatedness to each other. In the third step of literature synthesis ③, model building or theory building occurs. New insights for the theory to be developed are to emerge from the existing material.

CONCLUSION: To have a general preconception or pre-understanding of the research subject helps in selecting the right research design and later the relevant participants. The last step in the coding-phase is theoretical sampling, where existing models and published theories are integrated into the construction of a Grounded Theory for the domain of interest.

¹¹⁶ Source: Own illustration, Schmude (2024) based on Ermel, Ana Paula Cardoso; Lacerda, D. P.; Morandi, Maria Isabel; Gauss, Leandro "Literature Reviews" (2021), p. 86.

2.2. SELECTED THEORIES OF STRATEGIC ALIGNMENT

This section presents a brief discussion on theories and models of Strategic Alignment, limited to the field of business management literature. The previous section on the research method Grounded Theory already explained that this is optional. However, it helps the reader obtain a preliminary understanding and sets the framework of the available approaches and theories. Theory and model. A theory can convey something on the linguistic level, and a model conveys something on the visual level—ideally without needing much linguistic explanation. Approaches to Strategic Alignment are now presented that are explicitly referred to as a model. The result of grounded theory research should also be a model or a theory (→ 5.1.1 From Research Findings to Theory, cf. page 423).

2.2.1. Evolving Strategies and Emergence

Evolutionary development and emergence of strategies. Corporate strategies are often formulated in an idealized form and adopted in this form by the company's Executive Board. There are obstacles in the implementation of the strategy, as well as developments that lead to a derivation in the desired strategic direction. This leads to the concepts of the **evolution of a strategy** and **emergence**. The emergence of theories is a central element of Grounded Theory.¹¹⁷ Emergence is a phenomenon in its own right. For research based on the grounded theory approach, emergence is a central aspect for the development of new theories and methods.

¹¹⁷ Equit and Hohage, *Handbuch Grounded Theory*.

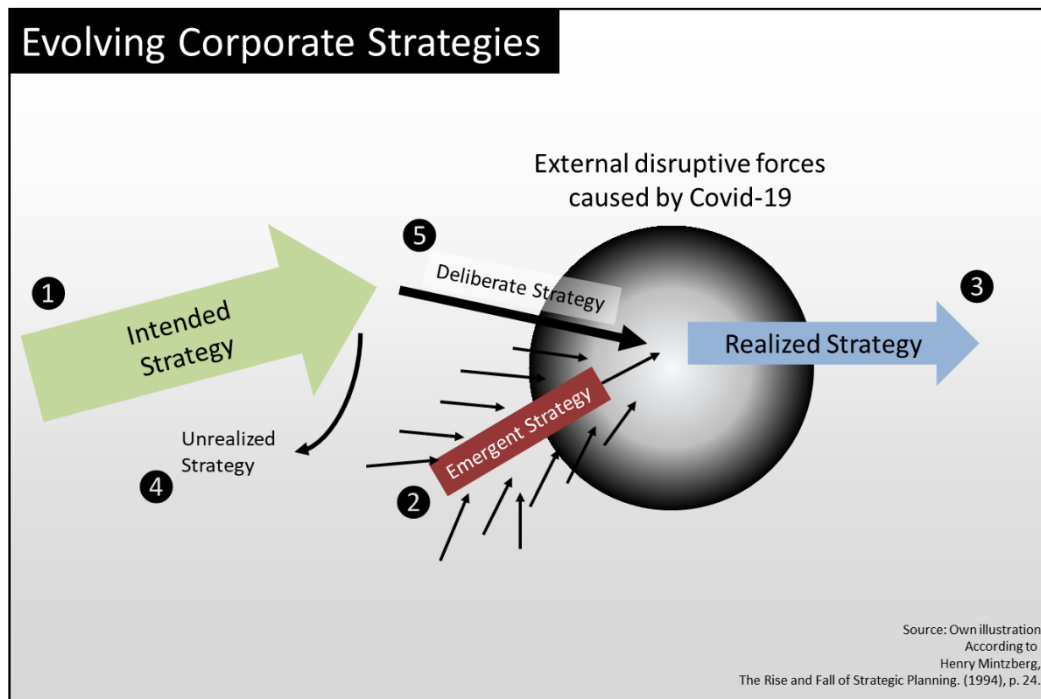


Figure 14

Disruption leads to emergent strategies¹¹⁸

The phenomenon of emergence in strategy implementation. The concept of emergence can also be found in strategy research. **Emerging strategies** are the core idea in *Mintzberg's* concept, where the intended strategy ① is influenced, and the strategic pathway is deflected by an upcoming emerging strategy ②. It remains unclear how this strong strategic driver arises.¹¹⁹ The result of this interaction is the strategy implemented (= realized strategy) ③ in operational practice. The 'unrealized strategy' ④ is simply a lack of implementation or strategy execution. The term 'deliberate strategy' ⑤ is still used, and the emergent influences have an immediate effect on it. This strategy is already experiencing a deviation from the target state of the 'intended strategy'. The 'emergent strategy', however, has its own source.¹²⁰ The Figure depicts how the emergent strategy is initiated by the impact of disruption, a kind of implosion of traditional business models and related strategies.¹²¹

¹¹⁸ Schmude, "Corporate Strategy in a Disruptive Economic Environment Foremost A Strategic Alignment Topic?." Own illustration based on Henry Mintzberg (1994). Already published in conference presentation and accompanying documentation as part of this PhD thesis.

¹¹⁹ Schmude, "Economic disruption as a strategic accelerator: the increased importance of Strategic Alignment in the post-Covid-strategy." Contents already used in advance publication.

¹²⁰ Schmude, "Corporate Strategy in a Disruptive Economic Environment Foremost A Strategic Alignment Topic?." Self-quotation by the author of an excerpt for pre-launch publication.

¹²¹ Henry Mintzberg, "The Fall and Rise of Strategic Planning," *Harvard Business Review*, January/February (1994).

The exact meaning of emerging strategies remains unclear. The term ‘emergent’ functions as a catch-all for all unplanned strategies, i.e., strategic considerations that somehow spontaneously and without systematic derivation take root in the company and influence the thinking of decision-makers. However, a spontaneous strategic consideration—an *idée fixe* (monomania)—it must be made clear is not a corporate strategy in a sense used here. It is an influence on the carefully elaborated strategy, which has a positive but even more negative impact on the strategy implementation. A spontaneous idea is never a strategy—even from the meaning of the word, a sharp contradiction shows up.

Some examples of emergent strategies. A current example of an emergent strategy is the shift of office work to the home office. Even important conferences, such as annual general meetings or even political meetings, have been possible virtually during the pandemic. Reduction in travel time and associated costs will prove to be a lasting benefit, thus incentivizing lasting organizational change. Work in the home office also creates benefits for others, for example, political goals, such as promoting ecology and revitalization of rural areas. Further emergent strategic opportunities will result from this. To clarify, it must be said that virtual or remote working is an organizational strategy issue. However, during the pandemic lockdown, many companies would not have been able to exercise their corporate strategy without this option.

A theory for emergence is missing in the sciences. Especially physics and philosophy have dealt with emergent phenomena in their sciences. Emergence means something **unexpected happens**. Emergences are observed in the context of the study of complex systems. By this is meant that something happens of itself, which also happens with the self-organization of systems. One characteristic of emergence is that there are **tipping points**. In easily observed emergent behavior is that of a double pendulum¹²². The motion of a double pendulum **cannot be predicted** and is thus a **chaotic motion**. Emergence is always observed in social systems, such as in the pandemic. Here, self-organization is always a reactive behavior (an ant colony does not prepare for the attack of another animal in two weeks, but reacts to it; likewise, a bee colony). In the case of complex systems and the phenomenon of emergence, one must not look

¹²² To understand a double pendulum, compare corresponding illustrations and materials from teaching, e.g. www.christiani.de/schule/physik/mechanik/schwingungen-und-wellen/doppelpendel.html.

at the individual parts or components of the system but at the totality of the system.¹²³ The first thoughts on emergence come from philosophical writings of the 1920s such as *Broad's*¹²⁴. Research from German-speaking countries is provided by *Achim Stephan* from the Faculty of Philosophy at the University of Osnabrück.¹²⁵ Complex systems were researched by the Italian physicist *Giorgio Parisi*, who received the Nobel Prize in Physics in 2021 for his work. Emergent behavior is a feature of complex systems.¹²⁶

Emergence stands for the unpredictable and also for inexplicable phenomena. Typical characteristics of emergence are system **properties of the entire system that cannot be derived from the components** of the system. Another characteristic of emergence is **unpredictability** and **downward causality** on the individual system components.¹²⁷ Research into emergence in philosophy and the natural sciences has a long tradition dating back to the 1910s in Great Britain, as so-called 'British emergentism'.¹²⁸ One finding from research is that components of a system lose some of their own properties when they become part of a more complex system. These new properties of the components are referred to as **submergent properties**. This means that it is only possible to draw limited conclusions about the properties of the whole from the properties of the components.¹²⁹ The usual procedures in the sciences were thought experiments in which facts were systematically thought through and processed. These thought experiments, which also include scenario planning in strategy work, always follow a certain logic and more or less consciously apply known laws from the natural sciences, for example. However, the unpredictable can hardly be recognized through thought experiments.¹³⁰ **With emergence, the currently known limits of explainability are reached.** In psychology, *Wilhelm*

¹²³ Gert Scobel, writer, "Scobel - Emergenz: Das Verborgene Prinzip Des Lebens,." Aired October 12, 2023, on ZDF, 3sat, www.3sat.de/wissen/scobel/emergenz-das-verborgene-prinzip-des-lebens-100.html.

¹²⁴ C. D. Broad, *The Mind and Its Place in Nature*, Repr. ed., International library of philosophy 3 (Abingdon: Routledge, 2009 (first published 1925)).

¹²⁵ Achim Stephan, *Emergenz: Von Der Unvorhersagbarkeit Zur Selbstorganisation*, 2. edition (Paderborn: mentis Verlag, 2016).

¹²⁶ Giorgio Parisi, *In a Flight of Starlings: The Wonder of Complex Systems / Giorgio Parisi* (London: Penguin Books, 2023).

¹²⁷ Stephan, *Emergenz*. p. XI.

¹²⁸ Stephan, *Emergenz*. p. 3.

¹²⁹ Stephan, *Emergenz*. p. 25.

¹³⁰ Stephan, *Emergenz*. p. 40.

Wundt (1832–1920) is seen as an important representative of emergence research with his experimental psychological studies. **Creativity** and **creative aspects** can be counted as emergence because they defy a clear scientific and logical explanation. Something genuinely new emerges from the human mind without it being possible to clearly determine why it came about.¹³¹ Emergence research only reveals a phenomenon and is criticized for its weakness in providing solutions to problems. In distinction: **non-emergent effects** are predictable and emergent effects are not predictable.¹³² In the systems view, a distinction must be made between emergence and holism. **Holism** is usually described with the sentence "The whole is more than the sum of its parts". Examples of this are that individual notes from a musical work have less value than the entire musical work. Similarly, a small section of a work of art by a great painter is far less than the entire painting. **Holism** and **emergentism** stand side by side, although both deal with the properties of a system. In terms of Strategic Alignment, this means that parts of a strategy are less useful in terms of holism than the complete implementation of the strategy. Emergentism for Strategic Alignment means that each system component of the company or organization can be designed and developed on its own, but unpredictable events can still occur later in the interplay of all components. All in all, this is a field of research that is still in its infancy.¹³³ Karl Popper developed an emergence theory of '**emergent evolution**', which is based on four characteristics of emergence: novelty, indeterminism, unpredictability and downward causation.¹³⁴ One question that arose for the author while writing was: *What is the opposite of emergence, or what are the forces that counteract emergence? Is it conceivable that it is organization, planning, or self-discipline?*

¹³¹ Stephan, *Emergenz*. pp. 124 – 127.

¹³² Stephan, *Emergenz*. pp. 138 – 139.

¹³³ Stephan, *Emergenz*. pp. 147 – 155.

¹³⁴ Stephan, *Emergenz*. p. 178.

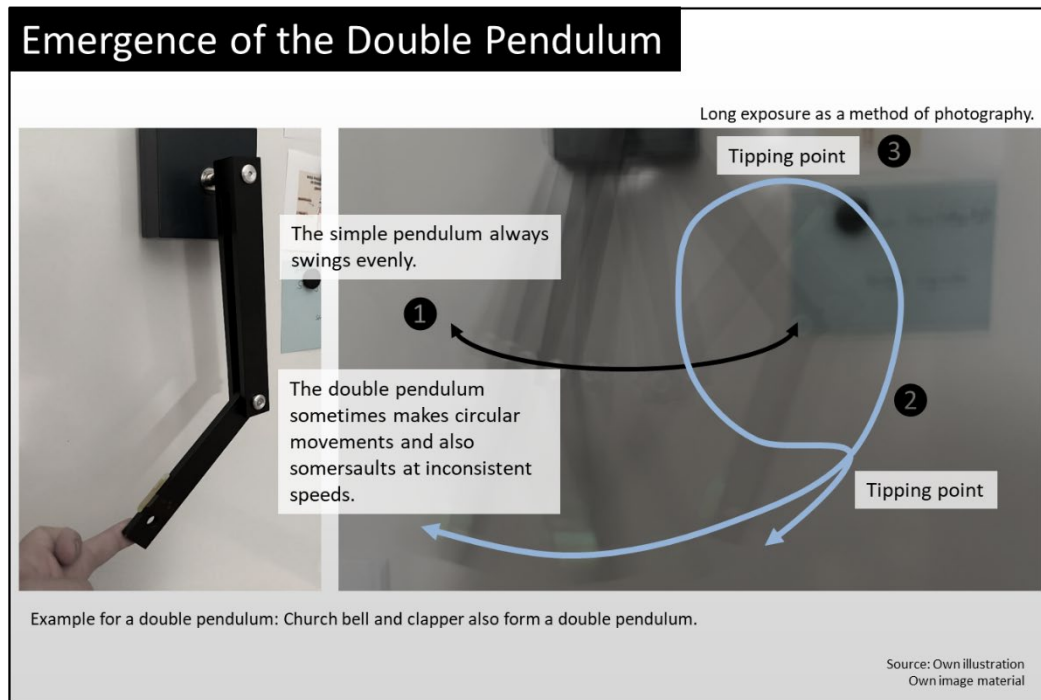


Figure 15

Example of emergent processes¹³⁵

Tipping points as a characteristic of emergence. A double pendulum in this case is a scientific object for university teaching¹³⁶, which consists of a single swinging pendulum and a second pendulum suspended from it. The single pendulum swings back and forth ❶. The single pendulum moves uniformly and therefore in a predictable manner. The double pendulum, on the other hand, has an unpredictable course ❷. The direction of the pendulum movement changes abruptly at various tipping points ❸. In terms of economic developments, there can be both positive and negative tipping points. The aim must be to recognize **dangerous tipping points**.

¹³⁵ Own illustration, Schmude (2024).

¹³⁶ The double pendulum shown here comes from the laboratory equipment supplier Christiani (www.christiani.de). This teaching aid was purchased for the present research project to illustrate emergence.

2.2.2. Alignment Vector and Alignment Pentagon

Representations of Strategic Alignment from the literature. This section presents two methods for demonstrating Strategic Alignment. One is the alignment vector and the other is an alignment pentagon.

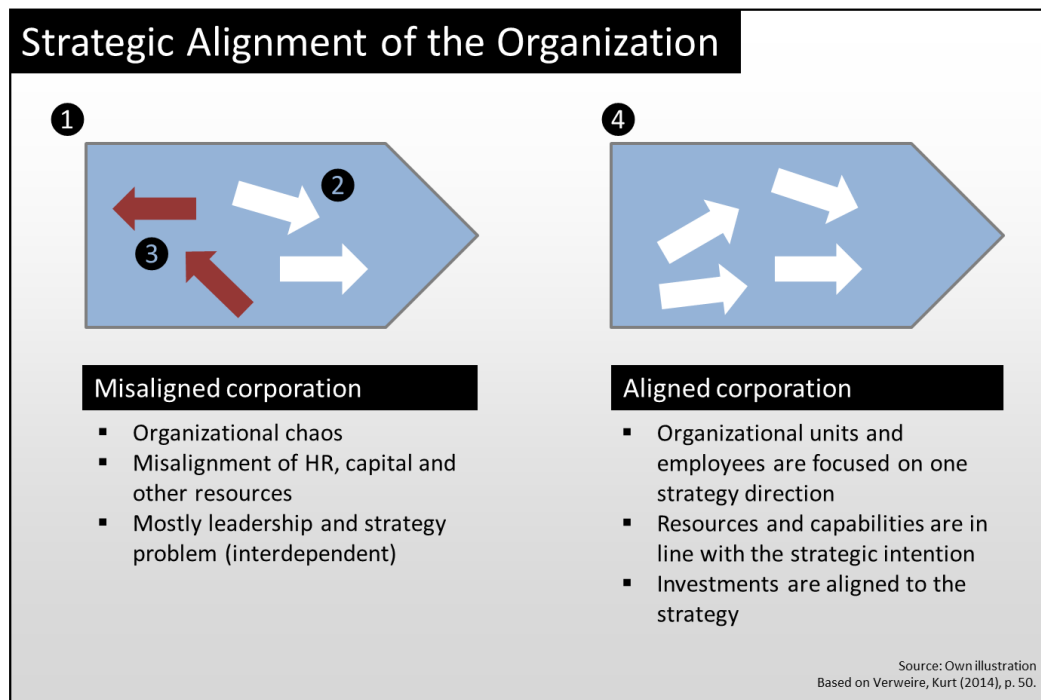


Figure 16
Alignment Vector¹³⁷

Symbolizing alignment and misalignment. Disruption results in misalignment within the corporation. The alignment vector of *Verweire* shows the alignment of the corporation with a large vector symbolizing the general strategic direction **1** and smaller vectors for internal organizational or business units, their initiatives, and the strategy action executed by them **2**. Misdirected vectors that do not follow the strategic direction cause friction and misalignment **3**. The terms ‘alignment’ and ‘commitment’ are used here synonymously. The degree of alignment can be visualized by the direction and size of the vectors. *Verweire* lacks a clear concept as to how this diagram may be used in strategic planning or strategy implementation controlling. Later in his work, he discusses a ‘Product-Leadership-Pentagon’ — a radar-chart

¹³⁷ Source: Own illustration based on Verweire (2014). p. 50.

with five dimensions, each with three subcategories.¹³⁸ Interdependencies between the categories and linkages or relations are ignored in this model. Leadership and communication are not addressed in the chart.¹³⁹

The vector stands for the strategy. In this context, it should be mentioned that the use of arrows to represent strategic actions has a longer history. The most influential abstraction of strategic moves created by the engineer *Charles Joseph Minard* in 1869 illustrates Napoleon's Russian campaign¹⁴⁰, with his defeat at the gates of Moscow at Borodino in 1812.¹⁴¹

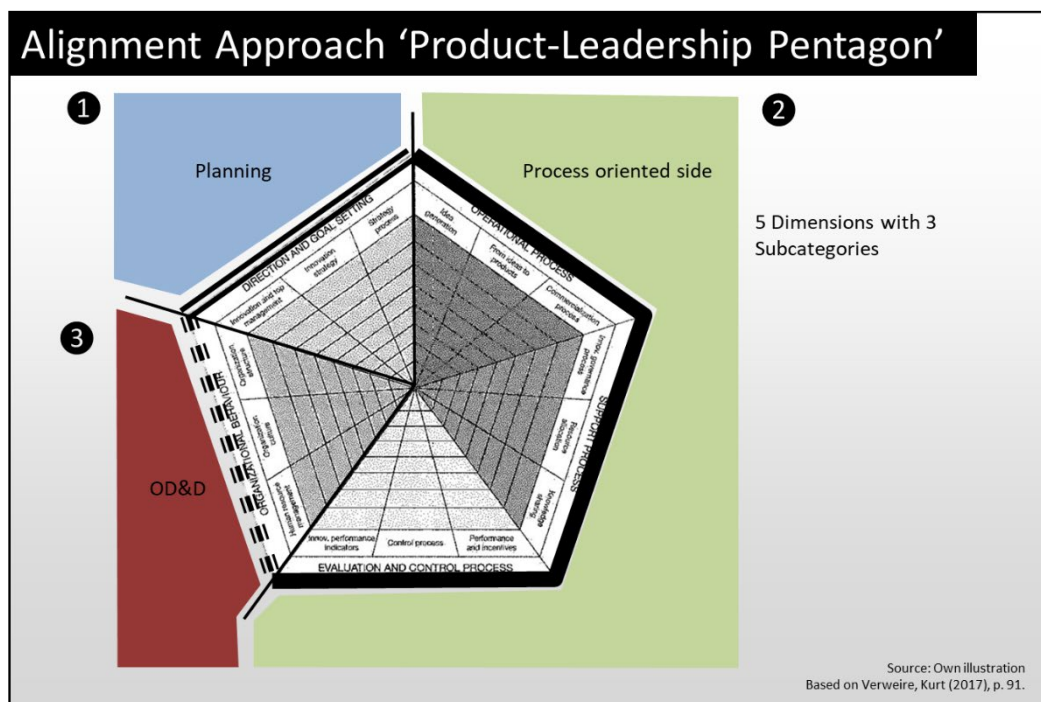


Figure 17
Alignment Pentagon of Verweire¹⁴²

Alignment Pentagon. A representation of Strategic Alignment and the possibility of measuring this is a radar diagram. In the radar diagram, Verweire named a total of 15 aspects that should be used to determine strategic alignment. He did not specify an order or prioritization.

¹³⁸ Kurt Verweire, *Strategy Implementation* (Abingdon, Oxon: Routledge, 2014). p. 90.

¹³⁹ Schmude, "Corporate Strategy in a Disruptive Economic Environment Foremost A Strategic Alignment Topic?." Already partially used by the author himself in conference documentation.

¹⁴⁰ Schmude, "Corporate Strategy in a Disruptive Economic Environment Foremost A Strategic Alignment Topic?." Already used in own publication.

¹⁴¹ Birgit Schneider, Christoph Ernst and Jan Wöpking, eds., *Diagrammatik-Reader: Grundlegende Texte aus Theorie und Geschichte* (Berlin, Boston: De Gruyter, 2016). p. 120 and illustration 10 appendix.

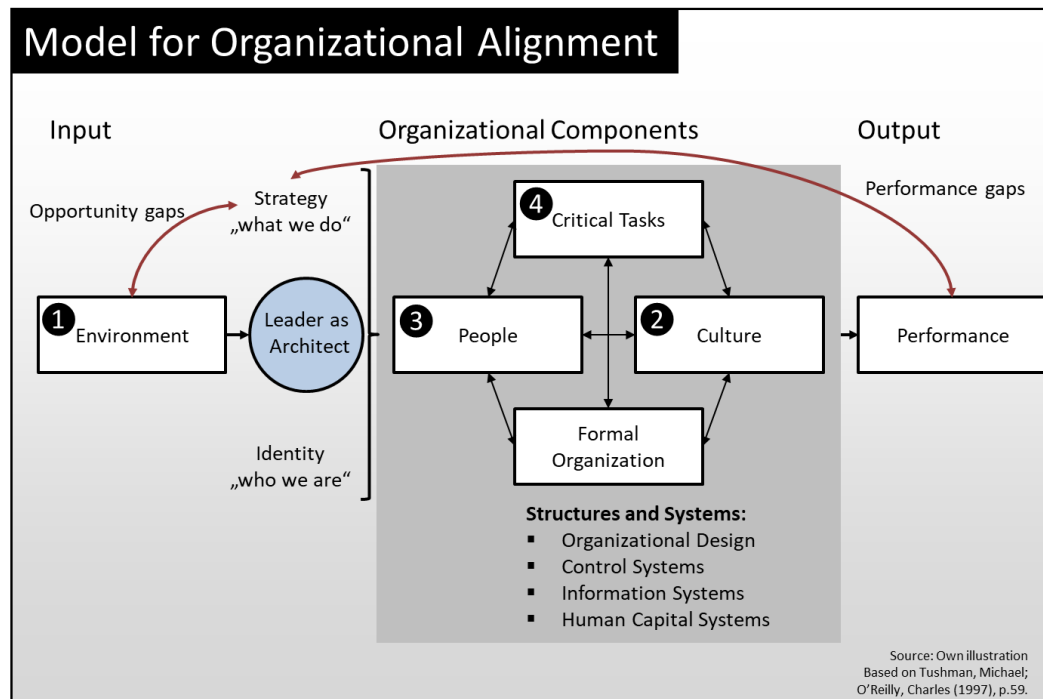
¹⁴² Own illustration, Schmude (2024) based on Verweire, Kurt (2017), p. 91.

We therefore want to categorize them into three groups: Planning ❶, Organizational and People Development (OD&D) ❷ and everything was related to workflows and business processes ❸. The different categories are intended to enable the measurement of Strategic Alignment. The five main 'dimensions' have three subcategories each. The radar-diagram symbolizes a growth from the middle to the outer sections. Eight levels for prioritizing or evaluating are being used. When implementing a strategy, this chart can show, e.g., if a company is better in 'idea generation' than in 'control process'. **Discussion and areas in need of improvement:**

- The visualization makes all aspects equally relevant.
- The interdependencies and linkages between different aspects are not clear.
- Aspects of strategy planning, organizational design and strategy implementation are mixed.
- Leadership and communication are not addressed in the chart.
- The scale of the radar chart is not clearly divided into alignment/misalignment.
- There is a lack of clarity and unambiguity as to whether it is an alignment or a misalignment (Alignment fulfilled? — Yes/No).

2.2.3. Model for Organizational Alignment

One partial aspect of Strategic Alignment. The term 'organizational alignment' is just as difficult to define as Strategic Alignment. As explained, this research assumes that Strategic Alignment is all-encompassing and organizational alignment only considers the aspects of organizational development or Organizational Design and Development (OD&D).

**Figure 18**Congruence model for organizational alignment¹⁴³

Organizational alignment as a sub-form of Strategic Alignment. A Congruence Model for organizational alignment is used in a case study¹⁴⁴ that compares the business leader to an architect. In terms of conventional input-output model, the components for an organizational alignment are named. The corporate strategy is an input. **Resources and constraints of the environment** are mentioned as important inputs ①. Constraints are conditions and limits:

1. **Market forces**, e.g. customer demand, supplier access, competitor advantage
2. **Institutional forces**, e.g. law and regulation, business or industry norms, social or political expectations
3. **Historic forces**, e.g. prior leaders' decisions and organizational history.¹⁴⁵

¹⁴³ Own illustration, Schmude (2024) based on Tushman, Michael L.; O'Reilly, Charles A. (1997), p. 59.

¹⁴⁴ Ethan Bernstein, Ryan Raffaelli, and Joshua Margolis, "Leader-as-Architect: Alignment" (Case Study 415-039, Harvard Business School, October 22, 2014).

¹⁴⁵ Bernstein, Raffaelli and Margolis, "Leader-as-Architect." p. 2.

What is special about this model is that right at the beginning, as input, the limits and conditions for the implementation of the organization are shown. The central influencing variable "environment" is the basis on which the company's own strategy is implemented. This view restricts the possibilities right from the start and reduces them to the practicable options for shaping the organization. Why 'Identity' is seen as an input, then appears again under the term 'Culture' ❷, but is also necessarily linked to the component 'People' ❸, remains unclear in this model. This seems redundant. Is it possible to look at corporate culture in isolation from employees? - Probably not. The 'Critical Task' ❹ are included in the business processes of the formal organization, but it remains unclear why this is singled out. Two forms of misalignment are identified that are to be avoided by the manager as architect of the organization:

1. **Opportunity gaps:** misalignment between environment and the organization's strategy.
2. **Performance gaps:** a misalignment between the firm's strategy and its realized outputs.¹⁴⁶

This alignment model originally came from a book on innovation management by *Michael Tushman* and *Charles O'Reilly*, published in 1997, with a second edition published in 2002.¹⁴⁷

Determinants for organizational alignment. A case study of HBS on Organizational Alignment has as a result a change plan as it is known from change management. Based on the corporate strategy, **Key Success Factors** (KSFs) are defined. Then, from the following skills or capabilities, the critical competencies are identified. These are:

- **Critical competencies**, e.g. unique competencies in the business or technical field.
- **Coordination**, e.g. functions, departments, geographic units.
- **Managerial competencies**, e.g. interpersonal competencies.

¹⁴⁶ Bernstein, Raffaelli and Margolis, "Leader-as-Architect." p. 3.

¹⁴⁷ Michael L. Tushman and Charles A. O'Reilly, *Winning Through Innovation: A Practical Guide to Leading Organizational Change and Renewal* (Boston, Mass.: Harvard Business School Press, 1997).

- **Commitment**, e.g. groups of employees, activities, integration.
- **Communication**, e.g. a clear and fact-based discussion of business challenges, input for decision-making.

According to this case study, the above skills of the organization are required for a good alignment or causing a realignment.¹⁴⁸

The ideal of organizational prosperity. In theory, strategic alignment, or more precisely, good organizational alignment, should lead to organizational prosperity (OP). Organizational prosperity is a purely artificial concept that does not occur in business practice and cannot be directly measured or experienced. Organizational prosperity is characterized by the following dimensions: organizational awareness, organizational capacity, organizational commitment, leadership support, and empowerment. Criticism can already be seen in a term such as organizational commitment, which is identical to organizational alignment. The journal article cited here does not make a clear distinction between organizational strategy and corporate strategy, but ultimately only investigates organizational strategy and its implementation. The index value of organizational prosperity is valuable for research in order to be able to examine the individual elements. Within the scope of this research, the concept of organizational prosperity will not be pursued further due to its lack of relevance to generally understood management parameters. In addition, organizational prosperity does not necessarily equate to economic and financial success, which ultimately constitutes the core of all economic activity and is essential for the survival of a company.¹⁴⁹

Strategic Alignment and organizational resilience. A similar issue in organizational alignment is the dependence on organizational resilience, which is currently a hot topic. A journal article on this subject defines Strategic Alignment as a key element in synchronizing the organization with the strategy and IT. No clear distinction is made between elements of corporate strategy and organizational strategy. The five relevant alignment factors are named

¹⁴⁸ Michael Beer and John J. Gabarro, "Organizational Alignment Exercise: 9-403-075" (Case Study, Harvard Business School, December 10, 2003).

¹⁴⁹ Ali Adnan and Maryam Qies, "Strategic Alignment and Its Impact on Organizational Prosperity," *Journal of Economics and Administrative Sciences*, 30 (144) (2024), <https://doi.org/10.33095/r280h752>.

as follows: 1. integrated business planning, 2. quality management, 3. shared leadership vision, 4. cross-functional cooperation, and 5. change management. How these factors lead to resilience and how this manifests itself in business practice remains unclear. This approach to organizational resilience is not pursued further in the present research of this dissertation.¹⁵⁰

2.2.4. Models in Strategic IT-Alignment

IT alignment as part of technology integration. The topic of IT alignment is not the subject of this research, but there are still points of contact in terms of content, so that it must be addressed here at least briefly and the central aspects for distinguishing it from Strategic Alignment should be worked out.

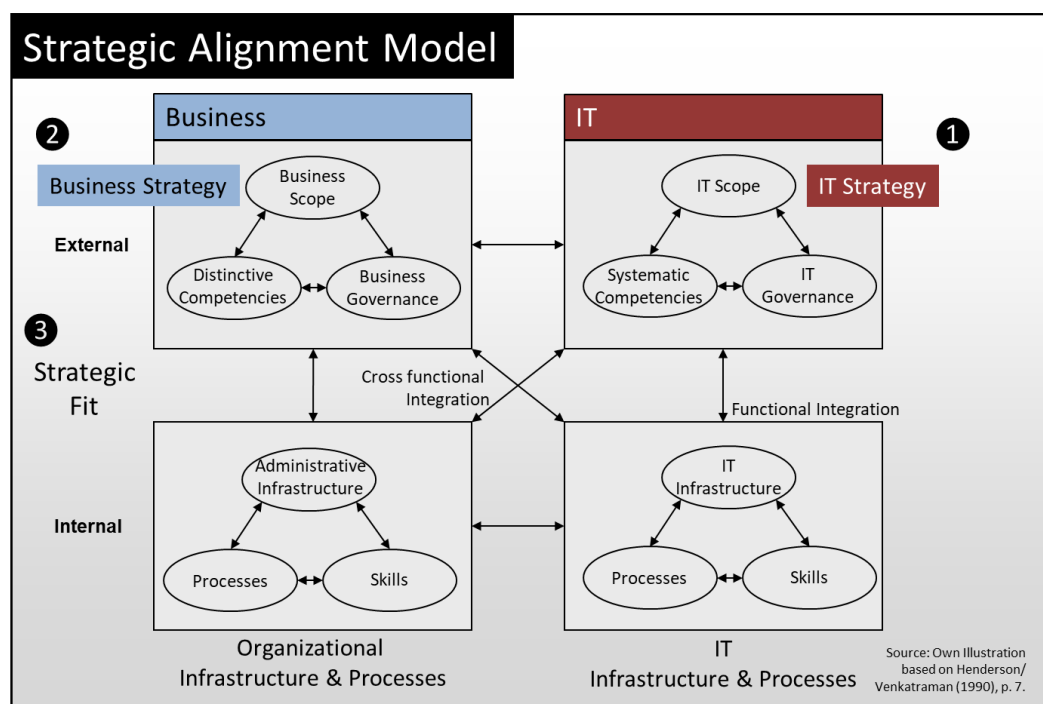


Figure 19
Alignment model from Henderson and Venkatraman¹⁵¹

IT-Alignment. The Strategic Alignment of IT with the business side of the organization was first recognized by Henderson and Venkatraman in 1990. Their research is directly funded by the computer industry – specifically, IBM. The main aspect here is to bring the organization in line

¹⁵⁰ Joseph Emeka Okonkwo and Peter Olannye, "Strategic Alignment and Organizational Resilience of Manufacturing Companies in South West Nigeria," *Gulf Journal of Advance Business Research*, 2025, <https://doi.org/10.51594/gjabr.v3i5.142>.

¹⁵¹ Own illustration, Schmude (2024) based on Henderson, John C.; Venkatraman, N. (1990).

with all its existing human resources and processes with the latest computer technology.¹⁵² The IT perspective dominates this alignment model.¹⁵³ The integration of IT Strategy ❶ and Business Strategy ❷ is the core element, viewed from either an internal or external perspective. At its core, it is about a strategic fit between IT and business ❸. In this model, then, IT and business strategies stand side by side as equally important. The market, competitors or customer needs are not addressed within the model. As the overall driver of strategy, the model places technology at the forefront and ignores management and human aspects. Indeed, strategy history is full of examples supporting the notion that technology enables new strategies.¹⁵⁴ Two central criticisms of *Henderson and Venkatraman's* model are that IT strategy is given equal weight alongside business strategy and that IT strategy is oriented equally toward external and internal factors.¹⁵⁵ The latter point in particular does not correspond to reality in companies, where IT is seen as a tool or instrument. IT strategy is therefore predominantly, if not exclusively, focused on internal requirements and is directly dependent on business strategy. Here, the role of IT strategy is exaggerated.¹⁵⁶

IT Alignment with the SAMM. A further development of this IT business alignment view comes from *Luftman* and is called the Strategic Alignment Maturity Model (SAMM) published 2001.¹⁵⁷ It is about the alignment between the business and information technology, which requires a proper and timely implementation of IT. This model comes from software research by Carnegie Mellon's Software Engineering Institute and includes six dimensions or

¹⁵² John C. Henderson and N. Venkatraman, *Strategic Alignment: A Model for Organizational Transformation via Information Technology* (Cambridge, Mass: Center for Information Systems Research, 1990).

¹⁵³ Schmude, "Economic disruption as a strategic accelerator: the increased importance of Strategic Alignment in the post-Covid-strategy." The central considerations have been published in advance as a journal article.

¹⁵⁴ Freedman, *Strategy*.

¹⁵⁵ Schmude, "Economic disruption as a strategic accelerator: the increased importance of Strategic Alignment in the post-Covid-strategy." Excerpts published in advance.

¹⁵⁶ David Avison et al., "Using and Validating the Strategic Alignment Model," *The Journal of Strategic Information Systems* 13, no. 3 (2004), <https://doi.org/10.1016/j.jsis.2004.08.002>.

¹⁵⁷ Jerry N. Luftman, "Assessing Business-IT Alignment Maturity," in *Strategic Information Technology*, ed. Stevens Institute of Technology (School of Management), Volume 4, Article 14 (IGI Global, 2000).

maturity categories:

1. Communication
2. Competency / Value Measurement
3. Governance
4. Partnership
5. Scope & Architecture
6. Skills.

Based on a questionnaire assessment, it is possible to measure the level of IT alignment (IT integration would be better) and thus compare two or more companies, e.g. banks, with each other in a benchmarking study.¹⁵⁸ The SAMM must be criticized with regard to one central aspect: it assumes that the business strategy is correctly and fully implemented and is also on line with the intended strategy. The fact that this is often not the case has already been explained in detail. If there is an alignment or harmonization of two implementation topics, i.e., IT implementation and business strategy implementation, then a gap between the IT world and the business world in the company can be identified, but this does not provide any information as to whether a strategy has been implemented completely, on time and correctly.

Emergence of the IT Alignment model according to Luftman. It is about the comprehensive exploitation of IT to make it usable for the implementation of the corporate strategy. IT is an extremely expensive investment, which must bring benefits and must not undermine the actual business intentions of the corporate strategy. In short, it is a **man-machine issue**. Just as there have been others in the course of development and, in particular, industrialization. The technique or technology as a tool, but at the same time as a determinant of its own organization and business activity. Technology and especially **IT as a strategic driver**. In an older publication, *Luftman* names these 12 components for alignment:

¹⁵⁸ Nia B. Puspitasari, Singgih Saptadi, and Aditya D. Rahmadi, "Strategic Alignment Maturity Assessment on Conventional Bank's Information Technology," *Journal of Engineering and Applied Technology* 3, no. 2 (2022), <https://doi.org/10.21831/jeatech.v3i2.48859>. pp. 54-55.

- I. Business Strategy
 1. Business Scope (markets, products, groups of customers)
 2. Distinctive Competencies (critical success factors, e.g. brand, research, manufacturing, pricing structure)
 3. Business Governance (relationship between management and stakeholders)
- II. Organization Infrastructure & Processes
 1. Administrative Structure (e.g. central, decentral, matrix, horizontal, vertical and functional organization)
 2. Processes (work performed by employees)
 3. Skills (HR topics e.g. hire or fire, motivate, train and culture)
- III. IT Strategy
 1. Technology Scope (important technological decisions, e.g. software and hardware)
 2. Systemic Competencies (access to information)
 3. IT Governance (resources for IT, IT management and IT project management)
- IV. IT Infrastructure and Processes
 1. Architecture (technological components integrated to a cohesive platform)
 2. Processes (build and run IT processes)
 3. Skills (HR topic)¹⁵⁹

¹⁵⁹ Luftman, "Assessing Business-IT Alignment Maturity." pp. 7-8.

Luftman makes some observations about alignment that may be universal:

- Achieving alignment is a **process** that is **evolutionary** and **dynamic**.
- Alignment requires **effective communication**.
- Alignment requires **strong support from senior management**.¹⁶⁰

In *Luftman's* study, 25 companies were examined and a meeting was held for the assessment. In order to obtain a uniform assessment of the company from an IT and functional perspective, people from both areas were involved who had to agree on a common assessment using the Delphi method.¹⁶¹

Three decades of the same model for IT alignment. Research on IT alignment in accordance with the publications already presented here, particularly those by *Venkatraman*, which are now around 30 years old, has developed only marginally, as a publication from 2024 shows. This is surprising because IT and the overall penetration of digitalization in all areas of business have changed radically since then. Newer aspects such as dynamic capabilities are linked to this, but not integrated into a coherent model. In the current discussion on IT alignment, a strategic planning process and an associated **alignment process** are seen as essential. The alignment process should be supported by steering committees, governance boards, and performance metrics (KPIs). A methodology for business process optimization is also considered necessary. It is repeated like a mantra that corporate strategy or business strategy must be well aligned with IT.¹⁶²

IT alignment as co-evolution with corporate strategy. The mixing of IT alignment and the purely Strategic Alignment discussed in this dissertation is illustrated by a publication on state-owned enterprises (SOEs) in China. The presented study is based on a case study of a medium-sized SOE in the real estate sector in China, located in the Shenzhen Special Economic

¹⁶⁰ Luftman, "Assessing Business-IT Alignment Maturity." p. 2.

¹⁶¹ Luftman, "Assessing Business-IT Alignment Maturity." p. 22.

¹⁶² Henry Ejiga Adama et al., "Theoretical Framework Supporting IT and Business Strategy Alignment for Sustained Competitive Advantage," *International Journal of Management & Entrepreneurship Research* 6, no. 4 (2024), <https://doi.org/10.51594/ijmer.v6i4.1058>.

Zone. Based on internal documents and 27 interviews with employees, a co-evolution of IT strategy and business strategy is described here. The direct influence of politics on corporate strategy and the appointment of important management positions with people from the political sphere becomes clear. In particular, the strict organizational hierarchy and the direct influence of politics are decisive for all decisions, including IT strategy and the associated IT alignment. It is only through state involvement that a medium-sized company in China has the opportunity to obtain favorable loans and the necessary approvals. New to this article is the term 'dynamic Strategic Alignment', which unfortunately is not adequately defined. It refers to the parallel development of IT strategy based on changing business objectives, which are described as moving targets.¹⁶³

CONCLUSION: The focus of SAMM is on assessing whether IT is integrated into the existing organization and whether the interaction between IT and the functional organization works. It is a thinking in two camps or positions, where IT still stands next to the actual business organization. Today, IT is commonplace and has permeated all business areas. Today, it is more a question of whether the opportunities offered by IT are also being fully exploited and how the high ongoing costs of IT and also the investments in new technologies are being amortized. The model reduces the alignment problem to IT to business. It lacks a holistic view of the topic and an integrative approach.

2.2.5. Scorecards and Strategy Maps for Strategic Alignment

The scorecard system for strategy work. Here, a strategy map is presented as a further development of the scorecard based on the typical generic scorecard as found in the literature and examined with regard to Strategic Alignment.

¹⁶³ Xuguang Li, Zefeng Wang, and Yingying Lu, "Factors Affecting Dynamic Strategic Alignment in a Changing Environment: A Case Study of a Chinese SOE," *Libri: International Journal of Libraries and Information Services*, 72 (3) (2022), <https://doi.org/10.1515/libri-2021-0004>.

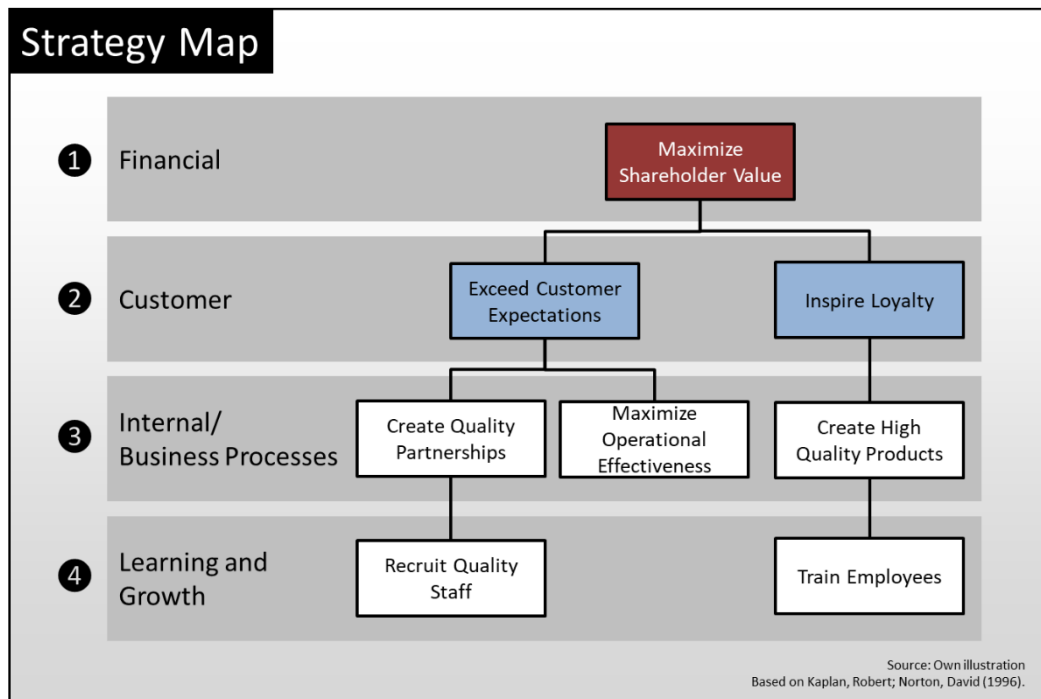


Figure 20
Generic strategy map¹⁶⁴

Scorecards as a tool in strategy implementation. In *'Alignment'*, the fourth of a five-book series by Kaplan and Norton, the authors emphasize the importance of hands-on tools for Strategic Alignment, foremost the **Balanced scorecard** (BSC). The alignment within the organization is achieved through a scorecard system and indicators defined for the individual situation in the company.¹⁶⁵ The BSC has resulted in the presentation as a **strategy map**. The strategy map shows the strategic goals that the company should achieve in a **structured report**. In a generic strategy map, individual levels are provided for goals (or perspectives) such as: Financial goals ①, customer goals ②, internal or business process goals ③, and learning and growth ④ (top-down view). There is no binding standard and each company must develop such a strategy map for its own situation. There is no generic system of key performance indicators in the BSC and no measure of the degree or quality of strategy implementation.¹⁶⁶ The concept of BSC exists since 1990 also called the first generation. In the second generation, strategy maps were spoken of, in which interrelationships were also depicted. The third generation from the year 2000 are so-called 'Destination Statements'. Here, the future is included and graduated goals

¹⁶⁴ Own illustration, Schmude (2022) based on Kaplan, Robert; Norton, David (1996).

¹⁶⁵ Robert S. Kaplan and David P. Norton, *Alignment: Using the Balanced Scorecard to Create Corporate Synergies* (Boston: Harvard Business Review Press, 2014).

¹⁶⁶ Rainer Lueg, "Strategy Maps: The Essential Link Between the Balanced Scorecard and Action," *Journal of Business Strategy* 36, no. 2 (2015), <https://doi.org/10.1108/JBS-10-2013-0101>.

are defined. A specific indicator for the measurement of alignment, such as value at risk (VAR) in the field of risk management, is not proposed. Perhaps it is simply impossible to find a generic alignment indicator.¹⁶⁷

An empirical study on the introduction of the Balanced scorecard in a hospital shows how it works in conjunction with Strategic Alignment. It points out that translating the strategy into a balanced scorecard system requires a good and sufficiently detailed strategy. The BSC supports Strategic Alignment, especially when it comes to cascading down targets and objectives. The balanced scorecard method does not specify what the requirements for input, i.e., the strategy, actually are. The publication refers to corporate strategy, vision, strategic goals, and organizational strategy. No clear distinction or demarcation is made. However, the journal article cited here provides an operational definition of Strategic Alignment from a specific research project on the introduction of BSC in hospitals. This **operational definition** is reproduced here verbatim:

“Strategic Alignment refers to the harmonization of an organization's goals, activities, and resources with its overarching strategic objectives. It ensures that all aspects of the organization work cohesively toward a common vision, optimizing performance and facilitating the achievement of strategic goals.”¹⁶⁸

2.2.6. Narrowing Down to Organizational Alignment

Organizational alignment as part of Strategic Alignment. In the past, the literature spoke in particular of organizational alignment, i.e., how the organization can be linked to the strategy in abstract terms. This term reduces the alignment problem to the **connection between strategy and organization** and, thus, to organizational issues. Both are very abstract terms. Today, the term Strategic Alignment has gained more acceptance. This term describes the goal, namely a link to the strategy as a reference for all actions. Research in alignment has not been

¹⁶⁷ Schmude, “Economic disruption as a strategic accelerator: the increased importance of Strategic Alignment in the post-Covid-strategy.” Parts of the paragraph have been taken out for publication.

¹⁶⁸ Shefali Bahadur et al., “Strategic Alignment in Multispecialty Hospitals: Implementing a Balanced Scorecard Approach for Optimal Performance,” *The scientific Temper* 15, no. 1 (2024), <https://doi.org/10.58414/SCIENTIFICTEMPER.2024.15.1.45>. p. 1819.

a focus of academia in the past either, which is rather surprising given the economic importance of the topic.¹⁶⁹

Special characteristics of organizational alignment. Organizational alignment requires management to have a high level of **integration capability**, i.e., to integrate as many people in the organization as possible on the strategy (**alignment = integration work**).¹⁷⁰ An empirical study from the early 1990s used the mail survey method: a specially designed booklet was mailed to CEOs along with a cover letter, and a postcard was used to follow up after a week. Of 544 companies approached, 113 responded. Further inquiries and direct communication were not possible, i.e., possible misunderstandings or ambiguities could not be clarified.¹⁷¹ Even 30 years ago, longitudinal studies were demanded like a mantra, as this is the only way to determine strategic and organizational effects.¹⁷² The intended benefit of alignment is exceptional profits and, thus, the creation of a competitive advantage.¹⁷³ In the case of written surveys to a company, the problem that the person addressed does not respond, but rather delegates the processing, is well known. Therefore, it cannot be verified by the researcher who in fact provided the answers, indeed, it could have been a secretary or a trainee. This procedure has no feedback loop to ensure data quality.

2.2.7. Focus on Internal and External Alignment Aspects

The Strategic Reference Point Model. The need for internal and external alignment has been cited repeatedly since the 1970s.¹⁷⁴ In 1996, a model was introduced in which a *Strategic Reference Point* (SRP) provides the reference for alignment. The SRP is a matrix of three dimensions:¹⁷⁵

1. Internal capabilities

¹⁶⁹ Thomas C. Powell, "Organizational Alignment as Competitive Advantage," *Strategic Management Journal* 1992, no. 13, accessed December 25, 2022, <https://onlinelibrary.wiley.com/doi/epdf/10.1002/smj.4250130204>. p. 119.

¹⁷⁰ Ibid., p. 120.

¹⁷¹ Ibid., p. 124.

¹⁷² Ibid., p. 130.

¹⁷³ Ibid., p. 128.

¹⁷⁴ Avi Fiegenbaum, Stuart Hart, and Dan Schendel, "Strategic Reference Point Theory," *Strategic Management Journal* Vol. 17 (1996). p. 219.

¹⁷⁵ Ibid., p. 219.

2. External capabilities
3. Time

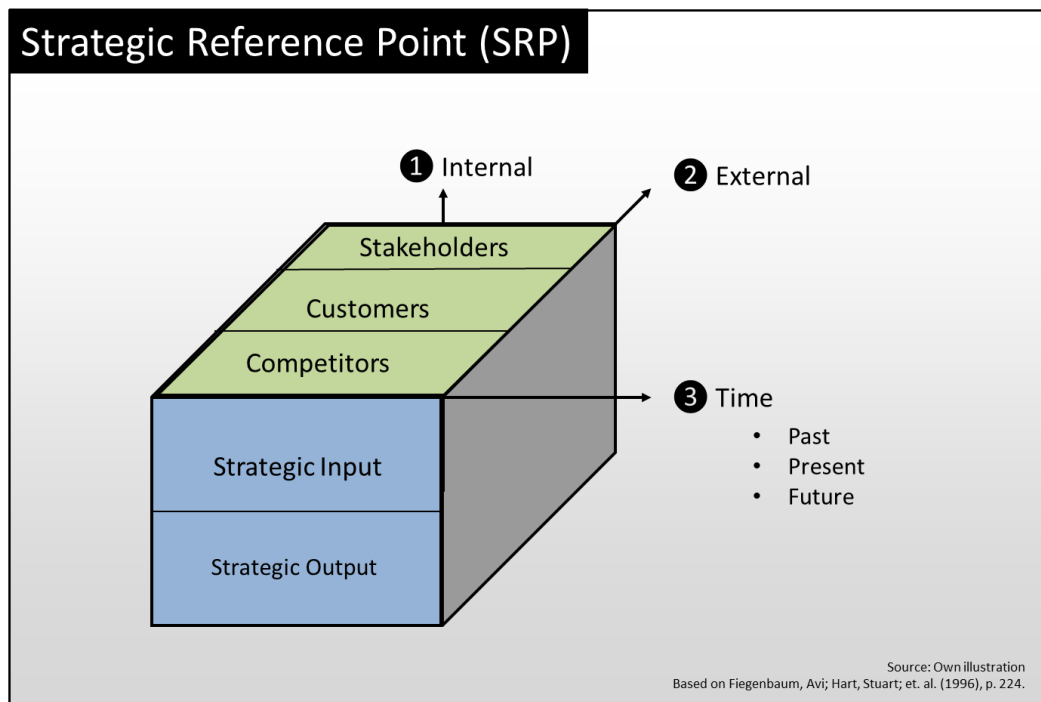


Figure 21
Strategic reference point model¹⁷⁶

Alignment points for the corporate strategy. The SRP then, can be seen as a type of comparison or benchmarking approach in which a reference point is determined against which one's own company is objectively and subjectively measured. The symmetry of internal resources ① and external requirements ② is particularly crucial. The third dimension is time (past, present and future) ③. This model was developed based on the resource-based view with physical assets, human assets, organizational assets and capabilities.¹⁷⁷ It works as a **descriptive** and **diagnostic tool**.¹⁷⁸ Particular importance is attached to the accuracy of fit of the following internal elements:

- Strategy
- Structure

¹⁷⁶ Own illustration, Schmude (2024) based on Fiegenbaum, Avi; Hart, Stuart; Schendel, Dan (1996).

¹⁷⁷ Ibid., p. 222.

¹⁷⁸ Fiegenbaum, Hart and Schendel, "Strategic Reference Point Theory." p. 220, 227.

- Technology
- Systems
- Processes.¹⁷⁹

2.2.8. Model for Teaching Strategy Building and Implementation

Various functions of strategy models. Models used to illustrate corporate strategy are intended for both internal communications within the company and for systematic instruction in teaching and training.

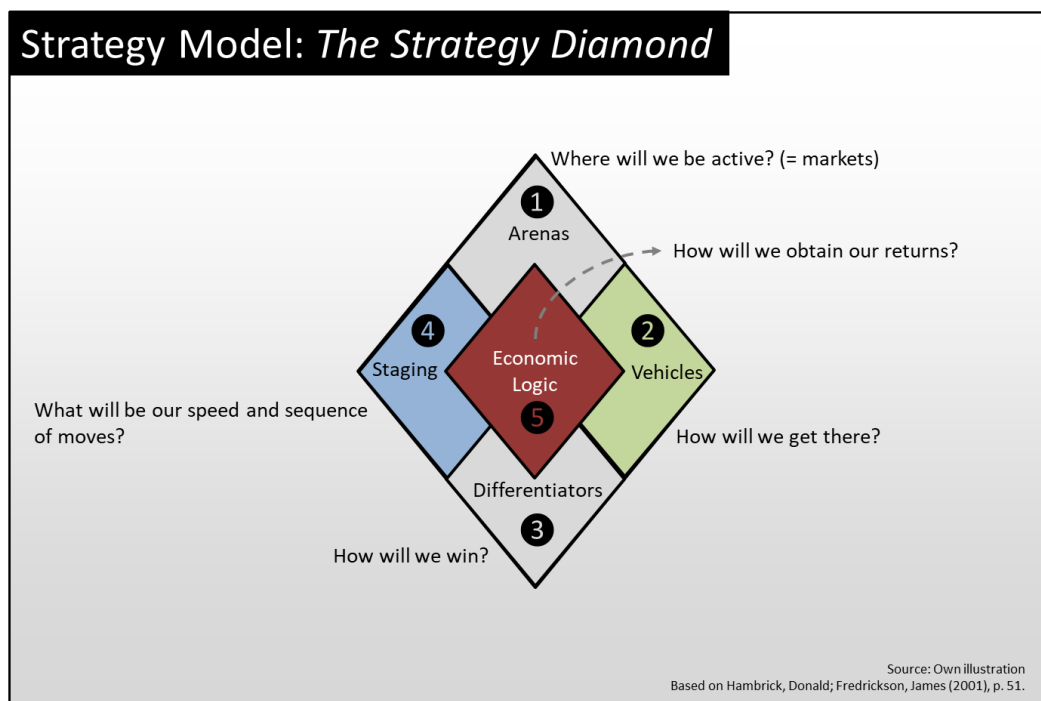


Figure 22
Strategy diamond¹⁸⁰

Model for strategy teaching. The five-element strategy diamond developed by *Hambrick* and *Fredrickson* in 2001 is often associated with alignment but, according to the authors, it is a **framework for analyzing strategy**. Since everything is now called strategy, there is some confusion about what really is a strategy and what is not. The inflationary use of the word strategy undermines its value and credibility. The elements of the strategy according to this framework

¹⁷⁹ Ibid., p. 230.

¹⁸⁰ Own illustration, Schmude (2023) based on Hambrick, Donald C.; Fredrickson, James W. (2001).

are: **Arenas** (= markets) ❶, **Vehicles** ❷, **Differentiators** ❸, **Staging** ❹, and overall **Economic Logic** (which generates profits) ❺. These elements grouped in a diamond form the strategy diamond,¹⁸¹ although the shape of the diamond itself is an arbitrarily chosen shape and does not carry any information of its own. The designation as diamond is a pure artifice for better marketing.¹⁸² Developed from teaching, this model has spread rapidly in textbooks on strategy, ‘Strategic Management—A Dynamic Perspective’ by *Carpenter* and *Sanders* is completely structured according to this framework.¹⁸³ Other authors emphasize the *Staging* element: the speed and sequence of implementation are often not adequately discussed and considered, which can lead to a flawed strategy.¹⁸⁴

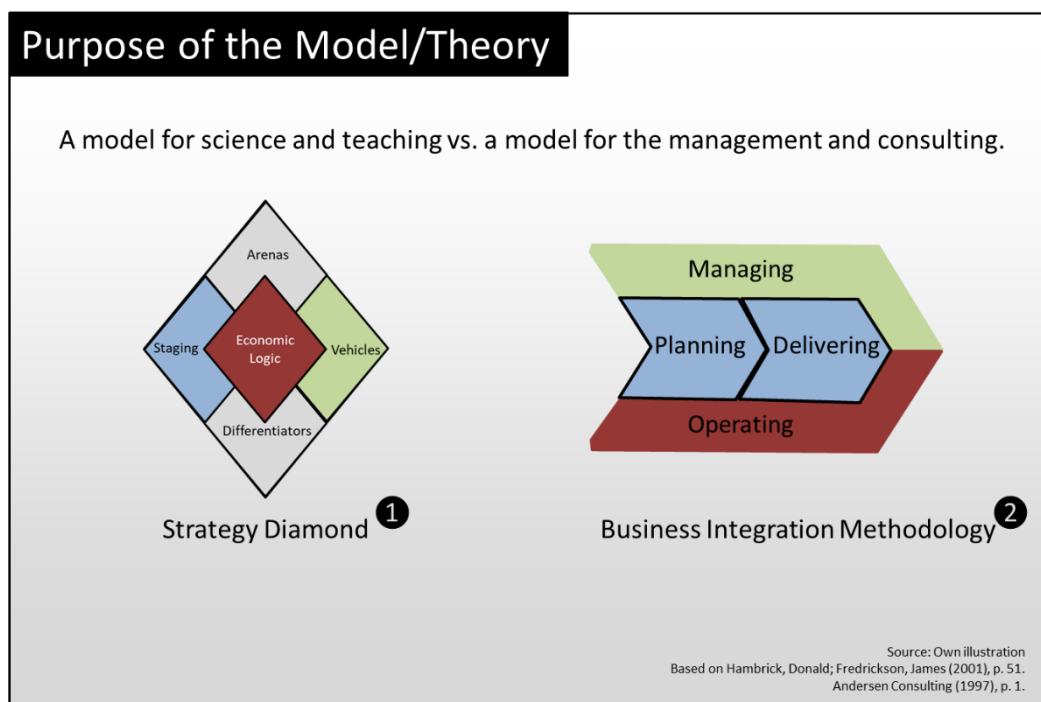


Figure 23

Teaching model versus consulting model¹⁸⁵

¹⁸¹ Donald C. Hambrick and James W. Fredrickson, “Are You Sure You Have a Strategy?,” *Academy of Management Executive* 15, 48-59 (2001). p. 51.

¹⁸² Thorsten Schmude, “Strategic Alignment Vs. Opportunity Hopping – Disruptive Times Require a Firm Strategy,” *Scientia Moralitas* Vol. 7, no. 2 (2022), <https://doi.org/10.5281/zenodo.7474494>. Content used for publications within the PhD program.

¹⁸³ Mason Andrew Carpenter and William Gerard Sanders, *Strategic Management: A Dynamic Perspective Concepts*, 2nd ed. (Upper Saddle River, N.J.: Pearson Prentice Hall, 2009). pp. 14–17.

¹⁸⁴ Heike Rawitzer and Jacques Hefti, “Der Strategie-Diamant: Ein Konsequenter Weg Zur Integrativen Strategieformulierung,” *ZfO Zeitschrift für Führung + Organisation*, no. 5 (2018).

¹⁸⁵ Own illustration, Schmude (2023) based on Hambrick, Donald C.; Fredrickson, James W. (2001). Andersen Consulting (1997).

Different requirements for models for teaching and for consulting work. A model for students in their initial years at university ❶ must be understandable without prior knowledge and also **easily applied**. It is advantageous if it develops a **special attractiveness** through the presentation, naming or application. This last aspect is, of course, also valid for professional consulting models ❷.

2.2.9. Consulting for Strategic Implementation and Alignment

Models from the Consulting Business. Until 1997, Andersen Consulting (now Accenture) used the so-called **Method/1®**,¹⁸⁶ a process model for professional consulting. Based on a defined change process for consulting clients, phases, work steps and associated results are described. Such a method enables large consulting companies to use uniform terminology and to represent this terminology to their clients. Furthermore, new employees are quickly familiarized with the working method through training in such a method and can more easily work on topics independently. In 1997, this strongly process-oriented method was replaced by the **Business Integration Methodology (BMI)**. This was backed up with sample results, templates, best-practice examples, and arguments for customer contact and sales.¹⁸⁷

2.2.10. Visualization and Further Aspects of Strategic Alignment

Further resources for exploring Strategic Alignment. This section presents descriptions and other content related to Strategic Alignment. These preliminary considerations in the exploration of Strategic Alignment are collected here, along with content for better definition of terms.

Roadmapping is universally applicable and intuitively understandable. Roadmapping is a representation of strategy and strategy implementation that can be understood by anyone, regardless of their level of education or academic background. It is a globally applicable form of strategy representation. This process can be seen in everyday business practice and is a useful tool even without any special scientific foundation.

¹⁸⁶ Andersen Consulting, *Method/1®V 10.0: Reference Guide Volume 1: Route Descriptions* (Chicago, 1993).

¹⁸⁷ Andersen Consulting, *Business Integration Methodology*.

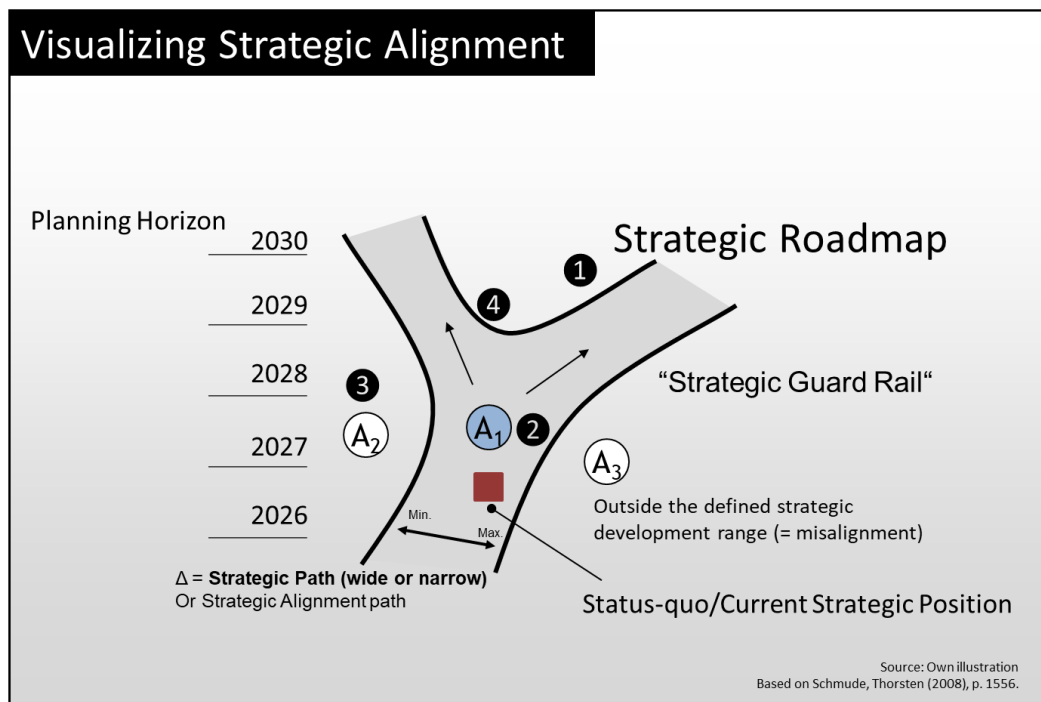


Figure 24
The strategic path¹⁸⁸

The timeline for strategy implementation should be modeled. A common way to visualize the strategy is **strategic road mapping**, showing a roadmap ① with the planned strategic initiatives ② and options ③. Branches in the road can stand for milestones in the company's development, for example, for central directional decisions such as a merger ④, or a decision for a market segment or a specific product line. Such a strategic road map can be used in strategy development as well as for the communication of the strategy.¹⁸⁹ **Strategic guardrails** provide guidance, but they do not offer absolute certainty. Everyone knows that guardrails along highways are regularly breached in the event of a serious traffic accident. To stay in this linguistic image, the driver of the car himself must have the will and the intention to stay on track. The next figure shows such a strategic path as a road map, presented in an artistic way. This display in the entrance area of a large hospital is intended to inform both staff and patients about the company's strategy.¹⁹⁰

¹⁸⁸ Own illustration, Schmude (2023) based on Schmude (2008).

¹⁸⁹ Thorsten Schmude, "Geschäftsstrategie Mit Der Risikostrategie Verbinden: Die Auflagen Des § 64a VAG Dulden Keinen Aufschub," *Versicherungswirtschaft* 63, no. 15.9.2008 (2008).

¹⁹⁰ Schmude, "Strategic Alignment vs. Opportunity Hopping – Disruptive times require a firm strategy." Content used for publications within the PhD program.

main finding of the study is that the expertise and capabilities of the board members should relate to the firm's risks, which leads to an improvement in performance.¹⁹³

Flexible changes in strategy require different internal capabilities. As early as 2002, it was recognized that **dynamic capabilities** are important for manufacturing companies. Since not all capabilities can be built up by the company itself, strategic alliances must be resorted to. The integration (formal and informal) into the own company is the big challenge. A broad-based study of 600 U.S. companies using two mail surveys three years apart, which was seen as a longitudinal study, yielded answers for 97 companies.¹⁹⁴ Building internal capabilities in the human and technology fields takes time and the opportunity to learn. Integrating capabilities from the outside requires successful integration.¹⁹⁵

Meanings of Strategic Alignment. Another meaning of Strategic Alignment is the **dependency of a given strategy on external factors**, such as macroeconomic forces or global trends. The basic assumption in this approach is that strategic decisions are not made once but incrementally. In concrete terms, strategic decisions are repeatedly adapted to the environment, such as the market/competition, as well as to customer requirements and other influencing factors. From an M&A or investor's perspective, a linkage between strategy and **measuring points** could further develop the strategy on its own based on a mathematical and statistical genetic algorithm. The **real options theory** (ROT) is used to measure the expected value of future opportunities. The major problem in this approach is the lack of input data and complete cases to proof this concept.¹⁹⁶ Depending on the size of the organization, strategy implementation has more to do with a political campaign or diplomatic action than with the mere formulation of broken-down specifications. For this research on strategic alignment, the ROT approach cannot be pursued further.

¹⁹³ Schmude, "Corporate Strategy in a Disruptive Economic Environment Foremost A Strategic Alignment Topic?." The research topic and research design were presented and published in advance by Mr. Schmude.

¹⁹⁴ Shaker A. Zahra and Anders P. Nielsen, "Sources of Capabilities, Integration and Technology Commercialization," *Strategic Management Journal* 23, no. 5 (2002), <https://doi.org/10.1002/smj.229>. pp. 282-283.

¹⁹⁵ Zahra and Nielsen, "Sources of capabilities, integration and technology commercialization." p. 394.

¹⁹⁶ René Belderbos, Tony W. Tong, and Shubin Wu, "Multinational Investment and the Value of Growth Options: Alignment of Incremental Strategy to Environmental Uncertainty," *Strategic Management Journal* 40, no. 1 (2019). pp. 128-129.

A type of synchronization. To bring in line, harmonize and synchronize are other phrases for alignment. To clarify this and also to be able to think about the alignment problem abstractly, a generally understandable example helps: in a classical orchestra, all musicians have to get in tune with each other at the beginning of the joint performance, i.e., bring the instruments to the same pitch. For this purpose, the concert master, that is, the first desk of the first violins, usually sets the tone, which is then used by all instruments as a reference. Later in orchestral playing, the conductor is responsible for the alignment and balanced interplay of the individual musicians. The score provides the basis for this alignment. It is a playing guide, in effect, a kind of action for music production.

2.2.11. Defining Terms for Further Research Work

Literature and external sources are integrated into the work along the research process. Even though the literature work has a downstream importance in Grounded Theory Methodology, from the very beginning of the research, relevant databases such as EBSCOhost were searched for available literature and studies.¹⁹⁷ (→ III. Hit list from EBSCOhost, cf. page 699).

Table 4

Strategic Alignment related terminology

Search word	German translation	Synonyms/ antonyms	Related words
Strategic Alignment	No direct translation is possible	None	Strategy Alignment Organizational Alignment Strategic congruity ¹⁹⁸

¹⁹⁷ Compare research dated April 17, 2021, using the keywords 'strategic alignment' and 'strategic planning'. Aspects related purely to IT topics should be filtered out. The hit list from EBSCOhost is included in the attachment. The research was conducted under the guidance of Prof. Dr. Rüdiger Buchkremer during the workshop on literature analysis.

¹⁹⁸ Steven D. Smith and Tyler F. Thomas, "The Effects of Strategic Alignment and Strategic Clarity on Multidimensional Task Performance," *Accounting, organizations and society*, no. 112 (2024), <https://doi.org/10.1016/j.aos.2023.101524>. In the analysis of the literature, this term was only used in this way by these authors.

Strategic Planning	Strategische Planung	None	None
Strategy Implementation	Strategieumsetzung	Strategy execution, strategic fulfillment	None

Search for defined keywords in databases. About 30 results were provided by the database search, although only a few references, mostly from the Strategic Management Journal, were considered in the narrower sense desired here. Other results had a very strong connection to topics such as environment, sociology or individual psychology and were therefore excluded from further consideration. A second database search at the same time at wiso (www.genios.de) with the search word 'Strategic Alignment' in the title revealed no relevant publications for the last five years. This limitation and definition of the term and the associated terminology are crucial for the subsequent indexing of external sources, in particular literature (→ III. Hit list from EBSCOhost, cf. page 699).

Meaning of the term in other sciences. In the course of the literature review, new aspects of the term Strategic Alignment emerge: a historical study of political alliances, for example, describes Strategic Alignment as a form of bond between two states. In this case, the example of Turkey in the 1930s is used. For historians, Strategic Alignment is a less formal bond than a formal strategic alliance, or even a preliminary stage before a strategic alliance is codified in a treaty.¹⁹⁹ A new publication on Strategic Alignment in politics emphasizes that even in this field, the definition of Strategic Alignment is still unclear. The author *Korolev* lists 30 interpretations of the term. In relation to Strategic Alignment between states, it is a form of cooperation such as a strategic partnership or a strategic alliance. Such alignment develops and builds on trust and diplomatic relations. A formal treaty can be concluded, but in case of doubt it is not essential. The author sees a kind of life cycle in the development of such connections. For the present research within the scope of this dissertation, it is a clear distinction from the perspective of political science. In principle, strategy research could also describe any

¹⁹⁹ Dilek Barlas and Suhnaz Yilmaz, "Rethinking Strategic Alignment: The Great Powers' Wedging and Turkey's Balancing Strategies," *Turkish Studies* (Oxon, UK), 2022.

form of loose connection between cooperation partners or other parties involved as alignment. However, this is not the intention of the present work.²⁰⁰

CONCLUSION: A comprehensive view of the alignment of business activities—and not just the organization or individual positions such as the board of directors—has not, to date, been systematically examined. Generally speaking, strategy implementation is a topic area that has received far less attention than strategy development. For clarification, it must be emphasized that **Strategic Alignment is not to be equated with strategy implementation (strategic alignment ≠ strategy implementation)**. However, Strategic Alignment does ensure comprehensive, and therefore sound, strategy implementation.²⁰¹

The strategy describes an ideal line
for the development of the company
in the future.

²⁰⁰ Alexander Korolev, “The Stadiad Model of Alignment Formation (SMAF): Conceptualising Strategic Alignments Between States,” *European Journal of International Security*, 2024, <https://doi.org/10.1017/eis.2024.25>.

²⁰¹ Schmude, “Corporate Strategy in a Disruptive Economic Environment Foremost A Strategic Alignment Topic?.” This aspect was presented at a conference and published in the conference documentation. Part of this dissertation.

3. METHODOLOGY AND RESEARCH DESIGN

This chapter is reserved exclusively for the research methodology. Based on the status quo and the specifics, the strategy research is discussed here and, in particular, the importance of qualitative research for the further development of corporate strategy is emphasized. The generic research methodology is the basis for the development of a research design tailored to the current research requirements for the present research project on Strategic Alignment. First, the methodology of case studies and case analysis is discussed in general terms. However, although this methodology was discussed in the research proposal, it was not selected for this research project (→ 3.1.1 Case Studies and Case Histories as Input for Strategic Research, cf. page 106). The focus of this chapter is on Grounded Theory, which was selected as the research methodology for this dissertation (→ 3.1.2 Qualitative Research with Grounded Theory, cf. page 108).

3.1. METHODOLOGY FOR STRATEGY RESEARCH

For this research project, a methodological approach was used, which makes it possible to find new solutions and concepts in an environment of uncertainty and permanent changes. The traditional testing of existing theories seems only partially useful and is related to existing models. There is no generally recognized alignment model for Strategic Alignment that can be subjected to such a test.

Unforeseen starting point for the research work. The 2021/23 health-crisis disruption requires future-oriented methods with the inherent target of building up new concepts or even new theories. The economic stability and globalization that had existed for decades in favor of the Western countries and the U.S. in particular have been shaken. New developments are emerging, taking place in an unstable world with many sudden changes. This means that old models and theories must be re-examined, at least with regard to their suitability for disruptive scenarios, and new models and theories must be developed.²⁰²

Grounded Theory is present-oriented. Traditionally, historic case studies are used to analyze strategic aspects of research and lectures. Case studies are past-oriented and look back

²⁰² Schmude, "Corporate Strategy in a Disruptive Economic Environment Foremost A Strategic Alignment Topic?." This aspect was presented at a conference and published in the conference documentation. Part of this dissertation.

at a completed case. These studies are limited to a **single case**, e.g., one company or a specific field with contrasting different perspectives, e.g., two competitors with different strategies. Drawing conclusions and generalizing from the individual case to an abstract method is possible, but it comes with many limitations, e.g., only related to a specific industry.²⁰³ With its **iterative process of data collection and analysis**, Grounded Theory integrates a broader view and leads to a more valuable theoretical approach.²⁰⁴

CONCLUSION: Due to the recognizable importance of pandemics and disruption for strategy work in companies in the future, a research methodology is needed that takes the current situation into account and contributes to creative and future-oriented solutions.²⁰⁵

3.1.1. Case Studies and Case Histories as Input for Strategic Research

Strategic consulting cases as a basis for scientific research. In management consulting, the consultants regularly work with business cases because they are prepared in such a way that the content can be used in a discussion or workshop. The requirements here are a reduction of reality to the central problems and dependencies so that alternative actions and scenarios can be discussed. The quality of these cases depends on the target group and their prior understanding. The deliverable is mostly a set of presentation slides with an adequate visualization. A **consulting business case** is presented and commented by a consultant. Here it is not necessary to have a coherent overall document. The time for research and data gathering is mostly very limited because of the costs and deadline pressure from the client, and a decision has to be made very soon. Building a **teaching case** requires different skills from a consulting business case: well-written documents with all information for the student are presented in a narrative storyline.²⁰⁶ The student is asked to prepare the teaching case at home and participate

²⁰³ Kathleen M. Eisenhardt, "Building Theories from Case Study Research," *Academy of Management Review* 14, no. 4 (1989), <https://doi.org/10.5465/amr.1989.4308385>.

²⁰⁴ Walsh, Holton and Mourman, *Conducting classic grounded theory*.

²⁰⁵ Schmude, "Corporate Strategy in a Disruptive Economic Environment Foremost A Strategic Alignment Topic?." This aspect was presented at a conference and published in the conference documentation. Part of this dissertation.

²⁰⁶ Louis B. Barnes, Carl Roland Christensen and Abby J. Hansen, *Teaching and the Case Method: Text, Cases, and Readings*, 3. ed. (Boston, Mass.: Harvard Business School Press, 1994). p. 72.

in the classroom discussion. Therefore, the case has to motivate the students and address problems they can understand, just as it should come to life in the reader's imagination.²⁰⁷ Case studies have the function and mode of action of a **quasi-experiment**.²⁰⁸

Origin of Case Method. In jurisprudence, education has always been closely connected with concrete cases and court records submitted to university scholars for review. Harvard Law School first used prepared case studies in legal education beginning around 1870, and the later business school used case studies for instruction starting from roughly 1920. For training, classroom-based cases are established and standard in business administration because of the work of the second dean of Harvard Business School, *Wallace B. Bonham*, who led the institution from 1919 to 1942. He himself graduated from Harvard Law School and transferred the concept of case instruction from law to business education.²⁰⁹

Working on cases in the humanities. Legal case work is much older and, for example, can be traced back in Germany to 1495 of the *Reichskammergerichtsordnung* (RKGO) of the Imperial Chamber Court. The *Kammergericht* has established a tradition of jurisprudence that continues to this day. The legal inquirers, who forwarded files and cases to the legal scholars, only then became judging judges. Since this time, the principle for civil proceedings is 'Tura novit curia' (The court knows the law). The principle applied: 'Da mihi facta, dabo tibi ius' (Give me the facts and I'll give you the law.). When the oral proceedings became the file proceedings, the written reduction to the legally relevant facts was more easily possible and decisive for the decision 'quod non est in actis, nun est in mundo'. In so-called *Responsen*,²¹⁰ legal faculties commented on practical legal issues and often even delivered ready-made judgments.²¹¹

Features and benefits of case study work. The building of cases usually requires an extensive collection of facts and background information, making the case the subject of qualitative research at this stage. The case method places the reader in the role of a 'real' manager

²⁰⁷ Barnes, Christensen and Hansen, *Teaching and the case method*. p. 287.

²⁰⁸ Robert K. Yin, *Case Study Research: Design and Methods* / Robert K. Yin, 2nd ed., Applied social research methods series v.5 (Thousand Oaks, Calif., London: Sage, 1994).

²⁰⁹ Ibid., Barnes, Christensen and Hansen, *Teaching and the case method*. Barnes, Christensen and Hansen, *Teaching and the case method*. Barnes, Christensen and Hansen, *Teaching and the case method*. p. 44.

²¹⁰ Latin: answer in the meaning for a written legal opinion.

²¹¹ Rainer Schröder, *Rechtsgeschichte*, 10.th ed. (Münster: Alpmann und Schmidt, 2015). pp. 73–75.

in a ‘real’ business situation²¹² and forces a preoccupation with the case. General characteristics of the business case include:

- The case is a record of a business issue. The case is **holistic** and taken from **practice**.
- The reader is in the **role of a business executive** and has the authority of a decision-maker (a bird’s-eye view).
- The case includes a combination of verbal, numerical and visual data.
- **Multiple problems** coexist in the case with different ways to discuss and solve the problems.²¹³

CONCLUSION: In this research, case studies from the literature or from the companies involved are used where there is no content or statements from the actual qualitative research. A case study makes a complex problem open to discussion and understandable for third parties, e.g. the scientific community, and forms a working basis.

3.1.2. Qualitative Research with Grounded Theory

A new approach to qualitative research. Qualitative research based on Grounded Theory goes back 50 years to the publication of ‘*The Discovery of Grounded Theory*’ by Glaser and Strauss.²¹⁴ Grounded Theory is a research process that results, according to the authors, in **theory**—or at least in a **theoretical concept**—that represents a **building block** toward a **new theory**. In the 1990s, Grounded Theory has been summarized in the textbook ‘*Basics of Grounded Theory*’.²¹⁵ This main variant of Grounded Theory advocated by Corbin and Strauss is also the basis for the research design of this research project.²¹⁶

²¹² Barnes, Christensen and Hansen, *Teaching and the case method*. p. 47.

²¹³ Ibid., pp. 44–56.

²¹⁴ Barney G. Glaser and Anselm L. Strauss, *The Discovery of Grounded Theory: Strategies for Qualitative Research* (New York: Aldine de Gruyter, 1967).

²¹⁵ Corbin and Strauss, *Basics of qualitative research*.

²¹⁶ Schmude, “Corporate Strategy in a Disruptive Economic Environment Foremost A Strategic Alignment Topic?.” Publication as part of this PhD program. Presentation of the research design.

Theories should emerge purely from data and research. Initially, no manual or text-book was available for the application of Grounded Theory, and publications included only basic thoughts on the subject. Indeed, it is only in recent years that a **research process** has been established that can be applied to various sciences. From the beginning, Grounded Theory was based on **three central principles**²¹⁷:

1. **Emergence:** the concepts or results in a Grounded Theory study must emerge from the analysis of data.
2. **Constant Comparative Analysis:** data are analyzed and coded iteratively until the point of theoretical saturation.
3. **Theoretical Sampling:** the data are not collected based on a predefined sample or unit. They are iteratively sampled throughout the entire research process.²¹⁸

Observation and fieldnotes are integral to Grounded Theory. The openness to different sources, such as observations with interviews and the integration of additional data, e.g., documents and material provided by the interviewee, leads to a deeper understanding of the research subject and provides data far beyond interviews. Data sources can be in any format, e.g., numerical or verbal format.²¹⁹

A distinct form of sampling in Grounded Theory. The so-called **theoretical sampling** is the central aspect of the research process: the researcher selects interview partners according to the idea of a **theoretical saturation** within the research process meaning, one after another, the interview is conducted and analyzed, and then the next interview samples are selected. To cover a full range of samples, rather than similar samples, it is important to find those which are different and which can contribute data for the analysis, coding and abstraction of the ma-

²¹⁷ Schmude, "Corporate Strategy in a Disruptive Economic Environment Foremost A Strategic Alignment Topic?." Publication as part of this PhD program. Presentation of the research design.

²¹⁸ Walsh, Holton and Mourman, *Conducting classic grounded theory*. p. 9.

²¹⁹ Ibid., Walsh, Holton and Mourman, *Conducting classic grounded theory*. Walsh, Holton and Mourman, *Conducting classic grounded theory*. Walsh, Holton and Mourman, *Conducting classic grounded theory*. p. 37.

terial. If the interview partners are similar or have the same background, correspondingly similar statements and data are to be expected.²²⁰ However, the aim of sampling is not to prove the conformity of opinions or methods but to obtain as broad a database as possible.²²¹

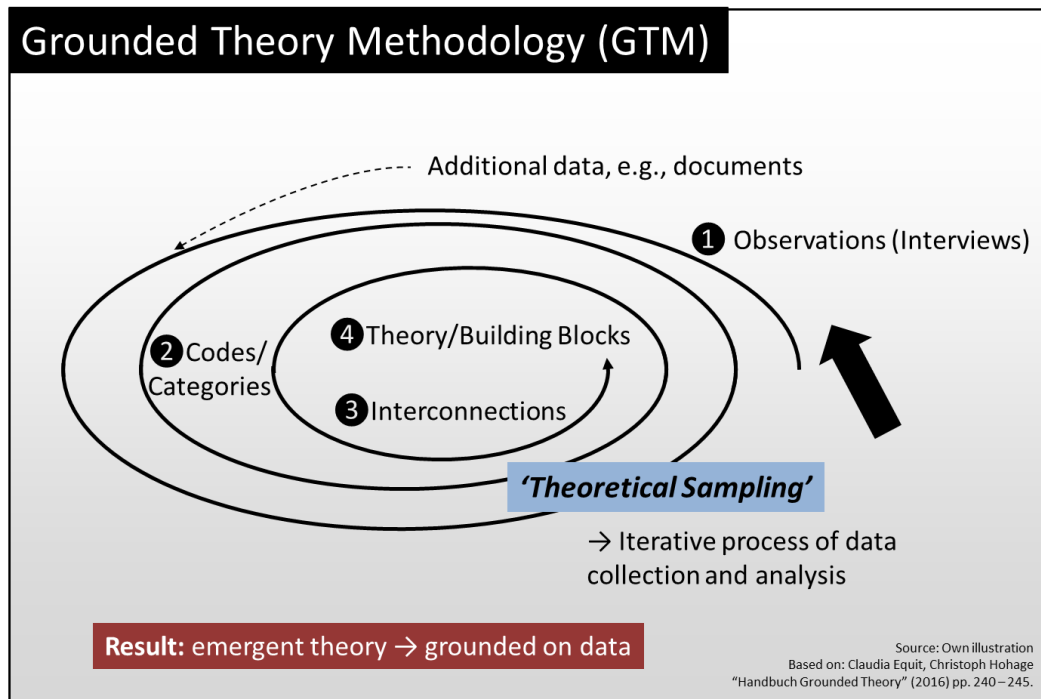


Figure 26
Grounded Theory Methodology for theory building²²²

Grounded Theory requires an independent research process. The research process **in loops** is conducted until a pattern and a **theory emerges**. Therefore, compared to other research methods, a predefined sample is not required—indeed, it is not even possible. Knowledge is gathered throughout the process **1**, and similarities and differences are realized in the **coding process 2**. In the Grounded Theory literature, this is referred to as ‘constant comparative analysis’.²²³ Dependencies and content-related references are worked out **3**.²²⁴ Finally, the theory emerges from the research **4**.²²⁵

²²⁰ Schmude, “Corporate Strategy in a Disruptive Economic Environment Foremost A Strategic Alignment Topic?.” Excerpt published by the author himself.

²²¹ Corbin and Strauss, *Basics of qualitative research*. pp.134–136.

²²² Own illustration, Schmude (2021) based on Equit et al. (2016), pp. 240–245.

²²³ Walsh, Holton and Mourman, *Conducting classic grounded theory*.

²²⁴ Schmude, “Economic disruption as a strategic accelerator: the increased importance of Strategic Alignment in the post-Covid-strategy.” Aspects published in advance by the author during the research design presentation.

²²⁵ Equit and Hohage, *Handbuch Grounded Theory*. pp. 240–245.

Spiral for knowledge acquisition. For the research project, this means, the first turns of the spiral are wider and later become increasingly narrow until a condensed theory has emerged. This is how **knowledge accumulates** (= theoretical saturation). The interviews contain more and more duplications, which ultimately do not lead to new knowledge. It follows that, at the beginning of the interview research, the individual interview appointments must be further apart in time so that there is time in between for evaluation and supplementary research.

Diversity of data sources—‘All is data’. Another advantage of so-called **classical** or **formal Grounded Theory** is the openness to different data sources: traditionally, the primary source for qualitative research are interviews. In Grounded Theory, **additional sources**, such as **informal conversations**, **notes** collected during meetings, etc., can be captured as ‘**field-notes**’ and integrated²²⁶ into the data sampling.²²⁷

Observations and fieldnotes. The researcher’s fieldnotes are an important source in research. Fieldnotes can include observations but also conversational content that took place before and after the recorded interview. Observations by the researcher are important complements and provide evaluations, background, and assessments, and can help flesh out what is not said. Observations are especially possible during face-to-face meetings, i.e. when working in the research field. In virtual surveys, the possibility for observations is reduced accordingly.²²⁸ Especially when the audio recording is formally finished, many interview partners feel the need to provide additional information or to explain themselves. People are also more likely to share their own experiences and adventures in casual small talk than in the situation of the actual interview, which many find artificial. Especially in the information noted down immediately after the interview or the conversation as fieldnotes, decisive content can be present that enables the analysis and unlocking of the interview content. The interviewee is not an answering machine, and not every sentence in the interview contains relevant information or is even worth quoting. Interviewees may have additional ideas or content that is important to the research after the formal interview is completed. To ignore these would be simply

²²⁶ Schmude, “Corporate Strategy in a Disruptive Economic Environment Foremost A Strategic Alignment Topic?.” Aspects published in advance by the author during the research design presentation.

²²⁷ Corbin and Strauss, *Basics of qualitative research*. pp. 36–39.

²²⁸ Corbin and Strauss, *Basics of qualitative research*. p. 41.

wrong, so this supplementary information, e.g., e-mails or presentation slides, is also summarized in fieldnotes or memos.²²⁹

Sampling by organizational size. One approach to selecting target companies may be pure company size. For strategy work, organizational size, i.e., the number of employees, is one such key figure that is relatively easy to determine. For test purposes, such a table was created for the 100 largest companies in Germany, in which the contact details of Corporate Development, or Company Development, are also noted.²³⁰ The basis for this research is the company database of dun&bradstreet or Bisnode.²³¹ Limitation: A very broad-based study would complement this research work, but is not feasible with the time and resources available here.

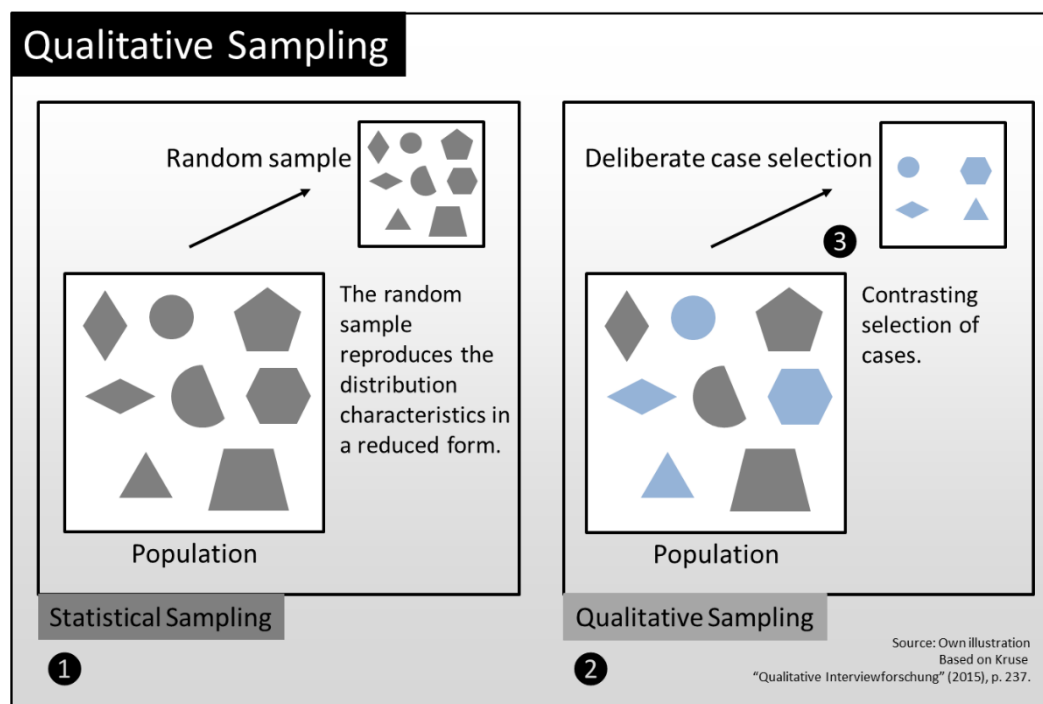


Figure 27
Qualitative sampling compared with statistical sampling²³²

²²⁹ Walsh, Holton and Mourman, *Conducting classic grounded theory*. pp. 32–33

²³⁰ Details in the file "Stichprobe Erhebung Strategic Alignment.pdf."

²³¹ www.bisnode-firmendatenbank.de. The use of this database requires a membership and is subject to a fee.

²³² Own illustration, Schmude (2023) based on Kruse, *Qualitative Interviewforschung*., p. 237.

In **quantitative or statistical case selection ①**, the sample must be representative. In other words, the sample must have the **same structural characteristics** as the population.²³³ For **qualitative sampling ②**, two methods are used:

1. **contrastive sampling** strategy with the aim of selecting maximum structural variants **③** or
2. **homogeneous sampling**, where the same patterns are selected.²³⁴

In this study, the challenge is to obtain **contrasting statements** that are as far apart as possible, i.e., the interviewees should bring as many different aspects of Strategic Alignment into the research process as possible.²³⁵

Grounded Theory is less a method and more a research philosophy. The adaptability to different research situations is a further benefit to the different versions of Grounded Theory. The integration of different data sources is the central aspect of the **mixed-method Grounded Theory (MM-GT)**.²³⁶ The second path of Grounded Theory, which may help in this research effort, is **Reflexive Grounded Theory** which accepts and integrates the notion that the researcher is not a neutral person with full scientific objectivity.²³⁷ This shows the range from the formal or classical Grounded Theory to the latest developments in this field. Especially a researcher who has been involved in strategy work for many years cannot discard or ignore this knowledge and his personal preconceptions. For this reason, self-reflection and critical appraisal of the preconception is useful for the current research. How prior knowledge

²³³ Ibid., Kruse, *Qualitative Interviewforschung*. Kruse, *Qualitative Interviewforschung*. Kruse, *Qualitative Interviewforschung*. p. 238.

²³⁴ Ibid., pp. 237–242.

²³⁵ Schmude, “Strategic Alignment vs. Opportunity Hopping – Disruptive times require a firm strategy.” Research methodology published in advance as part of the PhD program.

²³⁶ Elizabeth G. Creamer, *Advancing Grounded Theory with Mixed Methods*, 1st (London: Routledge, 2021). p. XVII.

²³⁷ Franz Breuer, Petra Muckel and Barbara Dieris, *Reflexive Grounded Theory: Eine Einführung Für Die Forschungspraxis*, 4. Aufl. 2019 (Wiesbaden: Springer Fachmedien Wiesbaden; Imprint: Springer VS, 2019). <https://doi.org/10.1007/978-3-658-22219-2>. p. 10.

and previous professional experience are dealt with is part of the analysis and will be clarified later in the course of this research project.²³⁸

Generations of Grounded Theory. The different generations of Grounded Theory show a development over a period of about 50 years. Because of this multitude of variants, it is always necessary to clearly document the selected variant and the adaptation of this variant for one's own research project when using Grounded Theory in a research project.

Current variants in the GTM. Today, at least five variants of Grounded Theory can be distinguished, which have developed sequentially over time. Therefore, it is possible to talk of five generations of Grounded Theory:

1. **Inductively-Oriented Grounded Theory** by *Barney Glaser* and *Anselm Strauss*. Here, researchers remain passive in revealing reality. Everything is supposed to emerge from the data. From today's perspective, this approach is seen as being too simplistic methodologically.
2. **Classic or formal Grounded Theory** by *Anselm Strauss*. Circular approach and constant comparison. A back-and-forth movement between theory acquisition, data collection, and data evaluation. This variant of Grounded Theory is very much based on American Pragmatism.
3. **Code-Oriented Grounded Theory** by *Anselm Strauss*. Here, the focus is on codes and coding families. This form places significant emphasis on accuracy in coding and is therefore very similar to qualitative content analysis. It is also most likely to be supported by QDA software, such as AtlasTi or MAXQDA.

²³⁸ Schmude, "Corporate Strategy in a Disruptive Economic Environment Foremost A Strategic Alignment Topic?." Research methodology published in advance as part of the PhD program.

4. **Constructivist Grounded Theory** by Charmaz (2006).
This criticizes the inductive approach of the early variants of Grounded Theory and is skeptical about the performance of coding routines.
5. **Postmodern, Situational Grounded Theory** by Clarke (2005). This variant takes a **broad view** and also **captures artifacts, practices, and discourses. Research is understood as a communicative construction process.**
Theories of practice and also theories of discourse are incorporated.²³⁹

The philosophical basis of Grounded Theory is postmodernism. The philosophical school of thought of **postmodernism** cannot be discussed in depth here; today, the subjectivity of truths has largely prevailed in the humanities. The narrative is at the center of the considerations. Since *Nitzsche's* constructivism, the school of thought has developed and stands in a certain opposition to the objective truth according to *Plato's* world view.

Other approaches to analysis. For the coding of content, a 'Content Analysis', according to *Mayring*, is an oft-used method in Germany. This is for coding of communication set in writing, mostly transcripts of interviews, based on very strict rules, for example, where interviews may be psychologically sensitive or where a hermeneutic interpretation is required, and another truth of information is suspected behind the words being said. Some aspects of this method—which is more rule-based than Grounded Theory—are useful for interviews with a specialist in the field with additional information, e.g., presentation slides and screen-shots. For this research project, the content analysis in this form does not match the requirements.²⁴⁰ The coding of the content analysis is too close to the individual word and the aim is to derive

²³⁹ Equit and Hohage, *Handbuch Grounded Theory*. p. 49.

²⁴⁰ Philipp Mayring, *Qualitative Inhaltsanalyse: Grundlagen Und Techniken*, 12. überarb. Aufl. (Weinheim: Beltz, 2015).

abstracting categories from it. Content Analysis is more of an evaluation technique than a research approach.²⁴¹ For this reason, and because it is little known internationally, it was not pursued further for this research project.²⁴²

Bias in recorded interviews. If interview partners know that their spoken words are being recorded, this has a direct influence on their response behavior. The willingness to provide information openly and unconditionally is then limited. In research, however, the aim is fundamentally to achieve the opposite: information that is open and based on truth and does not need to be obscured by tactical or personal considerations. This finding is opposed by the evidential function of the sound recording: the researcher himself must prove that the data he uses actually exist.²⁴³

Recruit interviewees for research. Without prior knowledge and contacts with relevant executives, no appointment for an interview would be made at all. The above-mentioned reflexive grounded theory can incorporate personal and **individual experience** and **business contacts** in a systematic and transparent way. The researcher himself has more than twenty years of experience in the field of consulting and strategy planning. It is simply impossible to completely block out or ignore this knowledge and the experience associated with it. Clearly, then, the mixed-methods and the openness to a wide range of data sources combined with a systematic integration of these data into the research process, mainly the coding and theory building, are a particular strength of Grounded Theory.²⁴⁴

CONCLUSION: Grounded Theory Methodology is a future-oriented approach for qualitative research in the field of strategy implementation and Strategic Alignment. Qualitative sampling allows relevant samples to be adjusted during the data collection and analysis process. This was also used in this research project. Information and facts flow in from various sources and are evaluated and critically scrutinized in the research process. In this research project, classical Grounded Theory is applied and customized to the needs

²⁴¹ Kruse, *Qualitative Interviewforschung*. p. 391, pp. 398–399.

²⁴² Schmude, "Corporate Strategy in a Disruptive Economic Environment Foremost A Strategic Alignment Topic?." Contents from this research have been published in advance.

²⁴³ Schmude, "Corporate Strategy in a Disruptive Economic Environment Foremost A Strategic Alignment Topic?." Contents from this research have been published in advance.

²⁴⁴ Schmude, "Corporate Strategy in a Disruptive Economic Environment Foremost A Strategic Alignment Topic?." Contents from this research have been published in advance.

of the subject and specific situation. The code-oriented Grounded Theory, which is based on a system of codes and code families, is used in the analysis, and the use of supporting analysis software is also planned (→ 4.4 Codebook of the Research Project, cf. page 294). The limitations of the chosen qualitative research method, Grounded Theory, were discussed at the relevant points in the text and can be summarized as follows: the known risks of a greenfield approach, namely that redundant research may be conducted and existing knowledge may be ignored, and the relative novelty of the research methodology, which has yet to establish itself in the strategic sciences.

3.2. RESEARCH DESIGN AND RESEARCH SETTINGS

3.2.1. Research Plan

The research exposé was completed before the pandemic began in February 2020. The topic of the research is directly affected by the pandemic and the way corporate strategy is defined and implemented in companies throughout Germany. In July 2020, when the research project started, the pandemic was omnipresent, and all management issues were already being influenced by the global impact of the pandemic.²⁴⁵

Input from interviewees is more than facts. Interview partners can bring knowledge from very different fields into the research process. It is advantageous if decades of knowledge can be brought into the research. The more facts, evaluations and considerations that are included in the research, the richer the result will be. Just as the experience and broad knowledge of the interviewees determines the quality of the research findings, so too does the researcher's prior knowledge and existing personal network. **The interviewee cannot be a complete source of knowledge**, but he can provide **food for thought** and **research hints** for a more in-depth analysis.

Strategic Alignment Survey. To plan and organize the research, a guideline was worked out called the 'Strategic Alignment Survey 2021' (38 pages). Of course, getting in contact with new participants for interviews requires communication and the building of trust before a date

²⁴⁵ Schmude, "Corporate Strategy in a Disruptive Economic Environment Foremost A Strategic Alignment Topic?." Previously published in excerpts.

for an open interview can be scheduled. To select relevant interview partners, a preselection and data-gathering step with a phone survey of around 15 to 20 minutes is part of the process.²⁴⁶ The investment of time and energy is limited for both sides. Hence this is a pragmatic way to check interviewee ‘fit’, that is, an interviewee’s readiness and capability to provide substantial information on the research topic. The phone survey also serves to establish a relationship between the interviewee and interviewer, building trust for the next step. Disadvantage of the questionnaire: Theoretical sampling should be as broad and contrasting as possible. This means that a pre-prepared questionnaire inherently cannot fit all test persons / interview partners (→ chapter VII. Annotated Questionnaire, cf. page 724).²⁴⁷

Preparation and testing phase. Three test interviews were conducted in the first month of 2021. The interviews were planned with managers and consultants in the field of strategy implementation. Each of them was able to answer the questions related to their own business experiences. In the beginning, the intention was not to use the findings and data from these interviews for the study, but the results were found to be of a quality that supports the research directly. The testing was a **reality check** and not just methodological testing or technical testing regarding the process and its timing. Tests and preliminary studies were conducted to optimize the research approach. These had the goal of improving the quality of scientific work.²⁴⁸

Table 5

Research activities and documentation

Study participants	Preliminary talk	Assessment questionnaire	Qualitative interview
1 st Interview	Field notes	Did not fit	→ page 153
2 nd Interview	Field notes	Did not fit	→ page 160
3 rd Interview	Field notes	→ page 747	→ page 169
4 th Interview	Field notes	Did not fit	→ page 175
5 th Interview	Field notes	→ page 756	→ page 181

²⁴⁶ Rolf Porst, *Fragebogen: Ein Arbeitsbuch*, 4., erweiterte Auflage (Wiesbaden: VS Verlag, 2014).

²⁴⁷ Schmude, “Corporate Strategy in a Disruptive Economic Environment Foremost A Strategic Alignment Topic?.” Previously published in excerpts.

²⁴⁸ Schmude, “Economic disruption as a strategic accelerator: the increased importance of Strategic Alignment in the post-Covid-strategy.” Previously published in excerpts.

6th Interview	Field notes	→ page 765	→ page 188
7th Interview	Field notes	Did not fit	→ page 193
8th Interview	Field notes	→ page 774	→ page 201
9th Interview	Field notes	Shortage of time	→ page 210
10th Interview	Field notes	Shortage of time	→ page 227
11th Interview	Field notes	Shortage of time	→ page 234
12th Interview	Field notes	Not enough reference to content	→ page 240
13th Interview	Field notes	Shortage of time	→ page 244
14th Interview	Field notes	Shortage of time	→ page 252
15th Interview	Field notes	Shortage of time	→ page 260

Time requirements and availability of executives. Open interviews are a time-consuming appointment for all persons involved, so that on the one hand, the appointment must be planned carefully, and the interviewer must also allow sufficient time in his or her daily schedule. For executives with busy schedules, such an interview can be too time-consuming, which means that it is then possible to switch to a weekend day. As it turned out, a number of executives happily made use of this option.

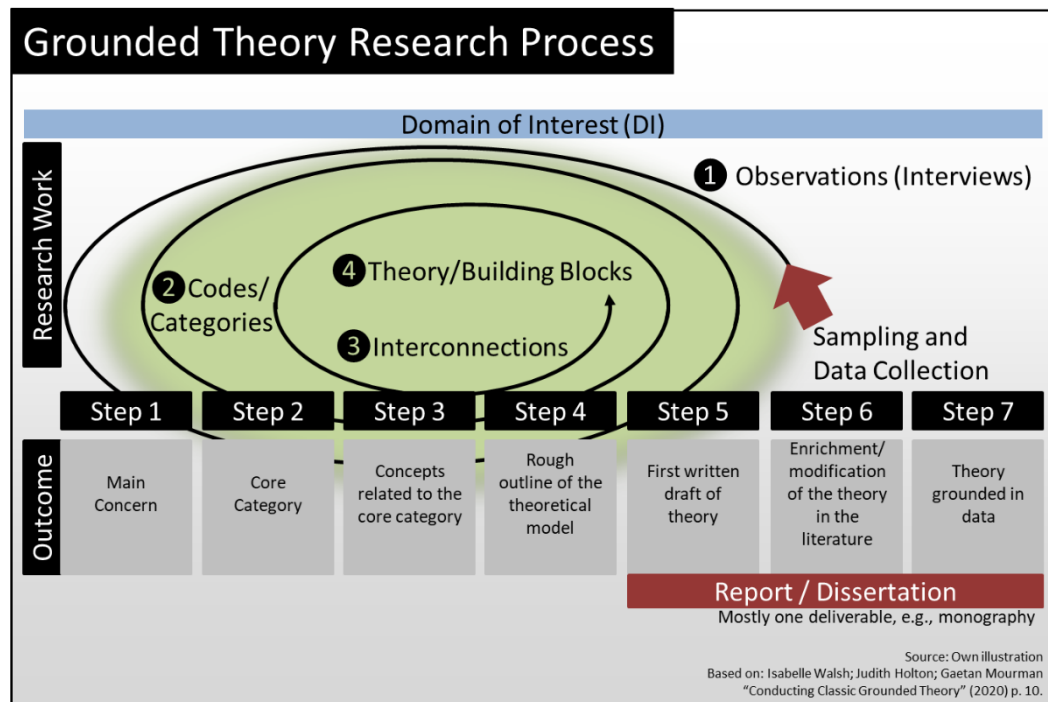


Figure 28

Research process for Grounded Theory research project²⁴⁹

Generic research process for Grounded Theory. The **domain of interest** is the thematic delimitation and also the central leitmotif for the entire research work. The less researched a field is, the wider the domain of interest should be defined. In the present research, this domain of interest is already reflected in the title and subtitle of the work: 'Strategic Alignment - Current methods and approaches, corporate requirements and trends'. The broad research spiral is the core of Grounded Theory research. Data collection begins with the selection of research sources such as interview partners. The aim is to obtain content via **observation ①**, which Grounded Theory also understands to include interviews and their content. **Codes and categories ②** are derived from the collected content, then content-related references and **connections** are clarified **③**. Finally, this leads to the formation of **theory** via individual **building blocks for the theory ④**. **Steps 1 to 4** concern the research process, which is largely determined by Grounded Theory. **Step 5** is where the findings from the qualitative research are condensed and summarized. **Step 6** enriches the research findings with existing literature,

²⁴⁹ Own illustration Schmude (2022) based on Walsh et al. (2020). p. 10.

while **Step 7** should lead to a theory or a theoretical approach, where the research results allow for this.²⁵⁰

CONCLUSION: The research process presented here from the literature on Grounded Theory is generic and adaptable to the present research project on the topic of Strategic Alignment. This research process and its terminology were therefore chosen and used in this research paper. For the reader's convenience, the status of the research process is included in the dissertation. The time required for these seven steps in the research process varies greatly, as does the content developed for each step. Further explanations can be found in the introduction to the thesis (→ Table of Contents, cf. page 10).

Research Economics determine the scope and duration of research. There are a number of research economics considerations to keep in mind when designing and planning a survey using qualitative interviews. Certainly, a CEO is always an interview partner of first choice, but he shares his knowledge with assistants and colleagues on the board and one management level below him. If an appointment with such a CEO is only possible with a lead time of many months or even a year because schedules simply do not allow it, then an interview partner should be chosen who is more available in terms of time.

Time frame for conducting the interviews. Interviews were conducted and coded throughout 2021 and 2022. Memos in the form of **researcher notes** documented the observations and findings along the timeline. The **core category** and the **related concepts** emerged from the data, and the main relationships and aspects became clear.²⁵¹

Researchers' Fieldnotes for each interviewee. Additional content has to be integrated into the research process. '**Fieldnotes**', **file notes**, and **memory protocols** must be documented in a comprehensible manner. Fieldnotes can also help improve the actual interview: the interviewees are usually highly educated people who have several years of experience and can therefore critically question many aspects of their work. If, for example, topics were raised in the preliminary interview that are not actively addressed in the actual interview, it is the duty

²⁵⁰ Schmude, "Strategic Alignment vs. Opportunity Hopping – Disruptive times require a firm strategy." Partially published in advance.

²⁵¹ Schmude, "Strategic Alignment vs. Opportunity Hopping – Disruptive times require a firm strategy." Some of the research results have been published in advance.

of the interviewer to introduce these aspects into the interview as a question or suggestion so that their contents are secured for further research.

Additional Sources in Grounded Theory. Existing customer files from strategic consulting are available for research. A suitable selection must be made, and the confidentiality agreements concluded with the customers as a supplement to the consulting contract must be observed. The great advantage is further concrete examples and content from the years 1999 to today, which can be used as a supplement. There was the question of whether, for example, such historical documents should be used exclusively. In favor of this is the fact that the underlying projects have been completed and thus allow for a holistic analysis view. Against this is the fact that the outlook into the future and very current developments such as pandemics or war in Europe cannot be included in it.

Validation of results and questioning. Triangulation, i.e., a change of perspective in research, makes it possible to take other perspectives on the subject of Strategic Alignment beside the usual **top management perspective**. Another form of triangulation is not to examine only one industry or one segment of companies but to deliberately include large companies as well as medium-sized and small companies (as far as this makes sense thematically). Triangulation should help to avoid or reduce bias in the interpretation of individual sources.

CONCLUSION: The concept of triangulation was applied in this research project through the selection of contrasting interview partners. This ensures that a wide variety of opinions and facts on the topic of Strategic Alignment are incorporated into the research and can be taken into account in the subsequent analysis.

An alternative research design was discussed and considered. In the selection of the research methodology, the application of the **Design Science Research Methodology (DSR)** was still to be considered as an alternative: this approach, in which a so-called **artifact** is created, is a very new approach. The development of the artifact is thereby understood as design. **Artifact in this context is any form of a solution**, but usually a technical solution in the form of an application or a prototype. However, the artifact can also be understood as a **framework**. In short, this methodology can be seen as **‘learning by building’**. It is thus a very strongly application-oriented type of research. DSR is not a method but a methodology. Therefore, all qualitative and quantitative methods, and also mixed methods are conceivable. The problem

with this approach is a high expenditure of time and work as well as a corresponding environment for testing. The three-step design process was established by *Hevner* in 2004. The problem, however, is that *Hevner* applies his approach and research design to IT systems.²⁵² In a current presentation, case studies are shown, whereby only in the area of business process management examples of DSR are given. For the solution of strategic issues, there are no case studies.²⁵³ This is similar to a simulation, business game, or research lab concept (→ 5.2 Ethical Considerations, cf. page 437). This approach is rejected in this research.

Provide regular information to the doctoral committee. Via **annual status reports** in July, the doctoral committee of UCAM was regularly informed about the research project, adjustments in the research design and concretizations in the practical handling of the research. The same applies to the local supervisor of the research project in Germany. A Research Design prior to the start of the research project had to be outlined in detail by the researcher. The adjustments and changes required in the later course of the research are presented in the dissertation writing, i.e. in this document. Requirements on the part of committees or individual reviewers do not have to contradict the Grounded Theory method; rather, the researcher must take care here to integrate the various perspectives and formal requirements and document this.²⁵⁴

CONCLUSION: Grounded Theory is like a construction kit from which the researcher can draw. The latest variant of Grounded Theory is well suited to take into account future developments in research. Formal or classic Grounded Theory is the starting point for the research design in this project in conjunction with the content of reflexive grounded theory, which involves reflecting on prior knowledge and prior experience. this is a central challenge for all researchers with a certain amount of prior specialist knowledge in the respective field of research. Personal knowledge is to be brought in and thus must

²⁵² Alan R. Hevner and Samir Chatterjee, *Design Research in Information Systems: Theory and Practice*, Integrated series in information systems 22 (New York, London: Springer, 2010).

²⁵³ Jan vom Brocke, Alan Havner and Alexander Maedche, *Design Science Research. Cases*, Progress in IS (Cham, Switzerland: Springer, 2020). For examples on process optimization review chapter 'DSR in Process Management', e.g., pp. 131–154.

²⁵⁴ Corbin and Strauss, *Basics of qualitative research*. pp. 42–43.

be critically questioned via a process of reflection. The change in perspective of researcher, manager and other roles involved in the strategy process leads to increased research quality through triangulation.

3.2.2. Research Settings

In the first interview (structured interview), the interviewee is given a stimulus in terms of content and thought. Terms are mentioned, and thought processes are stimulated, which leads to qualitative enrichment in the interview. This helps the interview partner become more open to expressing his views. The interviewer must ensure that the interview relates to the topic of Strategic Alignment and correct digressions if necessary.

Interviews in videoconferences. Conducting oral interviews in the current times of lockdowns and restrictions to traveling and organizing in-person meetings is a new challenge. These restrictions require a research design different to what might have been used before the pandemic. Videoconferences and telephone interviews are, therefore, the primary way of conducting these interviews. The interviewer's goal in conducting the actual interview was to delve deeper, below the surface, to use individual expertise and encourage comprehensive answers so as to obtain as much information as possible.²⁵⁵

Bias in oral communication via VC. Where interviewees have difficulties finding words or make statements that are unclear, the interviewer must make the content more concrete by summarizing the content. The interviewee will then either agree or disagree with this summary and seek his or her own formulation. Hence, whenever the interview became sluggish, or the flow of speech threatened to break off, the interviewer brought the focus back to the interview by summarizing previous content (paraphrasing) and motivated further in-depth oral expression. So that the interview progresses smoothly, it is necessary to employ targeted questions that can only be answered with background knowledge the interviewee has based on his professional career. The preliminary interview and also background knowledge about the interviewee's field of activity are useful because a deeper understanding becomes possible, and more targeted follow-up questions or in-depth questions can be formulated. Limitation:

²⁵⁵ Schmude, "Corporate Strategy in a Disruptive Economic Environment Foremost A Strategic Alignment Topic?." Content presented at conference and published in conference proceedings.

The technology in the video conference forces you to talk constantly. Pauses for reflection or longer periods of silence are perfectly possible in face-to-face meetings, but in video conferences this is usually avoided even if it leads to a deterioration in the quality of the content.

Stimulus from interviewer in an opening monologue. The same stimulus was set at the beginning of all interviews so that the interview situations would be **as similar as possible** and thus comparable. The pre-formulated text, a **brief opening monologue**, was read out freely by the interviewer, and then the interviewee began to talk. The narrative prompt at the beginning of the open-ended interview was as follows:

INTERVIEWER

“I would like to talk to you about the topic of *Strategic Alignment*. I’m particularly interested in the question, ‘How do you address the issue of *Strategic Alignment* in your professional practice?’”²⁵⁶

Open interview with as little intervention as possible. By waiting and remaining silent, the interviewer built up a **sense of expectation** that the interviewee then sought to fulfill. Once a thread of conversation had been found, it was only necessary to intervene in the course of the interview. Interventions in the interviewee's statements were necessary when the topic was permanently abandoned or the focus on the subject of the interview was lost.

Recording for later transcription. The free or open interviews were recorded as audio files and then transcribed. The recording was performed with a Digital Voice Recorder, which was also intended for the face-to-face interviews that were prevented by the pandemic. Transferring audio files exclusively via the offered software is very error-prone and does not result in high-quality transcriptions hence. For the transcription, a format was agreed upon that also takes into account peculiarities in language and manner of speaking, as well as temporal aspects, if applicable. Since the standard is also used by the company Amanu (Berlin, Munich) for forensic legal work, the density of detail and the information content for this business-strategic research should include all content. Therefore, the rules for transcription are a writing down of all audible content, facts, and features of the interview observable to a third party.

²⁵⁶ Research Workbook: ‘Strategic Alignment Survey’ (2021).

MAXQDA used for coding the content. For the analysis of qualitative interviews, software from the VERBI company called 'MAXQDA' has become widely accepted (www.maxqda.de). This software is applied to support scientific projects and studies where interviews, texts and media such as image, audio and video files are analyzed for content. The goal is to **gain insight into the data material** without anticipating an interpretation of the content by the researcher. For this project, this solution was used without additional software analysis. The application MAXQDA was first issued in the year 1989, and since then, its functionality has increased. Professor *Udo Kuckartz*, Professor emeritus of educational sciences, is the author of the application and originally designed it for Social Science Environmental Research and Educational Research.²⁵⁷ For this study, the latest version is used.²⁵⁸ The functions within the application of 'open coding' and 'in vivo coding' are directly related to the requirements of the coding according to Grounded Theory. The 'in vivo code' is a verbatim quote from the interview (not a rephrasing of the interview text). Using the **QTT (Questions-Themes-Theories)** function, the codes can be evaluated in relation to the selected research question. The codes are commented on accordingly, condensed and output as a report (code book). The researcher can add further insights to the selected material, prime the codes, and draw conclusions to the content and build related theories. Visualized content is another feature of the application. An analysis of the words and their frequency and usage in the individual documents is possible using the 'Word Explorer' function in MAXQDA. Note: For this study, the purely linguistic or psychological analysis aspects are irrelevant and cannot be used. Nevertheless, this tool is an aid for managing the interview data and the associated coding.

From analysis to theory building. The traditional analysis of qualitative interviews and related material can be performed through the use of reports or by means of index cards as well as with the metaplan technique.²⁵⁹ This form of written discussion using cards (like codes) further reduces the content and creates clarity on the whiteboard. The software can be both a

²⁵⁷ Stefan Rädiker and Udo Kuckartz, *Analyse Qualitativer Daten Mit MAXQDA: Text, Audio Und Video* / Stefan Rädiker, Udo Kuckartz, 1. Aufl. 2019 (Wiesbaden: Springer VS, 2018).

²⁵⁸ The current version 2022.0.0 was published on November 23, 2021. The software company VERBI GmbH located in Berlin, Germany develops and maintains the software application.

²⁵⁹ Originally a facilitation technique based on writing down discussion content on paper cards, which are then posted on a noticeboard by the facilitator and organized according to specific aspects of facilitation and problem solving. The method goes back to a consulting company near Hamburg, which has specialized in this method since 1972 (www.metaplan.com).

help and a hindrance: free sketches or drafts are not included in the schematic coding process. Moving back and forth between the material and the findings from it is also only supported to a limited extent. The radius of the **research spiral** becomes smaller and smaller, and knowledge is **increasingly condensed** and **consolidated**. The spiral of Grounded Theory is thus not directly reflected in the concept of the software. For this reason, in this research project, the researcher continued to create notes and filed memos on index cards after the interviews or important background discussions so that these could be sorted without technical restrictions.

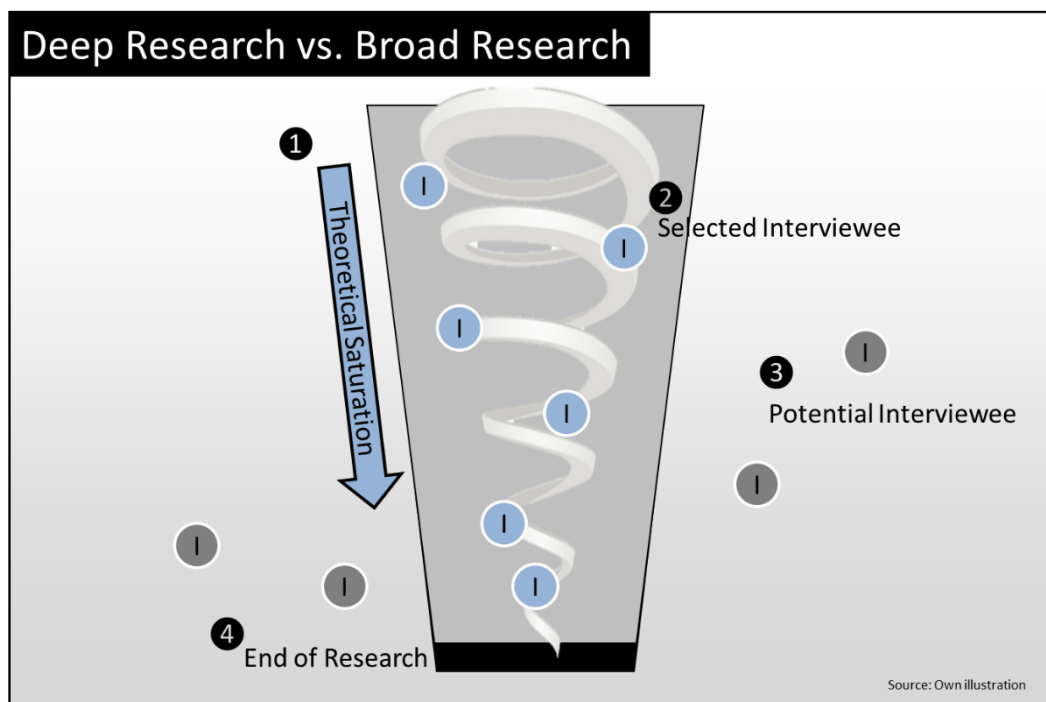


Figure 29

Research focus in GT research projects (research funnel)²⁶⁰

Theoretical saturation marks the end of the research. The goal of Grounded Theory is to reach a theoretical saturation ① in research work: that is, a state in which no more new findings are to be expected. From the basically suitable test subjects or interview partners, those who can be expected to make a contribution to the research should be selected. Hence the distinction between selected interview partners ② and potential interview partners ③. Potential interview partners are generally suitable according to the selection criteria, but are not available in terms of time, for example, or are not required because the content has already been obtained

²⁶⁰ Own illustration, Schmude (2023).

in the research. This is, of course, an ideal picture because every interview still brings new aspects or new formulations for already known and described aspects. The researcher must decide for himself when he wants to conclude the data set ④ (= theoretical saturation): a decision that will always be doubted and criticized by third parties in retrospect. If the 'research borehole' is very deep, theoretical saturation can be reached relatively quickly because the statements of interview partners from identical functions and roles will naturally be similar. After all, many topics in management are subject to a trend or fashion, so certain preferences will emerge. In almost all industries, there is an exchange at the most diverse levels via specialist conferences or working groups. As a result, many points of view and convictions converge. Research with significant depth, for instance, is open to the criticism that only one perspective is considered and that the environment is left outside of the consideration.²⁶¹

Select relevant and available interview partners. The final step required to complete the research settings before starting the actual field research concerns the selection of the interview partners. The criteria for this have already been discussed above, and it is a matter of concretely approaching and convincing individuals or companies to participate in the interviews.

²⁶¹ Schmude, "Strategic Alignment vs. Opportunity Hopping – Disruptive times require a firm strategy." Excerpts used in our own previously issued publication.

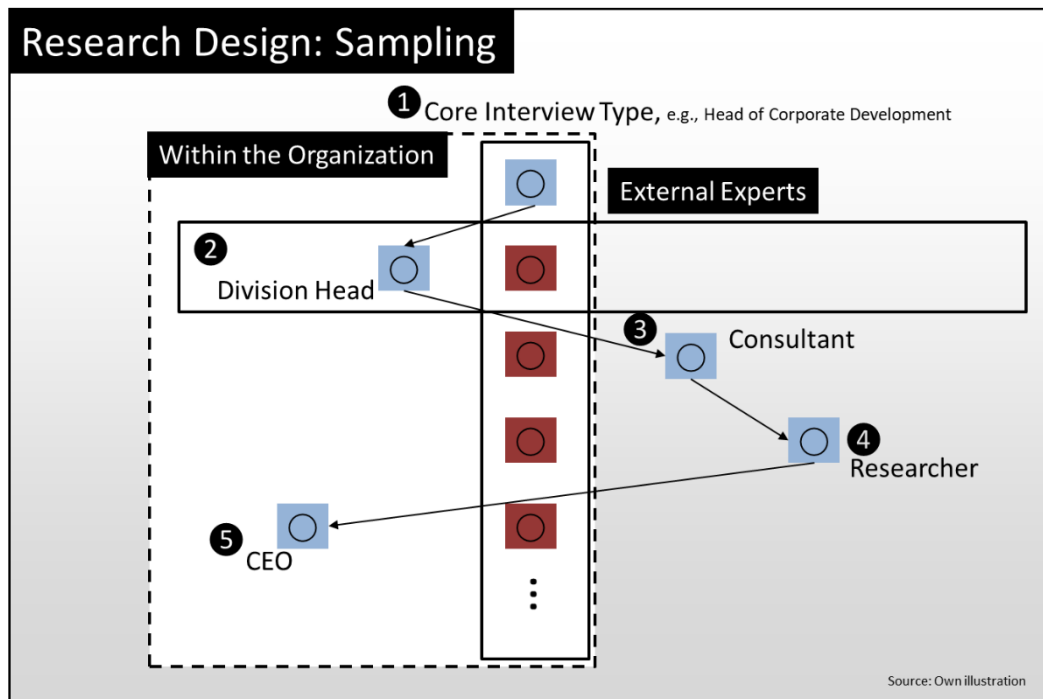


Figure 30

Sampling approach to obtain a broad view of the research topic²⁶²

Finding appropriate interview partners. The key question in selecting sources and interviewees is whether a particular group of people or function from different organizations should be interviewed or whether different people can make a greater substantive contribution, that is, a **linear** versus a **lateral survey**. For example, the interview partners designated with **1** are the head of the strategy department. This function in a large company encompasses all aspects to be considered in this research. In the course of the interviews, the same functions from different companies are repeatedly interviewed here. If new insights are to be expected, so much in-depth knowledge can be collected. The disadvantage is that these individuals often have very similar backgrounds and, due to personnel changes, their views will also be very similar (= Redundancy in knowledge). The broader survey is characterized by **2**. Here, both internal and external experts are included in the qualitative data collection. The requirement to **capture contrasting views** is also fulfilled. The advantage with this is that different roles and functions are already included in the survey and thus correspondingly diverse perspectives on the topic find their way into the research. Lateral path was chosen for this research project. External

²⁶² Own illustration, Schmude (2023).

specialists such as management consultants ③ and researchers ④ are included in the research for this paper. The research also returns to internal functions in chronological order ⑤.²⁶³

The initial research interview. The first interview is of special importance: a highly qualified interviewee should be selected for the first interview, who has broad knowledge and many years of experience. For the further selection of interview partners, the richness of information can provide important impulses. In this research project, a former business developer was selected, who now advises companies as an external consultant in Strategic Alignment and is currently programming software development that is helpful for this purpose. The first interview is also of particular importance for the adaptation of the interviewer's behavior and the motivation of the researcher and requires more preparation and also more follow-up.

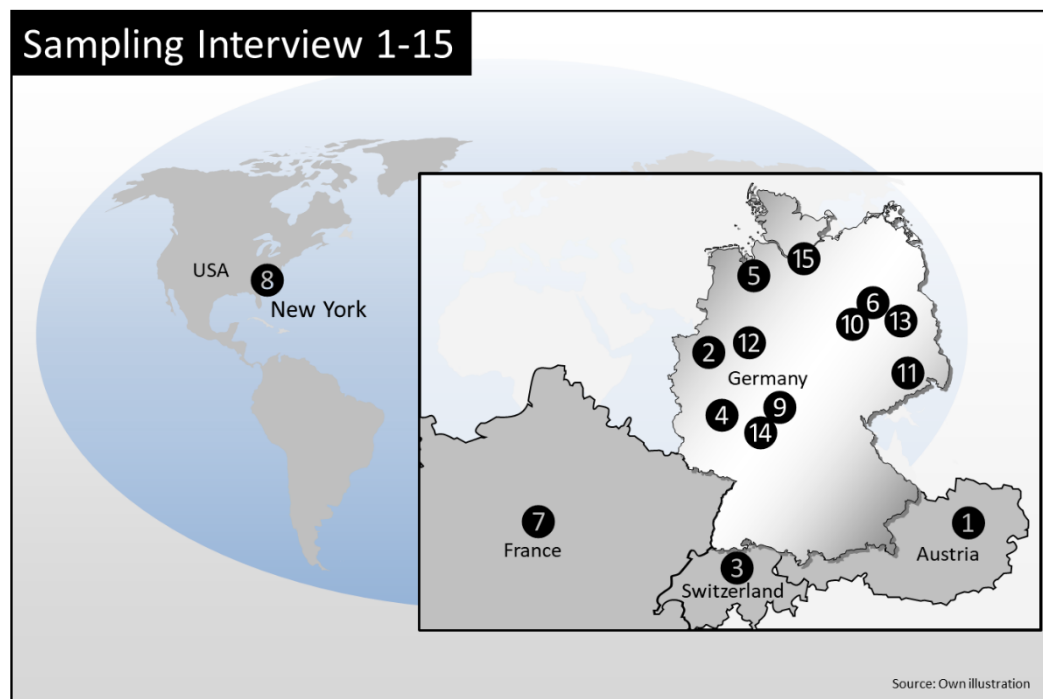


Figure 31
Geographical distribution of interview partners²⁶⁴

The study started from the regional German-speaking core area. Strategic Alignment is a topic that concerns large companies in particular, and thus a study should also be as geographically broad as possible. A global survey would be ideal. However, this is not feasible within

²⁶³ Schmude, "Strategic Alignment vs. Opportunity Hopping – Disruptive times require a firm strategy." Excerpts used in our own previously issued publication.

²⁶⁴ Own illustration, Schmude (2022).

the scope of this study due to time constraints and the high costs involved. The interview partners were selected on the basis of German-speaking countries. The study primarily refers to Germany and the neighboring German-speaking countries. It is an **outward spiral** to generate knowledge. Furthermore, the complexity of processing the interviews is multiplied when working with several languages. It would be too narrowly conceived in the European context if only companies from German-speaking countries were used as the basis for the survey. For this reason, a company from Paris was also included, with the interview partner answering in German ⑦, and a U.S. company whose interview partner could only answer in English ⑧.

CONCLUSION: When arranging the research setting, it is important to take into account the peculiarities of the Grounded Theory research method. Central is the right selection of informants and interview partners. The core of the research are the qualitative interviews and the possibility to analyze them later in a structured way. The MAXQDA software was selected for the research and brings its own research and evaluation logic to the project. The criterion of **theoretical saturation** determines the end of the research. This is a **subjective criterion** that the researcher must meet during his work and the ongoing evaluation.

Key Principle in Grounded Theory:
All is data

3.2.3. Research Phase

Pre-qualification with preliminary interview or questionnaire. Only interviewees with many years of experience in the specific field and an academic background were considered for this research project. The curriculum vitae and the **professional experience** or **scientific expertise** are decisive for the selection of the interview partners. It is data from their curriculum vitae that qualifies them as research partners. The pre-qualification, designed in the form of a questionnaire, is a tool that can be used optionally, for example, if a preliminary interview is too slow and sluggish or if the interview partner wishes to be confronted with concrete questions. The disadvantage of questionnaires or firmly structured interviews is that they can

be perceived by the interviewee as a kind of check or test, which reduces the willingness to provide information.

Description of the researcher. The research for this dissertation had to be carried out while working. This means time constraint and also restrictions in terms of budget and resources. The **research design is fundamentally scalable** and could also be carried out by a research team in a similar form. Mr. Schmude has a degree in Business Administration and a Master of Laws, he has been working as a management consultant since the mid-1990s, first for organization and **change management** and later for **corporate strategy**. During this time, a network of contracts has been established, which was useful for recruiting interviewees, especially because everything had to be done virtually due to the Covid-19 pandemic.

Experiences from the research interviews:

- To welcome the interviewee, the interviewer himself should be logged onto the video conferencing system early to ensure that the technology is working and that the interviewee does not have to wait too long to start. **Technical problems** have an impact on the course of the interview.
 - If **small talk** or some kind of **warm-up** has already taken place, a direct introduction to the interview question can be made.
 - Time at which the **audio recording** is started and is formally the start of the interview. When is the right time to start the recording?
 - The **flow of the conversation** must be maintained at all costs, even if the interviewee strays from the topic and first has to gather his thoughts. The interviewer must be prepared to improve motivation, increase concentration on the topic of Strategic Alignment and lead back to the
-

topic if a digression becomes too long. In the video conference, charts etc. can also be used for this purpose.

- **After the interview**, important content or aspects are often still provided that the interviewee was not sure fit the topic. Material was also added and supplements provided in e-mails.
- Through the interview and personal contact, a type of **working relationship** is established that can continue after the interview. A follow-up to the interview should not be admitted, but should be firmly planned into the research process.

CONCLUSION: A casual conversation can often provide more details and important information than a formally set-up interview. The information thus obtained was recorded from memory by the researcher immediately after the interview and presented in either a file on the individual or in the general fieldbook.

3.3. EVALUATION AND ANALYSIS OF QUALITATIVE RESEARCH

3.3.1. Evaluation and Analysis Process

Constant comparison as a central analysis tool. In Grounded Theory, analytical tools are basically understood as a mental strategy that the researcher uses to work with and interpret the data material. **Constant comparison** is a typical tool in Grounded Theory.²⁶⁵ The terms analysis and coding are interchangeable and ultimately mean the same process.²⁶⁶ What does the constant comparison mean for this research project? - The researcher can only retain a limited number of aspects and contents in his mind. This also reduces the comparison to particularly noteworthy content or conspicuous features. This acts like a human filter, but also with the bias of a certain distortion.

²⁶⁵ Corbin and Strauss, *Basics of qualitative research*. p. 57.

²⁶⁶ Corbin and Strauss, *Basics of qualitative research*. p. 58.

Research software determines the terminology and the research design. The MAXQDA software assumes two basic evaluation processes or evaluation strategies that lead from a rough analysis to a fine analysis. Depending on the research project, the level of detail can be chosen. Both procedures are oriented towards the data material of qualitative interviews. A seven-step analysis process is used as a basis:

Phase 1: Thematic analysis according to Schmidt (2013)

Step 1: Material-oriented formation of evaluation categories

Step 2: Creation of a coding guide

Step 3: Coding of the material (→ code book)

Step 4: Quantifying material overview

Step 5: Detailed analysis

Phase 2: Thematic analysis according to Flick (2012)

Step 1: Individual case descriptions (→ chapter 4.2)

Step 2: Cross-case analysis

Conclusion²⁶⁷

The coding guide (phase 1, step 2) is particularly important if different researchers are evaluating the material and the material has to be merged later. In this research, all materials were processed by only one researcher, so that the considerations and specifications for the coding were only defined in outline. As this is a new field of research, it was also not possible to draw any definitive content-related boundaries for the coding in advance. The quantification of the codes (how often is a certain code present?) is an indication of relevance, but nothing more.

The MAXQDA research software recommended a focused interview analysis. The **focused interview analysis** for expert interviews in MAXQDA. The latest publications by Kuckartz on the use of the software for the analysis and evaluation of with specialists with the aim of gaining content and insights recommends a procedure in 6 steps²⁶⁸:

1. Prepare, organize and explore data.
2. Interview guide as a working tool for the development of the category system.
3. Coding interviews (basic coding).
4. Further development of the category system (fine coding).
5. Analysis options after coding.
6. Write report and document analysis process.

CONCLUSION: The possibilities of the software do not only determine the work of the researcher from the terminology, but a certain logic is already given in the representation

²⁶⁷ Susanne Sackl-Sharif, "Thematische Analyse in 7 Schritten Mit MAXQDA," accessed September 3, 2023, www.maxqda.com/de/blogpost/thematische-analyse-in-7-schritten-mit-maxqda#ex1.

²⁶⁸ Udo Kuckartz and Stefan Rädiker, *Fokussierte Interviewanalyse Mit MAXQDA: Schritt Für Schritt*, 1. edition (Wiesbaden, Germany: Springer VS, 2021).

on preparation of the data (interviews, documents). The focus of the analysis work is always coding and describing and delimiting the codes.

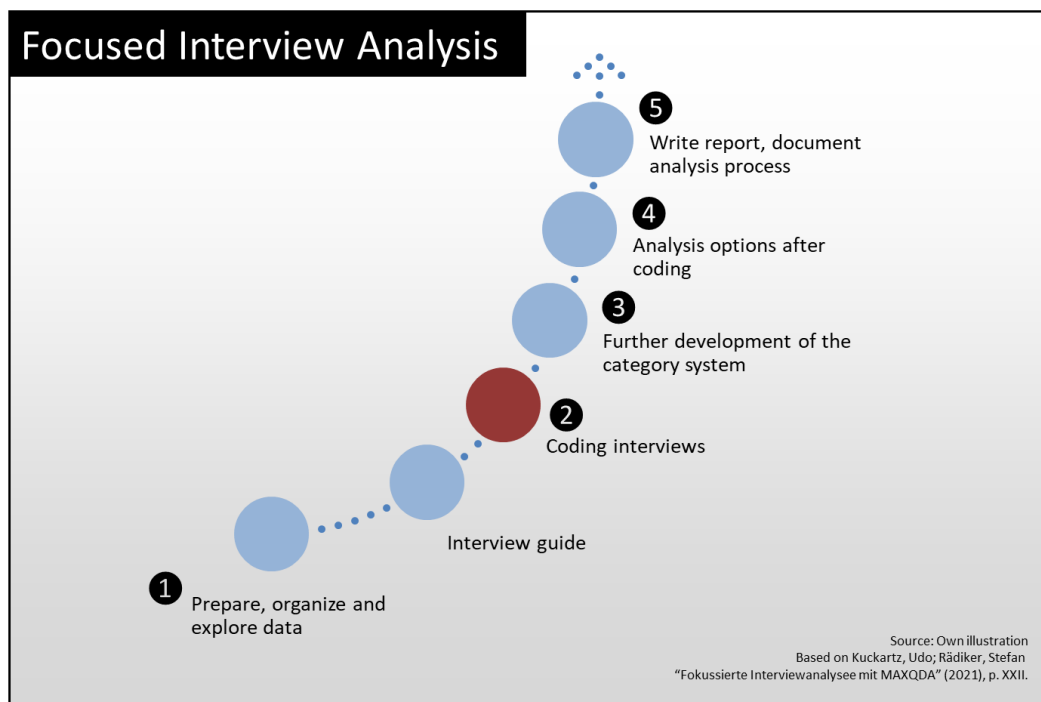


Figure 32

Analysis according to MAXQDA²⁶⁹

The analysis must filter and work out the core of the research. Already the **transcription** of the spoken language (audio file) into a text to be edited in the form of a verbatim transcription is decisive for the research quality and requires **uniform rule for transcription**.²⁷⁰ The **meta-information** about the interview (duration, pauses, etc.) should also be looked at more closely in case of anomalies and indirectly provide insights into the research subject **1**.²⁷¹

In the next step **2**, the research question or domain of interest should be looked at again. One's own **presuppositions** and also **prejudices** should be revealed and **critically reflected** upon. Likewise, it can be noted which expectations regarding the research subject were fulfilled in the interviews and which contents or topics were not addressed.²⁷² The exploration of the interviews is centered around **reading** and **re-reading** the interviews in order to move

²⁶⁹ Own illustration, Schmude (2023) based on Kuckartz, Udo; Rädiker, Stefan (2021), p. XXII.

²⁷⁰ Kuckartz and Rädiker, *Fokussierte Interviewanalyse mit MAXQDA*. p. 2.

²⁷¹ Kuckartz and Rädiker, *Fokussierte Interviewanalyse mit MAXQDA*. p. 4.

²⁷² Kuckartz and Rädiker, *Fokussierte Interviewanalyse mit MAXQDA*. p. 11–12.

from a preliminary understanding to a comprehensive understanding of the text in a hermeneutic spiral ③.²⁷³ A systematic evaluation should lead from **codes** (= labels) to **categories** to **concepts**. This involves classifying the content, reducing and abstracting it, and shooting the usable content. A category should consist of one word, but at most of a two- to four-word combination.²⁷⁴ The final step is to document and summarize the research work for publication. In this step, it must be documented in a way that is comprehensible to third parties how the research project proceeded ⑤.

Self-monitoring by the researcher during coding. The **control question** is always: *Are the categories related to the domain of interest?* – Or how far away are they from the core of the research? – The graphical illustration in the form of a concept map can help in this regard.²⁷⁵ Likewise, **different perspectives on the object** of research are an independent analysis, which requires that attention has already been paid to the perspectives on the object of research during the survey.²⁷⁶ Coding must follow comprehensible rules. These rules must be documented and disclosed (Coding Rules).²⁷⁷

Completion of the analysis phase. If the research design follows the Grounded Theory approach, already at the description of the **codes** and the elaboration of the **essential relationships** the analysis is finished and the step of theory building follows (essential difference to other evaluation techniques). It makes no sense to analyze the data to death, it is better then to start in the design of new approaches, models and theories usually of medium scope (→ chapter 4.2 Interview Findings, cf. page 150).²⁷⁸

Outcomes for further research. Case-based summaries (per interview) and essays related to the summary findings are the main evaluations that will later also be included in the documentation of the research (= research report).²⁷⁹ In qualitative research, the researcher is looking for **special cases** or **extreme cases**. This is a central difference to quantitative research,

²⁷³ Kuckartz and Rädiker, *Fokussierte Interviewanalyse mit MAXQDA*. p. 14.

²⁷⁴ Kuckartz and Rädiker, *Fokussierte Interviewanalyse mit MAXQDA*. pp. 24–28

²⁷⁵ Kuckartz and Rädiker, *Fokussierte Interviewanalyse mit MAXQDA*. p. 35.

²⁷⁶ Kuckartz and Rädiker, *Fokussierte Interviewanalyse mit MAXQDA*. p. 37.

²⁷⁷ Kuckartz and Rädiker, *Fokussierte Interviewanalyse mit MAXQDA*. p. 45.

²⁷⁸ Kuckartz and Rädiker, *Fokussierte Interviewanalyse mit MAXQDA*. p. 72.

²⁷⁹ Kuckartz and Rädiker, *Fokussierte Interviewanalyse mit MAXQDA*. p. 85.

where mean values and standard deviations are the focus of interest.²⁸⁰ When analyzing the individual interview, this is a question that is important for planning future interviews.

CONCLUSION: Focused Interview Analysis was used as a procedure for working with the interview transcripts. The code system in this research is limited to two levels: Codes and below that subcodes if necessary. Each code is described by the researcher (→ code-book in chapter 4.3.3). The analysis of each interview leads to a decision on the sampling of new and further interviews. This successive analysis and the iterative procedure are at the heart of Grounded Theory.

3.3.2. Coding of the Material

Coding concerns combining the raw material, for example, the **transcriptions of interviews**, into **data segments** and **naming** them. Another term for coding is **indexing** or **tagging**, meaning **identifying** and **labeling** the relevant content.²⁸¹ Coding the raw data is an essential step in the scientist's work. The term code can also be paraphrased as a category. The result of the coding is a system of **codes** and **subcodes**.

Data segments come from the raw material. MAXQDA helps to organize the existing data with regard to the code system to be developed. The transcripts of interviews are the first priority here, but supplementary information from **fieldnotes** or from **accompanying correspondence** with the interview partner can also be brought in by the group. So-called **data segments** (= text passages in the interview transcript) are provided with a code. These can be selected text sections in the transcript, but also parts from a slide or other presentation, e.g., on an Internet page or a presentation slide. A code consists of a unique code name and a code definition. For better clarity, colors can be used for upper codes and subcodes so that similarities are immediately recognizable during work. The codes can be generated **inductively** as well as **deductively**: a new code is derived from the existing material, then it is an inductively developed code. If existing codes or categories are used for mapping of the material, this is deductive coding. The result of the coding process can be output as a tabular code book, where all formulated and pinned notes on a particular code are also presented for further work. The

²⁸⁰ Kuckartz and Rädiker, *Fokussierte Interviewanalyse mit MAXQDA*. p. 94.

²⁸¹ Equit and Hohage, *Handbuch Grounded Theory*. p. 490.

terms code, category, and concept are largely used synonymously in MAXQDA. Explanations of the code can be saved in 'Memos' as a note. Following the work of coding, different visual aids can be used to evaluate the results, for example, so-called document portraits. Using the MAXQDA application, the terminology **Open Ended Questions (OEQ)** is used. The relevant considerations regarding the OEQ are done before the coding starts. The opening question in the interview is one such OEQ. The in-depth questions or focus questions that follow have the same function.

Coding with colors and with keywords. The code-system develops over time and has to be reorganized during the research project. In the hierarchical structure of the codes, sub-codes are below the main level of codes. Already after each interview, codes and brief related notes were written down on index cards and posted on a whiteboard. Different colors to maintain an overview: **green** → Strategic Alignment in the narrower sense, **blue** → strategy development, and **white** for all other aspects. Since most of the codes referred to Strategic Alignment, it was useful to work with different shades of blue: the deeper the color, the more central and relevant the respective aspect.

Coding rules for this research project. What does not belong to the subject is not coded. Coding is like putting things into predefined containers. The individual researcher automatically follows certain ideas and rules when coding. In a research team it becomes important that these rules are also systematically documented and that all individuals follow these rules when working with the code system. A question on coding rules in this research project: should only the lowest level be coded or can the main level codes also be used? Answer: both levels of codes can be used, because content is not always so clearly assignable to a sub-code, which leaves only the use of the code on the main code level. The disadvantage is that an intersection analysis of the codes then makes no sense, because only this one code level would have to be selected in principle.

Multilingual research. An important practical question in the research work was in which language the interviews would be conducted and then also transcribed, as well as whether the language to be chosen for coding should be the **research language** or the **publication language**: since most of the interview partners were German speakers, clearly it was

right to conduct the interviews in German as well. Only one interview was conducted in English with an interviewee from the U.S. A complete translation of the transcripts resulting from the interviews is very time-consuming and labor-intensive. Such a translation only offers real added value if this material is also to be discussed with other researchers in English. There was no real requirement for parallel working in two languages. Only in the case of an excerpt or direct citation should translation be used.

Research language need not be the language of publication. The next consideration is whether the research step of coding should already be done in English as the intended language of publication. Here, the codes, associated explanations, and descriptions must be translated. It seemed to be a good point in the research process because, in this way, the original material persists, and already the further work is done in the publication language. The disadvantages of this approach are that terminology must already be found in the coding, which is then retained in this form as code. Since the languages deal differently with word content (semantics), this can lead fast to smaller or larger inaccuracies because, particularly for new terms, only a fuzzy translation is possible. The inaccuracies can be caused by the translation or also by the problem of word-finding, especially when the actual word sense and word content leaves room for interpretation or discussion. The practice of coding is far more difficult because when naming interview content, German terms occur first, after all unless they are fixed terms from technical language, which are mostly English. Ultimately, the majority of the interview content was coded in German and English terms were added where appropriate.

The practical use of deductive and inductive coding. The code can be derived from the interview text (**inductive coding**), or can be given or taken from, for example, the literature research (**deductive coding**). A special feature of MAXQDA is '**open coding**', which is particularly geared towards the research style of Grounded Theory. Here, the text is worked through, and all recognized aspects are recorded in **new codes**. This is to be distinguished from '**in vivo coding**', in which a specific term in the text is elevated to a code. In this study, open coding was used, and codes were created starting from the textual material, consequently inductive coding.

The code system grows over the research period. The advantage of MAXQDA is the step-by-step approach to coding and evaluation. In this study, the code system was expanded

with each new transcribed interview, and in the course of the research, groups were formed from the codes created in one level so that eventually, a code system with two levels was formed.

Adding content from the literature. In the literature analysis using CITAVI, it is possible to assign categories and subcategories for the literature sources. In the literature management more than 800 sources are recorded and categorized. These categories can also be the basis for the code system if it is to be developed deductively. This facilitates a merging of the literature and the codes, particularly in CITAVI under ‘Quotations & Comments’ material.

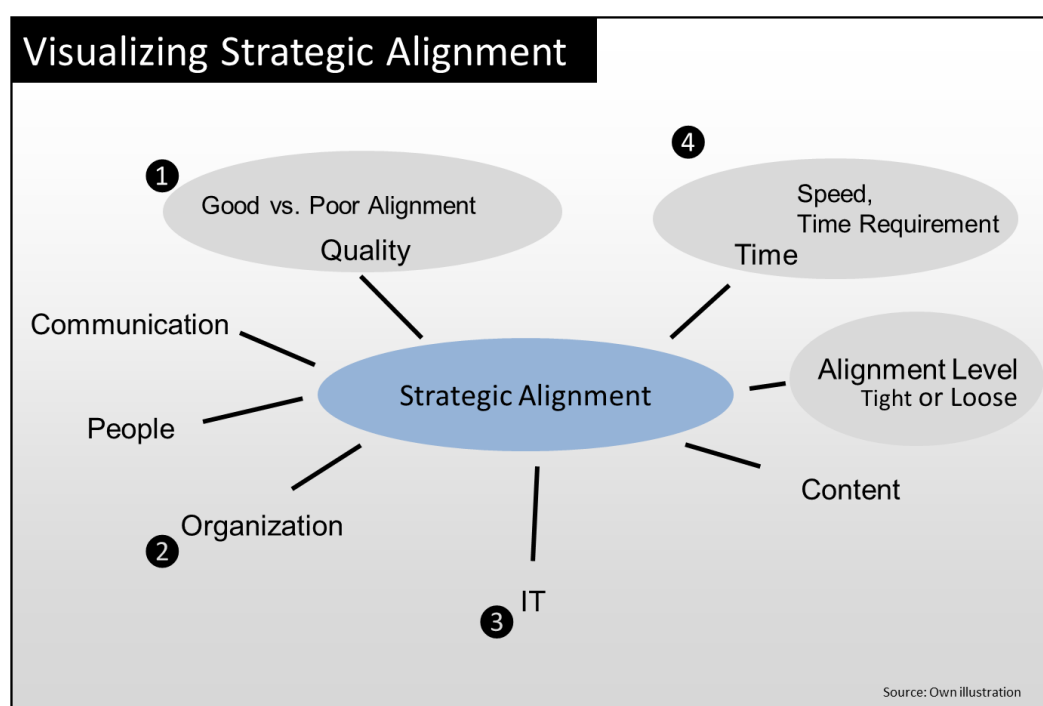


Figure 33
Aspects of Strategic Alignment²⁸²

First groupings and code clouds. The first codes and content references to Strategic Alignment come from the coding. Alignment can be characterized by **quality** and can be either **good or poor** ①. The object of alignment is the **organization** ② or **information technology** ③. Of course, **strategy implementation** also has a **time dimension** and can therefore take place according to **plan or with delays** ④. There is content in the strategy implementation that has been assigned a high priority, and the alignment of the implementation to the strategy should

²⁸² Own illustration, Schmude (2023).

be correspondingly close (= tight alignment). In other topics, a **loose alignment** with the strategy is aimed for.



Figure 34

First visualizing in MAXQDA (keynote cloud)²⁸³

Quantitative volume of the code system in the research project. Coding in this research project identified 1034 coded segments from 15 interviews. On average, this means around 69 coded segments per interview. These figures show the number of coded segments that are relevant for further research. A further examination of the numbers does not provide any meaningful insights, because even just a few coded segments in a research contact can have a significant influence on the direction and content of the research. These coded segments will be used for further work. The standard representation in MAXQDA as a so-called code cloud is visually very interesting, but offers no real added value for research.

Summarizing the coding experiences. Transcripts of interviews were gradually coded, and the associated coding system grew with them. The advantage was that the first two interviews covered the central topics of Strategic Alignment with only later interviews focusing on increasingly more distant content. The coding here was performed by the researcher himself, meaning that some of the content from the interview was still in his memory. Supplemental

²⁸³ Own illustration, Schmude (2024), exported from MAXQDA.

observations from the fieldnotes were re-read prior to coding to appropriately account for this. The definitions of the codes emerged gradually and were written down immediately as a preliminary description of the code where not everything emerged from the code. Several focal points emerged during the coding, such as the strategy process, the core topic of Strategic Alignment, and strategic communication. When it became clear during coding that some codes needed to be divided into meaningful sub-codes, which then also appeared several times, the second level of codes was opened up.

Strategic communication is an omnipresent topic. A topic such as strategic communication was divided into **group-wide communication**, **individual management discussion**, and **communications with shareholders** or their representatives. The communication of the content of a new strategy takes place through different forms of communication. This is a fact that surprises no one, and it becomes difficult to separate whether the actual communication is in the foreground. Thus, the corresponding content should be coded accordingly. Such as the implementation of legal requirements or the efficient organization of the strategy process. Here, different assessments can occur, and sometimes the researcher also has to question his opinion again during coding and change the assignment in the code system. A similar example is the code 'strategic management'. Everything that concerns corporate strategy is, in the broadest sense, also a part of strategic management. Such a term can be interpreted broadly and narrowly. In this research, a narrow interpretation was used in this case, which only refers to the management style and direct employee management accordingly to the term.

Working with the code system. As concerns the use of colors (color codes), the researcher realizes only in the course of his work that certain references or relationships should be represented by the same colors. Whether the **main theme**, Strategic Alignment, in this case, is designed in an eye-catching red or in a serious **blue** is ultimately left to individual taste. The consideration that opposites can be expressed through colors is difficult in practice. How do you structure a code system? One possibility is that this two-tiered list simply grows with each new code and each new material that is studied. Important and **general codes** could then be pulled up, in effect, pulled in front of the bracket as is common in mathematics and law. On the other hand, the **strategy implementation** follows a **certain logical sequence** or **process** so that there is a corresponding beginning, like the **strategic goals** and a **strategy process**, a **strategic controlling** and further special aspects, like the existence of a **faulty strategy** or the **faulty**

implementation of an intended strategy (= misalignment). Here, the strategy of communication was deliberately pulled to the end of the list because all other processes also have communicative parts, and, moreover, communication should only be selected as a code if none of the other aspects was suitable. CLARIFICATION: Furthermore, the research in this project does not want to overemphasize communication, but rather treat it as an accompanying aspect.

Lessons from bilingual coding work. Coding in two languages (German and English) was unproblematic because the coding work was done by the person who had also conducted the interviews. Furthermore, many terms as well as the main subject of the research, are 'Strategic Alignment', so **bilingual thinking in coding** was obvious. The **code system** is shown here as it was at the end of coding. In order to be able to understand this step of thought and content, it is important that this work also shows the intermediate states so that the reader can understand the thought processes of the researcher.

CONCLUSION: Coding in the context of the research work for this study made possible a system of codes and subcodes with which it is possible to work further according to the rules of Grounded Theory. Especially individual formulations or personal comments enriched the work, as well as examples of alignment or misalignment. The deliverable from the coding is the so-called **codebook** (→ 4.4.2 Codebook after Analysis, cf. page 296).

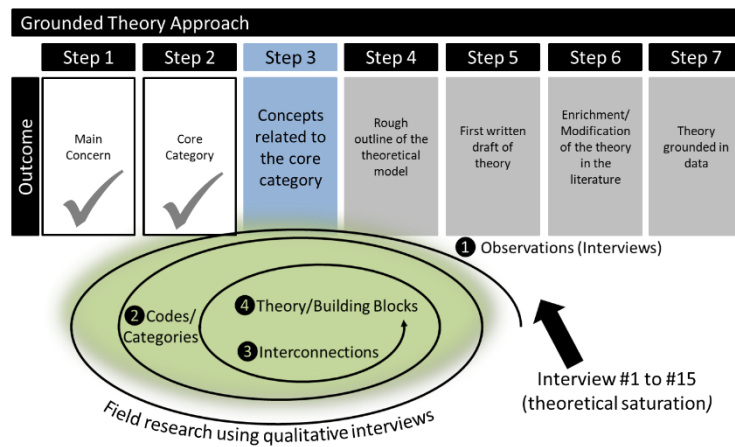
4. DESCRIPTION OF RESULTS AND FINDINGS

In the next research step, the interviews conducted were **documented and evaluated individually**, which corresponds to the individual character of this survey. This is a work step for narrowing down and filtering. To clarify: In this chapter we are still working at the **level of**

the individual interviews; from the next main section onwards (→ 4.4 Codebook of the Research Project, cf. page 293) we will only work with knowledge in a generalized way, e.g. in the form of summaries, codes, codebooks and the like. This chapter thus contains the analysis of the research results from the qualitative interview research. All content, facts and interpretations relevant for further research are presented here.

The individual interview provides the starting material for the analysis. The interviews and their most important results are presented to the reader in the order in which the actual research was conducted (→ 4.2 Interview Findings, cf. page 150). The reader can thus follow the path of knowledge collection and also the selection of relevant knowledge.

From Field Research to Theory. The transition of findings from field research into the design of a theory is the subject of this chapter. The question is: how does the researcher get from the coded interviews to the new theory? It is not to be expected that the interview partners themselves provide a new theory or reveal trade secrets that can lead to such a theory. Rather, the contents of the interviews are the starting point for **further reflections** by the researcher and provide **impulses** for further surveys and source work. The generally recognized developments that determine Strategic Alignment are presented in one chapter (→ 4.6 Secondary and additional Research on Strategic Alignment, cf. page 320) and the other topics derived from the interviews relating to the company and its organization are dealt with in another chapter (→ 4.7 Aspects regarding Strategic Alignment from the Interviews, cf. page 352). This presentation is more practice-oriented.



4.1. OVERVIEW OF THE RESEARCH INTERVIEWS CONDUCTED

The availability of the interviewees played a key role in conducting the research interviews. For this reason, we deviated from the ideal sequence and began, for example, with an interviewee from Austria instead of Germany.

Table 6

Overview of the research interviews

Interview No.	Date of Interview	Interview Partner Background Information	Outcome
1	June 14, 2021 3 p.m.	Strategy Consultant, focused on strategy implementation and alignment issues. Developer of a specific software application for alignment problems, Austria	109:50 minutes interview duration, 32 pages transcript ²⁸⁴
2	June 27, 2021 10 a.m.	Managing Partner largest strategy consulting firm for over a decade. Currently: founding partner spin-off company, Germany.	79:51 minutes interview duration, 31 pages transcript
3	December 7, 2021 2 p.m.	Strategy Consultant Accenture, change management and communication. Author of three textbooks (one best-selling), Zurich (Switzerland)	73:44 minutes interview duration, 24 pages transcript
4	January 7, 2022 8:30 a.m.	Business Consultant and Interim Manager, 25 years of professional experience. Education: first degree in Engineering (University of Applied Sciences), 2019 Master in Organizational Psychology, Master Thesis: Grounded Theory. 15 open interviews in eight industries — duration between 13	103:52 minutes interview duration, 32 pages transcript

²⁸⁴ The transcription was created by a professional provider of scientific transcriptions and saved on their own WORD template. However, the line spacing was not always uniformly 1.5 lines, but also single-line spacing. This should be taken into account when comparing the page numbers in the result document.

		and 45 minutes. Topic: Visualization of goals and their motivating effect on employees, Germany.	
5	January 25, 2022 3:30 p.m.	CFO Special-purpose vehicles; legal entity of a DAX-30 company in Germany. Reports directly to group holding. Academic background: studied business administration and psychology, Germany / Switzerland.	78:41 minutes interview duration, 27 pages transcript
6	February 19, 2022 9 a.m.	Regional Manager and Laboratory Doctor; healthcare industry, middle management. Academic background: Ph.D. in medicine, MBA, Germany.	101:00 minutes interview duration, 30 pages transcript
7	March 15, 2022 8 a.m.	Managing Risk Manager and Actuary in Reinsurance; a global Financial Service Company, France.	48:18 minutes interview duration, 14 pages transcript
8	March 16, 2022, 2 p.m.	Manager in the underwriting department of an international insurance company in senior management. US citizen and domiciled in New York. The interview was conducted in English, USA.	60:03 minutes interview duration, 16 pages transcript
9	March 18, 2022 2 p.m.	Former member of the board of directors of a state bank (Landesbank) for risk management, now working as a consultant. Expert for accounting in banks now specialized in MaRisk and risk management processes.	78:23 minutes interview duration, 25 pages transcript

		(→ additional files accessible), Germany.	
10	July 11, 2022 10 a.m.	Corporate Strategy Consultant and Partner at EY, Managing Director at Capgemini for the German business. More than 30 years of experience in the consulting business. Author of multiple books on management consulting and strategy topics. Professor of business administration. Author of a standard work on consulting in its fourth edition, Germany.	82:22 minutes interview duration, 31 pages transcript
11	July 28, 2022 9:30 a.m.	Head of the executive staff of a large savings bank and in parts of a former Landesbank. Responsible for M&A transactions and related investment management. An example in particular is an expansion through the acquisition of a banking group in the Czech Republic. (→ additional files accessible), Germany.	64:37 minutes interview duration, 18 pages transcript
12	July 28, 2022 4:00 p.m.	Insolvency administrator for medium-sized companies. In many cases, the mistakes and problems of the companies she advises on have a strategic cause, Germany.	33:08 minutes interview duration, 13 pages transcript
13	August 4, 2022 8:30 a.m.	Head of investment management in the largest credit institution of the savings bank organization in the new federal states. The investment strategy is derived from the business strategy and must	76:19 minutes interview duration, 17 pages transcript

		support it. The largest associated company is a payment transaction service provider, which provides services to around 50–60% of the savings banks in Germany, Germany.	
14	August 29, 2022 6:30 p.m	Asset Manager in a leading European energy supply group. Asset Management is the link between the commercial management of the company and the technical implementation. It is, therefore, the central unit within the company responsible for translating business strategy into technical planning and activities, Germany.	50:01 minutes interview duration, 21 pages transcript
15	October 20, 2022 3:00 p.m.	Director of the Safety Engineering Association and Professor of Safety Engineering (Chair of the Department). Studies in business administration and a dissertation on a strategy topic with a comparison of biological and military systems, Germany.	93:00 minutes interview duration, 20 pages transcript

Total (up to interview #15):

Recorded interviewing time 19 hours, 20 minutes

Transcribed pages 351

Further information on the participants in the research project. Participants in the research interviews were informed about the procedure and the use of the information upfront. They were only asked to use company names if they could also be cited in the dissertation. In the preliminary interview, it was clarified which information about the person and their professional career could be published in the context of this dissertation. The aim was to document as comprehensive a picture as possible of the interviewee. As a matter of principle, the

interviewees' personal data is protected and they therefore only appear anonymously in the publications. Examples are indispensable for a better understanding. All participants were generally familiar with qualitative research. The participant in the 4th interview had already conducted research using Grounded Theory himself, which was helpful because virtually no methodological explanations were required from the researcher.

Special characteristics of the manager's language and manner of speaking. In some interviews, the managers interviewed used highly abbreviated language that requires considerable prior knowledge and constant thinking. Characteristics are that even interviews conducted in German switched to a kind of international manager slang and expressions were used that can only be understood either in the respective context or with prior factual knowledge. This is a problem when using literal quotations for coding, because parts of the respective thought remain unspoken or are only hinted at. There may also be difficulties in finding words, so that a more or less good paraphrase was chosen by the interviewee.

4.2. INTERVIEW FINDINGS

Post-interview work and documentation. After each interview or even preliminary interview, a postscript was prepared to record the most important facts and observations. This was documented either in the general notes on the research or in the fieldnotes. For each participant in the interview research, a kind of participant file was kept, which provides information about the contact details of the person in question, how the contact came about, and what and when that contact was. This made it possible for even short statements in the actual interview to be placed in context, which facilitated the evaluation. To protect the interviewees and to maintain confidentiality, it is common in Grounded Theory to number the interviewees consecutively or to assign them an alias name.²⁸⁵

Summary of the content of the interviews in chronological order. The sections that follow present a paraphrasing of the research interviews in chronological order. The main facts and information are summarized for further research. Each research interview is presented as a summary in continuous text so that the reader can **understand the most important content**

²⁸⁵ Corbin and Strauss, *Basics of qualitative research*. p. 45.

of the interview. Furthermore, **observations** and content from the **fieldnotes** are summarized in a **tabular overview**. Finally, the questions or topics arising from the analysis of the interview for further in-depth study in the context of this research are listed. The coded segments of the research interviews are printed in the appendix of the dissertation. The most important codes and contents are summarized for each interview in a concluding graphic. An accompanying text explains the components of this chart. The diagram shows codes and the most important relationships between them. This is an important work result because it can be used in the theory-building chapters.

Focus on interviewees from the financial sector. Many of the interviewees come from banks and insurance companies. Here, the strategy process is not dependent on technical or technological aspects, except for general developments in IT, which influence every industry. Knowledge from the automotive, utilities and steel sectors was also incorporated via the interviews. Furthermore, there are already legal requirements for strategy work in financial institutions in Europe that must already be implemented in the companies. This should mean that this industry is already better positioned in terms of strategic methodology and that its working methods and processes are better developed.

Checking the interview results against the research assignment. For each individual interview, it must be checked whether results and knowledge could be generated for the research assignment. Specifically, the research assignment is presented in the DoI. In a tabular overview for each interview, a corresponding comparison is made here in the form of a triangulation. This examination of results and assignment is decisive for the further selection of interview partners and for the criterion of **theoretical saturation (= end of research)**. For this reason, this verification and analysis is presented for each interview. Example → Table 9 Allocation of segments to research focus 1st interview, cf. page 155.

Structure of the documentation and analysis of the individual interviews. The evaluation and analysis of the conducted interviews always follows the same sequence, which is geared towards the reader so that he can follow the researcher's work steps and thoughts. The sequence of content in the **individual analysis of the interviews** is structured as follows:

1. Background information about the source, i.e. the interviewee.

2. Reference to the fully coded content in the appendix of this dissertation.
 3. Formulated summary of the interview from the researcher's perspective.
 4. Additions, extensions and corrections based on the researcher's field notes, presented in a table for clarity.
 5. Identified further topics for scientific processing and research (within or outside of this dissertation).
 6. Contribution to answering the research question or the DOI (did the respective interview provide a valuable research contribution?).
 7. Visualized evaluation of significant results and aspects from the research interview. This can be used as an extract of the respective interview for a discourse or a scientific disputation.
 8. Summary conclusion for each interview.
-

4.2.1. Evaluation and Analysis of the 1st Interview

Table 7

Background information 1st interview

Background Information	Interviewee
Profession practiced	Strategy Consultant
Academic education	MBA or similar St. Gallen, HSG
Gender	Male
Life age	50+

The coded segments from the written interviews can be found in the appendix. → Coded Segments Interview No. 1, page 518.

Descriptive summary of the interview by the researcher. From a consulting perspective, the topic of Strategic Alignment is considered, in particular, the provi-

sion of strategic guardrails for the **swarm of people** in the organization. The interviewee is influenced by the HSG's strategic approach and distinguishes the following **four building blocks** in strategic management: **strategy, structure, culture** and **leadership** (Position 81). Relying on certain swarm intelligence, the conditions are to be created so that alignment is possible. Instead of the overly complex BSC, the more robust **OKR (objectives and key results)**²⁸⁶ should be used. A software solution developed for a global company was discussed in the interview. The main focus was on how to help the company as an external consultant to achieve a successful alignment and a good strategy implementation. The distinction between **explicit alignment** (Position 99), where everyone must adhere to the strategy, and **implicit alignment**, where the focus is more on freedom and room for maneuver, and where alignment is seen as an invisible guide, was the content of the interview. This consideration is not found in the literature, but is very interesting to discuss because it involves different forms of commitment to the corporate strategy. Further material was provided by the interview partner after the appointment.

²⁸⁶ Used synonymously by the interviewee and in reference to the term 'management by objectives' (MBO).

FROM THE RESEARCHER'S FIELDNOTES.

Table 8Research and field notes 1st interview

Topics	Research Findings
Observations	▪ Strongly focused on key figures. ▪ Works on own products in the field of consulting. ▪ The prerequisite for strategy implementation is a defined strategy process within the company.
Facts from additional communication, e.g. Mails, Calls etc.	▪ Slides with own ideas on the topic of Strategic Alignment were sent. ▪ The interviewee explained a lot about his management philosophy in the preliminary interview, which lasted around an hour (fieldnotes). ▪ Impact controlling ▪ Planning cycle ↔ delivery cycle
Background Information	▪ Own experience in the automotive industry segment. ▪ Interviewee has done a lot of bottom-up strategy work himself and knows the special features of this process and the associated difficulties.

TOPICS FOR FURTHER RESEARCH.

- **OKR** → Look in the index for further text references. No main focus of the dissertation.
- **Explicit/implicit Strategic Alignment** → New topic from this research, not represented in the literature. See figure Implicit and explicit alignment forces, cf. page 159.
- **Software Applications (Strategy Planning Database)** → Not a subject of this research.

CONTRIBUTION OF THE INTERVIEW TO CLARIFYING THE DOI.

Table 9

Allocation of segments to research focus 1st interview

Aspect of the Research DoI	Contribution to Research
Definition of Strategic Alignment	Definition: Strategic Alignment means co-ordinating all initiatives resulting from the corporate strategy, e.g. permanent tasks and projects. (position 5) Strategic Alignment = overall and companywide consistency. (position 11) Strategic Alignment means consistency of thought and action in relation to the implementation of the corporate strategy. Is the overall picture right? (position 11) Strategic Alignment issues are seen as problems to be solved in a democratic management dialog. This leads to a dilution and weakening of the recognized problems. It would be better to clarify and emphasize the Strategic Alignment deficit. (position 3 - 5)

	Insights from Strategic Alignment must flow back into strategy development. (position 37) A minimum standard and a maximum standard for the implementation of the strategy should be defined as an indicator for Strategic Alignment. If the minimum standard is not met, this is a clear sign of misalignment. (position 19)
Methods/Approaches	Strategic Alignment is less strategic controlling and more impact controlling. (position 11) The Strategic Alignment process must be supported by software. (position 27) The quantitative model is of little help in the development of new corporate strategies. (position 103) The strategy process does not have to include all hierarchical levels; the top three levels are sufficient (cf. example in the chemical industry). The business segments (= strategic business units) can pursue relatively autonomous and independent corporate strategies. (position 19) In large companies, there must be a strategy process with top-down and bottom-up procedures. (position 33) Simulation and gaming are effective methods for preparing and practicing strategy implementation. (position 103)
Corporate Requirements	There is a fundamental implementation gap in companies. (position 41)

	Today, there is little Strategic Alignment overall; instead, the company's own organizational unit is optimized. Divisional thinking is dominant. (position 93) The work step before the actual strategic alignment is particularly critical: translating the corporate strategy into action plans and investment plans. (Position 3) Communication and, in particular, strategic dialog are crucial for commitment to the corporate strategy. (position 15) The Strategic Alignment problem begins long before the strategy is implemented, so it must be considered as early as the strategy development stage. (position 5) Constant changes in objectives prevent a planned strategy implementation. OKR as a method for target tracking and possibly also as a tool for Strategic Alignment. (position 85) The strategy process must have a shorter cycle and be more dynamic, i.e. less bureaucratic. (position 106) Strategic controlling in its current form is too complicated and difficult. It does not work. Useful methods are missing. (position 3, 37)
Trends	Exaggerated shareholder value thinking is wrong. Many shareholders want to realize short-term earnings and profits and, in the case of listed companies, share price gains. This is not in line with the systematic strategic development of companies. (position 17)

	Different and new working methods are needed that are not yet available. (position 87) Perhaps findings from research into collective intelligence (swarm intelligence) can be used for Strategic Alignment. (position 82 - 85)
Was the interview useful in answering the research question / DoI?	Yes.

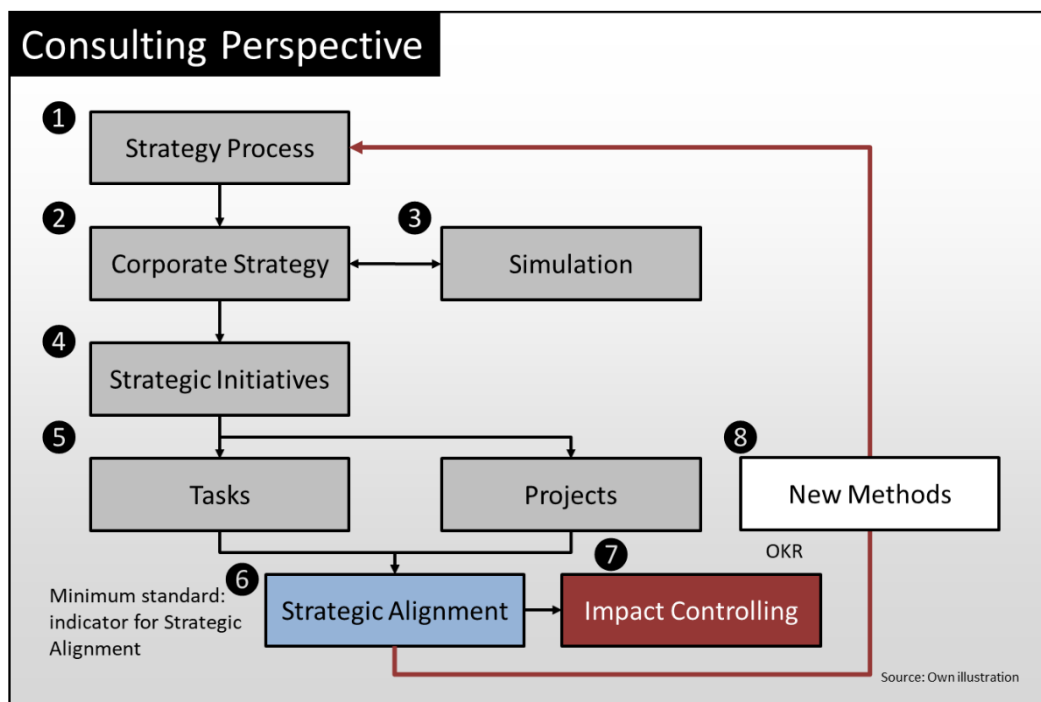


Figure 35
Strategic Aligning as impact controlling²⁸⁷

Visualized research findings 1st interview. The interviewee assumed a systematically structured planning process for the development of the corporate strategy ①. The result of this planning process is a corporate strategy ② whose feasibility and realization should be tested in simulations (or gaming) ③. Once a clear decision has been made on how to implement the strategy, strategic initiatives ④ must be defined, either as a permanent task ⑤ or as self-

²⁸⁷ Own illustration, Schmude (2024).

contained projects. Strategic Alignment ⑥ starts with the tasks and projects and ensures that a minimum standard of commitment to the corporate strategy is guaranteed. Impact controlling ⑦ should show the benefits and contribution of the activities to strategy implementation. The interviewee recognized that the current methods are not sufficient for ongoing strategic alignment and that there is still a need for research and method development ⑧.

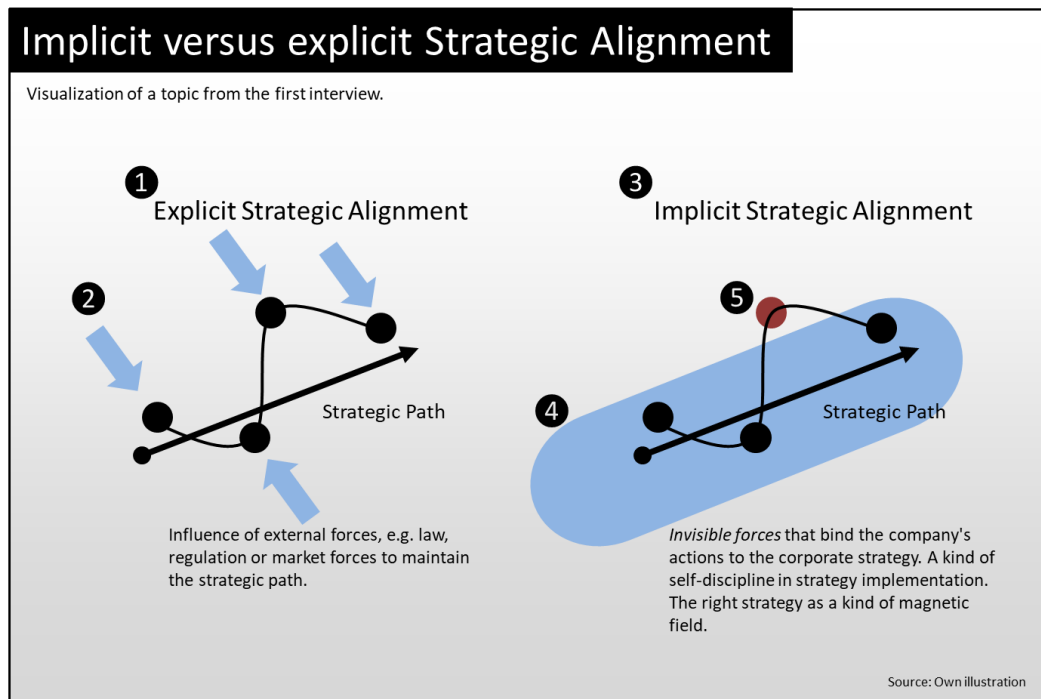


Figure 36

Implicit and explicit alignment forces²⁸⁸

Two basic forms of Strategic Alignment. There are clearly recognizable forces ① that bring about a Strategic Alignment and also the case that invisible forces work towards a Strategic Alignment. In the case of **explicit Strategic Alignment**, it is forces such as the law, regulations or market laws that take effect ②. In the case of **implicit Strategic Alignment** ③, the interviewee imagines it to be more like a magnetic field that emanates from the strategy ④. The defined strategic path causes forces of self-commitment to become active, which can result from loyalty to the company, a sense of duty or inner conviction. One's own economic dependence on the employment relationship can also lead to such an effect. Ideally, there would be no need to intervene in the case of implicit strategic alignment, as the case of misalignment would align itself with the strategic path again ⑤.

²⁸⁸ Own illustration, Schmude (2024).

CONCLUSION: As a management consultant, the interviewee was particularly familiar with KPI systems (especially OKR). He also sees Strategic Alignment as a consulting product and an approach to help clients. The distinction between explicit and implicit Strategic Alignment is new in the previous analysis. The same applies to the question raised about the timing of Strategic Alignment. It is not a question of checking afterwards whether Strategic Alignment has taken place, but of creating the right conditions for strategy implementation with close strategic alignment before strategy implementation.

4.2.2. Evaluation and Analysis of the 2nd Interview

Table 10

Background information 2nd interview

Background Information	Interviewee
Profession practiced	Consultant for Strategy Implementation
Academic education	MBA
Gender	Male
Life age	50+

The coded segments from the written interviews can be found in the **appendix**. → Coded Segments Interview No. 2, cf. page 534.

Descriptive summary of the interview by the researcher. A dynamic concept of strategy must become established and re-

place the fixed planning cycles of the past, e.g., five years. Natural cycles of the respective industry determine the planning frequency; the ideal state of a **dynamic strategy** can only be achieved via intermediate steps. The chemical industry has cycles of 15 years or more, whereas technology-driven companies are much more flexible without capital goods decisions. A broad concept of strategy should be used: **strategy is all about changing the business**. Small strategic changes should be distinguished from large, mostly fundamental strategies. Disruptive strategies can only be **top-down**. The **company's value** as market power in the takeover market has a central importance today. For this **M&A strategy**, the equity story and the change of the business model are topics for a top-down strategy. In the medium-sized companies, where it is more about small adjustments and optimizations, **bottom-up planning** has a higher priority. In the case of turnaround, an exit from the strategy takes place because the company is no longer acting but is forced to act and can only react. In this case, strategy no longer plays a role. The interviewee's company, has created its own software solution for strategy work,

which is based on the idea of **OKR**. It is about breaking down goals, not tasks. The interviewee emphasized that it is extremely important to look at the tasks so that they do not deviate from each other during implementation (alignment by means of task controlling).

FROM THE RESEARCHER'S FIELDNOTES.

Table 11

Research and field notes 2nd interview

Topics	Research Findings
Observations	▪ Classification of the topic of Strategic Alignment in the strategy process of a company (large company). ▪ Corporate strategy encompasses all aspects of future-oriented corporate management (broad concept of strategy).
Facts from additional communication, e.g. Mails, Calls etc.	▪ Conceptual ideas for an IT tool to support Strategic Alignment, or rather strategy implementation.
Background Information	▪ He is working on a consulting practice to improve strategy implementation. ▪ Concept must include an IT application.

TOPICS FOR FURTHER RESEARCH.

- **Dynamic planning cycles** → Compare the explanations on the strategy process (→ 4.6.1 Strategy as Input for Strategic Alignment, cf. page 320, → IX. Generic Strategy Process, cf. page 783) and a corporate strategy that can be flexibly adapted to external influences. Research into the general strategy process is not the subject of this research paper.

- **Change Management and strategic communication** → Change Management and the leadership of large organizations through appropriate communication are recurring topics, but they are not a primary focus of this research. Since this topic has been raised frequently, a separate section will highlight some aspects related to Strategic Alignment (→ 4.11 Strategic Communication, cf. page 408).
 - **Application for strategic planning (consulting service)** → The technical implementation of strategic alignment using a database or an application is not the subject of this basic research work.
 - **M&A strategy** → Examples of M&A strategies are listed and explained. Misalignment and failure of mergers are often easier to analyze and identify using M&A strategies (→ 4.7.3 Corporate Strategy for Entrepreneurs and Owners, cf. page 359).
-

CONTRIBUTION OF THE INTERVIEW TO CLARIFYING THE DOI.**Table 12**Allocation of segments to research focus 2nd interview

Aspect of the research DoI	Contribution
Definition of Strategic Alignment	Strategic Alignment does not happen through a corporate vision. This idea simply does not work. (position 50) Strategy work is a continuous business or management process and Strategic Alignment is also such a process. (position 68) A holistic view is important, i.e. neither corporate strategy nor strategic alignment can be viewed in isolation. (position 2) Strategic Alignment should refer to an alignment of the business input, one component of which is the corporate strategy. The company as an input-output model. (position 6) Strategic Alignment can completely change the corporate culture and also the organizational structure of the company. (position 110) A corporate strategy is an anticipated goal and not an anticipated decision. (position 100)
Methods/Approaches	Strategic leadership can only work in two ways: either by breaking down goals or by detailing action plans. (Position 54) A Strategic Alignment Office makes little sense because it has too little authority. Top management cannot delegate such a task downwards. (position 70)

	Strategy implementation can always be described in terms of transformation. (position 22) A structured strategy process is needed in every company. (position 26) The top-down strategy process should start on a blank piece of paper. No updating of old plans. (position 30) Methods for Strategic Alignment are objectives management and communication. (position 4) Corporate strategy does not work like a roadmap, where you draw an ideal route and then follow it. (position 98) Scripting and storytelling are legitimate mechanisms for strategy implementation. (position 26)
Corporate Requirements	The validity of the strategy and its timeliness are a problem for implementation. (position 50) In small companies or start-ups, it sometimes works as follows: Shared Story = Corporate Strategy (position 24) Strategy implementation at the lowest hierarchical level, e.g. on the assembly line, can be equated with a continuous improvement process. (position 20) Strategic Alignment should motivate employees to make a positive contribution to the development of the company. The company must not act against its own interests (= misalignment). (position 48)

	Business cycles vary greatly depending on the industry, e.g. paper manufacturers have a 15-20 years cycle. (position 8-12) Problem: the bottom-up process in strategy development is traditionally too slow. (position 30) The corporate strategy must always be able to cope with asymmetrical situations. (position 108) As CEO, you can define a strategy without having agreed it with the owners beforehand. (position 82) Corporate development or the strategy department is pretty powerless today. (position 72) Corporate strategy must take place and play a role in day-to-day corporate practice. (position 32)
Trends	Top management must develop a dynamic image of the future of the company and its environment. This can be described as a dynamic strategy. (position 6) The term agile strategy is used, but does not generally fit the corporate strategy. The so-called waterfall principle can be used to develop a new strategy based on previous experience. The strategy must be for the next 5 or 10 years. This thinking pattern does not deliver that. (position 6)
Was the interview useful in answering the research question / DoI?	Yes.

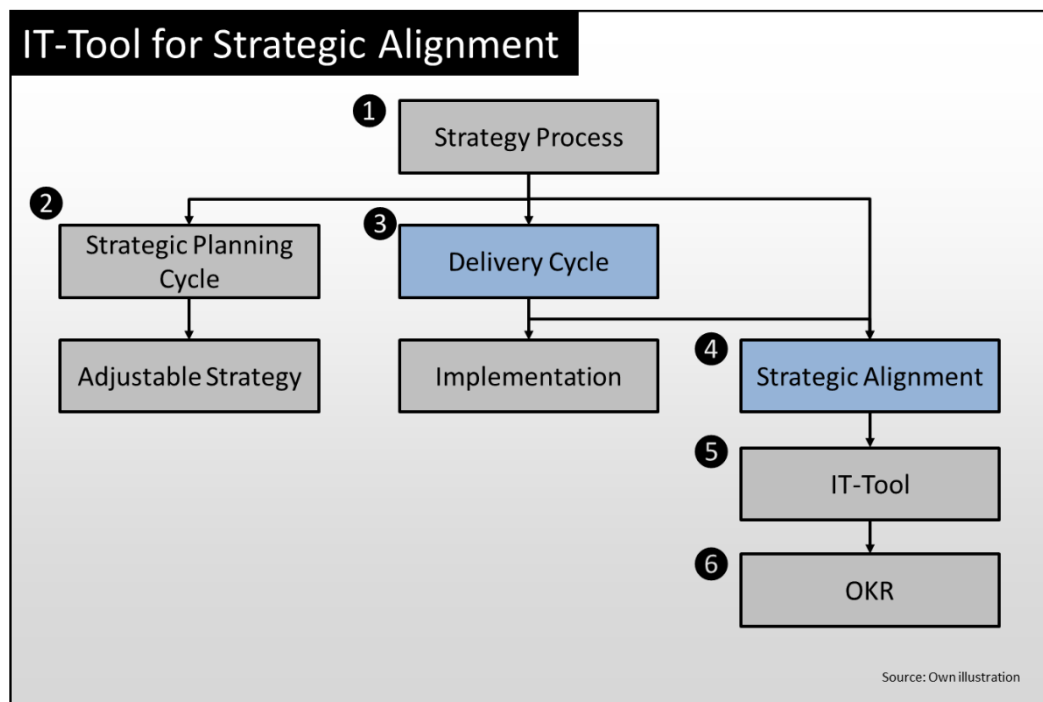


Figure 37
Software and database for Strategic Alignment²⁸⁹

Visualized research findings 2nd interview. The interviewee emphasizes the importance of a strategic planning process ①, which should at least include the two areas of strategic planning ② and implementation of strategic planning ③. The interviewee left open whether the topic of Strategic Alignment ④ is part of the delivery cycle or forms a separate pillar under the umbrella term of the strategy process. For the interviewee, software ⑤ for monitoring strategy implementation and Strategic Alignment is essential. Based on his own experience, he refers to such a key performance indicator system as OKR, which he sees as a kind of example of new methodological developments ⑥.

²⁸⁹ Own illustration, Schmude (2024).

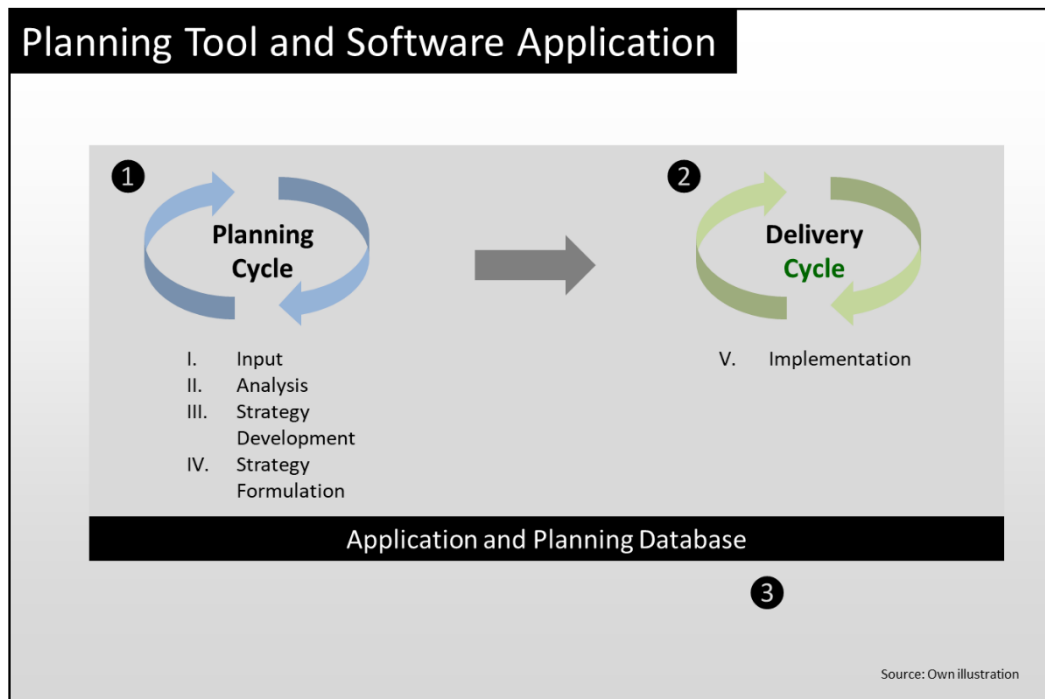


Figure 38

Strategic enterprise resource planning²⁹⁰

Strategic Alignment as part of the delivery cycle. A defined strategy process, which is also mapped in a planning and monitoring database, is useful for mastering complexity and for efficient strategy implementation. The separation of the **planning cycle ①** and the **implementation cycle ②** should thus be overcome. However, such an application requires a customized solution **③** that takes into account the business model, the industry and also special features such as foreign locations. In the tool, the term alignment is used for keeping data together and consistent.

²⁹⁰ Own illustration, Schmude (2024).

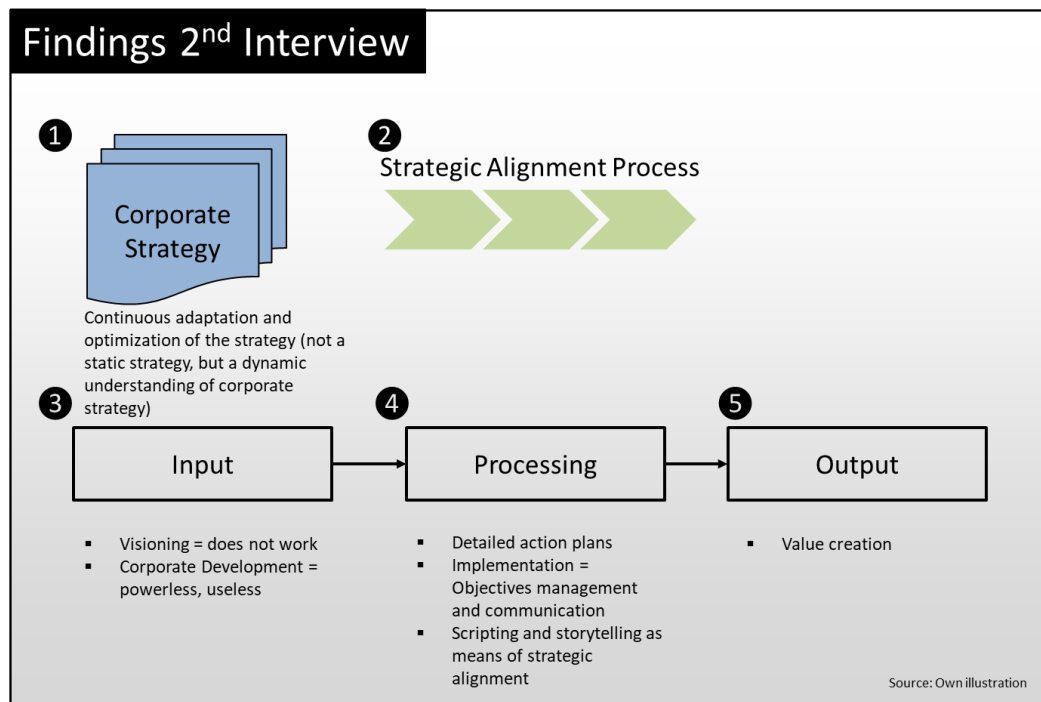


Figure 39
Strategy work as input-output model²⁹¹

Corporate strategy as a prerequisite and input for the delivery cycle. The interviewee sees the corporate strategy **1** as a plan, but one that must be flexibly adapted to changing conditions. Strategic alignment is a monitoring process **2**, perhaps also a control process, which is based on the corporate strategy. The entire strategy is seen as an input-output model **3** in which data and facts, as well as entrepreneurial creativity, form the input. The processing **4** is the design of detailed plans, as well as the communication of the strategy. The result **5** must be the creation of value, i.e. an increase in the value of the company.

CONCLUSION: Strategic Alignment is seen as a control process that should also be defined and handled as such a work process. Within the strategy process, the process for Strategic Alignment is assigned to the delivery cycle. In principle, it is seen that the existing organizational units, such as Corporate Development, are only suitable for compliance with Strategic Alignment to a limited extent. Their influence is generally too weak. There must be a person responsible for Strategic Alignment with very far-reaching powers.

²⁹¹ Own illustration, Schmude (2024).

4.2.3. Evaluation and Analysis of the 3rd Interview

Table 13

Background information 3rd interview

Background Information	Interviewee
Profession practiced	Manager in consulting, Consultant for Strategic Communication, Business Owner, Author
Academic education	MBA, St. Gallen
Gender	Male
Life age	50+

The coded segments from the written interviews can be found in the appendix. → Coded Segments Interview No. 3, cf. page 553.

Descriptive summary of the interview by the researcher. This interviewee emphasized the need for **planned** and **structured communication**. As an external consultant, he specializes in communica-

tion, especially at the C-level (preferably CEO). For the alignment of the organization and its employees to the strategy, **communication is the central means**. Open and true content, even if it may be frightening, should be communicated as soon as possible following the decision to adopt a new strategy. One format for employee events is the procedure described in the interview as an **internal hall meeting**, otherwise usually referred to as a **town hall meeting**. The focus is on a presentation by the Management Board, followed by an opportunity for discussion or Q&A. This communication format originated in the US, where it was used as a form of civic participation in smaller towns. In relation to companies, participation is more or less feigned; in principle, it is a speech by one of the highest-ranking people present with the opportunity to ask comprehension questions.

Even in times of home office and virtual work, ways should be found to somehow enable the kind of **informal communication** that used to take place in the hallway or during coffee breaks. Break-out sessions in video conferences are one possibility for this. Strategy communication, in particular, needs to be **brief** and **effective**. However, this will not work without a specialized function that supports the CEO in this. **Coaching** was mentioned as a means of strengthening alignment, as were a few examples of how individuals can be trained to **think strategically**, for example, by method of simulation at Shell. Improving the individual employee's commitment to the organization is the goal of alignment. This can include celebrating successes together, as well as other actions that set emotional anchors outside of the actual

daily work. Alignment with the **wrong incentives**, for example, through the compensation system, will not work. Therefore, the strategic aspects and the alignment must be broken down into appraisal and promotion discussions. The interviewee has a degree from HSG St. Gallen. He worked in Change Management and Organizational Change before focusing on communication strategy issues at the senior level. The Strategic Alignment Survey questionnaire was reviewed and content collected in a phone call several weeks prior to the qualitative interview.²⁹²

Here, an external consultant from one of the large management consultancies is interviewed and his statements relate to one of the latest projects in this area. Hence, he is talking about his client. There are separate organizational units for strategy work. The usual documents such as **strategy presentations** and also a **strategy book** (complete written presentation of the overall corporate strategy) are used. The corporate strategy is understood as a **plan** and as a **fundamental decision**. There is no unit for strategic controlling. As usual in the consultant language, more anglicisms are used and the terms Strategic Alignment and also **Strategic Assessment** are common. A **strategy committee** supports the development and implementation of the strategy. A described process for strategy work exists. The management in general is responsible for steering and controlling the strategy implementation, thus also for a Strategic Alignment.

Strategic Alignment Survey Summary (Questionnaire). A central function in strategy implementation is the **speech of the management board**. The consulting company has brought its own process model for strategy work into the project. The **balanced scorecard** is seen as very useful by this consultant and is also a popular consulting product in similar projects. Misalignment is understood to mean what is also seen as misalignment in research. This control question shows that there is a relatively similar understanding of this term. The idea that a strategy emerges is not shared and is also viewed somewhat skeptically. The implementation of the strategy could take more than half a year in the project in question. As expected, the relevance of external consultants was emphasized. The existence of a corporate strategy is seen as essential for the future. In relation to the pandemic, a completely new strategy was required and the old strategy had to be suspended. It is assumed that the pandemic will permanently

²⁹² See Appendix and Attachments for results.

and fundamentally change the business model. For the full results of this part of the research, see the appendix: → Coded Segments Interview No. 3, cf. page 553.

FROM THE RESEARCHER'S FIELDNOTES.

Table 14

Research and field notes 3rd interview

Topics	Research Findings
Observations	▪ Communicative approach ▪ Motivation and conviction as driving forces for self-directed strategic alignment. ▪ Strategy model based on the HSG approach determines our own work.
Facts from additional communication, e.g. Mails, Calls etc.	▪ Preparation of strategic content for a better understanding of strategy.
Background Information	▪ The professional focus is currently very much on correct and effective communication. This is also clearly reflected in the focal points of the interview.

TOPICS FOR FURTHER RESEARCH.

- **Strategy communication** → Not a focus of this research, but mentioned repeatedly, so that it will be discussed later in the dissertation (→ 4.11 Strategic Communication, cf. page 408).
- **Strategic thinking** → The topic is assigned to strategy development and is therefore not a research focus here.
- **Tools of strategy implementation and documentation, e.g., strategy book** (→ 4.7.4 Corporate Strategy on Board Room

Level, cf. page 364). With regard to change management, the interviewee referred to the book 'Charting Change' by *Braden Kelley*.

- **Balanced scorecard** → Control instruments and monitoring tools have always been part of management. These methodological tools are discussed at various points in the dissertation (→ 2.2.5 Scorecards and Strategy Maps for Strategic Alignment, cf. page 91). Their usefulness depends largely on their acceptance and willingness to use them on the part of management (→ 4.6.4 Strategic Alignment Tools and other Alignment Approaches, cf. page 345).
- **Neuroscience in communication, training, and management** (→ 4.6.2 Aspects from Neuroscience for Strategy Implementation, cf. page 338).

CONTRIBUTION OF THE INTERVIEW TO CLARIFYING THE DOI.

Table 15

Allocation of segments to research focus 3rd interview

Aspect of the research DoI	Contribution
Definition of Strategic Alignment	Strategic Alignment means that everyone in the company is pulled in the same direction. The forces of all must be concentrated on one point like a parabolic mirror. (position 20)
Methods/Approaches	Internal Hall Events for communication and to strengthen the corporate culture. (position 8) The communication plan as a prerequisite for targeted and controlled corporate communication both internally and externally. (position 8) Scenarios are easy to communicate and provide their own story. These remain in the listener's memory. (position 28-30)

	Power-map and organization chart are usually not identical. If you want to influence communication and opinion within the company, you need to have an idea of the actual power structures. (position 73) Change management and communication are inextricably linked. (position 13)
Corporate Requirements	Individual employees and lower management levels are only interested in how they are personally affected by the strategic changes. (position 14) Communication planning in terms of content, especially negative messages and communication channel (face-to-face, online). (position 34) The rumor mill is a massive obstacle to planned strategy implementation. (position 14, 36) Sufficient resources must be available for strategy communication. Not only money and human resources, but also time. (position 85) Presentations by the CEO on the new strategy must be carefully formulated and prepared. A rehearsal for live appearances is always necessary. (position 42) As early as the strategy development stage, the C-level must consider whether there are any free resources and capacities to implement the strategy alongside day-to-day business. Otherwise, there is a risk of burnout in the entire organization. (position 10, 22)
Trends	Challenge with online events: very careful audience analysis is needed during the event. (position 44)

	Online meetings must be more than just spending time in front of a screen. (position 40)
Was the interview useful in answering the research question / DoI?	Yes.

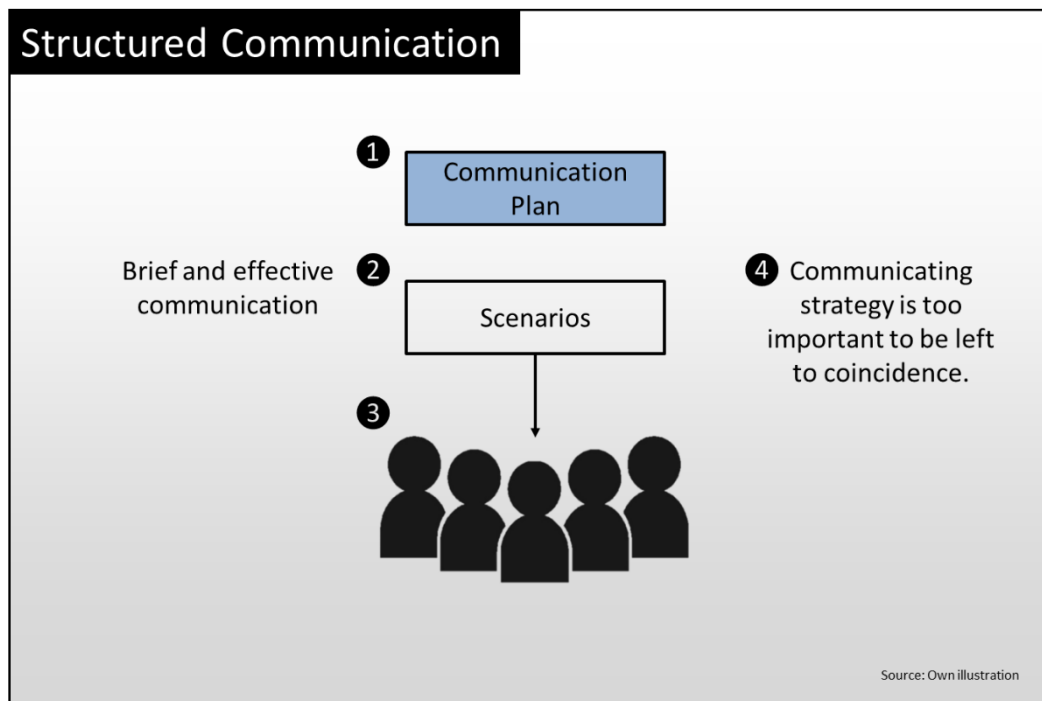


Figure 40
Scenarios for effective communication²⁹³

Visualized research findings 3rd interview. The interviewee sees the need for a communication plan ① for systematic and target-oriented communication of the corporate strategy. This is a highly participatory approach. Scenarios ② are used to familiarize employees and managers ③ with the company's strategic development, which can also help to overcome resistance. Real change is already anticipated in the communication. In the imagination of those affected by the strategy, a substantive idea of the company in the time after the transformation is already formed. Under no circumstances should all communication ④ be left to normal management discussions and management routines.

²⁹³ Own illustration, Schmude (2024).

CONCLUSION: Communication, and planned communication at that, is central to good Strategic Alignment. Different communication formats such as internal halls and other time-saving online processes should be used. More attention should be paid to the psychological side of strategy implementation, for example the risk of a kind of ‘burn-out’ for the entire organization. Committees for strategy work, such as a strategy committee, are actually already standard in large companies; this formal strategy organization should be expanded accordingly for Strategic Alignment.

4.2.4. Evaluation and Analysis of the 4th Interview

Table 16

Background information 4th interview

Background Information	Interviewee	The coded segments from the written interviews can be found in the appendix. → Coded Segments Interview No. 4, cf. page 564. Descriptive summary of the interview by the researcher. The interview took place with an interim manager who talked
Profession practiced	Interim Manager, C-Level	
Academic education	MBA	
Gender	Male	
Life age	50+	

in particular about a **restructuring case** in the **steel industry**. He was tasked with continuing and strategically developing a company that had experienced many management changes in the past and had shrunk from several thousand employees to around 200. After more than five years of reorganization and continuation work, it became clear that the **parent company had no real strategic goals for this unit** and preferred mere continuation of the status quo **in order to avoid the repayment of state subsidies** that threatened in the event of a sale or closure. The focus was on motivating employees, leadership discussions, and also building a team²⁹⁴ for reorganization or strategy work in the company. The focus on self-set goals was a central task for the interviewee, as was maintaining the working atmosphere and personal motivation. Important top performers had already left the company and, subliminally, there was always

²⁹⁴ Book used by interviewee in own project work: Warren G. Bennis and Patricia Ward Biederman, *Geniale Teams: Das Geheimnis kreativer Zusammenarbeit; Hochleistungsgruppen führen und Spitzenleistungen erzielen* (Frankfurt/Main: Campus-Verlag, 1998). Book not yet evaluated because too old and too far removed from the domain of interest, i.e. Strategic Alignment.

the worry of closure, as was known from other metal processing companies. A good understanding of the works council promoted the work. A system developed from practice to focus on a few goals, which are then also **constantly visually present at the workplace**, was discussed and could represent an approach for an alignment tool.

FROM THE RESEARCHER'S FIELDNOTES.

Table 17

Research and field notes 4th interview

Topics	Research Findings
Observations	▪ Practical experience and a pragmatic approach from a management perspective dominate the interviewee's thinking. ▪ It describes how the interviewee, as an interim manager, has to familiarize himself with the extremely difficult situation and at the same time build up a professional distance to the company and the problems that arose before his time. ▪ In the preliminary discussion, the interviewee had talked about the particular importance of time management and a high degree of self-discipline, which are essential for successful strategy implementation.
Facts from additional communication, e.g. Mails, Calls etc.	▪ Corporate restructuring or reorganization is a tight learning process in which the reorganization concept should be implemented as closely as possible.

Background Information	▪ Strategy is a concept of life for the interviewee. He also applies this to life in general.

TOPICS FOR FURTHER RESEARCH.

- **Restructuring strategy** → A specific reason or occasion for changing or redefining a corporate strategy. The time pressure involved in implementation and mistakes resulting from a poor strategy are particularly evident here. (→ 4.7.3 Corporate Strategy for Entrepreneurs and Owners, cf. page 359; → 4.10 The Impact of Fraud on Corporate Strategy, cf. page 399).
- **Lack of strategic goals and corporate strategy** → The corporate strategy is a prerequisite for Strategic Alignment to be possible in the first place. It is therefore an input for the Strategic Alignment process (→ 4.6.1 Strategy as Input for Strategic Alignment, cf. page 320; → 4.7.3 Corporate Strategy for Entrepreneurs and Owners, cf. page 359; → X. Strategic Alignment Process Model (SAPM), cf. page 791).
- **Misalignment (waste of resources)** → The opposite of proper or good Strategic Alignment is misalignment (→ 2.2.7 Focus on Internal and External Alignment Aspects, cf. page 94; → Figure 51 Strategic conflict leads to latent misalignment, cf. page 258).
- **Employee communication** → The involvement of the operational level, i.e., the employee level, depends heavily on the corporate culture. Employees generally have no influence on strategy development, but when it comes to implementing strategy, management is dependent on everyone's willingness to implement the corporate strategy (→ 4.7.6 Corporate

Strategy for Employees, cf. page 379; → Figure 48

Communication drives the strategic change, cf. page 233).

CONTRIBUTION OF THE INTERVIEW TO CLARIFYING THE DOI.

Table 18

Allocation of segments to research focus 4th interview

Aspect of the research DoI	Contribution
Definition of Strategic Alignment	Without the basis of a corporate strategy, every decision must be regarded as wrong. (position 200) The corporate strategy is a life concept for the company. (position 200)
Methods/Approaches	Limit the goals to, for example, five goals and visualize them. (position 40-42) Weekly communication, e.g. always on Fridays, during strategy implementation and only in relation to defined strategic topics. (position 20) If there is no data from the company, no corporate strategy can be developed. There must be a database. (position 10) A list with broken down tasks and activities for each day (to-do-list). (position 150) The corporate strategy must be written down. (position 139) The leadership and especially the top management must be visible and tangible for the employees of the organization. (position 105)
Corporate Requirements	The company or organization needs an enemy. A real or an imaginary enemy. (position 86)

	A hidden agenda or goals that are kept secret are a breach of trust in the long term and will become obvious. (position 116) 150 personal goals are too many and simply unmanageable. (position 10) Selected people and managers of the company are involved in the strategy work (e.g. strategy team), but not everyone or every employee. (position 10) CEOs and similar management positions are sometimes very free in setting their own goals. (position 100) Self-discipline and consistency are very important qualities for top management. (position 131 - 132)
Trends	./.
Was the interview useful in answering the research question / DoI?	Yes.

NOTE ON THE METHOD OF ANALYSIS: The form of presentation of the codes and their relationships in the form of the following diagram only emerged from this interview onwards. The previous interviews were reworked accordingly for the dissertation.

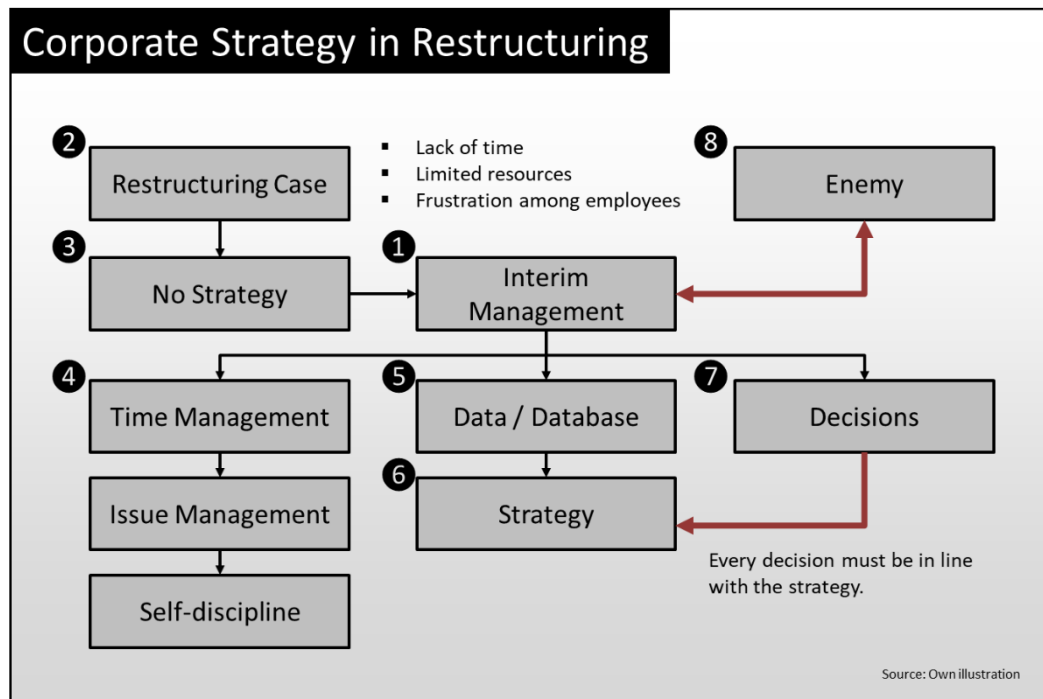


Figure 41

Corporate strategy in the case of restructuring²⁹⁵

Visualized research findings 4th interview. The interviewee describes a project in which he was deployed as a **senior interim manager**. Interim management ① is appointed, for example, by the owners or creditors (banks). It must first be checked whether it is a restructuring case ② or whether insolvency law already applies (→ Evaluation and Analysis of the 12th Interview). If there is no corporate strategy ③, a strategy ⑥ must first be developed as part of the restructuring concept. The formulation of a corporate strategy requires up-to-date data from the company ⑤, which is generally not available in sufficient quality and must first be collected. In restructuring, every single decision ⑦ must be in line with the strategic guidelines. The corporate strategy is therefore constantly being worked with and forms the basis for every management decision. Is the decision covered by the strategy - yes or no? If this question is constantly applied, it becomes clear which gaps the strategy has and which aspects were not considered when the strategy was developed, and at the same time a slide into misalignment is avoided. For the interviewee, every company must have an enemy ⑧ against which it can measure itself and against which it works. Without the existence of such an enemy, management does not work and there is a lack of purpose. Basically, the aspects of **time management**

²⁹⁵ Own illustration, Schmude (2024).

④, **issue management** (open points, to-do list) and self-imposed self-discipline on the part of the management are absolutely essential for the entire work in order to achieve a turnaround.

CONCLUSION: Strategic Alignment must have an impact on the work of management. This means that the methods and tools used must be suitable for the company. Different methods may be required in the metal industry than in the service industry. Strategic Alignment must have an influence on management decisions (strategy vs. daily management decisions). Discipline, self-discipline and time management are components of Strategic Alignment.

4.2.5. Evaluation and Analysis of the 5th Interview

Table 19

Background information 5th interview

Background Information	Interviewee
Profession practiced	CFO, Legal Entity of a DAX Group
Academic education	University degree in psychology, MBA
Gender	Male
Life age	50+

The coded segments from the written interviews can be found in the appendix. → Coded Segments Interview No. 5, cf. page 580.

Descriptive summary of the interview by the researcher. The interviewee was a CFO within a holding organization.

In particular, he described the poor preparation of an **outsourcing project** as a current example of poor alignment. From the point of view of the CFO of a group company, who is responsible for the finances in a sub-company as CFO, and who is responsible for about one-twentieth of the group's sales, the decision of the holding company to relocate the financial processes to Poland to a shared service center was difficult to understand, especially because this **strategic project** was carried out without a real analysis phase and was decided by the holding company. The commitment of the employees in this legal entity was low, and the customers (exclusively B2B) were also burdened with unnecessary questions and problems.²⁹⁶ The inter-

²⁹⁶ Interview No.5; details review attachment.

viewee has an MBA degree from HSG St. Gallen. The Strategic Alignment Survey questionnaire was reviewed and content collected in a phone call several weeks prior to the qualitative interview.

Strategic Alignment Survey Summary (Questionnaire). It is noteworthy that the company has a Strategic Controlling function and also the strategy is perceived **as a script** (very modern view). There seems to be neither a Corporate Development nor a Strategy department in the company (part of a DAX group). The control question shows that there is no organizationally anchored function for Strategic Controlling. The review takes place annually. The term Strategic Alignment is not used in the company, but there is a resource allocation and—this is particularly noteworthy—a **Performance Hub**. KPIs are used. A very appropriate definition is given for Strategic Alignment, as well as for the opposite, misalignment. Strategy must be effective in three months. Data from the business is available via a management information system. References to the literature of HSG St. Gallen. The idea that companies are no longer fighting for markets, but competing for future opportunities. Behind this is the conviction that need and demand can be created and, given sufficient financial strength, markets can be changed according to the company's own ideas. The will of the consumer is malleable. For the full results of this part of the research, see the appendix.

Selected findings from questionnaires 5th Interview, cf. page 756.

FROM THE RESEARCHER'S FIELDNOTES.

Table 20

Research and field notes 5th interview

Topics	Research Findings
Observations	- At 270 paragraphs, the interview is very long and the statements are very clearly structured (no overlong answers). The interview was structured as a dialog. - An outsourcing project involving the outsourcing of accounting functions was chosen as a negative example of misalignment or inadequate strategy implementation. This strategic direction was defined as a target by HQ.
Facts from additional communication, e.g. Mails, Calls etc.	As a business economist (MBA) and psychologist, the interviewee is very familiar with the topic of change management and organizational learning.
Background Information	The HSG had another formative influence on the manager just a few years ago.

TOPICS FOR FURTHER RESEARCH.

- Misalignment of strategic projects** → All decisions within the company must be consistent with the corporate strategy. This applies to all operational decisions, as well as to all internal and external projects. Most of the projects are handled by middle management, which is where the strongest connection

to Strategic Alignment exists. (→ 4.6.1 Strategy as Input for Strategic Alignment, cf. page 320; → 4.7.5 Corporate Strategy for Middle Managers, cf. page 376).

- **KPIs** → KPIs and quantified metrics are tools for measuring implementation based on quantified targets and specifications. There are no specific KPIs for Strategic Alignment, so this is a marginal topic for this research. (→ 2.2.2 Alignment Vector and Alignment Pentagon, cf. page 80; → 2.2.5 Scorecards and Strategy Maps for Strategic Alignment, cf. page 91 → 4.7.7 The Management Consultant's Perspective, cf. page 380).
- **Impact of strategic change within three months** → Delays (e.g. procrastination) in implementing the strategy are an issue of misalignment. In certain situations, a strategic change must have a short-term impact on the company's success and operating results. (→ 1.1.1 Forces on Strategy Implementation, cf. page 29; → 4.7.4 Corporate Strategy on Board Room Level, cf. page 364).
- **Group communication** → In this case, communication within a group of companies is referred to from the perspective of the holding company or investor (→ 4.7.3 Corporate Strategy for Entrepreneurs and Owners, cf. page 359; → 4.11 Strategic Communication, cf. page 408).

CONTRIBUTION OF THE INTERVIEW TO CLARIFYING THE DOI.

Table 21

Allocation of segments to research focus 5th interview

Aspect of the research DoI	Contribution
Definition of Strategic Alignment	Strategic Alignment is very sophisticated because it is not just about implementing the corporate strategy, but also about

	change management (transformation). (position 214) Strategic Alignment requires a corporate strategy that is known and has been communicated. This must be coherent and logical in its documentation. (position 4) A good corporate strategy is useless if it is not implemented or only poorly implemented. (position 92)
Methods/Approaches	In a group company (legal entity), the group strategy is the input for strategy implementation and Strategic Alignment. (position 177) The basis for analysis and diagnosis are ERP systems, especially SAP. (position 49) Organizational concepts and the organizational and IT strategy are pressed onto the existing organization like a model. (position 39, 41) Strategy implementation can be compared to building a house. (position 192) There are two ways to motivate the organization: to focus on its own strengths and create the best for the customer or to create an external enemy that leads to a kind of wagon-castle mentality (us vs. them out there). (position 192)
Corporate Requirements	The communication of strategic innovations and changes is inadequate and consequently there is a lack of understanding among employees and managers. (position 12, 66, 70)

	What appears to make sense at Group level does not necessarily have to be useful and sensible for the independent Group companies. (position 12) Companies usually lack an analysis of the current situation, a kind of diligence. This is not done because decisions have to be made extremely quickly. (position 18, 127) We don't need an enemy, we need loyal and satisfied customers. The goal is to find the best solution for the customer. (position 192, 250) There are no binding tools or standards for strategy work and strategy implementation within the Group. (position 216)
Trends	Outsourcing financial accounting resulted in errors and problems, but not the desired benefits. A problem of strategy development or strategy implementation, or both? (position 196) For international groups, standards such as uniform business processes or concepts such as a shared service center are required. (position 14, 28) Mission statements and visions always sound so grandiose and are therefore often untrustworthy. (position 234) The Covid-19 pandemic has made things more complicated. (position 115) Informal communication has shifted from the corridor and the canteen to WhatsApp and similar messenger services.

	(position 117, 118)
Was the interview useful in answering the research question / DoI?	Yes.

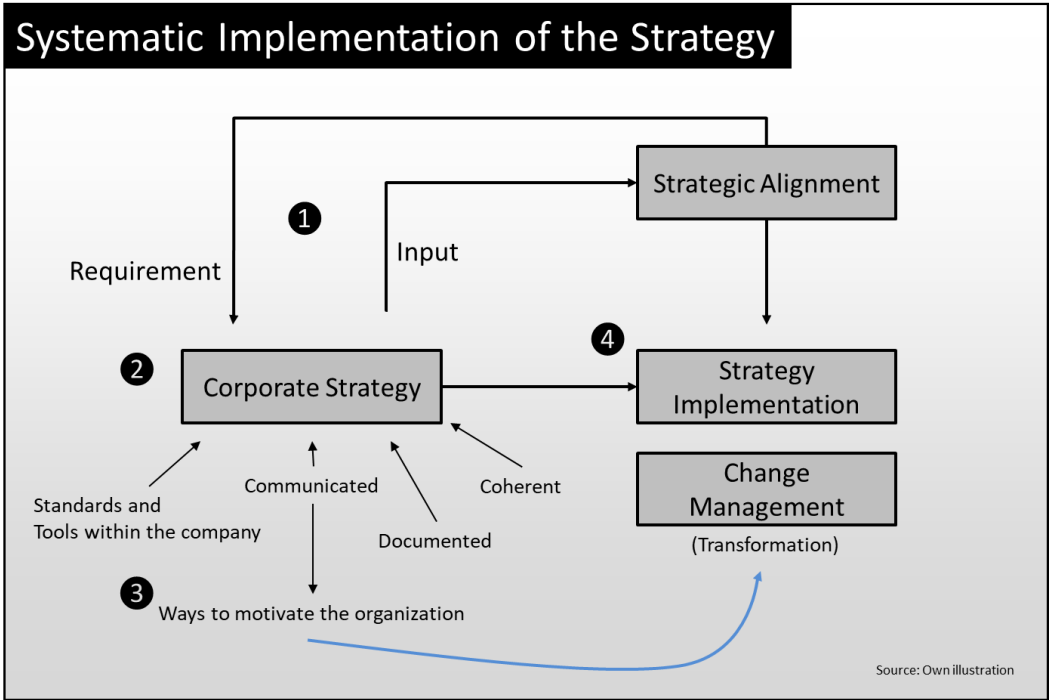


Figure 42
Research aspects from the 5th interview²⁹⁷

Visualized research findings 5th interview. The absolute prerequisite for Strategic Alignment is a corporate strategy. This is the most important input factor for Strategic Alignment ①. The corporate strategy should be developed according to comprehensible standards and methods/tools. The strategy should be **documented** in a **coherent** and **comprehensible** manner ②. The strategy must be **communicated** (not completely, but goal-oriented) in order to motivate the organization ③. Strategy implementation requires strategy. Below strategy implementation, there are implementation methods such as change management, which enables a transformation of the organization (more of an organizational development) ④.

CONCLUSION: Strategic Alignment is a management model that is based on the existence of a defined corporate strategy. For the organization, strategy implementation means a

²⁹⁷ Own illustration, Schmude (2024).

transformation of organizational and personnel structures in the sense of change management. The failure of strategic projects, such as outsourcing abroad, must be subject to better monitoring via Strategic Alignment.

4.2.6. Evaluation and Analysis of the 6th Interview

Table 22

Background information 6th interview

Background Information	Interviewee	The coded segments from the written interviews can be found in the appendix. → Coded Segments Interview No. 6, cf. page 591. Descriptive summary of the interview by the researcher. The interviewee was managing director of a limited liability company, overseen by a financial holding
Profession practiced	Manager of legal entity in a Family-Owned Group	
Academic education	Study of human medicine and medical specialist, MBA	
Gender	Male	
Life age	40+	

company within the group. The interviewee took over the company with the task of restructuring it. The employees first had to accept the difficult situation in the company. The consequence was **resistance to change** and a **lack of learning ability** on the part of the employees, **a kind of 'procrastination'** in the organization. The financial holding company did not care that the firm was profitable and operated on a sound economic basis. It was cross-subsidized.

There was **no strategy** for the company and also no understanding from the employees for a strategic move. After a few years, it became clear that the company was only maintained for reasons of market presence and probably also because public funding was associated with its maintenance. The hidden agenda of the financial holding was unknown to the CEO: ultimately, he felt like he was being used and so left the company. The Strategic Alignment Survey questionnaire was reviewed and content collected in a phone call several weeks prior to the qualitative interview.

Strategic Alignment Survey Summary (Questionnaire). A group that is owner-managed. The strategy originates with the owner, or rather within him. Even his immediate managers have no insight into the considerations that led to the strategy. There are no written

strategy documents and no formalized strategy implementation. Discussions between the owner and his executives are supposed to help implement the strategy. There is no strategic controlling and no follow-up on the strategy. Only the owner can see whether he is on his self-chosen strategic development path. There is no advisory committee. The interviewee also sees the term Strategic Alignment as more of an operational alignment to the strategy. In other words, an alignment of business and management processes, which corresponds to an organizational alignment. For the full results of this part of the research, see the appendix: → Selected findings from questionnaires 6th Interview, cf. page 765.

Problem of hidden or unwritten strategy. The lack of documentation of the corporate strategy leads to an unclear situation in corporate management. Here, the corporate strategy is used as an instrument of power. With the reference to secrecy, contents are only vaguely described even in the decided strategy document and one relies on verbal agreements.

FROM THE RESEARCHER'S FIELDNOTES.

Table 23

Research and field notes 6th interview

Topics	Research Findings
Observations	▪ The owner of this medium-sized company only communicates his corporate strategy in fragments. This is a problem for the managers reporting directly to him because the strategic direction is unclear. The managers themselves can hardly judge whether they are still on the strategic path or not.
Facts from additional communication, e.g. Mails, Calls etc.	▪ As a manager below the owner, he himself must constantly fight against chaos and misalignment. ▪ Communication is the most important tool for strategic alignment. The only question

	is how this communication can be used effectively and sustainably. ▪ Interview partner changed employer during the research project due to his own dissatisfaction.
Background Information	▪ Alignment with the law is a new aspect of this interview. The industry depends on legal requirements from the Federal Ministry of Health and other organizations in this area.

TOPICS FOR FURTHER RESEARCH.

- **Resistance to change** → Already mentioned in previous interviews. Subject in change management.
- **Procrastination** → Individual procrastination has recently been recognized as a distinct clinical condition. Whether this also applies to entire organizations or parts thereof has not yet been researched. However, assumptions and observations from everyday life suggest that this could be the case.
- **Family-owned group** → The owners and their goals determine the corporate strategy. A particular willingness to take risks and invest their own assets are the defining characteristics here (→ 4.7.3 Corporate Strategy for Entrepreneurs and Owners, cf. page 359).
- **Lack of strategic management** → The lack of willingness to adhere to a corporate strategy can be a sign of inadequate stra-

tegic management. The same applies to the absence of a strategy process (→ Figure 63 Corporate annual planning cycle, cf. page 367; → IX. Generic Strategy Process, cf. page 783).

CONTRIBUTION OF THE INTERVIEW TO CLARIFYING THE DOI.

Table 24

Allocation of segments to research focus 6th interview

Aspect of the research DoI	Contribution
Definition of Strategic Alignment	Alignment must be linked to law and order. (position 39) Optimal strategy or optimal course (= straight line) of the company and the feasible and practical strategic path (= curves). (position 62) There should be a kind of strategic autopilot for management. (position 87, 88)
Methods/Approaches	The company's course must be constantly monitored and controlled. If you don't do this, the whole thing goes up a tree. (position 84, 86) Psychological findings such as procrastination are obvious, but are not actively eliminated. (position 84)
Corporate Requirements	There is no recognizable direction of development in the company and the Group. (position 44) The headquarters did not intervene, they just wanted to keep the geographic market occupied. (position 38)
Trends	As the manager of your own company (GmbH), you have to find the concept yourself and don't know whether it fits into the group. (position 8)

	The labor shortage has led to a lack of discipline among employees. (position 22) The company can be in crisis and go under, but the employees still feel good and nothing changes. (position 8) From the employees' point of view, nothing should change (= resistance to change). (position 18)
Was the interview useful in answering the research question / DoI?	Yes.

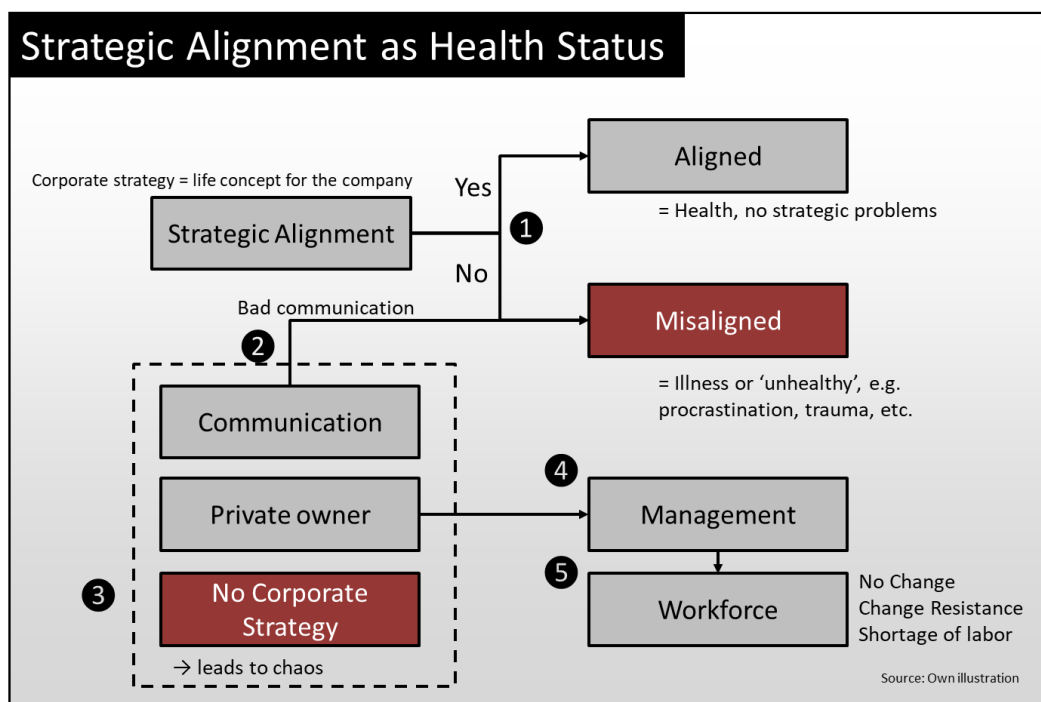


Figure 43

No strategy as the cause of misalignment²⁹⁸

Visualized research findings 6th interview. This interviewee describes a misalignment in a small, owner-managed company. The owner has appointed managing directors for individual

²⁹⁸ Own illustration, Schmude (2024).

legally independent companies. As a medical professional, the interviewee distinguishes between the **health of the organization** (aligned) and a misalignment ❶. Like a doctor's diagnosis or medical history, he sees the need for a definitional distinction between these two states of the company. The company described has no recognizable strategy ❸, the consequence is misalignment. Communication from the owner family is inadequate ❷. The employees know that the organization is dependent on them and that it is difficult to find replacements for employees who resign ❺. The management operates between the level of the owners and the employees without any real room for maneuver ❹. For the interviewee, a corporate **strategy must comply with the law** and be **measured against it by third parties**, e.g. the management. In the interviewee's opinion, a secret strategy of the owners is wrong for companies according to the general understanding of leadership and management and leads to misalignment.

CONCLUSION: Strategy work in companies and corporate groups owned by one person or family is often underdeveloped. The owners also do not allow the management to participate in strategic decisions. Aligning oneself with a corporate strategy that is often only imagined or 'felt' cannot be professional Strategic Alignment. In principle, these companies should also be committed to strategic corporate planning and therefore also have a Strategic Alignment function in strategy implementation.

4.2.7. Evaluation and Analysis of the 7th Interview

Table 25

Background information 7th interview

Background Information	Interviewee	The coded segments from the written interviews can be found in the appendix. → Coded Segments Interview No. 7, cf. page 598. Descriptive summary of the interview by the researcher. As a result of the pandemic, the strategic planning horizon
Profession practiced	Senior Executive in Global Corporation (Insurance)	
Academic education	University degree in mathematics and PhD	
Gender	Male	
Life age	50+	

has become shorter because fundamental assessments and premises have had to be changed more frequently. In strategy communication, information and mutual exchange with the owner side is of great importance for listed public companies. Involving the owner side via

investor relations and dialogs with **rating agencies** is very important in this regard. **Rating agencies represent the owners**, as do capital market analysts. Rating agencies ask critical questions in a small circle, and this is not public. In the company concerned, the term strategy implementation is used; the term strategic alignment is not in common use. From the interviewee's perspective, Strategic Alignment depends on the level of abstraction: does an individual contract or customer have to be strategy-aligned, i.e., in line with the strategy, or only the major developments and, for example, performance indicators? For the company in question, the **relationship between risk strategy and business strategy is of particular importance**. Here it was noteworthy that the risk strategy is adjusted less frequently than the business strategy, which means that the risk strategy is not a derived result from the business strategy as in the pure doctrine. With regard to the pandemic and the switch to work in the home office format, **the company's risk strategy already included a corresponding scenario**, and a corresponding emergency simulation was carried out in advance with around 20% of the employees on one day. As a result, the complete changeover in the lockdown generally went smoothly. In this company, the risk strategy may have a higher priority than the business strategy because the entire business model is based on risk management. The Strategic Alignment Survey questionnaire was reviewed and content collected in a phone call several weeks prior to the qualitative interview.

Strategic Alignment Survey Summary (Questionnaire). As an internationally active company, there is both a dedicated strategy department and a **chief strategist in charge**. The strategy is recorded in the form of presentation slides and incorporated into a business plan. It is emphasized that there is a formal strategy with certain minimum contents. Strategy is understood as a business process as well as a decision. A **strategic roadmap** is also seen as a representation of the strategy. The **strategic horizon** is three to five years. All important areas are involved in the strategy process. On the negative side, there is no unit or function for strategic controlling. The strategy is reviewed annually. Strategic Alignment is not officially used as a term in the company. Strategy implementation takes place through workshops and training sessions as well as written information (briefings). A strategy speech by the Executive Board and regular town hall meetings are instruments of strategy communication. In addition to key figures, road mapping is used for visualization. The company bases its strategy work

on comparable companies in its peer group. The balanced scorecard is known as an instrument, but is also regarded as backward-looking and cumbersome. The multitude of key figures can also obscure the view of what is essential. The view of misalignment with an unclear strategy and the erosion of profitable areas is accurate. Simulations are used extensively, as is thinking and planning in scenarios. An innovation team takes care of future opportunities and business potentials. Strategy must be effective six months after decision. It is a highly academic organization, and in addition to the idea of being a strategy officer, like a captain of a ship, the analogy of a researcher was deliberately named.

FROM THE RESEARCHER'S FIELDNOTES.

Table 26

Research and field notes 7th interview

Topics	Research Findings
Observations	▪ The company was specially prepared for virtual work and the special situation of the pandemic through an emergency exercise just two weeks before the general lockdown. ▪ The company has a very stable business model. Changes to the fundamental strategy are minimal. M&A activities for expansion are part of the corporate strategy.
Facts from additional communication, e.g. Mails, Calls etc.	▪ The business model is a service for the insurance industry.
Background Information	▪ The company is listed on the stock exchange and was only founded in the 1970s on the initiative of the government.

TOPICS FOR FURTHER RESEARCH.

- **Strategy talks (skip-level meetings)** → A form of communication of strategic content. Not explored further in this research because the connection to Strategic Alignment is too general.
- **Town Hall Meetings** → A form of large-scale event and personal communication with effects of mass psychological intervention (→ 4.11 Strategic Communication, cf. page 408).
- **Legal aspects of Strategic Alignment** → This aspect is explored in greater depth in the following interviews and has led to a

change in the selection of interviewees. For example, an insolvency lawyer was recruited for an interview for this reason (→ 4.2.12 Evaluation and Analysis of the 12th Interview, cf. page 240; → 4.7.2 Legal and Regulation Requirements Regarding Corporate Strategy, cf. page 353).

- **Risk management and Strategic Alignment** → A good corporate strategy weighs up future risks and chooses a strategic path that demonstrates risk-bearing capacity. For this reason, the CFO (who is also deputy CEO) of a bank was recruited for a research interview (→ 4.2.9 Evaluation and Analysis of the 9th Interview, cf. page 210; → 4.7.2 Legal and Regulation Requirements Regarding Corporate Strategy, cf. page 353).

CONTRIBUTION OF THE INTERVIEW TO CLARIFYING THE DOI.

Table 27

Allocation of segments to research focus 7th interview

Aspect of the research DoI	Contribution
Definition of Strategic Alignment	Strategic Alignment does not play a major role on a daily basis because too much day-to-day business has to be done. However, separate workshops are held to reflect very precisely on what has and has not been achieved from the planning and how this will determine the future. (position 2) As a management tool, the connection between objectives, strategies and measured values is relevant for day-to-day work. (position 130, 131)
Methods/Approaches	The strategic planning horizon is three years and the strategic plans cover this period. (position 16)

	Detailed guidelines regulate which activities are to take place in the future. (position 52) The strategy document consists of Power-Point slides. Without further detailed written or verbal explanations, slides can lead to misunderstandings or misinterpretations of the intended strategic content. (position 54, 57) Strategic planning with the 3-year strategy takes a lot of time. It starts with a bottom-up approach. Once the corporate strategy has been defined, it is broken down from the Management Board to the individual departments. (position 16) Annual strategy meetings with teams of five to ten participants outside the company are firmly established. These meetings are also very much about strategy implementation and strategic alignment. External moderators are available for these workshops. It is also common for a participant to give a technical introduction to a topic. There are also larger meetings, but these have less room for an open discussion culture. (position 6, 10, 12) In the virtual formats, the Q&As at the end of the event are particularly important, as they allow the content to be clarified and concretized again in the form of questions and answers and misunderstandings can be cleared up. (position 32)
Corporate Requirements	Only a few KPIs were derived from the strategy. In addition to the performance indicators, key figures on capitalization

	are decisive. The KPIs are measured on a quarterly basis. (position 124) Regulatory requirements play a major role in the financial sector and are strongly reflected in the risk strategy. (position 106) There are monthly and quarterly strategic briefings for strategic alignment. Regular town hall formats take place every six weeks and provide strategic information. (position 61, 62) Information and communication about the strategy is very transparent and comprehensible. (position 88) The corporate language is English and all communication between managers takes place in this language. (position 34) Communication about strategy with the owners takes place at so-called Investors Days, usually in September of the year. (position 26)
Trends	The company was successful in switching to virtual working and working from home at the start of the pandemic. An emergency exercise a few weeks earlier had successfully practiced a similar case with the majority of employees. Such a scenario had already been worked out in the company's risk strategy. (position 70, 72)
Was the interview useful in answering the research question / DoI?	Yes.

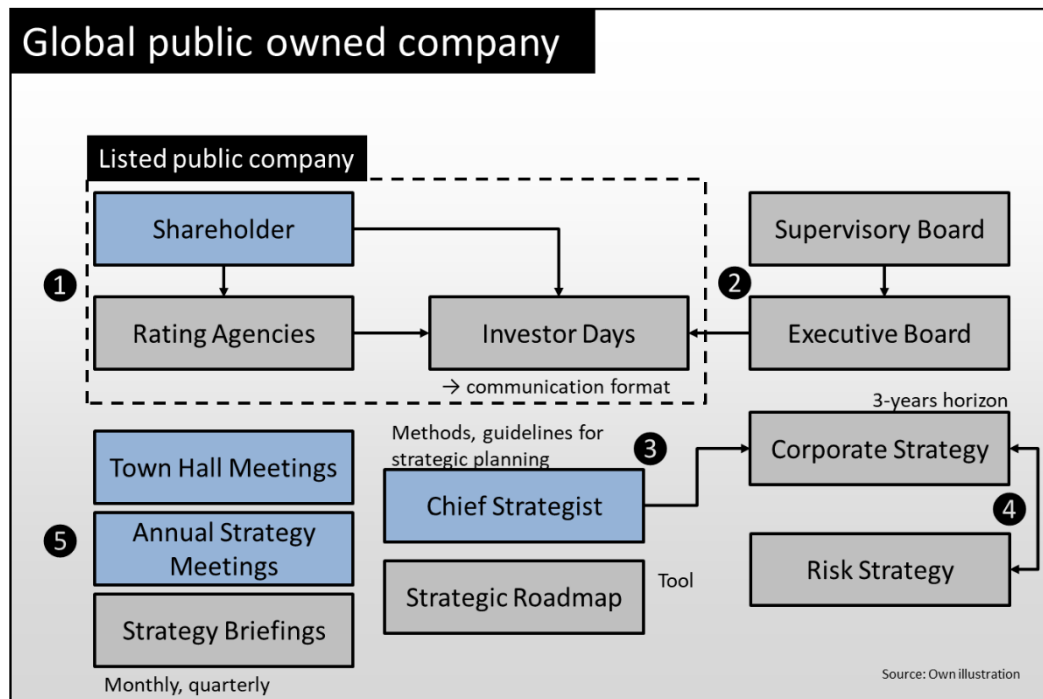


Figure 44
Capital market-oriented strategy work²⁹⁹

Visualized research findings 7th interview. The company focuses on the international capital markets. Large groups of shareholders can participate in the Supervisory Board and receive information at **annual Investors Days**. The rating agencies are decisive for the assessment and valuation of the company ①. They play a central role in forming opinions and evaluate the company's corporate strategy on their own initiative. Alignment or misalignment can be recognized by the analysts of the rating agencies. The Management Board communicates the strategy externally and maintains contact with the Supervisory Board ②. The corporate strategy and risk strategy are directly related to each other and are highly interdependent in terms of content ④. A separate organizational unit is responsible for the business strategy and another unit for the risk strategy. A **chief strategist** is responsible to the Executive Board for the company's entire strategy work ③. Standardized communication formats such as **town hall meetings, annual strategy meetings** and **briefings** during the year ensure corrections and constant realignment ⑤.

CONCLUSION: In the financial industry, the risk strategy is an important part of strategic planning. Corporate strategy and the risk sub-strategy must be coordinated. Strategy

²⁹⁹ Own illustration, Schmude (2024).

implementation and ongoing Strategic Alignment, especially with the risk strategy, are key requirements for top management. It is not sufficient to determine the correct or incorrect implementation of a strategy retrospectively; instead, economically viable strategy implementation must be ensured prospectively through Strategic Alignment.

4.2.8. Evaluation and Analysis of the 8th Interview

Table 28
Background information 8th interview

Background Information	Interviewee
Profession practiced	Senior Executive Risk Manage-ment, Underwrit-ing (Insurance)
Academic education	Trained teacher for Eng-lish and biology; MBA, further qualifications
Gender	Male
Life age	50+

The coded segments from the written in-terviews can be found in the appendix. → Coded Segments Interview No. 8, cf. page 605.

Descriptive summary of the inter-view by the researcher. A top-level execu-tive at a U.S. insurance company with more than 40,000 employees describes how com-munication, in particular, leads to good

alignment. In addition to the familiar leadership discussions in the line organization, it is **skip-level meetings** that ensure a flow of information, even if one level is not communicating cor-rectly or sufficiently. Prior to the pandemic, the general company meetings were held at large sites near New York and New Jersey as meetings in the **Town Hall Meeting** format. For the past two years, these **general company meetings** have been held virtually, which has the ad-vantage that all employees are immediately informed within one hour of the meeting. The alignment should also take into account the legal and regulatory aspects. The company’s goal may be to increase profits, but not at any price: the legal requirements must be observed, and the **basic risk strategy** also sets guidelines for the types of risks that may be taken by the com-pany.

Strategic Alignment Survey Summary (Questionnaire). The conditions caused by the Covid-19 pandemic have had such a massive impact on the business that a completely new corporate strategy is required. The company in question has an orderly and clearly docu-mented strategy process and a chief strategist who is directly responsible for the corporate

strategy on the Management Board. A special feature is the great importance of the risk strategy. It is a company with a high proportion of academics, which also leads to the assessment that strategy work is compared with the work of a researcher, for example. A firmly defined planning horizon of three to five years is the time frame for the corporate strategy. The balanced scorecard is viewed critically because it is too backward-looking. Scenarios and thinking in scenarios are strongly emphasized. Although the term Strategic Alignment is not actively used in the company, it is immediately understood and correctly classified by the interviewee. For the full results of this part of the research, see the appendix: → Selected findings from questionnaires 8th Interview, cf. page 774.

FROM THE RESEARCHER'S FIELDNOTES.

Table 29

Research and field notes 8th interview

Topics	Research Findings
Observations	▪ Interview partner is very careful with internal information, as much is subject to confidentiality. Specific examples from the real corporate environment were extremely abstracted. ▪ Right at the beginning of the interview, the interviewee states that Strategic Alignment is an important initiative to ensure that the company achieves its goals and remains profitable (paragraph 2 in the interview).
Facts from additional communication, e.g. Mails, Calls etc.	▪ The company has been working from home for years and senior managers only have to be in the company for meetings and management discussions.

	▪ The span of control is sometimes very large and one supervisor leads up to 80 employees, who are divided into teams.
Background Information	▪ The company is a financial services provider with a distinctly American management and organizational culture. ▪ The company is a leader in life insurance and looks back on a tradition dating back to the middle of the 19th century. ▪ In the 1990s, it was acquired by a French company.

TOPICS FOR FURTHER RESEARCH.

- **Rating agencies** → The role of rating agencies is to independently assess companies with the aim of evaluating their creditworthiness and future growth prospects. Capital markets depend on these assessments, giving rating agencies considerable power. Strategy and strategic alignment consider these rating agencies from the perspective of external financial investors (→ 4.6.1 Strategy as Input for Strategic Alignment, cf. page 320; → 4.7.3 Corporate Strategy for Entrepreneurs and Owners, cf. page 359; → 4.7.4 Corporate Strategy on Board Room Level, cf. page 364).
- **Risk strategy and Strategic Alignment** → This is the topic of the following interview. Considerations on this matter should be viewed in light of the legal aspects (→ 4.7.2 Legal and Regulation Requirements Regarding Corporate Strategy, cf. page 353).
- **Strategic Roadmap** → A form of visualizing corporate strategy. A tool for planning, communication, and monitoring (→ Figure 24 The strategic path, cf. page 99).

- **Consolidation of sub-strategies** → A fundamental issue in the strategic planning of large organizations is the distribution of strategic content across different strategy documents. All sub-strategies must be consistent with the highest hierarchical planning level in terms of language and content. The highest level is the corporate strategy or, in the case of a holding organization, the holding strategy (→ Figure 62 Strategy components, cf. page 358; → Figure 65 Different levels of Strategic Alignment, cf. page 371).
 - **Strategy process (execution)** → A key factor in the successful execution of a corporate strategy is systematic Strategic Alignment in terms of content and timing. A prerequisite for improving strategy implementation is a strategic alignment process and a dedicated function for Strategic Alignment (→ 4.6.1 Strategy as Input for Strategic Alignment, cf. page 320; 4.7.1 The Need to Define Strategic Alignment, cf. page 352).
 - **Micromanagement** → A general theme in economics is that every problem that is identified can be solved through a management process. Instead of deciding on a problem, a management process is devised and implemented even for the smallest issues. This is not a central theme for Strategic Alignment, but rather a generally recognized trend in this field of science.
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CONTRIBUTION OF THE INTERVIEW TO CLARIFYING THE DOI.

Table 30

Allocation of segments to research focus 8th interview

Aspect of the research DoI	Contribution
Definition of Strategic Alignment	Strategic Alignment is an important initiative to ensure that goals are achieved and the company remains profitable. (position 2) It is a leadership task for senior management to ensure that strategies are pursued and that everyone and everything is aligned with them. (position 2) Strategic Alignment requires a holistic view of the company and its environment. (position 153) Strategic Alignment means that everyone in the company is moving in the same direction. It's like a tandem where everyone has to work together. (position 153) Strategic Alignment means mirroring the current situation of the company or units. Is the company still in line with the corporate philosophy? (position 90)
Methods/Approaches	Strategy implementation is reviewed in annual surveys across all levels of the company. (position 59) Skip-level meetings with the line manager of the respective executive are an established method. These take place for around 30 minutes each quarter. (position 5)

How Strategic Alignment is worked towards in management meetings is also a question of personal management style. (position 42)

For the strategic planning of the company, there is a specialized department (strategy department) that develops the company-wide strategy. This unit is closely linked to marketing and sales. (position 110)

Strategic Alignment can be measured through company-wide surveys and polls. (position 67)

An outside consultant may be better able to assess whether there is commitment to the corporate strategy and whether the organization's activities are in line with the strategy. (position 72)

The alignment audit asks: Do you know what the corporate strategy is? - Yes or no. Do you know what the company goals are? Has your immediate superior discussed the objectives with you? (position 70, 71)

Twice a year, in the middle of the year and at the end of the year, the fulfillment of objectives must be recorded using a template. (position 95)

The most important means of achieving Strategic Alignment is communication. (position 150)

	There are manuals for communication and events that prepare the process and content. (position 54)
Corporate Requirements	In the first quarter of each year, the company decides what the strategies are. Goals are formulated (called goal setting) and broken down to the lowest levels (individual goals). (position 87) The strategy process is sometimes very bureaucratic. (position 145) In the past, there were more disputes and arguments about where the company should be heading. These frictions have become less. (position 115) As a manager, I need to know and understand the parts of the corporate strategy that directly affect me. (position 120) There is a corporate purpose and the strategy must serve to fulfill this purpose. (position 125) There are two levels, the management levels in the company and the employees. Only at major events such as a general meeting is everyone present. This serves communication, but even more so a sense of community. (position 14, 19) There are three to four town hall meetings every year. Management meetings with the immediate supervisor take place every two weeks. (position 31)
Trends	The work has to be done, whether in the office or remotely. In the financial industry, work can be done partially or even completely from the home office.

	(position 80, 83) In the USA, people are probably a little more willing to take risks than in Europe. In Europe, there is a tendency to micromanage more. (position 140) During the pandemic, there was an online general meeting where all 40,000 employees were gathered online for an hour. (position 27) A strategic change is that the company is moving from selling very low-cost insurance to more customized insurance from selected individuals. (position 77)
Was the interview useful in answering the research question / DoI?	Yes.

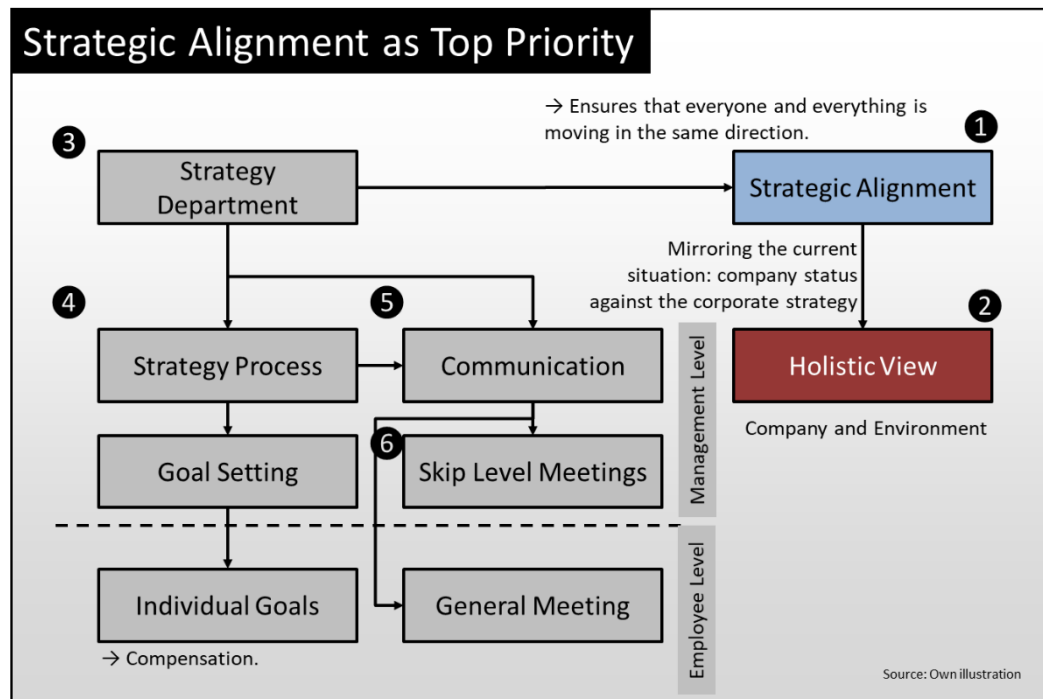


Figure 45
Ongoing Strategic Alignment initiative³⁰⁰

Visualized research findings 8th interview. The interviewee compared the corporate strategy with a direction in which the company is developing or moving ①. Strategic Alignment should ensure that everyone and everything in the company follows this **strategic direction**. To determine the Strategic Alignment status, the current situation in the company and its environment must be compared with the corporate strategy. This requires a comprehensive view of the company and its environment. A kind of **helicopter view** of the company ②. Senior management is responsible for Strategic Alignment. The strategy work for the entire Group is handled by a **strategy department** ③, which is located at a very high level. This ensures that existing strategies and ongoing projects in the company are combined to form a **coherent overall strategy** (company-wide strategies). The **strategy process** ④ within the company, for which the strategy department is responsible, takes place at management level and is used to develop targets for individual divisions and organizational units. On this basis, personal targets and objectives are then set at employee level, which are directly linked to the employee's respective compensation. **Communication** ⑤ (clearly structured and planned) is central to Strategic Alignment. For the company presented here, special emphasis should be placed on the so-called **skip-level meetings** ⑥, in which a level is skipped vertically in the information

³⁰⁰ Own illustration, Schmude (2024).

and instruction chain and thus a lack of communication at this level of middle management can be compensated for. During the pandemic, the general meeting of all employees with around 40,000 participants was organized as an online event and lasted one hour.

Significance of the interview for research. The inclusion of this interview broadens the field of research to new and recent perspectives on the topic of Strategic Alignment. It is well known that most ideas for management concepts originate from the USA. Furthermore, this is a global financial group which, since a merger, has had to combine European management culture with the management philosophy originating in the USA.

CONCLUSION: Strategic Alignment should be a central topic in management communication. Special formats such as the skip-level meeting are also an opportunity to talk about your own understanding of strategy. It must be made clear what good Strategic Alignment is for your own position and job and what the individual can do to achieve it.

4.2.9. Evaluation and Analysis of the 9th Interview

Table 31

Background information 9th interview

Background Information	Interviewee
Profession practiced	CFO (Banking), Consultant
Academic education	Studied law, expert in accounting law for banks
Gender	Female
Life age	60+

The coded segments from the written interviews can be found in the appendix. → Evaluation and Analysis of the 9th Interview, cf. page 210.

Descriptive summary of the interview by the researcher. This entails the perspective of a risk director of one of the large

credit institutions in Germany, as well as experience from development banks. The focus is on the **link between risk strategy and business strategy** and the lack of alignment because **there is usually not enough time for an iterative process** of repeated alignment within the planning rounds. If a bank's **business strategy** and **risk strategy** stand side by side without any substantive connection or reconciliation, this leads to misalignment.

The observation that, in the case of credit institutions, the business strategy and the risk strategy are directly linked and, in fact, stand or fall with each other should lead to these documents also being discussed and adopted at the same time. This applies to the management board as well as to the supervisory board.

Strategies according to their significance. A distinction should be made between **first-level strategies**, such as business strategy and risk strategy, and **downstream strategies**, which include sub-aspects. The sub-strategy for IT and digitalization usually has a different status than the **overarching umbrella strategy** for the company as a whole (a strategic shell). The same also applies to the currently discussed strategy for sustainability, which is now required by companies.

The risk strategy is audited by the auditor, but the business strategy is not. The reason for this is that this is not required by law, and because the planning relates to the future, liability problems can arise for the auditor, as can the fear of the company revealing secrets. Important standards are in § 91 of the German Stock Corporation Act (AktG), as well as the MaRisk for banks and the **German Corporate Governance Kodex (DCGK)**. In the past, a discussion in the supervisory board was not required but only for information purposes.

In traditional banks, the focus is on credit strategy. The loan business this is where high-risk, new business can arise. The credit strategy should not only be brought to the attention of the Supervisory Board but should also be discussed and deliberated upon in this body. Only then will each member of the Supervisory Board understand the content and be able to exercise effective control.

The role of the supervisory board should be strengthened. Today, for example, the minutes of supervisory board meetings are often prepared by the company's legal department. This leads to the weakening and leveling of statements and findings. It would be better if the supervisory board itself prepared the minutes and distributed them at an early stage. An external supervisory board office can also be helpful here. What do you do as a supervisory board if the management board does not present a sound and meaningful strategy? Many supervisory board members want to be re-elected at the next election and therefore avoid conflicts.

Another example to illustrate the problem. The function of the supervisory board or board of directors in the case of public corporations is of great importance for Strategic Alignment because, on the one hand, the members of these bodies are supposed to exercise effective control and are not involved in the day-to-day business. The oldest health insurance company in Germany is the Deutsche Angestellten-Krankenkasse (DAK), whose foundation dates back to 1774. With 12,000 employees and 5.6 million insured, it is a very large insurance company that is controlled by a 30-person board of directors that meets once a quarter in Hamburg. Even if there are groups of this board that meet additionally, it is hardly likely that sufficient control and monitoring of the Strategic Alignment can be carried out in the usually two to three-hour board meeting. As a result, the two-member board, which is usually also appointed according to political considerations, has an excessive amount of room for maneuvering. The same applies analogously to many other public-law companies, i.e., also to all savings banks, where the members of the board of directors often have no specialist knowledge.

CONCLUSION: The Supervisory Board plays an important role in strategic alignment because it exercises control over the Management Board at the highest level. The only question is whether certain boards are able to do this at all (in terms of personnel and organization). Just as there is one person on the board responsible for overall risk—the **Chief Risk Officer**—there should also be one person responsible for corporate strategy and the associated sub-strategies.

FROM THE RESEARCHER'S FIELDNOTES.

Table 32

Research and field notes 9th interview

Topics	Research Findings
Observations	Insight into the risk management of the largest German banks at Management Board level.
Facts from additional communication, e.g. Mails, Calls etc.	Problem: in the past, the strategy was only to be brought to the attention of the Supervisory Board, but no provision

	was made for a debate on it. (No. 9 fieldnotes, item 19) ▪ One person must be responsible for the overall risk (CRO) and one person for the overall business strategy (quasi Chief Strategy Officer). (No. 9 fieldnotes, Pos. 22) ▪ Corporate strategy is often part of controlling at banks (at smaller banks). This is inappropriate and problematic. (No. 9 fieldnotes, item 23) ▪ The Chairman of the Supervisory Board should prepare the minutes of the Supervisory Board meeting. They are often written by the company's legal department, which leads to a dilution of the content. (No. 9 fieldnotes, item 27) ▪ The minutes are submitted two months after the meeting. An external supervisory board office could serve as a model: e.g. TUI. (No. 9 fieldnotes, items 28-29)
Background Information	▪ The interviewee has extensive experience in the risk management of financial institutions and has himself completed a doctorate and published on this topic as well as on accounting. ▪ The interviewee is only occasionally active as a consultant and is nearing retirement.

TOPICS FOR FURTHER RESEARCH.

- **Lack of time for strategic planning** → A topic related to time and resource management. If management's attention is focused on corporate strategy, the necessary time should be made available for this. One approach is a well-thought-out and regularly recurring strategy process (→ 4.7.4 Corporate Strategy on Board Room Level, cf. page 364; → IX. Generic Strategy Process, cf. page 783).
 - **Corporate Governance** → This refers to a legislative framework for management work (→ 4.7.2 Legal and Regulation Requirements Regarding Corporate Strategy, cf. page 353).
 - **Legal requirements** → Strategic Alignment requires a legal basis and should be codified in law so that strategic work is a generally binding requirement for all companies. This is a topic for legal scholars.
 - **Supervisory board** → The distribution of tasks and powers of the supervisory body in company law is part of legal studies.
 - **Alignment of sub-strategies** → A general problem of standardizing and consolidating strategies. Part of the strategy process, especially strategy documentation and decision-making on strategy. An absolute prerequisite for strategy implementation and strategic alignment, but not a primary research topic.
 - **Legally questionable transactions (fraud)** → Whether good Strategic Alignment can prevent fraud is an unanswered question. At the very least, strategic alignment and a corporate strategy can generally identify business lines that operate within the legal framework. (→ 4.10 The Impact of Fraud on Corporate Strategy, cf. page 399).
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CONTRIBUTION OF THE INTERVIEW TO CLARIFYING THE DOI.

Table 33Allocation of segments to research focus 9th interview

Aspect of the research DoI	Contribution
Definition of Strategic Alignment	The often missing link between the strategy in the Supervisory Board and the implemented strategy is a topic of Strategic Alignment. (position 2) The requirement for a corporate strategy and corresponding strategy implementation must not only be anchored in MaRisk, but also in the stock corporation law applicable to all large companies. (position 10) The German Corporate Governance Code is more specific than the German Stock Corporation Act, but is not binding in day-to-day corporate practice. Even for listed corporations, the Corporate Governance Code is only a recommendation. (position 26, 34)
Methods/Approaches	Without a corporate strategy, there can be no risk strategy. (position 2) It is still unclear today how a risk strategy should be documented and kept available. (position 8) There must be at least one person in the company who has an overview of all strategies, including the risk strategy. The controller or risk manager does not usually have this. This person must know all the strategy papers and have them on the table so that dependencies and interac-

tions can be recognized. This must also include the extremely important IT strategy. (position 54, 62)

Since the introduction of MaRisk, banks and financial service providers must have a strategy process. However, this process only has to exist formally, e.g. organizational manual. The extent and quality of the strategy does not really matter. The alignment of business strategy and risk strategy is a particular problem for banks. Reconciliation loops are always necessary, which costs time and effort. (position 2)

The strategy process for each year begins in September and the strategy and annual planning for the following year must be completed by the end of the year. (position 60)

The corporate strategy and other plans are presented to the Supervisory Board in the first quarter. If the strategy had to be ready at the beginning of the year, the entire strategy process would have to start earlier. (position 60)

One person, a **chief strategist**, should be responsible for the strategy process. Strategy consultants are necessary, but they do not usually handle the strategy process operationally. (position 68, 72)

Common key figures such as value at risk or market price at risk, credit risk and operational risk are measured on an ongoing basis. Whether the alignment within the

	risk strategy is working can be monitored in this way. (position 54) The Strategy Committee is a permanent institution and works out strategic issues in detail. (position 15, 17) Major changes such as adapting the business model are part of the strategy process. (position 92) MaRisk only requires the Supervisory Board to be informed about the corporate strategy and the associated sub-strategies (e.g. risk strategy). This is incorrect. There must also be an intensive examination and discussion of the strategy in the Supervisory Board. (position 44) The risk strategy reflects the financial and other risks resulting from the business strategy. (position 26)
Corporate Requirements	According to MaRisk, a corporate strategy and a risk strategy based on it are mandatory. The auditors do not monitor the content of the corporate strategy. If at all, the existence of a strategy document is checked off. The reason for this is that the large auditing companies do not want to assume any liability for the content of such a corporate strategy. (position 2) The risk strategy is drawn up by the controlling department, or more precisely by risk controlling. Risk strategy does not report to the CFO. For this reason, the corporate strategy is also drawn up in the controlling department. This means that

the strategy does not report to the CEO, which would be technically correct. (position 50, 52)

In the annual revision of the strategy, the central question is which risk positions can be reduced. (position 62)

Setting up the strategy process internally is too time-consuming for most companies. It is more economical to use external experience. (position 72)

The business strategy and risk strategy must be revised at least once a year. More frequently in special situations. (position 92)

The Management Board and the Supervisory Board are informed about the strategy at different times and usually with different documents. A joint meeting of both bodies would be necessary to ensure that the Supervisory Board members have the same information. (position 2)

The Supervisory Board must understand the underlying business. If a company does international business, the Supervisory Board should also be staffed accordingly. (position 46)

The documents for the Supervisory Board regularly arrive too late, making it virtually impossible to familiarize the Board in detail. (position 54)

A separate office for the work of the Supervisory Board should be mandatory so

	that the members of the Supervisory Board can fulfill their duties. (position 58) The minutes of Supervisory Board meetings are often written by the legal department and should not be legally contestable, but are then correspondingly thin in terms of content. (position 58) The Supervisory Board should obtain external expert opinions on strategy, for example in the form of a strategic audit or a second opinion. (position 98) There is a lack of qualification for strategic corporate planning in the risk management department and also in controlling. (position 4)
Trends	The major risks come to the bank through new business. These can be new products or new markets. The planning and monitoring process for new products is the key to a close strategic relationship. (position 8) The sales department brings the risks into the company and is often not obliged to hold internal consultations in advance. This is why sales in particular must be included in strategic alignment. (position 6) The hierarchy in the strategies, such as sub-strategies, e.g. credit strategy, is becoming increasingly clear. Managers are also becoming more aware of the interdependencies and connections between them. (position 36) Industry and SMEs are in a far worse strategic position than the financial sector,

	where there are minimum requirements for strategy. (position 2) Today, the specific structure for banks is not set out in the German Stock Corporation Act or the German Banking Act (KWG), but in MaRisk. (position 34) Every supervisory board is obliged to set up an audit committee. There does not have to be a committee for corporate strategy and risk strategy and therefore no permanent involvement with the topic. (position 46)
Was the interview useful in answering the research question / DoI?	Yes.

Further information on MaRisk. In the European legal system, which is based on fully codified law (as opposed to Anglo-Saxon case law), a legal text is accompanied by a commentary. This commentary interprets the legal text for those applying the law and is also an aid to case law. MaRisk is in fact binding law for banks and insurance companies. For this reason, the commentary should be consulted in addition to the relatively short text of MaRisk. The standard work for MaRisk was largely written by *Ralf Hannemann* and co-authors. Mr. *Hannemann* is a member of the relevant committees and an executive at the Association of Public Sector Banks (VÖB), which is responsible for the state banks and development banks in Germany. The 4th edition of the commentary used here is the only commentary currently in use for MaRisk. The MaRisk relating to the topic of strategy implementation and strategic alignment is presented in full in Appendix (→ Appendix XI).³⁰¹ At this point in the dissertation, the interview evaluated here will be discussed briefly and at a glance so that the reader can follow the interviewee's train of thought more easily. MaRisk is divided into a General Part (AT) and

³⁰¹ Ralf Hannemann, Andreas Schneider and Thomas Weigl, *Mindestanforderungen an Das Risikomanagement (MaRisk): Kommentar Unter Berücksichtigung Der Institutsvergütungsverordnung (Instituts-VergV)*, 4th ed. (Stuttgart: Schäffer-Poeschel, 2013).

a Special Part (BT). The relevant provisions are cited in the appendix to this dissertation because these texts may not be available outside of Germany (→ Excerpts from Laws, cf. page 804).

MaRisk AT3 Overall responsibility of the management. Based on Section 76 (1) AktG, the principle of overall management is taken up by MaRisk. Management tasks and the filling of management positions are non-delegable tasks of the Management Board as a collegiate body. The Management Board has a duty of self-regulation. Each member of the Management Board is responsible for the functioning of the company, irrespective of any internally defined rules of procedure. The liability of the members of the **Management Board** for damages incurred is based on **Section 93 AktG**. To clarify: each member of the Management Board is jointly and severally liable for damages, regardless of their functional specialization.³⁰² The overall responsibility of the Management Board also includes the sustainable development of the company on the basis of a **corporate strategy** and an associated consistent **risk strategy**.³⁰³ When developing the strategy, internal and external influencing factors and their future development must be taken into account. Responsibility for the content of the corporate strategy and the risk strategy lies exclusively with the Management Board. The Management Board must ensure that the strategies are implemented. The Management Board is also responsible for adapting strategies. The adjustment of strategies cannot be delegated. A **strategy process** must be implemented as an organizational tool for the development of strategies and their review and adjustment **Delimitation:** A legal concept of '**business judgment rules**' is anchored in German stock corporation law in Section 93 (1) AktG. These are discretionary powers for management decisions on the Management Board that are not subject to judicial review. This is not about methodological issues or a planning process, but about subjective management assessments. They are therefore purely substantive decisions.³⁰⁴

MaRisk AT 4.2 Strategies. The term "strategy" is not defined in German law and therefore definitions from the military field (Clausewitz) and business administration must be

³⁰² Hannemann, Schneider and Weigl, *Mindestanforderungen an das Risikomanagement (MaRisk)*. p. 155.

³⁰³ Hannemann, Schneider and Weigl, *Mindestanforderungen an das Risikomanagement (MaRisk)*. p. 159.

³⁰⁴ Hannemann, Schneider and Weigl, *Mindestanforderungen an das Risikomanagement (MaRisk)*. p. 162.

used.³⁰⁵ A distinction should be made between strategies and business models in banking supervisory law, as these two terms are often used interchangeably. The business model is an abstract description of the company's activities (or architecture of value creation). The **business model** is not a strategy, but strategies can be used to change business models. The requirement for the existence of a corporate strategy can also be derived from **Section 90 (1) AktG**. According to this provision, the Management Board must report to the Supervisory Board on the intended business policy and fundamental issues of corporate planning.³⁰⁶ With regard to banks, the requirement for a strategy arises from **Section 25a (1) KWG**. This provision requires the establishment of appropriate risk management, which also includes the definition of underlying strategies. In addition to a risk strategy, a corporate strategy must be defined.³⁰⁷ The wording in the MaRisk that the strategies must be "sustainable" provides ample scope for interpretation. This means that short-term entrepreneurial success combined with the assumption of disproportionately high risks cannot have anything to do with sustainability.³⁰⁸ In strategic planning, a distinction must be made between the **strategic level** and the **operational level**. At the operational level, verifiable target values must be defined. These two levels are decoupled from each other. The challenge and transformation achievement lies in an organizational connection between the strategic and operational levels.³⁰⁹ The **risk strategy** has an **annual planning horizon** and is usually developed together with operational corporate planning.³¹⁰ External auditors must refer to the **corporate strategy** when reviewing the risk strategy, which requires consistency between these two strategies.³¹¹ The establishment of a **strategy process** as a **governance structure** is intended to strengthen the business organization.³¹² The planning horizon is not defined by law, but should **cover five to ten years**.³¹³ The requirement for timely and consistent implementation of the strategies is only addressed in general terms. The consensus is that the communication of strategies plays a key role, as this

³⁰⁵ Hannemann, Schneider and Weigl, *Mindestanforderungen an das Risikomanagement (MaRisk)*. p. 254.

³⁰⁶ Hannemann, Schneider and Weigl, *Mindestanforderungen an das Risikomanagement (MaRisk)*. p. 256.

³⁰⁷ Hannemann, Schneider and Weigl, *Mindestanforderungen an das Risikomanagement (MaRisk)*. p. 257.

³⁰⁸ Hannemann, Schneider and Weigl, *Mindestanforderungen an das Risikomanagement (MaRisk)*. p. 259.

³⁰⁹ Hannemann, Schneider and Weigl, *Mindestanforderungen an das Risikomanagement (MaRisk)*. pp. 261-262.

³¹⁰ Hannemann, Schneider and Weigl, *Mindestanforderungen an das Risikomanagement (MaRisk)*. p. 269.

³¹¹ Hannemann, Schneider and Weigl, *Mindestanforderungen an das Risikomanagement (MaRisk)*. p. 278.

³¹² Hannemann, Schneider and Weigl, *Mindestanforderungen an das Risikomanagement (MaRisk)*. p. 279.

³¹³ Hannemann, Schneider and Weigl, *Mindestanforderungen an das Risikomanagement (MaRisk)*. p. 280.

is the only way to create acceptance among employees and other groups of people.³¹⁴ The Supervisory Board should monitor the Management Board, particularly with regard to the strategic direction and further development of the company. According to the **German Corporate Governance Code (DCGK)**, the Management Board must coordinate the strategic direction of the company with the Supervisory Board and discuss the implementation of the strategies with the Supervisory Board.³¹⁵

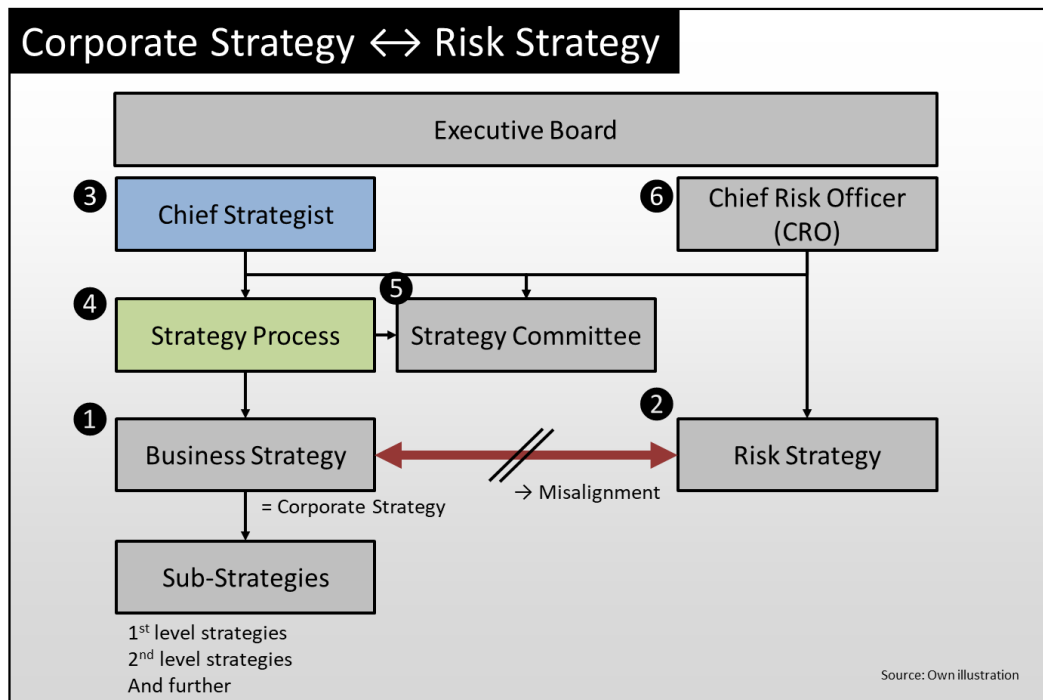


Figure 46

Risk strategy must follow the corporate strategy³¹⁶

Visualized research findings 9th interview. The interviewee does not differentiate between **business strategy** and **corporate strategy**, meaning the most comprehensive corporate strategy ①. The risk strategy must be developed from the corporate strategy and not vice versa ②. There is often the reverse approach, where the question is asked: How much **risk potential** do we have, i.e. what risk can we underwrite in order to diversify a portfolio, for example? – This is a detailed question that should be included as a **strategic restriction** or **guard rail** in the discussion about the corporate strategy. It is a general observation that new business in

³¹⁴ Hannemann, Schneider and Weigl, *Mindestanforderungen an das Risikomanagement (MaRisk)*. p. 281.

³¹⁵ Hannemann, Schneider and Weigl, *Mindestanforderungen an das Risikomanagement (MaRisk)*. p. 283.

³¹⁶ Own illustration, Schmude (2024).

particular leads to higher and sometimes incalculable risk positions. These are often transactions that have not been understood down to the last detail. A **Chief Risk Officer (CRO)** ⑥ is now required as a Management Board position by regulatory requirements, in particular MaRisk. There should be a chief strategist ③, but this is not required by law today. The **strategy process** ④ is mandatory for banks and insurance companies, but the level of detail and quality of the strategy work still varies greatly. The biggest problem is the lack of time for strategy work, as well as a lack of knowledge and human resources for strategy work. Without external consultants, it is almost impossible to work in this field. However, top management must also pay more attention to strategy work. A **strategy committee** ⑤ can perform important work in strategy development as a working body with very different qualifications. Legal requirements such as **minimum requirements** for the strategy or strategy work are generally lacking.

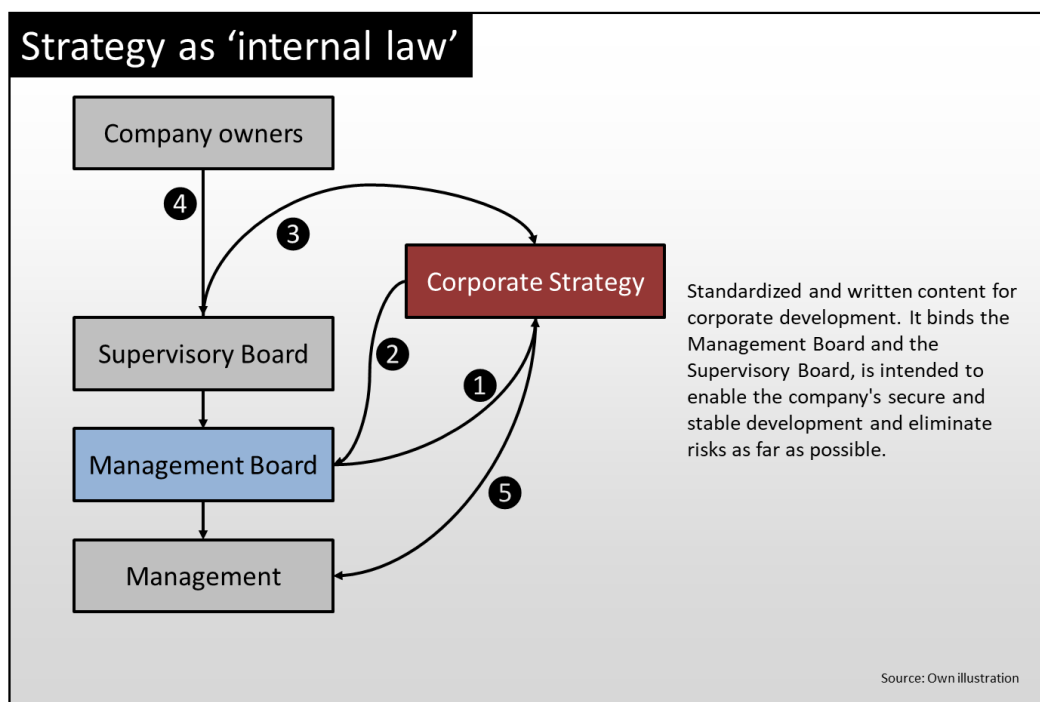


Figure 47
The binding nature of corporate strategy³¹⁷

Corporate strategy as a quasi-law. Understanding the corporate strategy as a kind of internal legal text that is binding for the entire top management is a legal approach to the topic of

³¹⁷ Own illustration, Schmude (2024).

strategy and **strategy implementation**. Strategic Alignment means that the company conforms, or is legally compliant, with the corporate strategy. The Management Board formulates and defines the strategy ❶. At the same time, the Management Board is bound by this strategy (**self-commitment** of the Management Board to the strategy) ❷. The Supervisory Board takes note of the strategy - but usually only in broad outline ❸. The company owners are very familiar with the strategy in family-owned companies, whereas in large corporations only the broad outlines of the strategy are publicly known ❹. The management generally only has an indirect influence on the definition of the strategy, but is bound by the strategy in all its actions and should support it as far as possible ❺.

Background to the TUI case study. The TUI Group, headquartered in Hanover (Germany), is the world's largest travel provider for package tours with over 60,000 employees in 2022.³¹⁸ The company operates its own hotels, airplanes and cruise ships. The TUI Group evolved from the former Preussag. The company has its own **Strategy Committee** with seven members to complement the Supervisory Board.³¹⁹ The original Preussag AG was fundamentally restructured after a **five-year transformation** from a coal and steel group to the **world's largest travel group**. Preussag, which was founded in 1923, was always a group with various shareholdings in coal mining and steel production. From the very beginning, the company was closely tied to the state and thus to political decisions. The transformation from an industrial group to a service group was ultimately also a political decision.³²⁰ WestLB, which also appointed *Michael Frenzel* as CEO of Preussag, held a significant stake in Preussag. *Frenzel* had previously headed the investment business at WestLB and restructured the Group from 1988 onwards.³²¹ In the interests of diversification, companies in the tourism sector were acquired and merged to form a group. In 1997, Preussag acquired TUI (transport and tourism group Hapag-Lloyd AG), also based in Hanover. In June 2002, the old name Preussag disappeared

³¹⁸ "2022 Annual Report TUI Group," accessed March 22, 2024, www.tuigroup.com/damfiles/default/tuigroup-15/en/investors/6_Reports-and-presentations/Reports/2022/01_TUI_GB22_EN_GesamtPdf.pdf-ec3e7ce455de65439a34fac4992252f3.pdf. p. 5.

³¹⁹ "2022 Annual Report TUI Group," accessed March 22, 2024, www.tuigroup.com/damfiles/default/tuigroup-15/en/investors/6_Reports-and-presentations/Reports/2022/01_TUI_GB22_EN_GesamtPdf.pdf-ec3e7ce455de65439a34fac4992252f3.pdf. p. 16.

³²⁰ Bernhard Stier et al., *Von Der Preussag Zur TUI: Wege Und Wandlungen Eines Unternehmens 1923-2003*, 1. edition (Essen: Klartext, 2005). pp. 17-18.

³²¹ Stier et al., *Von der Preussag zur TUI*. p. 596.

and the Group was renamed TUI AG. This was probably the **most radical corporate reorganization in Germany** or even in Europe. Based on a diversification strategy and consistent acquisitions, this transformation was achieved within a few years.³²² Lessons can be learned from the complete restructuring of the company from Preussag to TUI within just a few years, from a steel producer to a tourism group. The faster the strategic transformation of companies is possible, the more competitive and viable they are in global competition.

CONCLUSION: Minimum legal standards for strategic planning are essential. After the last financial crisis, the financial industry was given corresponding legal requirements that demand a corporate strategy. Likewise, a described and regularly implemented strategy process is an absolute minimum for strategy work. Other sectors should also be required to have strategic planning by law, for example in company law. Strategic Alignment is not yet required, nor is it required by law that management adheres to the adopted corporate strategy. So far, only the mere existence of such a strategy document has been required. There should be binding regulations for strategy implementation and a commitment to the strategy in the sense of Strategic Alignment.

³²² Stier et al., *Von der Preussag zur TUI*. p. 568.

4.2.10. Evaluation and Analysis of the 10th Interview

Table 34

Background information 10th interview

Background Information	Interviewee
Profession practiced	Managing Director of Global Consulting Company, Author, university lecturer
Academic education	University degree in business administration
Gender	Male
Life age	60+

The coded segments from the written interviews can be found in the appendix. → Coded Segments Interview No. 10, cf. page 630.

Descriptive summary of the interview by the researcher. The interview provides a number of examples and brief cases from consulting practice. On the one hand, it concerns how the computer industry

(ADV-Orga, SAP) and especially software development in Germany has shaped up, but also how the merger of two large consulting firms (Capgemini and EY) in Germany proceeded. **Alignment is strongly influenced by the people, especially the CEO** and board members. Management consulting is a 'people business', i.e., attracting new consultants comes first. Unlike a manufacturing company, e.g., a food factory, in consulting, the organization is always created around the people.

The interviewee himself has written over 20 books on the subject of consulting and, in particular, marketing in management consulting. From his last book, which the interviewer had read previously, sections were discussed in the interview. This resulted in new ideas for this research work. He teaches as a professor of strategic management.

Strategic Alignment can be well discussed using the **example of a merger**: it is a self-contained process that has the goal of uniting two organizations in one company with improved market opportunities. There are clear winners in a merger: those who stay in the new organization and possibly even move up and, equally, there are losers (am I in or out?). New top leaders must be identified who are then able to effect the changes. These individuals are central to Strategic Alignment because they represent the trust in the organization and manage the alignment process.

The **cultural component** for alignment in the form of large events and **mass experiences** was evident in this interview. During the acquisition of the French company Capgemini, so-called '**Rencontre**' were organized as special events at exclusive locations, such as castles. Formal and informal communication should thus form a common corporate culture and enable the organizations to grow together. In any case, this creates experiences that often have a life-long formative influence on all those involved.

FROM THE RESEARCHER'S FIELDNOTES.

Table 35

Research and field notes 10th interview

Topics	Research Findings
Observations	▪ Extensive detailed knowledge of the consulting market in Germany. ▪ Still active as a professor and author of several specialist books in retirement. ▪ Focus on sales in consulting, i.e. sales from ongoing projects.
Facts from additional communication, e.g. Mails, Calls etc.	▪ In future, the competitiveness of European companies, and German companies in particular, will depend on their ability to assert themselves in a completely confusing global market. Consistent strategy implementation is the prerequisite for achieving this.
Background Information	▪ The interviewee was a practitioner for most of his life and only turned to academic work when he retired.

TOPICS FOR FURTHER RESEARCH.

- **Alignment culture** → Strategic Alignment must be the subject and content of management meetings and communication between the various hierarchical levels within the company (→ 4.7.4 Corporate Strategy on Board Room Level, cf. page 364; 4.7.5 Corporate Strategy for Middle Managers, cf. page 376).
- **Strategic Alignment with a post-merger integration** → A special case in corporate mergers. The strategic goals of the merger should be achieved as quickly as possible, which is counteracted by organizational inertia. Merger projects create a business case and a merger strategy. A strategy process similar to the annual strategy process in the company is followed here.
- **Formal and informal communication** → Although it is not a focus of this paper, the particular importance of communication for good Strategic Alignment is repeatedly emphasized (→ 4.11 Strategic Communication, cf. page 408).
- **Organizational Alignment** → The meaning of this term is explained in the definition and distinction from the term 'Strategic Alignment.' (→ 2.2.3 Model for Organizational Alignment, cf. page 82).

CONTRIBUTION OF THE INTERVIEW TO CLARIFYING THE DOI.

Table 36

Allocation of segments to research focus 10th interview

Aspect of the research DoI	Contribution
Definition of Strategic Alignment	Strategic Alignment should indicate deviations from the planned corporate strategy. (position 8)

	It is often not recognizable whether it is a corporate strategy or just a consideration of available resources. (position 6) A corporate strategy must be implemented. Just holding it in your hand is not enough. (position 52)
Methods/Approaches	Communication about corporate strategy plays a major role in corporate culture. A major event called Rencontre was held every two years. (position 102) Communicating the strategy is about making sense of it all and explaining it to the outside world. This sense-making is part of Strategic Alignment. (position 170) Strategic Alignment means how the strategy or concept is implemented. How does everything fit together in the company? (position 170) Understanding the corporate strategy was never a problem because it was all presented and documented on excellent slides. (position 10) The entire company was aligned along three dimensions: Service line, customers and profession. An approach for rapid alignment and reorientation after the merger. (position 110) The implementation of the corporate strategy must be prepared in a highly professional manner, including events such as rencontres. (position 8)
Corporate Requirements	In global companies, the corporate strategy is often developed somewhere in a

centralized location. If you are not a member of this team, you have no influence on the development of the strategy.

(position 6)

In medium-sized companies with up to perhaps 1,000 employees, things can be organized differently, where broad participation can take place via workshops and brainstorming sessions. (position 6)

The entire strategy work can be summarized in three questions: 1. where are we? 2. where do we want to go? and 3. how do we get there? (position 6)

The practical problem is that strategy and tactics are often used ambiguously and mixed up. (position 50)

The **strategy process** must also take into account the **sub-strategies**. All strategy work in the company must be brought together in this strategy process.

(position 170)

The final consolidation of the strategy at the highest level was only possible through informal communication over dinner and good conversation.

(position 10)

The critical factor for strategy implementation and Strategic Alignment are the employees and their qualifications.

(position 6)

Bonus and shareholding as a strong tool to motivate employees to go through the

	transformation process of the merger. (position 42) A software manufacturer must either develop standard software or offer implementation with consulting. But not both. SAP is a successful example. (position 172, 184, 190) Cultural differences within the company (USA / France) can prevent cooperation and lead to strategic misalignment. (position 12) An M&A strategy must be developed in the background. When it becomes public, it must already be ready for implementation. (position 40)
Trends	Today, management consultants are no longer traveling as much as they were before the Covid-19 pandemic. The consulting process has changed considerably as a result. (position 214) The interviewee considers the mere word "strategy" to be overused and therefore highly devalued. (position 44) A distinction between strategy and tactics within the company is desirable. The easiest way to determine the definition of strategy is to distinguish it from tactics. (position 44, 46) Due to the fashionable and careless use of the word strategy and also corporate strategy, one should go back to the meaning of the word as formulated by Clausewitz, for example. (position 46)

Was the interview useful in answering the research question / DoI?

Yes.

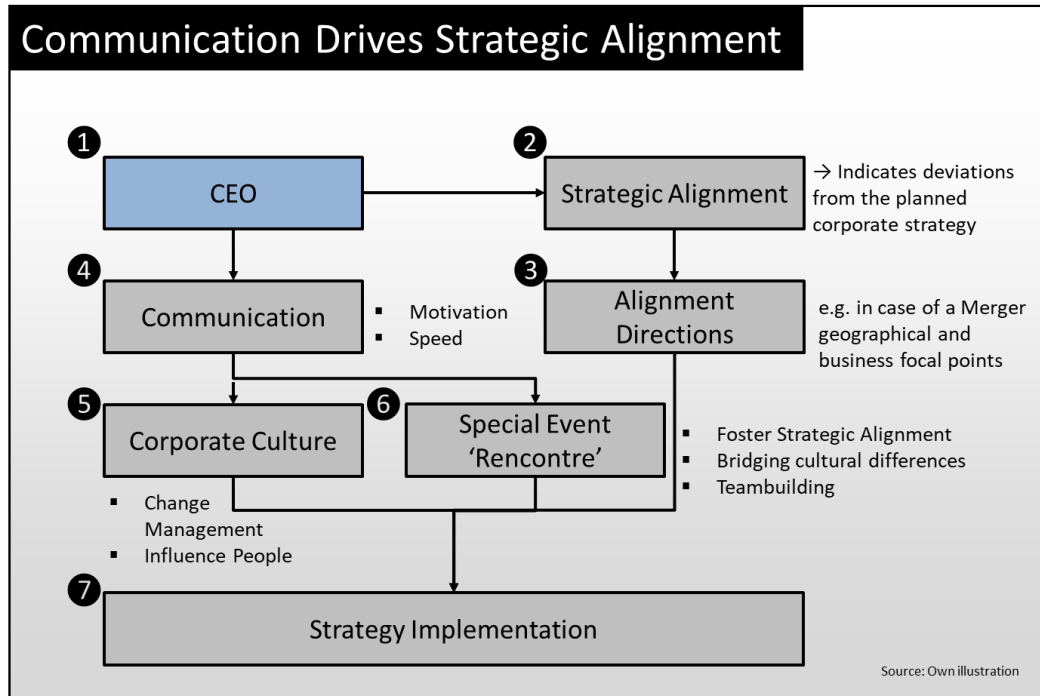


Figure 48

Communication drives the strategic change³²³

Visualized research findings 10th interview. This interviewee looked at the topic of Strategic Alignment from the **CEO's perspective ①**. Strategic Alignment is an indicator for any deviation from the planned corporate strategy **②**. It can therefore be a tool for the CEO to make course corrections or initiate better measures to implement the strategy. In the case of strategies that need to be implemented quickly, for example the **M&A strategy**, which is a special form of corporate strategy. In this case, there is no time for lengthy studies or surveys and action must be taken immediately. The general direction of the strategy must be right **③**. Communication from top management is the most important instrument for strategy implementation and also for ensuring Strategic Alignment **④**. It is about triggering and **maintaining motivation** in the organization, as well as **accelerating change**. Communication is a central element of the corporate culture **⑤**, which is significantly shaped by it. A special form of company-wide event was the so-called 'Rencontre' **⑥**, which was intended to promote loyalty

³²³ Own illustration, Schmude (2024).

to the company and its corporate strategy. At the same time, these meetings allowed the cultural differences of a global group to be bridged across national borders. Ultimately, it was a form of company-wide team building. The aim of all these measures is to implement the strategy in full and on time ⑦.

CONCLUSION: Strategic Alignment must be desired and implemented by top management, especially the CEO. Even on special occasions such as a merger, companies often work without a binding strategy or with a deliberately incomplete strategy in order to have the greatest possible freedom for day-to-day decisions. There must therefore be a culture of Strategic Alignment and visibility of this topic in the daily decision-making process.

4.2.11. Evaluation and Analysis of the 11th Interview

Table 37
Background information 11th interview

Background Information	Interviewee
Profession practiced	Division Manager Board Staff, Corporate Development
Academic education	University degree in business administration
Gender	Male
Life age	40+

The coded segments from the written interviews can be found in the appendix. → Coded Segments Interview No. 11, cf. page 642.

Descriptive summary of the interview by the researcher. The interviewee held various management positions in one of the largest banks in Germany, including

the organization department and the management of the board secretariat. The example of a **restructuring strategy** illustrates the Strategic Alignment within the group. One means of restructuring was expansion into new markets, in this case, into the **Czech Republic**, where a bank was purchased. The business case was a key instrument for alignment. Furthermore, alignment of the acquired bank with around 400 employees was achieved by sending a German board member to manage the business together with a local board member.

A particular requirement in the banking market is **banking supervision**, which must be taken into account both at the state and at the European level. The savings bank organization and the Landesbank also have the special feature that it is necessary to abide by state aid law.

The decisions on this are made in Brussels. For strategic planning, this limits the options available and also entails the risk that transactions in M&A that have already been completed may have to be reversed.

FROM THE RESEARCHER'S FIELDNOTES.

Table 38

Research and field notes 11th interview

Topics	Research Findings
Observations	▪ Very detailed knowledge, much of his company has been published in the business press and is therefore generally known. The interviewee was therefore able to use this information freely in the research interview.
Facts from additional communication, e.g. Mails, Calls etc.	▪ The business model is very difficult to change due to regulatory requirements. ▪ At the same time, there is more or less open competition in the multi-level banking market in this segment.
Background Information	▪ This interview largely relates to the same company as interview no. 9. ▪ This interviewee had a specialist position for a long time and was therefore able to observe many people. ▪ Following a merger, he is now responsible for the corporate development of a geographically defined group division.

TOPICS FOR FURTHER RESEARCH.

- **Alignment in restructuring times** → Various sections of this research paper explain that Strategic Alignment accelerates the implementation of a useful corporate strategy and improves the quality of implementation. This is particularly important in times of crisis, i.e., during restructuring and disruptive internal and external events (→ 4.8 Influence of General Developments and Trends on Strategic Alignment, cf. page 391; 4.9 External Macroeconomic Drivers for Strategic Alignment, cf. page 396).
 - **Banking supervision** → This topic has been covered in detail in the current interview section of this research paper. Further research on risk management and Strategic Alignment is recommended.
 - **M&A transaction** → M&A is closely linked to strategic planning and the smooth implementation of this strategy. The specific features of mergers and the complications that can arise are not discussed in detail here. Examples in this paper and the strategy process refer to this aspect.
 - **Communication across borders/cultures** → Addressed at various points in the paper, for example in management communication or external communication. Motivating and convincing people to follow and actively implement the corporate strategy is a communication task. Corporate strategy can be a unifying element across language barriers, national borders, and different cultures. Corporate strategy and Strategic Alignment create a common understanding. (→ 4.11 Strategic Communication, cf. page 408).
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CONTRIBUTION OF THE INTERVIEW TO CLARIFYING THE DOI.

Table 39

Allocation of segments to research focus 11th interview

Aspect of the research DoI	Contribution
Definition of Strategic Alignment	The corporate strategy, including the special business model, is like DNA for the Landesbanken and savings banks. (position 30) The parallel running or synchronization of the parent company and the acquired subsidiary is an indicator of strategic alignment. No one could reliably answer whether this works. (position 54)
Methods/Approaches	On the basis of business cases and scenarios, the decision is made on how to integrate or partially integrate the organization or only portfolios. (position 40) Integrated banking software is required for post-merger integration. Strategic Alignment is largely determined by technical issues and the time available for implementation. (position 41)
Corporate Requirements	The acquisition of a company must be strategically aligned with the fundamental strategy of the group of institutions. This also applies to acquisitions abroad. (position 38) Communication with the banking supervisory authorities and politicians plays a special role for banks. (position 4) The strategic objective of growing on its own was simply not possible. A target that was bound to lead to misalignment. (position 10)

	Once the political coordination process has begun, the point of no return has been reached and the deal must go through. (position 55) Developing new business areas and new customer groups in the lending business is a lengthy and difficult process because there is a lack of qualifications and knowledge in the organization. (position 63) The acquisition of an existing banking organization never led to synchronization and there was always friction (misalignment). (position 55) The final conclusion was that growth in Eastern Europe is not possible in this way. (position 10) M&A acquisitions should be reviewed for their strategic relevance every three to five years, especially if no synchronization with the Group is possible (misalignment). (position 51)
Trends	After the 2008/09 financial crisis, most banks felt the need to restructure. (position 10) Entering new markets can be a test which, if necessary, can be ended relatively quickly by selling the unit. (position 20)
Was the interview useful in answering the research question / DoI?	Yes.

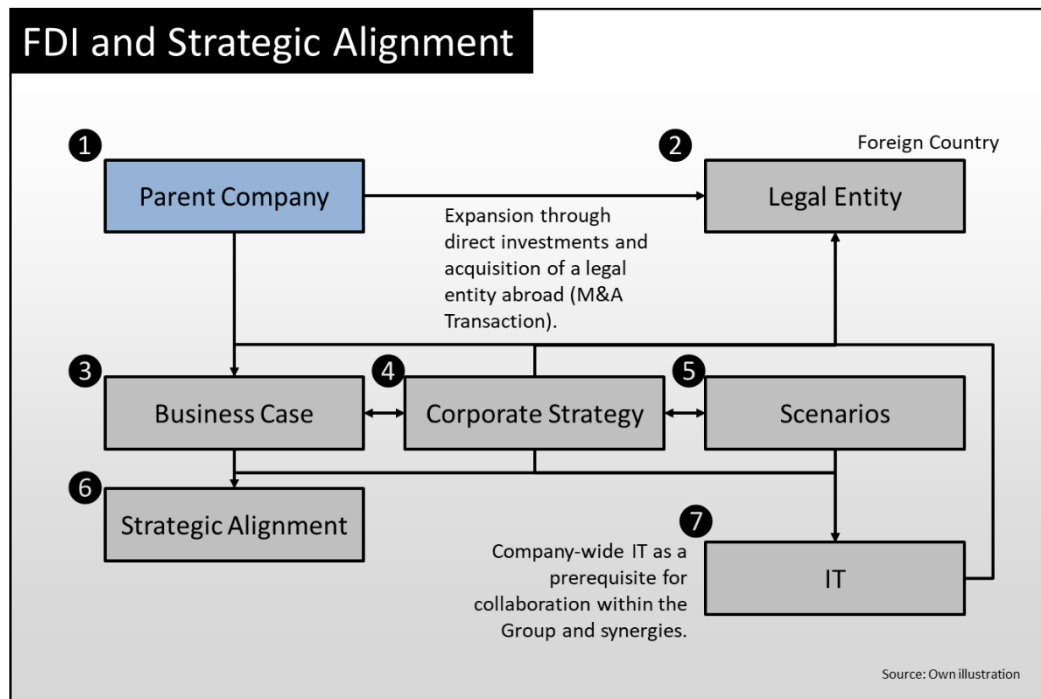


Figure 49

Corporate development perspective on Strategic Alignment with FDI³²⁴

Visualized research findings 11th interview. The interviewee describes an acquisition of an existing company abroad, i.e. a form of **foreign direct investment** (FDI) to expand and open up new markets. The parent company ① strategically controls the purchased legal entity ② as a group company, i.e. the local management board of the legal entity is largely independent in its decisions, as required by company law. A business case ③ analyzing the feasibility of a takeover is drawn up as early as the preparation stage of a corporate transaction. This very comprehensive data basis is later used as the basis for managing the investment. The strategy ④ of the parent company must be in line with the business case, as well as with conceivable scenarios ⑤ for the development of the new company. This usually always includes an exit scenario. The corporate strategy of the parent company has a fundamentally unchangeable part, which has a lasting and **formative effect like DNA**, and a part that can be shaped. In practice, it is impossible for most established companies to completely change their own strategy. Thought experiments in the strategy development phase are often based on a green-field approach, but this has little to do with the reality of strategy implementation. The reasons for an **unchangeable part of the strategy** can be existing customers and products, but also restrictions due to laws and regulations (as in this case). Strategic Alignment ⑥ is carried out

³²⁴ Own illustration, Schmude (2024).

here by investment management on the basis of the business case. Another restriction in the financial sector is that IT ⑦ must be integrated across the group to enable collaboration and synergies. Without IT, a financial company is unable to act and its very existence is threatened.

CONCLUSION: Strategic planning is particularly important in cross-border groups because all resources must be used economically. Synchronizing acquired companies is particularly difficult and a binding corporate strategy and Strategic Alignment can help to ensure that the set goals are achieved. Scenarios and easily communicable strategy presentations are helpful for coordination. Particularly in international business, the level of education is very different and a common understanding often has to be established in meetings.

4.2.12. Evaluation and Analysis of the 12th Interview

Table 40

Background information 12th interview

Background Information	Interviewee
Profession practiced	Insolvency Manager
Academic education	Legal studies and lawyer
Gender	Female
Life age	60+

The coded segments from the written interviews can be found in the appendix. → Coded Segments Interview No. 12, cf. page 650.

Descriptive summary of the interview by the researcher. In corporate insolvency, the unresolved strategic problems of

a company become particularly visible. From the point of view of a lawyer for insolvency law, **corporate strategy no longer plays a real role after the opening of insolvency proceedings.** It is then a matter of satisfying the creditors and, in most cases, an orderly liquidation of the business operations. Only when fresh capital is available again through investors or banks can a corporate strategy be considered.

Reasons for insolvency can be a **lack of strategy** or the **wrong strategy**. Likewise, deviation from a profitable business model can also lead to misalignment. In this respect, a clear misalignment can also always be an early warning indicator of a risk of insolvency.

Operational problems become apparent where business knowledge is simply lacking, and no calculations are made (especially in the crafts and small businesses). Accidents and slow settlement of the claim by the insurance company can also initiate a **downward spiral** that can ultimately lead to insolvency.

German insolvency law sees the insolvency administrator as a kind of **trustee** for the creditors. This also means that in the majority of cases, there is no reorganization and continuation but liquidation. Corporate strategy and the preservation of corporate values are not the goals of the regulations in insolvency law.

FROM THE RESEARCHER'S FIELDNOTES.

Table 41

Research and field notes 12th interview

Topics	Research Findings
Observations	- As an insolvency administrator, the interviewee has little contact with the topic of corporate strategy. - Strategic Alignment was an unfamiliar term and the formation of a company in line with a strategy was logical for the interviewee, but not part of their own work.
Facts from additional communication, e.g. Mails, Calls etc.	In essence, the majority of corporate insolvencies involve a break-up. The assets are sold and business operations are scaled back.
Background Information	Expansion out of insolvency is a rare case, rather that parts of the company are bought up by a competitor.

TOPICS FOR FURTHER RESEARCH.

- **German Insolvency law without strategic focus** → German insolvency law is geared toward satisfying creditors. The continuation of the company is not a primary goal, which is why there is no requirement to submit a business strategy when making a going concern forecast. The insolvency court does not require this. Investors and lenders (banks) usually require a business strategy for the continuation of the company. This must be drawn up in accordance with the lender's specifications.
- **Corporate Strategy** → A recurring theme in this research paper. The topic of corporate strategy in the event of insolvency is a separate research topic.
- **Strategic adjustments to prevent insolvency** → In part, this can be a task of Strategic Alignment, insofar as it concerns the consistent implementation of the corporate strategy.

CONTRIBUTION OF THE INTERVIEW TO CLARIFYING THE DOI.

Table 42

Allocation of segments to research focus 12th interview

Aspect of the research DoI	Contribution
Definition of Strategic Alignment	./.
Methods/Approaches	./.
Corporate Requirements	Industry knowledge is not necessarily required for insolvency advice. A specialist in the respective field, e.g. pharmacies or pharmaceuticals, must be available. (position 12) By the time the insolvency petition has been filed, the company management has

	already failed, as has the commercial side, i.e. it is too late to implement a corporate strategy. (position 6) Until restructuring or turnaround, it is still possible to proceed without insolvency; these issues are outside the scope of insolvency law and require strategic planning. (position 8) The reasons for insolvency are often a loss event such as fire or water, accounting errors and simply a lack of commercial knowledge and skills. (position 8, 9, 12) The insolvency administrator has the decision to continue the business or to close it down. Continuing the business usually means taking further risks that have to be borne economically. If there is insufficient liquidity, there is no prospect of the company continuing as a going concern. (position 18) It depends on the creditors whether continuation is possible. If a deferral or even new funds are granted, this may be possible. (position 44)
Trends	Insolvency law does not provide for a strategic review of continuation, even in the case of major insolvencies. (position 28)
Was the interview useful in answering the research question / DoI?	Less useful.

CONCLUSION: Under German insolvency law, there is no binding requirement to develop a strategy for the company as a going concern. A going concern prognosis is sufficient.

The reasons for insolvency are often a wrong strategy or a neglected transformation of the company, i.e. poor strategy implementation.

4.2.13. Evaluation and Analysis of the 13th Interview

Table 43

Background information 13th interview

Background Information	Interviewee	The coded segments from the written interviews can be found in the appendix. → Coded Segments Interview No. 13, cf. page 654. Descriptive summary of the interview by the researcher. Strategic investment management at one of the largest sav-
Profession practiced	Group M&A Management, Banking	
Academic education	LL.M.	
Gender	Male	
Life age	30+	

ings banks in Germany is responsible for **strategic planning** and **strategy implementation**. The head of this organizational unit uses the example of a start-up for consumer finance to show how a **special credit institution** can be built up for the entire savings bank organization. At the time of the research interview, the company had existed for more than ten years with seven locations and around 500 employees. Capital is needed for further growth and now a sale of shares to savings banks within the own organization is on the agenda.

The corporate culture is such that anglicisms are avoided in spoken and written language. The term ‘Strategic Alignment’ is therefore not in use in the organization and thus generally unknown.

The strategy process in credit institutions is under the control of the banking supervisory authorities, i.e., the ECB and BaFin. In addition to an overall bank strategy (group strategy), there is a separate investment strategy (M&A strategy). **The strategic planning horizon is five years.** An annual review is carried out to determine whether the strategy is still appropriate and purposeful in the current environment.

The strategy is documented in a text document. Until a few years ago, the contents had only been communicated within management. Today, the company also involves the employee level in strategy communication. There is less secrecy and concern about the loss of

information since much of the content of the strategy could only be imitated or copied by a savings bank organization with the appropriate IT. External competitors can be largely shielded.

The Covid-19 pandemic and the Ukraine war that began in February 2022 had a profound impact on strategy implementation. **None of these disruptive events had been foreseen, hence no scenarios had been planned for them.** The basic attitude of top management was a **wait-and-see approach**, with no main strategic changes. The idea was that there would simply be a postponement in consumer financing for the period of the pandemic and then a pent-up demand from consumers. Specifically, the company assumed a two-year postponement, so strategy implementation and alignment must also take the additional two years into account. In the middle of 2022, it became clear that this would not happen, hence the idea that economic life can simply be put on hold as if by pressing the 'pause button' on an electronic device and then continuing to develop unchanged does not seem to be true.

FROM THE RESEARCHER'S FIELDNOTES.

Table 44

Research and field notes 13th interview

Topics	Research Findings
Observations	▪ The pandemic was seen as a kind of natural disaster that the company could "sit out". ▪ The core business with private customers in banking has been little affected by the pandemic (assumption). ▪ Growth only takes place within our own group of institutions.
Facts from additional communication, e.g. Mails, Calls etc.	▪ Corporate strategy is to a large extent sales strategy.

Background Information	▪ Cost reduction has been an issue in the industry for many years, in particular IT costs and personnel costs.

TOPICS FOR FURTHER RESEARCH.

- **Strategic scenarios** → Scenarios and case studies play a special role in strategic planning and in discussions about the right corporate strategy. These scenarios can be a useful aid and tool for Strategic Alignment (→ 2.2.8 Model for Teaching Strategy Building and Implementation, cf. page 96; → 4.7.8 Simulation and Aspects from Military Strategy, cf. page 383).
- **Disruptive events** → Due to their particular significance for this research project, discussions on disruptive events were included at the beginning of the entire research paper. These disruptive events are often a cause of misalignment (→ 1.1 Current Status of Strategy Implementation, cf. page 29; → 4.7.9 Strategic Tipping Points, cf. page 388).
- **Group strategic planning** → Strategic planning not only for a company, but for a holding structure with legally independent entities. Here, strategy can create a connecting element and lead to Strategic Alignment.

CONTRIBUTION OF THE INTERVIEW TO CLARIFYING THE DOI.

Table 45

Allocation of segments to research focus 13th interview

Aspect	Contribution
Definition of Strategic Alignment	Strategic Alignment means recognizing the misalignment and bringing everything back in the right direction. (position 63)

	The central question in strategic analysis and diagnosis is whether something fits the strategy or not. (position 24) When the strategy is implemented, things usually turn out differently than planned. This is a central lesson. (position 47) Misalignment is usually caused by incorrect communication. (position 63)
Methods/Approaches	A fully formulated text document describes the corporate strategy. (position 52, 53) IT strategy is developed by the service provider and largely defined for the entire group of institutions. (position 6, 8) There is a standard strategy process, which follows common textbook knowledge. (position 2) The strategic planning horizon is 5 years. The main strategy is the business strategy. The bank first develops the business strategy for the banking business and then all other strategy documents follow. (position 2, 24) The intention is to keep the business strategy as simple as possible. Anything that is too complex is not understood and cannot be implemented properly. (position 55) The most important realization is that things do not develop as planned (i.e. a constant tendency towards misalignment). (position 63)

	A database or an up-to-date inventory of strategy data is required to monitor strategy implementation (Strategic Alignment). (position 50) The corporate strategy leads to medium-term planning, operational planning and strategy implementation (strategic projects or strategic initiatives). (position 56, 57) Planning takes place in scenarios ranging from feel-good scenarios to worst-case scenarios. The scenarios are also discussed with the banking supervisory authority and scenarios are specified for stress tests (for the risk strategy). (position 47)
Corporate Requirements	The strategy is communicated right down to employee level. (position 54) There is a typical rolling planning process, i.e. a regular, usually annual work process for revising planning documents. This planning continues the status quo, which can lead to an incorrect strategy in exceptional situations. (position 26) Quarterly meetings are held to discuss the results of strategy implementation and the fulfillment of objectives. (position 28) The strategy process is very dynamic and a lot of information has to be provided in a very short time. (position 47) The distribution and sales strategy is not part of the business strategy, but is developed outside of it. (position 61)

	The M&A department must ensure that the plans of the subsidiaries and stakeholders are consistent with the head of office. (position 26) Target/actual comparison provides the degree of fulfillment of strategy implementation. (position 59) To ensure stability in the strategic direction of the company, there must be little fluctuation and change at management level. The management circle is kept as stable as possible, which favors Strategic Alignment. (position 65) The Covid-19 pandemic has not led to a change in corporate strategy, but to a postponement of implementation. Consumer finance experienced a slump at the start of the pandemic. The motto at the beginning of the pandemic was "wait and see", and a crisis team was only set up later. (position 2, 28) In times of crisis, the banking organization must switch to crisis mode more quickly and react more actively to disruptive events. (position 47) Banking supervision with BaFin and ECB are permanently involved. (position 47) During the crisis, the general belief was to keep the business running for as long as possible. (position 2)
Trends	Until the Covid-19 pandemic, communication about strategy was face-to-face. Digitalization took place abruptly and

	what would otherwise have taken ten years was achieved in just a few days. (position 49) In hindsight, it would probably have been better to react more quickly to some issues. (position 37) From today's perspective, the political and military crisis in Ukraine has had a greater impact on corporate strategy than the Covid-19 pandemic. However, no one had expected the pandemic to last so long. (position 37)
Was the interview useful in answering the research question / DoI?	Yes.

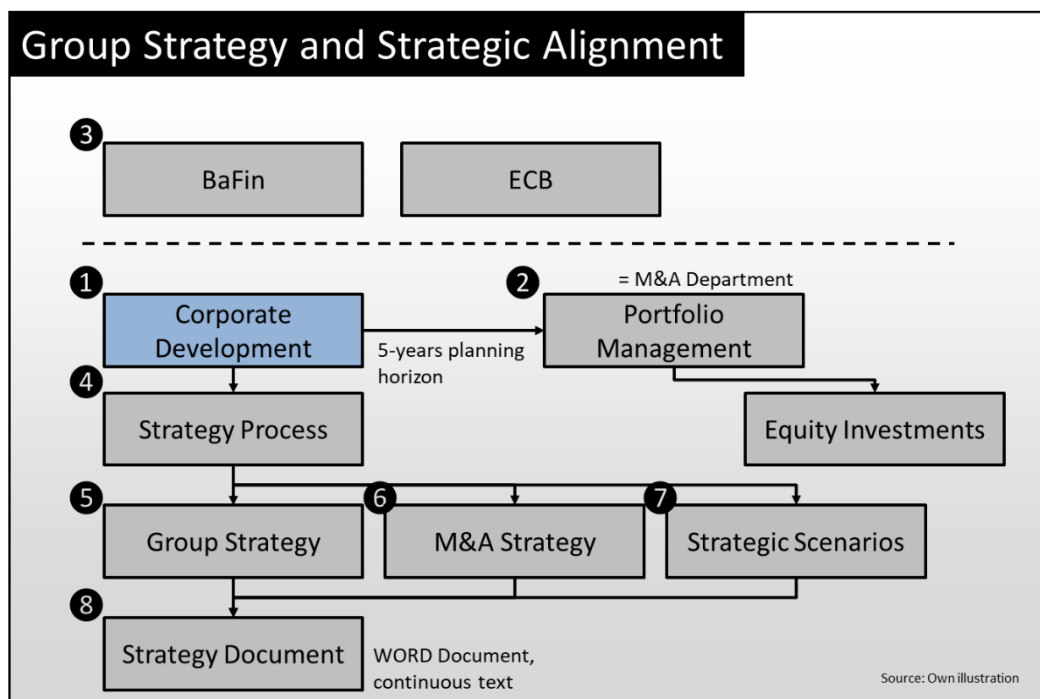


Figure 50

External supervision of financial service providers³²⁵

³²⁵ Own illustration, Schmude (2024).

Visualized research findings 13th interview. The interviewee himself describes the strategy work from the perspective of Corporate Development ❶ and the subordinate Portfolio Management (M&A Department) ❷. The supervision of banks, which is carried out by BaFin and ECB in a division of labor, has the right to review the existence of corporate planning and risk strategy ❸. The focus of the review is always the avoidance of risks that could threaten the existence of the bank. A strategy process ❹ that is systematically organized and methodically sound forms the basis for corporate planning. The corporate strategy (group strategy) ❺ and all associated documents have a planning horizon of 5 years. A separate M&A strategy ❻ for equity investments supplements the actual corporate strategy. Scenarios ❼ for future development round off the planning. It is not known whether these are only qualitative scenarios or also fully quantified scenarios, but quantified scenarios are generally required for the simulation of risk developments and stress tests. All strategies and associated facts and analyses are presented in a single document ❽ and should therefore be coherent and comprehensible to third parties.

CONCLUSION: A formal strategy process resulting in a written corporate strategy and other functional area strategies, such as risk, sales, IT and others, has been standard for years. The work of corporate development must be extended more strongly from strategy development to strategy implementation. Scenarios and simulated future strategies are very helpful in convincing people to implement the strategy, even if many strategy contents have to be quickly discarded, especially in disruptive times. A more dynamic and more realistic strategy is a key requirement for the future. Strategic Alignment can be ensured through strategic scenarios.

4.2.14. Evaluation and Analysis of the 14th Interview

Table 46

Background information 14th interview

Background Information	Interviewee
Profession practiced	Strategic Investment Planning, Utilities
Academic education	Engineer
Gender	Male
Life age	50+

The coded segments from the written interviews can be found in the appendix. → Coded Segments Interview No. 14, cf. page 664.

Descriptive summary of the interview by the researcher. In the energy industry, strategic decisions play a special

role because they result in financial investments with terms of up to 80 years. Since around 2005, it has become common practice in these companies to install **asset management** between the two major areas (**commercial** and **technical**), which is largely responsible for implementing the strategy. The interviewee set up this function for the first time for the subsidiaries of a Swedish state-owned group in Germany and was responsible for it for many years. The function of asset management and the associated asset manager is not universally defined. It is understood to mean the management of all fixed assets (power plants, infrastructure, buildings, etc.) that are required for operation. Replacement investments must be planned at an early stage because many assets have to be manufactured individually. In the past, it was common practice to maintain redundancies to ensure security of supply. For optimization reasons, this "dead capital" has been largely eliminated.

Particular findings from the interview are that business strategy in particular consists of targets that then need to be operationalized. The technical feasibility of strategic targets is therefore first checked and decided by asset management. Here, the dependencies of targets and also the competition of targets are a particular challenge. The interviewee described this network of mutually influencing targets as 'communicating tubes' — a metaphor from physics. The consequential effects and the chain reaction caused by the consistent pursuit of a goal are recognized by few in the company because everyone primarily wants to optimize their own area of responsibility.

The responsibility of the owners would have to be strengthened and also the commitment to the goals and their long-term pursuit is often missing. **Alignment therefore needs to start with the owners and the supervisory board.** A particular difficulty arises with **foreign investors**, who focus more on financial indicators than on local operational requirements. This also leads to a shortening of the strategic view to a few years or sometimes only quarters, which does not correspond to the underlying business.

In this context, a statement was also made and well substantiated that was initially surprising: 'corporate strategy is not taken seriously'. This means that hasty strategic decisions are again questioned and changed. The result is misdirected investments and wasted work. On the one hand, a lack of knowledge exists as concerns the importance of strategic planning in the technical areas of the group, which is coupled with a lack of willingness to follow a carefully worked-out strategy: and this also across personnel changes in the Executive Board and top management levels.

FROM THE RESEARCHER'S FIELDNOTES.

Table 47

Research and field notes 14th interview

Topics	Research Findings
Observations	▪ The interviewee reports from two companies for which he worked as a manager. The sector is the utilities industry. ▪ Many capital goods have been written off and less and less money is being budgeted for replacements. The greatest risk for the company is a blackout of the electricity or energy supply.
Facts from additional communication, e.g. Mails, Calls etc.	▪ Investment in infrastructure and energy generation are the major long-term investments. The entire business model is based on these investments.

	The corporate strategy must therefore primarily address these two issues over a long investment period of around 30 years.
Background Information	▪ The companies were originally owned by the public sector and were then privatized. Provisions for future investments were continually reduced for cost reasons.

TOPICS FOR FURTHER RESEARCH.

- **Alignment of long-term investments (asset management strategy)** → Certain industries are strategically oriented and dependent on investments made at an early stage. This asset management strategy is a sub-strategy or functional strategy that must be integrated into an overarching corporate strategy. In such industries, e.g., utility companies, the company-wide asset manager reporting to the executive board can play a central role in Strategic Alignment. These considerations can be incorporated into the theoretical framework of this research project (→ 5.4 Elements and Relationships for Theory Building, cf. page 448).
- **Foreign ownership** → This applies to strategic investors or pure financial investors. Cultural differences must also be taken into account and balanced out through appropriate management procedures. For investors, effective Strategic Alignment offers a major advantage and safeguards their investment (→ 4.7.3 Corporate Strategy for Entrepreneurs and Owners, cf. page 359).

- **Supervisory board** → The role and function of the supervisory body in corporate structure is discussed at various points in the dissertation.
- **Strategic planning horizon** → The demand made in the interview is an extension of the usual strategic planning horizon of five to eight years to several decades in order to move away from short-term thinking in management (→ Figure 3 Strategy execution process, cf. page 32; → Figure 24 The strategic path, cf. page 99).

CONTRIBUTION OF THE INTERVIEW TO CLARIFYING THE DOI.

Table 48

Allocation of segments to research focus 14th interview

Aspect of the research DoI	Contribution
Definition of Strategic Alignment	Strategic Alignment is the connection between corporate strategy and actions. (position 61)
Methods/Approaches	One problem with corporate strategy is that the strategy is not taken seriously. (position 62) Formulating a corporate strategy without taking technical requirements into account does not work. A bottom-up strategy process can help here. (position 78) The benchmark for a successful corporate strategy in the utility industry is the time of power outage per customer per year. This is a key figure for the status quo that says nothing about future development. (position 80) The corporate strategy must be balanced in terms of the owners' objectives for returns and long-term development. Goals

	that work against the business model lead to misalignment. (position 32, 36) The owners must be more involved in the strategy process and not just take note of the corporate strategy. (position 55) All supervisory board members must understand the business model if they are to make decisions on strategic issues. (position 100) The interdependencies of decisions are often incomprehensible and are given too little consideration. There is a lack of thinking in such scenarios. (position 88)
Corporate Requirements	The goals in the company are multidimensional and the goals are constantly competing with each other. Investments in infrastructure (pipelines) and generation (power plants) are always long-term and require a lot of money, but initially bring little return. (position 72) The Supervisory Board sets the targets, which then have to be implemented top-down in line with the organization. (position 3) The interests of the Supervisory Board members are carried into the organization via the objectives (including contradictory objectives). (position 3) The business model of infrastructure companies is not designed to maximize profits in the short term. Qualitative goals, such as maintaining and improving the infrastructure, are often neglected. (position 22, 72)

	A planned scope of investments and fixed assets must be bundled in a separate asset management. Investment planning for plant and machinery can thus be strategically oriented. (position 38) Infrastructure companies have created three separate divisions for the management of fixed assets: asset owner, asset management and asset service. This is intended to reflect the conflicting interests in the organization. (position 14) It happens that strategic intentions are directed against each other. The strategic vectors then cancel each other out (= misalignment). (position 36) One leadership problem is divisional egoism. (position 44) In infrastructure companies, asset management must be more of a driver of strategic planning. (position 15)
Trends	The energy suppliers had a monopoly until 1998 and therefore had a permanent interest in maintaining and improving the lines and power plants. Investments in this area have a normal operating life of 50 to 80 years. The planning security from these monopoly periods is weighted towards a capital market orientation. (position 72, 74)
Was the interview useful in answering the research question / DoI?	Yes.

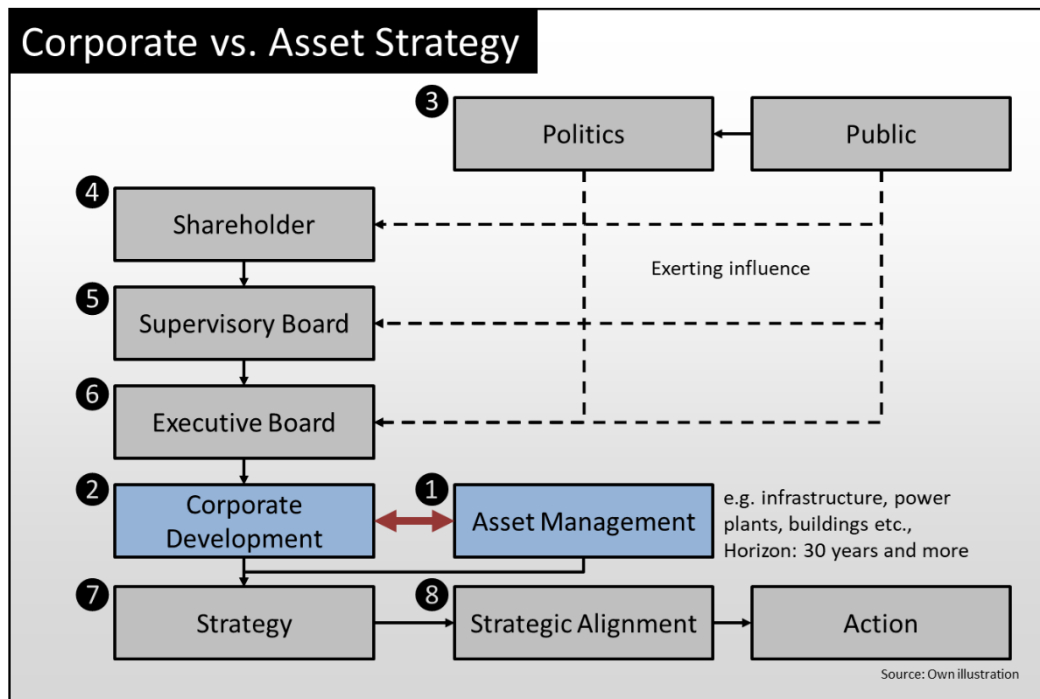


Figure 51

Strategic conflict leads to latent misalignment³²⁶

Visualized research findings 14th interview. The interviewee is responsible for the asset management ① strategy as head below the Management Board. This strategy includes the maintenance and expansion of all investments in production resources, i.e. infrastructure, machinery and buildings. It is about the long-term existence of the company and also about long-term security of supply. Investments in this area have a strategic planning horizon of 30 years or more. Even the procurement of equipment and capital goods in this area takes years, so that in the past a large stock of spare parts was kept, which has been largely abolished for cost reasons. The **asset management strategy** has a different orientation to the corporate strategy ②, which includes sales, personnel and financial management. Politics ③ and the public have a strong influence on opinion-forming in the company. Shareholders ④ have expectations of returns, which are expressed in a short period of time through dividends and a rising company value. The different interests come together on the Supervisory Board ⑤. However, details of the business model and the technical features are largely unknown to this body. The Executive Board ⑥ must combine these interests into a coherent overall strategy ⑦. In case of doubt, the interests of the owners have a higher priority than other interests. The written strategy

³²⁶ Own illustration, Schmude (2024).

forms the basis for a Strategic Alignment ⑧, which is a balancing of the different requirements and interests and then leads to concrete actions.

Background information on the utilities industry. The largest water utility in Europe is Thames Water, which supplies drinking water to 15 million people in the capital region of London. In the UK, utilities were privatized around 30 years ago under the Thatcher government. Today, it has to be said that there was too little investment and the returns for investors were too high. In addition, there are no recognizable efficiency advantages over publicly run comparable companies. Thames Water had no debt on its balance sheet when it was privatized in 1989. Today, the company is more than 60 billion pounds in debt. Thames Water is owned by Kemble Water Holding, which was owned by the Australian investor Macquarie Group for many years. The Canadian pension fund Omers is currently the largest owner. The British government discussed an emergency nationalization in 2023, but rejected it due to a lack of funds. Instead, Thames Water is now taking out loans with interest rates of 8 percent, which are far above the market rate.³²⁷ **Reference to the research interview:** This is also a utility company in a European capital region that has been privatized and is increasingly facing similar difficulties. There are clearly recognizable parallels, only shifted in time by ten to fifteen years.

CONCLUSION: Strategy work can also be located in other departments if this is required by the business model or the Management Board. In investment-intensive industries, the corporate strategy must be dovetailed with asset management. This department can work in the same way as corporate development in other companies. The pursuit of strategy implementation is then a Strategic Alignment from the investment perspective.

³²⁷ Philip Plickert, "Englands Elend Mit Den Wasserversorgern: Marode Infrastruktur," *Frankfurter Allgemeine*, January 15, 2024, accessed January 15, 2024, www.faz.net/aktuell/wirtschaft/mehr-wirtschaft/englands-elend-mit-den-wasserversorgern-19438386.html.

4.2.15. Evaluation and Analysis of the 15th Interview

Table 49

Background information 15th interview

Background Information	Interviewee
Profession practiced	Executive director political association, Officer in the German Armed Forces, professor
Academic education	MBA
Gender	Male
Life age	50+

The coded segments from the written interviews can be found in the appendix. → Coded Segments Interview No. 15, cf. page 673.

Descriptive summary of the interview by the researcher. The interviewee himself has a doctorate in military and political strategy. Today, he is the managing director of a Europe-wide association for se-

curity technology and holds a professorship for security issues. The term Strategic Alignment was previously unknown to the interviewee, who was also unaware of its use in the military. Nevertheless, the term is understandable by itself even without explanation. He stressed the need to have not only **one strategy** but to **be prepared for several conceivable scenarios**. Every action that one takes leads to a **reaction from the opponent** (competitor, market). In the **military**, strategy is constantly being worked on because new information and facts about the situation constantly come up, and these must be taken into account in one's own strategy. **Concept Development & Experimentation (CD&E)** is the military term used to describe this approach.³²⁸ This has not yet been recognized in the strategy of business enterprises, and one assumes a very rigid and unchangeable understanding of strategy. In business, strategy is often an instrument of the CEO and also directly dependent on this person. In politics and the military, the strategy process is more organized and part of the daily staff work. The interviewee also emphasized that the transfer of knowledge from the military to business via professional soldiers who later move to business is a very common process. **Simulation modeling** was used in disaster response during the Covid-19 pandemic. In particular, the interview partner considers the associated research project *A-Score*, which makes extensive use of artificial

³²⁸ Clemens Gause, *Das System Der Strategie: Ein Vergleich Zwischen Strategien Biologischer Systeme Und Militärischen Strategien - Eine Modellentwicklung* (Potsdam, 2011). pp. 180 forthcoming.

intelligence, to be an approach to strategy development that should be used even more in the future.

Special note and observation on the interview. The quality of the statements increases with the relationship of trust that is established or already exists between the interviewer and the interviewee. In addition, personal privacy was guaranteed for publication so that information was not withheld for personal tactical reasons. For the actual interview and the pre- and post-interviews, it is very important to observe: The more informal the interview seems to the participant, the greater the willingness to be open and truthful in their responses.

FROM THE RESEARCHER'S FIELDNOTES.

Table 50

Research and field notes 15th interview

Topics	Research Findings
Observations	- Political and military security thinking is the focus of the interviewee. - Simulation and strategic scenarios are an important tool from the interviewee's point of view.
Facts from additional communication, e.g. Mails, Calls etc.	- Politics and business should be based on a strategy. The concept of strategy comes from the military, so we should learn from this knowledge. - Strategic Alignment has something to do with strategic sustainability.
Background Information	Although the interviewee himself has a doctorate in corporate strategy, he feels that the links to military strategy have not been sufficiently highlighted to date.

TOPICS FOR FURTHER RESEARCH.

- **Military Strategy** → The link between military and political strategy and corporate strategy is often not given sufficient consideration (4.7.8 Simulation and Aspects from Military Strategy, cf. page 383; cf. page 373).
 - **Strategic scenarios** → Scenarios, cases, and case studies as a fundamental component of strategy development (→ Figure 40 Scenarios for effective communication, cf. page 174).
 - **Concept Development & Experimentation (CD&E)** → Concept development and testing in role-playing exercises and systematic simulations are an important part of preparing the military for deployment. This allows strategies to be tested and refined, while also teaching personnel about the specific details of those strategies. This is more a matter for strategy development. Whether this is useful for Strategic Alignment needs to be examined and discussed (→ 4.7.8 Simulation and Aspects from Military Strategy, cf. page 383).
 - **Artificial Intelligence** → One of the major current trends that could affect many, if not all, areas of life. Although not a topic of this research paper, this aspect should not be overlooked due to its high relevance (→ 4.6.3 Artificial Intelligence in Strategy Planning and Implementation, cf. page 343).
 - **Neuroscience** → Findings in neuroscience are only slowly finding their way into considerations for improved management and corporate governance. The interviewee comes from the military sector, where the latest findings from all sciences, including neuroscience, are always utilized (→ 4.6.2 Aspects from Neuroscience for Strategy Implementation, cf. page 338).
-

CONTRIBUTION OF THE INTERVIEW TO CLARIFYING THE DOI.

Table 51

Allocation of segments to research focus 15th interview

Aspect of the research DoI	Contribution
Definition of Strategic Alignment	I am not familiar with the term Strategic Alignment as a fixed and defined term. (position 2) As far as I know, the term is not used in the Bundeswehr. Anglicism are generally avoided. (position 12) A business-as-usual approach is often wrongly understood as a corporate strategy. (position 45) Corporate strategy often lacks options for an exit or evasion, which is a central component of military strategy. (position 12)
Methods/Approaches	Lessons from systems theory are that all systems are open and all systems are somehow interrelated. This networked thinking and planning is often lacking in companies. (position 39) Too little attention is paid to strategic side effects and they are not considered beneficial. (position 45) In a social system, things can be forbidden or prevented. These include, for example, criminal acts. Behavior that is not permitted is a misalignment. (position 35) Social systems quickly develop resistance to change and persistence. (position 45)

There should be a **legal framework** for such an important topic as corporate strategy. An example is the regulation for safety belts in cars, which the industry would not have complied with voluntarily. (position 15)

Strategy development must take place in the simulation of scenarios. It must be possible to quickly recognize patterns and similarities and draw conclusions from them. (position 31)

Clausewitz can be used for the strategy development process. The strategic goal defines the end or the final state. If this is taken into account, there will not be so many discussions about conflicting goals. The strategy must direct all means and resources towards achieving the end state. (position 41)

The military strategy has a short planning horizon. (position 25)

Military strategy is constantly being re-planned because the environment and thus the military situation change. (position 25)

The military is constantly developing new concepts, ultimately in order to stay ahead of the enemy in terms of time and instruments. (position 30)

CD&E procedures that provide for the development of concepts and trial and error (experimental testing). (position 31)

	The most important aspect of implementing military strategy is movement. Without movement there can be no successful implementation of the strategy. (position 45) In politics, strategy changes are very abrupt and sudden. Changes of opinion grow in the political parties and when they become public, it often appears as a complete change of strategy. (position 29) In political strategy, Strategic Alignment also has something to do with differentiation and a change in behavior. In a misalignment, one votes for another person and forms a new majority. (position 29)
Corporate Requirements	There is too much useless communication simply because the technical possibilities exist. (position 55) Strategic planning is extremely based on data and current data. AI and other software will be increasingly necessary here. (position 31)
Trends	Experienced professional soldiers with a degree are in great demand in the economy after leaving the Bundeswehr. (position 45) Brain research opens up new paths in leadership and communication. This has not yet been investigated in relation to strategic leadership. (position 48)
Was the interview useful in answering the research question / DoI?	Yes.

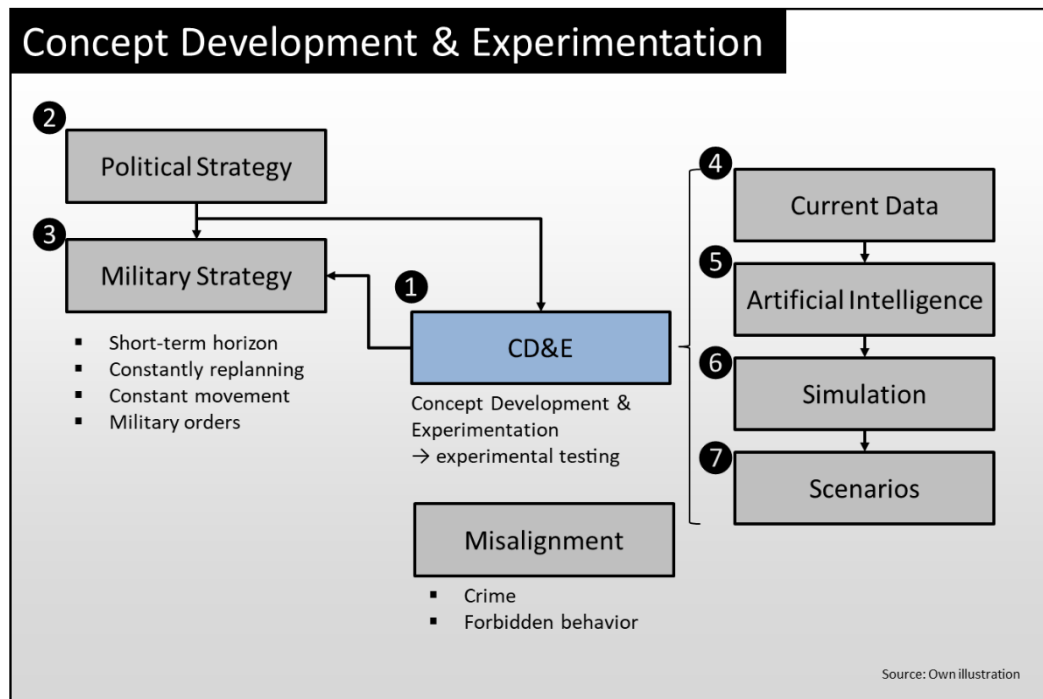


Figure 52

Transfer of knowledge from military strategy³²⁹

Visualized research findings 15th interview. The interviewee drew on his experience of strategy work in politics ② and the military ③. In comparison to corporate strategy, which is static and is developed once and then decided upon for implementation, strategic concepts in the military are constantly being worked on and these concepts are subjected to an experimental test ①. The initial situation with constantly updated data ④ is the basis for an analysis that is increasingly supported by artificial intelligence ⑤. This is then used by the general staff to develop concepts that are subjected to simulation ⑥. These ultimately lead to various operational scenarios ⑦ that are ready for implementation and are triggered on command or when a certain condition occurs.

CONCLUSION: In order to improve awareness and the importance of corporate strategy, more work must be done in scenarios and these must be tested for their suitability by means of experiments. If there is an understanding of the scenarios, implementation and close Strategic Alignment will largely take care of themselves. When it comes to experimental simulation, the economy can learn from military strategic planning.

³²⁹ Own illustration, Schmude (2024).

CONCLUSION INTERVIEW PHASE: The most important content from each interviewee was presented in relation to the person and the interview. This makes it possible for the reader to follow the interview and the entire research flow. This is not the case when working with detached segments (or codes only).

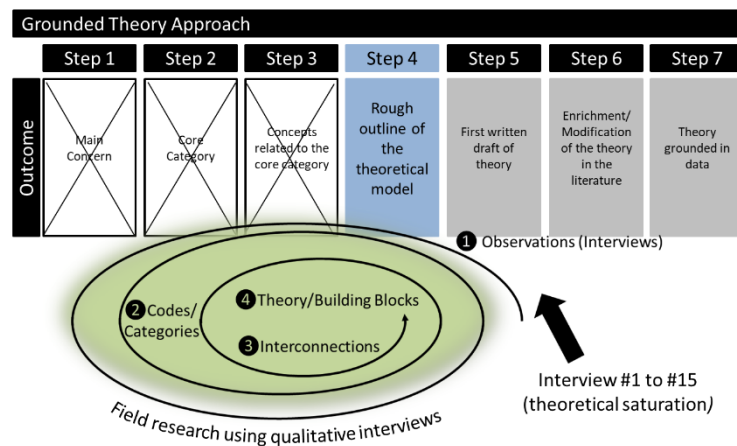
In the 12th interviews with an insolvency manager, it became clear that **theoretical saturation** has already occurred or at least that this point would be reached very soon. It was the shortest interview. However, the interviews that still followed had then revealed a large number of new aspects, especially because the interview partners had prepared themselves for the survey.

Each interview follows an individual form and each interviewee has their own individual way of formulating and presenting their thoughts. Only when the content is summarized and condensed as part of the evaluation and analysis of the interviews can a uniform format for presenting the content be developed. This is the work of the researcher.

4.3. OVERVIEW OF RESEARCH FINDINGS

In this chapter, the raw material from the primary research is further filtered and condensed. This is where the transition from analysis to the later development of theory takes place. On the one hand, it is necessary to compare the research assignment and the research objectives, i.e. the DoI

(→ 4.3.1 Surveyed Knowledge in the Crosscheck with the DoI, cf. page 268), then to work with the building blocks from the graphical and visualized analysis (→ 4.3.2 Summarized Visualization of Interview Results, cf. page 286) and finally to draw a first conclusion as to what knowledge could be gained for research on the topic of Strategic Alignment (→ 4.3.3 Contribution to Knowledge Creation in the Area of Strategic Alignment, cf. page 289).



4.3.1. Surveyed Knowledge in the Crosscheck with the DoI

The content relevant to the further research work is presented here again in the same form as a table. This is a work step for narrowing down, selecting and filtering. To clarify: In this chapter we are still working at the level of the individual interviews; from the next chapter onwards we will only work with knowledge in a generalized way, e.g. in the form of summaries, codes, codebooks and the like.

CONCLUSION: Strategic Alignment is a task for top management and the supervisory board.

The seemingly sudden and unexpected occurrence of misalignment can be explained, at least in part, by emergence. Important components for Strategic Alignment in business practice are a Strategic Alignment process and an independent function or position with this task. Contradictions to existing knowledge can only be answered to a limited extent because research on the topic of Strategic Alignment, as conducted here, is still in its infancy and groundwork needs to be laid (→ 4.4.2 Codebook after Analysis, cf. page 296).

Table 52

Contribution to DOI and theory building

Aspect of the DOI	Contribution from Research	Transition to theory building (Chapter 5)
Definition of Strategic Alignment	Strategic Alignment should indicate deviations from the planned corporate strategy . (interview 10, position 8)	Strategic Alignment = indicator for deviations from the corporate strategy
	Definition: Strategic Alignment means coordinating all initiatives resulting from the corporate strategy , e.g. permanent tasks and projects. (interview 1, position 5)	Discussion: Is it really the task of Strategic Alignment to create a coordination task, perhaps a central guideline?
	Strategic Alignment is the connection between corporate strategy and actions . (interview 14, position 61)	Strategic Alignment = connection between corporate strategy and actions.
	Strategic Alignment = overall and companywide consistency . (interview 1, position 11)	Companywide consistency.
	The often missing link between the strategy in the Supervisory Board and the implemented strategy is a topic of Strategic Alignment . (interview 9, position 2)	Detailed aspect relating to the Supervisory Board.
	Strategic Alignment requires a holistic view of the company and its environment. (interview 8, position 153)	A holistic view of the entire company and the environment is definitely required for Strategic Alignment.
	Optimal strategy or optimal course (= straight line) of the company and the feasible and practical strategic path (= curves). (interview 6, position 62)	Differentiation between the optimal strategy and the feasible/realizable strategy. Strategic Alignment should then ensure the best possible strategy fulfillment.

Strategic Alignment means mirroring the current situation of the company or units. Is the company still in line with the corporate philosophy? (interview 8, position 90)	Is it enough to mirror the situation so that each individual recognizes the deviation from the strategy and works towards a strategic alignment themselves?
Strategic Alignment means that everyone in the company is pulled in the same direction . The forces of all must be concentrated on one point like a parabolic mirror. (interview 3, position 20)	Description for Strategic Alignment: Invisible forces that bring about alignment with the corporate strategy.
Strategic Alignment means that everyone in the company is moving in the same direction . It's like a tandem where everyone has to work together. (interview 8, position 153)	Strategic Alignment is intended to observe and monitor movement, i.e. action. Tools that enable synchronization as in a tandem are also part of Strategic Alignment.
It happens that strategic intentions are directed against each other . The strategic vectors then cancel each other out (= misalignment). (interview 14, position 36)	Strategic Alignment must recognize and help to eliminate contradictions in strategy and strategy implementation.
A holistic view is important, i.e. neither corporate strategy nor Strategic Alignment can be viewed in isolation . (interview 2, position 2)	The holistic view of Strategic Alignment is emphasized and the function that the close connection between corporate strategy and Strategic Alignment must always be taken into account.
Strategic Alignment means consistency of thought and action in relation to the implementation of the corporate strategy. Is the overall picture right? (interview 1, position 11)	Strategic Alignment should ensure that thinking (planning) and acting are one and the same.
Corporate strategy often lacks options for an exit or evasion , which is a central component of military	Strategic Alignment should ensure that strategic exits or strat-

strategy. (interview 15, position 12)	egy termination are also possible. This is only possible from an overarching perspective.
As a management tool, the connection between objectives, strategies and measured values is relevant for day-to-day work. (interview 7, position 130, 131)	Strategic Alignment is seen as a tool here. The aim is to provide a constant (daily) review of deviations.
Alignment must be linked to law and order. (interview 6, position 39)	Strategic Alignment is a voluntary task within the company, but must be bound by company law.
The requirement for a corporate strategy and corresponding strategy implementation must not only be anchored in MaRisk, but also in the stock corporation law applicable to all large companies. (interview 9, position 10)	For Germany and Europe, Strategic Alignment should be a binding legal requirement. With regard to banks, this could be banking supervisory law or, at a higher level, the German Stock Corporation Act.
The German Corporate Governance Code is more specific than the German Stock Corporation Act, but is not binding in day-to-day corporate practice. Even for listed corporations, the Corporate Governance Code is only a recommendation. (interview 9, position 26, 34)	Corporate governance is based on a voluntary commitment by the company and is not legally binding. Its factual significance is therefore rather low.
Strategic Alignment requires a corporate strategy that is known and has been communicated. This must be coherent and logical in its documentation. (interview 5, position 4)	A prerequisite for Strategic Alignment is the existence of a corporate strategy that is logically and coherently documented. The strategy must be communicated.
Without the basis of a corporate strategy , every decision must be regarded as wrong. (interview 4, position 200)	Decisions outside of the corporate strategy must not be made.

The parallel running or synchronization of the parent company and the acquired subsidiary is an indicator of Strategic Alignment. No one could reliably answer whether this works. (interview 10, position 54)	Strategic Alignment = synchronization, even for a group with many independent legal entities.
Strategic Alignment does not happen through a corporate vision. This idea simply does not work. (interview 2, position 50)	Management with the corporate vision does not work. A contradiction to the prevailing opinion in the literature, but widespread in practice.
Insights from Strategic Alignment must flow back into strategy development. (interview 1, position 37)	Strategic Alignment as part of the strategy process. It is intended to provide feedback and insights for strategy development.
A minimum standard and a maximum standard for the implementation of the strategy should be defined as an indicator for Strategic Alignment. If the minimum standard is not met, this is a clear sign of misalignment. (interview 1, position 19)	A minimum and a maximum for strategy implementation must be defined. In between, the strategic Alignment is fulfilled. Below the minimum standard, it is a misalignment.
Strategy work is a continuous business or management process and Strategic Alignment is also such a process. (interview 2, position 68)	Corporate strategy is an ongoing management process. Strategic Alignment is part of this process.
One person, a chief strategist, should be responsible for the strategy process. Strategy consultants are necessary, but they do not usually handle the strategy process operationally. (interview 9, position 68, 72)	Only one person in the company should be responsible for the strategy process (= chief strategist). Should this person also be responsible for Strategic Alignment? (Point for discussion and clarification)

The Strategy Committee is a permanent institution and works out strategic issues in detail. (interview 9, position 15, 17)	The Strategy Committee as a platform for strategic work. What role should this group play in Strategic Alignment?
Strategic Alignment should refer to an alignment of the business input , one component of which is the corporate strategy. The company as an input-output model. (interview 2, position 6)	Value creation in a company is an input-output model. Strategic Alignment should ensure that resources (input) are used correctly.
Strategic Alignment can completely change the corporate culture and also the organizational structure of the company. (interview 2, position 110)	Strategic Alignment as part of the corporate culture. Strategic Alignment must flow into the corporate culture, into the organizational structure of the company.
The corporate strategy is a life concept for the company . (interview 4, position 200)	Does a corporate strategy have to describe a life plan or a life cycle? - possibly.
It is a leadership task for senior management to ensure that strategies are pursued and that everyone and everything is aligned with them. (interview 7, position 2)	Strategic Alignment = leadership task for top management. From this perspective, the topic of Strategic Alignment cannot be delegated to other people.
Since the introduction of MaRisk, banks and financial service providers must have a strategy process . However, this process only has to exist formally , e.g. organizational manual. The extent and quality of the strategy does not really matter. The alignment of business strategy and risk strategy is a particular problem for banks. Reconciliation loops are always necessary , which costs time and effort. (interview 9, position 2)	The legal requirement for banks to have a corporate strategy says nothing about the quality and factual relevance of this strategy.

	Cultural differences within the company (USA / France) can prevent cooperation and lead to strategic misalignment. (interview 10, position 12)	In international groups, the common understanding of strategy is naturally less pronounced. In these companies, it is particularly important to counteract the threat of misalignment.
Methods/ Approaches	The company's course must be constantly monitored and controlled. If you don't do this, the whole thing goes up a tree. (interview 6, position 84, 86)	Constant monitoring and control as a method for Strategic Alignment.
	Strategic leadership can only work in two ways: either by breaking down goals or by detailing action plans. (interview 2, Position 54)	Strategy implementation by breaking down objectives or detailing action plans.
	Strategic Alignment is less strategic controlling and more impact controlling. (interview 1, position 11)	Impact controlling as a method of Strategic Alignment.
	Strategy implementation is reviewed in annual surveys across all levels of the company. (interview 8, position 59)	Procedure for ensuring Strategic Alignment an annual report on all levels of the organization.
	Strategic Alignment can be measured through company-wide surveys and polls. (interview 8, position 67)	Measurement of strategic alignment via company-wide surveys and polls.
	Too little attention is paid to strategic side effects and they are not considered beneficial. (interview 15, position 45)	Side effects from the strategy are often ignored. Strategic alignment should recognize such side effects and make use of them.
	The alignment audit asks: Do you know what the corporate strategy is? - Yes or no. Do you know what	Method: Strategic Alignment Audit (Review).

the company goals are? Has your immediate superior discussed the objectives with you? (interview 8, position 70, 71)	
The quantitative model is of little help in the development of new corporate strategies. (interview 1, position 103)	Strategic planning = qualitative thinking and innovation.
A structured strategy process is needed in every company. (interview 2, position 26)	Structured strategy process as a mandatory requirement in companies.
The corporate strategy must be written down . (interview 4, position 139)	Written strategy document as part of the methodology.
The strategy document consists of PowerPoint slides. Without further detailed written or verbal explanations, slides can lead to misunderstandings or misinterpretations of the intended strategic content. (interview 7, position 54, 57)	Clarity in the strategy documentation can only be achieved with slides and an explanatory and complete text.
The strategy process does not have to include all hierarchical levels; the top three levels are sufficient (cf. example in the chemical industry). The business segments (= strategic business units) can pursue relatively autonomous and independent corporate strategies. (interview 1, position 19)	Participation in the strategy process must be limited to key management levels and selected specialists. Business units should develop their own corporate strategies.
The owners must be more involved in the strategy process and not just take note of the corporate strategy. (interview 14, position 55)	The owners must be more closely involved in the strategy process. It is not enough for the supervisory board to simply take note of the corporate strategy.

Simulation and gaming are effective methods for preparing and practicing strategy implementation. (interview 1, position 103)	Simulation and gaming can improve Strategic Alignment.
Strategy development must take place in the simulation of scenarios . It must be possible to quickly recognize patterns and similarities and draw conclusions from them. (interview 15, position 31)	Presentation and formulation of the corporate strategy as scenarios.
Methods for Strategic Alignment are objectives management and communication . (interview 2, position 4)	Objective management and communication as a method of Strategic Alignment.
The communication plan as a prerequisite for targeted and controlled corporate communication both internally and externally. (interview 3, position 8)	Systematic and planned communication of strategy content and adherence to Strategic Alignment. Within the company and externally.
The most important means of achieving Strategic Alignment is communication . (interview 8, position 150)	Strategic Alignment is not possible without communication.
Communicating the strategy is about making sense of it all and explaining it to the outside world. This sense-making is part of Strategic Alignment. (interview 10, position 170)	Giving meaning to action through communication.
Scenarios are easy to communicate and provide their own story. These remain in the listener's memory. (interview 3, position 28-30)	Scenarios as a means of communication.
A Strategic Alignment Office makes little sense because it has too little authority. Top management cannot delegate such a task	An Office for Strategic Alignment must be equipped with great competence and decision-

	downwards. (interview 2, position 70)	making power, otherwise it makes no sense.
	Change management and communication are inextricably linked. (interview 3, position 13)	As a method for achieving strategy implementation, change management usually also includes the associated communication.
	Skip-level meetings with the line manager of the respective executive are an established method. These take place for around 30 minutes each quarter. (interview 8, position 5)	The method of skip-level meetings to reduce filter effects in the reporting and decision-making processes. Not an original method for Strategic Alignment, but certainly helpful.
	If there is no data from the company, no corporate strategy can be developed. There must be a database. (interview 4, position 10)	Data and facts are the basis for strategy development. A methodological prerequisite for the strategy process in general.
	In a group company (legal entity), the group strategy is the input for strategy implementation and Strategic Alignment. (interview 5, position 177)	Special feature of a group of companies: there must be a group strategy. This is the input for Strategic Alignment.
	The corporate strategy, including the special business model, is like DNA for the Landesbanken and savings banks. (interview 11, position 30)	There is a legal and factual blueprint (DNA) for companies that must be taken into account when developing a strategy.
Corporate Requirements	One problem with corporate strategy is that the strategy is not taken seriously . (interview 14, position 62)	The importance and priority of the corporate strategy must be known to everyone in the company and must be followed at all times.
	There is a fundamental implementation gap in companies. (interview 1, position 41)	Implementation gap in corporate strategy.
	A corporate strategy must be implemented . Just holding it in your	Obligation to implement the agreed corporate strategy.

hand is not enough. (interview 10, position 52)	
A good corporate strategy is useless if it is not implemented or only poorly implemented . (interview 5, position 92)	Strategic Alignment must ensure and monitor that the corporate strategy is implemented at all and that the quality of implementation is appropriate for the company.
The acquisition of a company must be strategically aligned with the fundamental strategy of the group of institutions. This also applies to acquisitions abroad. (interview 10, position 38)	When acquiring companies, it is particularly important to ensure strategic alignment with the Group from the outset.
The validity of the strategy and its timeliness are a problem for implementation. (interview 2, position 50)	The corporate strategy is formulated in such a general (meaningless) way that it is always valid, but does not fulfill any management function.
The entire strategy work can be summarized in three questions : 1. where are we? 2. where do we want to go? and 3. how do we get there? (interview 10, position 6)	Three core questions for strategy work must be answered. (can also be seen as a method)
The work step before the actual Strategic Alignment is particularly critical: translating the corporate strategy into action plans and investment plans . (interview 1, position 3)	Critical step in the strategy process: translating the strategy into action plans and investment plans.
Communication and, in particular, strategic dialog are crucial for commitment to the corporate strategy. (interview 1, position 15)	One requirement for good Strategic Alignment is a strategy dialog to create commitment.

There is too much useless communication simply because the technical possibilities exist. (interview 15, position 55)	Communication within the company, especially on strategic topics, must always be useful and efficient.
There are three to four town hall meetings every year. Management meetings with the immediate supervisor take place every two weeks. (interview 8, position 31)	Fixed communication dates and communication formats, e.g. town hall meetings, are necessary for Strategic Alignment.
The communication of strategic innovations and changes is inadequate and consequently there is a lack of understanding among employees and managers. (interview 5, position 12, 66, 70)	Strategic changes and strategic innovations must be communicated in particular.
Regulatory requirements play a major role in the financial sector and are strongly reflected in the risk strategy. (interview 7, position 106)	Without regulatory requirements, there would still be no binding risk strategy and no overarching corporate strategy.
In a social system, things can be forbidden or prevented . These include, for example, criminal acts. Behavior that is not permitted is a misalignment. (interview 15, position 35)	Misconduct should be recognized and prevented through strategic alignment. The most blatant form of misalignment is criminal misconduct.
There should be a legal framework for such an important topic as corporate strategy. An example is the regulation for safety belts in cars, which the industry would not have complied with voluntarily. (interview 15, position 15)	Corporate law should provide (standardize) a set of rules that are mandatory. This will provide greater certainty for the capital market and investors.
Strategic Alignment should motivate employees to make a positive contribution to the develop-	Behavior in line with the strategy should motivate employees and show them that they are

ment of the company. The company must not act against its own interests (= misalignment). (interview 2, position 48)	making a positive contribution to the company's development.
Individual employees and lower management levels are only interested in how they are personally affected by the strategic changes. (interview 3, position 14)	There is little interest in and fundamental understanding of the corporate strategy among employees and lower management levels. This observation and fact must be taken into account in Strategic Alignment.
In small companies or start-ups, it sometimes works as follows: Shared Story = Corporate Strategy (interview 2, position 24)	For small companies, a strategic story or a narrated strategic scenario is often the same as the corporate strategy. This must be taken into account in methodological considerations regarding Strategic Alignment for this group of companies.
The Strategic Alignment problem begins long before the strategy is implemented , so it must be considered as early as the strategy development stage. (interview 1, position 5)	Requirement for management to provide time and resources for Strategic Alignment even during strategy development.
Only a few KPIs were derived from the strategy. In addition to the performance indicators, key figures on capitalization are decisive. The KPIs are measured on a quarterly basis. (interview 7, position 124)	The requirement for metrics such as KPIs is that they are also linked to the corporate strategy.
The strategy process must have a shorter cycle and be more dynamic, i.e. less bureaucratic. (interview 1, position 106)	The strategy process must be faster (shorter) and less bureaucratic.

Setting up the strategy process internally is too time-consuming for most companies. It is more economical to use external experience . (interview 9, position 72)	External management consultants can help to define the strategy process and establish it within the company.
The military strategy has a short planning horizon . (interview 15, position 25)	If you want to learn from military strategy work, you have to take into account that the planning horizon there is much shorter (smaller time span).
The strategy process must also take into account the sub-strategies . All strategy work in the company must be brought together in this strategy process. (interview 10, position 170)	The architecture of the different strategies in the company must be regulated in a binding manner. Below the corporate strategy, there are sub-strategies, e.g. for HR, IT, sales, research and others as required.
Strategic controlling in its current form is too complicated and difficult. It does not work . Useful methods are missing. (interview 1, position 3, 37)	Strategic controlling only works to a limited extent or not at all, because the controlling function works downwards in the hierarchy, but not upwards (e.g. towards the Management Board or Supervisory Board). Which management board would allow itself to be controlled by employees several levels below it? - This is a fundamental design flaw in strategic controlling.
Corporate development or the strategy department is pretty powerless today. (interview 2, position 72)	The requirement for Strategic Alignment is that it is endowed with competencies and decision-making power.
The corporate strategy must always be able to cope with asymmetrical situations . (interview 2, position 108)	Requirement for strategic thinking and action that is too linear: asymmetrical situations are the

	standard rather than the exception.
As CEO, you can define a strategy without having agreed it with the owners beforehand. (interview 2, position 82)	In corporate law, there must be approval and close involvement of the owners and investors, at least at the strategic level. Only if the owners are aware of the entire strategy can they exercise a veto right.
As early as the strategy development stage, the C-level must consider whether there are any free resources and capacities to implement the strategy alongside day-to-day business . Otherwise there is a risk of burnout in the entire organization. (interview 3, position 10, 22)	Requirement: When developing the strategy, the framework for implementation options must already be examined. Are the resources and skills even available in the company for strategy implementation? Can the strategy be implemented during day-to-day business?
The Management Board and the Supervisory Board are informed about the strategy at different times and usually with different documents . A joint meeting of both bodies would be necessary to ensure that the Supervisory Board members have the same information. (interview 9, position 2)	Requirement for the presentation and discussion of the strategy in the Management Board and Supervisory Board: there must be a strategy document for both bodies that is the same. One or more joint meetings of both boards should contribute to a common understanding of the corporate strategy.
The corporate strategy must be balanced in terms of the owners' objectives for returns and long-term development. Goals that work against the business model lead to misalignment . (interview 14, position 32, 36)	Strategic Alignment must recognize and eliminate one-sidedness, e.g. for short-term action. Goals that contradict the strategy must be recognized and eliminated at the Strategic Alignment level.
Communication about strategy with the owners takes place at so-called Investors Days , usually in	Capital market-based companies must communicate with investors and rating agencies on

	September of the year. (interview 7, position 26)	fixed dates. The topic of Strategic Alignment should also be addressed there.
	Self-discipline and consistency are very important qualities for top management. (interview 4, position 131 - 132)	Requirements for top management and also for strategy work: self-discipline and consistency.
	Psychological findings such as procrastination are obvious, but are not actively eliminated. (interview 6, position 84)	The latest findings from the sciences, such as psychology, must be used to implement the strategy. This has long been common practice in change management.
	In the first quarter of each year , the company decides what the strategies are. Goals are formulated (called goal setting) and broken down to the lowest levels (individual goals). (interview 8, position 87)	Fixed deadlines and a fixed sequence (process) of work for updating, revising or reformulating the corporate strategy. The process begins with target planning.
	There is a lack of qualification for strategic corporate planning in the risk management department and also in controlling . (interview 9, position 4)	The requirement is that the right qualifications must be available for strategy work and Strategic Alignment.
Trends	Exaggerated shareholder value thinking is wrong. Many shareholders want to realize short-term earnings and profits and, in the case of listed companies, share price gains. This is not in line with the systematic strategic development of companies. (interview 1, position 17)	The trend of giving in to the interests of shareholders for short-term profits is detrimental to the long-term existence of the company (fundamental conflict of interest).
	Top management must develop a dynamic image of the future of the company and its environment.	The strategy must adapt dynamically to changes in circumstances. A rigid picture of the

This can be described as a dynamic strategy . (interview 2, position 6)	future is not a good corporate strategy.
Industry and SMEs are in a far worse strategic position than the financial sector, where there are minimum requirements for strategy. (interview 9, position 2)	The greatest deficits in terms of corporate strategy exist in industrial companies and small and medium-sized enterprises.
In the USA, people are probably a little more willing to take risks than in Europe. In Europe, there is a tendency to micromanage more. (interview 8, position 140)	The willingness to take risks depends on the regional culture. There is a trend to solve every problem through micromanagement. This only makes limited sense in Strategic Alignment.
For international groups, standards such as uniform business processes or concepts such as a shared service center are required. (interview 5, position 14, 28)	Common standards for strategy work are required in international companies. This should also include the planning processes and the associated concepts.
Mission statements and visions always sound so grandiose and are therefore often untrustworthy. (interview 5, position 234)	The credibility of companies and their top managers must be protected. Empty promises, as can often be read from mission statements or visions, are damaging.
The company can be in crisis and go under, but the employees still feel good and nothing changes. (interview 6, position 8)	The trend of presenting everything in a positive light, even during a corporate crisis, does not correspond to the facts and the truth. This can prevent necessary strategic adjustments from being made quickly.
The company was successful in switching to virtual working and working from home at the start of the pandemic. An emergency exercise a few weeks earlier had	Good strategy work also provides for worst-case scenarios, such as the pandemic, and pre-

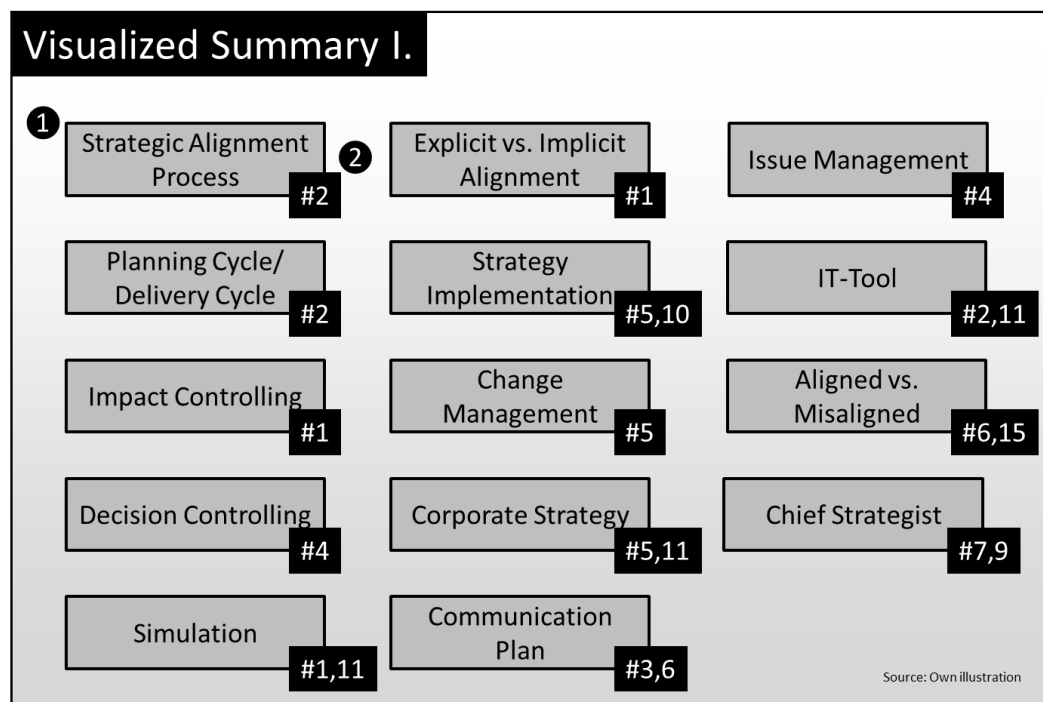
	successfully practiced a similar case with the majority of employees. Such a scenario had already been worked out in the company's risk strategy. (interview 7, position 70, 72)	pares for them through emergency exercises or simulations, for example.
	Every supervisory board is obliged to set up an audit committee. There does not have to be a committee for corporate strategy and risk strategy and therefore no permanent involvement with the topic. (interview 9, position 46)	There must be a Corporate Strategy Committee at Supervisory Board level. The meetings of the Supervisory Board, which are usually only held quarterly, are not sufficient for the complexity of the topic of corporate strategy.
	A distinction between strategy and tactics within the company is desirable. The easiest way to determine the definition of strategy is to distinguish it from tactics. (interview 10, position 44, 46)	A clear distinction should be made between strategic issues and tactical measures (non-operational planning) at the corporate strategy level.
	Brain research opens up new paths in leadership and communication. This has not yet been investigated in relation to strategic leadership. (interview 15, position 48)	Scientific findings from the neurosciences, for example, will lead to changes in communication and new ways of managing employees.
Was the interview useful in answering the research question / DoI?	Yes.	

Methodological note. When creating this table, the content was sorted so that emerging groups of topics can be identified. Assignment to the questions, such as "Definition Strategic Alignment", "Methods/Approaches", was partially changed because some content can relate to several of these aspects.

CONCLUSION: At this point in the research, a comparison must be made to determine whether the objectives of the research project, i.e. whether the Domain of Interest (DoI) has been thoroughly researched. The comparison is shown in the form of the above table. This table lists the individual aspects of the research topic Strategic Alignment, e.g. definition of Strategic Alignment, and shows which results come from the primary research and how these results will be incorporated into the next work phases, in particular the development of theory. This table is a central work deliverable for further work. The findings from the primary research are so extensive that there is sufficient material for further work. The DoI has thus been sufficiently researched and analyzed.

4.3.2. Summarized Visualization of Interview Results

The documentation of the qualitative research on Strategic Alignment in the form of research interviews also includes a graphical representation of the most important findings for each interview, which will be incorporated into further scientific work. From the visualized representations of the individual interviews, the **building blocks** relevant for modeling a theory or a scientific method are listed in this chapter **without their relationships**. A presentation of the dependencies would increase the complexity at this point to such an extent that the work would already enter the modeling phase. Existing relationships as well as possible relationships and dependencies would have to be considered and discussed. This is done at a later stage in the dissertation in the **theory building phase**.

**Figure 53**Content blocks from the interviews I.³³⁰

In addition to the **content blocks** or **topic packages** ①, the references to the respective interview or interviews are named as the source (e.g. # 3 for the third interview of the research paper) ②. These are the content segments, as they can be used, for example, to design the theory on the whiteboard. A specific order or logic between these segments has yet to be worked out by the researcher.

³³⁰ Own illustration, Schmude (2024).

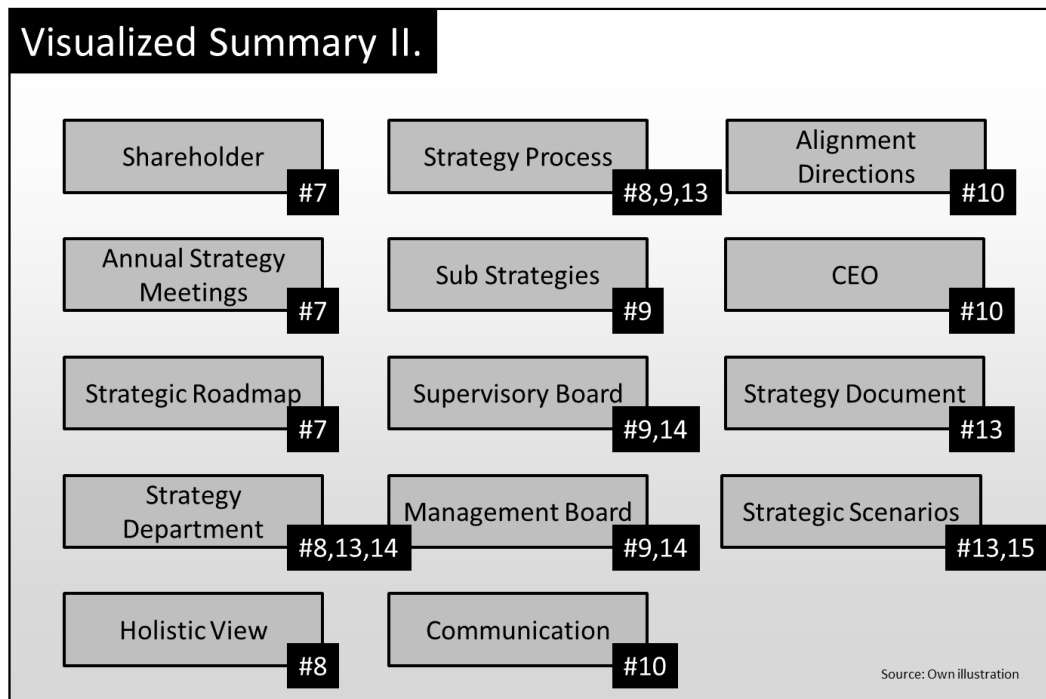


Figure 54
Content blocks from the interviews II.³³¹

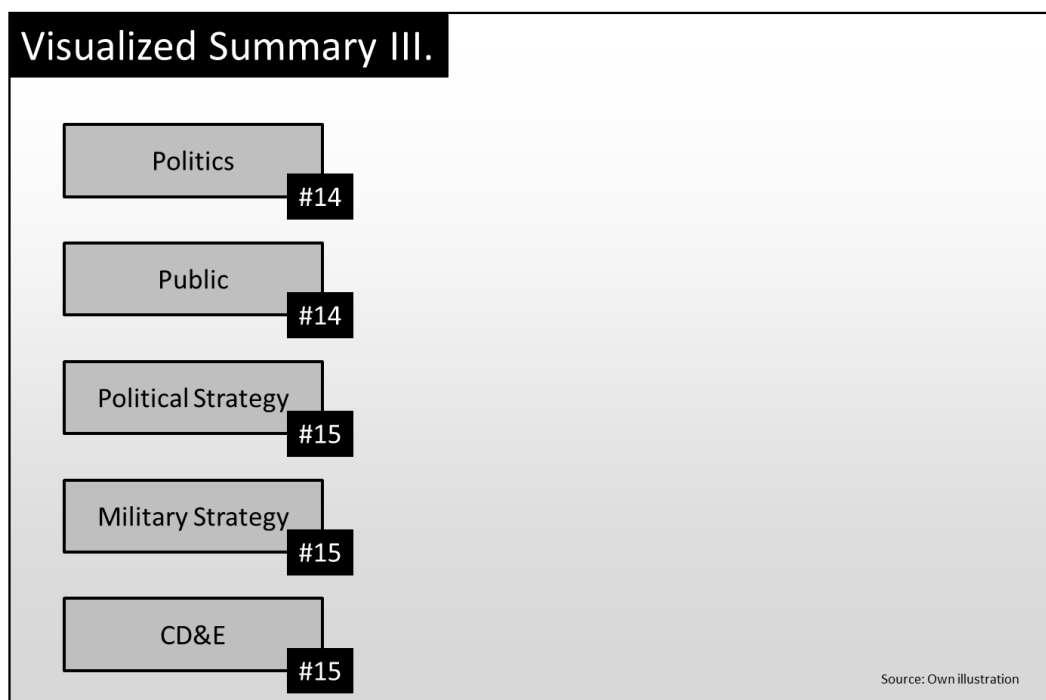


Figure 55
Content blocks from the interviews III.

³³¹ Own illustration, Schmude (2024).

This is a selection of building blocks for the modeling of a theory in the further research work. It is therefore a **subjective selection by the researcher** based on the knowledge gained so far and the processed knowledge. Part of the processed knowledge is contained in the descriptions and definitions of the codebook. Therefore, the next section of the dissertation presents the work result 'Codebook' (→ 4.4 Codebook of the Research Project, cf. page 294). These building blocks, which are recognized as important, still need to be scrutinized and tested for their significance for the research objective. Also, a filtering according to relevance and significance for the Strategic Alignment Theory has not yet been carried out at this stage of the research.

CONCLUSION: Strategic Alignment is a task for top management and the supervisory board.

The seemingly sudden and unexpected occurrence of misalignment can be explained, at least in part, by emergence. Important components for Strategic Alignment in business practice are a Strategic Alignment process and an independent function or position with this task. Contradictions to existing knowledge can only be answered to a limited extent because research on the topic of Strategic Alignment, as conducted here, is still in its infancy and groundwork needs to be laid.

4.3.3. Contribution to Knowledge Creation in the Area of Strategic Alignment

From the perspective of the researcher and with his specific level of knowledge at the time of the project documentation in the form of this dissertation, the knowledge generated in scientific research has been **systematized** and **classified** here for the reader. **Three categories are used:**

1. newly generated knowledge in the present research,
2. previous knowledge (quasi a confirmation) and
3. knowledge from primary research in contradiction to the known prevailing opinion.

Processing note: The following list is not complete and only highlights the most obvious examples. The reason for this lies in the necessary restriction of research by the researcher to the most obvious and clear-cut results.

Table 53

Generating knowledge in the current research

Category of knowledge	Contribution from Research	Notes
Newly generated knowledge	Strategic Alignment must be able to deal with the phenomenon of emergence .	The term emergence was not actively used by the interviewees (presumably unknown or not in their active vocabulary), but situations and cases of sudden reversals in a development that was thought to be safe were described. Misalignment is closely related to the phenomenon of emergence. Emergence research is a relatively new field and may in the future provide insights into why strategy implementation regularly fails or does not proceed as planned. → Figure 15 Example of emergent processes, cf. page 79. Disruptive events, such as pandemics or war, are one of the most important causes of emergence. → Figure 14 Disruption leads to emergent strategies, cf. page 75.
	Strategic Alignment can be explicit or implicit .	This research does not allow us to assess whether explicit or implicit Strategic Alignment is better or worse. This depends on the individual case.

		→ Figure 36 Implicit and explicit alignment forces, cf. page 159.
	Strategic Alignment is an independent function in strategic governance.	This function is being developed and described as a separate function and given the new designation Strategic Alignment Officer (SAO). → 5.5 Outline of an Extended Strategic Alignment Model, cf. page 465.
	Strategic Alignment requires a separate sub-process within or alongside an organization's general strategy process.	A draft for an independent strategic alignment process was developed as part of this research and is presented and visualized as a flowchart. → X. Strategic Alignment Process Model (SAPM), cf. page 791.
Confirmation of knowledge	A defined strategy process is a prerequisite for a consistent and coherent corporate strategy.	The strategy process is referred to at various points in this research paper. The strategy work in the company is a regular or rotational planning and management process. → Figure 63 Corporate annual planning cycle, cf. page 367. → Figure 64 Top-down and bottom-up strategic planning, cf. page 368. → IX. Generic Strategy Process, cf. page 783. Please look up the term in the index for further information.

	The term “Strategic Alignment” is understood in management, but as a technical term it is still too vague for regular use.	In the interviews, each of the interview participants understood the term without extensive explanations, although most of the interviews were conducted in German and there is no equivalent term in German. For the interview partner from the USA, the term was immediately familiar, even though he categorized it as a vaguely defined term of management language. → Figure 2 Conceptual meaning of Strategic Alignment, cf. page 24. → Figure 33 Aspects of Strategic Alignment, cf. page 141.
	Short-term thinking and action often dominates management decisions, even though a corporate strategy exists.	At various points in the interviews, it became clear that a carefully crafted corporate strategy is repeatedly deviated from without plausible reasons that would stand up to objective scrutiny by third parties. Often, sudden profit opportunities or possibilities lead to a compulsion to decide against good reasons and the rationally developed strategy. → Figure 59 Strategic corporate development versus opportunity hunting, cf. page 337.
Contradiction to existing knowledge	Balanced scorecards are too backward-looking and can therefore	The majority view in the interviews was that the very wide-

	only be used to a very limited extent for strategy implementation. Often too complicated in structure.	spread BSC is a widespread instrument, but that it has fundamental weaknesses for a number of reasons. The weaknesses are that too many and irrelevant aspects are measured, the provision of data ties up too much time and resources, and it is always a backward-looking control that works with data that is often many months old. → 4.6.4 Strategic Alignment Tools and other Alignment Approaches, cf. page 345.
	The vision is of little use to top management for Strategic Alignment because it is formulated in too general and promotional a way.	The corporate vision is often only a catchphrase-like sentence that is supposed to trigger motivation and always has something of idea marketing. Therefore, the meaningfulness of formulating such a corporate vision was derived from the interviews. This can be found in the interview documentation as well as in the coding. → 4.4.2 Codebook after Analysis, cf. page 296.

CONCLUSION: Strategic Alignment is a task for top management and the supervisory board.

The seemingly sudden and unexpected occurrence of misalignment can be explained, at least in part, by emergence. Important components for Strategic Alignment in business practice are a Strategic Alignment process and an independent function or position with this task. Contradictions to existing knowledge can only be answered to a limited extent because research on the topic of Strategic Alignment, as conducted here, is still in its infancy and groundwork needs to be laid.

4.4. CODEBOOK OF THE RESEARCH PROJECT

The so-called codebook lists the codes identified by the researcher with a brief description or definition. The content of the entire research work up to this point in the analysis is thus condensed and presented in a linguistically and factually uniform form. The results of the research for further work are thus secured by the researcher and documented in conjunction with the researcher's prior knowledge. The **codebook** represents a **collection of material for the theory-building phase**. To clarify: from this point on in the dissertation, we no longer work with the results from the individual interviews and their analysis, but with the **generalized knowledge** on an **abstract level**. The codebook (→ chapter 4.4.2 Codebook after Analysis, cf. page 296) itself is a result of work on this abstract scientific level, which already prepares the later theory formation.

4.4.1. Procedure for Drawing up the Codebook

The codebook is created by the researcher in parallel to the research interviews and their successive evaluation in MAXQDA. The researcher formulates the names for the **codes** and **sub-codes** in his own words. Furthermore, the researcher develops a description for each code, which arises from the research work. The collection of **all codes** with their **associated description** or **definition** is referred to as a codebook. The contents of the codebook are a central research result because this knowledge is used to continue further work. Working definitions and open questions about the codes can also be noted here.

The code names the content segments or building blocks. Coding refers to so-called '**segments**': these can be transcribed interviews as in this research, but also presentation slides, charts or screen-shots. Grounded Theory also allows for the analysis of audio-only files (without prior transcription) or the coding of television reports or video recordings. Note: This shows the openness of the research approach, even if it was only partially used in this project.

Rough coding of relevant content by color. MAXQDA allows for an **initial coding by color**. Here, content with a certain proximity can be assigned to a color. If the researcher is working on a field that is completely unknown to him, this can be helpful where no terms exist at this point. In this research project, this was done for the first interviews and then labels were

assigned to the codes. The advantage is that potentially misleading designations are not yet used, which would have to be corrected all too frequently later.

Revise the coding/recoding. In this context it must be mentioned that often many small intermediate steps are necessary, but that these are not mentioned for the sake of clarity. Likewise, not all considerations of the researcher can be disclosed, which often also represented a certain weighing. It is a question of time and work resources how often loops are run through, for example, and whether the researcher expects an improvement or correction.

The coding as part of the research process. This **code structure** grows over the course of the research project. It is not necessary to adhere to an outline structure. The idea of the strategy process has prevailed here: from the strategic goals (owner goals), the initial situation and the influencing factors, to strategy development and strategy implementation with Strategic Alignment.

Draft of the code structure arises during coding. The code structure is a result of the researcher's work. This is not a generally understandable or publishable version, but an intermediate state. For example, the question arises as to whether individual codes should be combined later or whether they would be better standing alone. A linguistic adjustment or correction of a code is possible as long as the same content can still be subsumed under this term. Caution is required here.

The code system is an individual result. At the beginning of coding, the question of how many codes can be formed and how these codes relate to each other is open. Recognizably independent codes are at the top level of the structure. Partial aspects or subcategories are then drawn to a lower level. This depends partly on the respective working technique and also on the individual point of view. It is not about a perfect outline or a particularly intellectually attractive conception, but about real work results.

Focusing on the DoI Strategic Alignment. When coding, only aspects related to Strategic Alignment were considered. It should be noted that **there is no consistent understanding and no valid definition of the term Strategic Alignment**. That is why, for example, some interview partners understood Strategic Alignment as encompassing commitment to strategic

goals. However, the researcher of this thesis sees strategic goals as an input for strategy development, meaning this is of secondary importance only.

4.4.2. Codebook after Analysis

As a codebook, all notes for the individual codes are presented below in short-description form. These definitions and descriptions are made from the perspective of the researcher, who gradually expands and details these descriptions during the research work. There is no claim to completeness or scientific accuracy. The contents noted in the research software during the research work are reproduced here and presented in an understandable form for the reader:

Code 1. Strategic goals

The company's goals at the highest level. These are usually the owner's goals or so-called **owner-driven overall goals** (= eigentümergeprägte Oberziele).

In some companies, the concept of vision or, more precisely, **corporate vision**, is widely shunned. The reason for this is that a vision is not sufficiently tangible and results obtained working from a vision are often exaggerated and unrealistic. There is still the term **metastrategy** (= vision), but it is also used with a different meaning. Political intentions or expected legislation have an effect on the corporate strategy, but on a meta-level.

The idea of shareholder value can also be a fundamental goal. The consequence is that an increase in share price and company value are pursued. The question is whether some board members do not fundamentally see Strategic Alignment as being tied to shareholder value.

Code 2. Disruption and pandemic

Disruptive events stand in the way of implementing the strategy as planned, these include the financial crisis, the Covid-19 pandemic, and international conflicts and wars.

Code 3. Market and competition

The market with customers and other suppliers (competitors) is the concrete environment for strategy implementation. At least for market-side strategies.

Code 3.1 Market and customer strategy

Specific content on market and customer strategy, which is often also closely linked to sales strategy.

Code 4. Remediation strategy

This concerns reorganization outside of insolvency law, which in the majority of cases in Germany amounts to liquidation of the company. In several interviews, the interviewees had their own experience with reorganization projects. For Strategic Alignment, it is a secondary aspect, but because of the examples from the interviews, it is listed as a separate code. Reorganization and turnaround usually take place under extreme time pressure and the usual care required for strategy development and strategy implementation is often neglected.

Code 5. Organizational strategy

A sub-aspect of corporate strategy related to organizational design and development. It can therefore be an independent sub-strategy or only a section of the overall strategy.

In some cases, this also includes the content of the HR strategy.

Code 6. Cost strategy

It is questionable whether there is a cost strategy, or whether cost reduction is always something operational. Just as there is a quality strategy or also a risk strategy, in principle a cost strategy can exist in terms of the word. Long-term and partly also short-term cost reduction are ways to achieve the profit targets. For the interview partners it was an important aspect, therefore a separate code was defined.

Code 7. Personnel activities

At first, this code was called HR strategy, but the contents were more related to concrete personnel actions such as education on strategy, training, etc., which is necessary for managers and employees to understand strategy.

Code 8. Political/diplomatic strategy

The fact that both strategic thinking and the term itself originated in the political and military spheres are well known. Strategy is word that is often misused because it is lightly applied to any long-term and important idea. For no reason, it is used to valorize concepts that would otherwise receive no attention in everyday political or economic life.

Another aspect is that large companies are always closely linked to the politics of the country or the state as a whole. Thus, there are reciprocal references here. An example to illustrate this dependency is the

scrapping premium for old cars that are no longer environmentally friendly. In the financial crisis of 2008/09, this was a financial rescue for the ailing automotive industry. At the time, the proposal came directly from the Volkswagen Board of Management to the Chancellor's Office.

Code 9. Military strategy

Not only does the word strategy come from the military and originally from the ancient Greece, but in warfare these strategic considerations have time and gain been tested and applied in wars. Clausewitz as a theorist is known worldwide. His work is still read and taught in the military field today.

The fight for market shares and customers as well as camouflage and deception towards the competition are common behaviors of modern companies.

Corporate strategy is not a genuine invention of business administration. To this day, executives with military training and the rank of officer are often appointed to management positions in companies.

Code 10. Disruptive strategy

A strategy for disruptive events cannot actually exist. There can be strategies that take disruptive situations or scenarios into account and find a strategic solution to them.

However, some interview partners had the idea that there must be a separate strategy or strategy paper for the case of disruptive events. In short, a disruptive strategy. (Note: Perhaps the disruptive events in the

future are just a scenario that the corporate strategy must be prepared for in principle).

Code 11. Strategy process

The strategy process is a business process with a defined sequence and clearly defined workflows and associated processes plus methods.

A planning process that is run through the company on a regular basis and/or when certain conditions occur.

This strategy process is usually the responsibility of Corporate Development or the Strategy Department. In smaller companies, another unit such as Controlling or Finance may also be responsible for it, although there are always conflicts as regards the actual tasks of these units.

Such a strategy process consists of process sections and process steps, as well as associated work instructions and workflows.

In the sequence of codes, the codes directly related to Strategic Alignment are worked with first.

Subcode 11.1 Strategic management

Strategic management can be incorporated into the strategy process as an intellectual and conceptual foundation. However, it can also be understood as an independent management concept. The practitioner in the company will not use a clear-cut definition here, but will stretch the meaning of the term from the im-

plementation of the strategy (i.e., managing the strategy) to the long-term nature of the company's own development.

Subcode 11.2 Strategic controlling

In strategic controlling, there is often already a dispute as to whether it is a topic of controlling or of corporate development. The word contains 'controlling' and thus the area of controlling claims it for itself. However, this is usually the responsibility of the CFO and not, as with strategic topics, the CEO.

Strategic controlling is a sub-area of the general controlling and therefore also subject to the general understanding of controlling. The connection and differentiation between Strategic Alignment and strategic controlling must be worked out for the future. Strategic controlling often emphasizes special orientations, such as strategic action controlling or strategic assumption controlling.

Subcode 11.3 Change Management

Change management is still a concept in companies and has stood for the transformation or transition of companies since the 1990s. Mostly it is about moving away from overly time-consuming and complex business processes to lean and agile structures and business processes. Change management is a very broad term and from business process optimization to cultural changes and training, it is understood to mean almost everything that makes up organizational development and HR development.

Change management was important to some interview partners and they see it as a way to dynamically align the organization with the strategy.

Assessment: Change management is only indirectly related to Strategic Alignment and is part of the entire OD&D topic complex.

Subcode 11.4 Strategy implementation

Strategy implementation comprises all activities to implement a strategy. It is a stage in the cyclical strategy process. Strategic Alignment plays a prominent role here.

Subcode 11.5 Strategy development

In the development of corporate strategy, considerations regarding Strategic Alignment generally play no role.

Based on analyses and facts, a strategy is developed that promises to be successful. The work of strategy development can be done within the company or by external strategy consultants. The result is a written strategy or a set of slides on the strategy.

Often, a strategy is only worked out in outline and is only understandable to an uninvolved third party to a limited extent. This can lead to gaps in the strategy and also to misunderstandings regarding the intended content of the strategy. Strategy does not mean what is published in annual reports or other publications—these are at best selected contents of the actual strategy. The business strategy as a whole is

confidential and fully accessible only to a small group of people.

Subcode 11.6 Strategic analysis/diagnosis

A strategic diagnosis/assessment or audit is not commonly known. It is often part of so-called bottom-up planning, where data, facts and analyses are collected from the organization. In many companies, due to time constraints and the lack of human resources, this theoretically highly valued bottom-up planning is often just a chore for middle and lower management because its benefits for top management are not understood. Questionnaires and interviews can be used to assess the state of strategy work. Thus, a strategic assessment is basically a very suitable means for a strategic alignment, because deviations in the understanding of strategy and in the implementation of strategy can be detected.

Code 12 Strategy as input for the alignment process

The strategy as a formulated strategy paper, strategy book or as a slide presentation is usually the basis for strategy implementation. The management board must decide on the strategy and usually also inform the supervisory board.

Strategy implementation involves other and larger parts of the organization. The input for strategy implementation is the strategy in the respective quality and with the corresponding level of detail. From the helicopter perspective of the management board, the presentation may be sufficient and unambiguous, but for people without the corresponding prior

knowledge of all internal company references, gaps can easily open up.

Code 13 M&A

Mergers and acquisitions (M&A) can be one path in the implementation or can include a dedicated M&A strategy. Global companies think in terms of a portfolio of shareholdings. Depending on, for example, stock market value or **strategic realignment**, this portfolio is expanded through acquisitions or also purged through sales. There are companies that do not conduct their own research and instead buy innovative and promising companies. The M&A business can also include patents and licenses.

Code 14 Faulty strategy

A developed strategy may have gaps in its content. These can be planned gaps or also unplanned gaps. A planned gap leaves the management board more scope for decision-making at a later stage and may therefore be intentional. An **unplanned gap** is a situation that should be strategically defined and planned because it is essential for further development. As in other humanities and especially in law, gaps can only be closed by interpretation. Since the strategy is a central document for corporate management, one will fall back on the legally proven methods of interpretation (in particular literal sense, meaning and purpose, i.e., teleological interpretation). These methods must be used when the strategy has become the subject of a legal dispute, at the very latest.

Code 15 Strategic Alignment

This is the core of the research work and here lies the domain of interest (DoI).

Strategic Alignment is the binding of all entrepreneurial actions to the corporate strategy. This includes the understanding that corporate strategy is the most important document in the hierarchy of planning. All other strategic planning (sub-strategies, functional area strategy) and operational planning is located below the business strategy.

Subcode 15.1 Alignment responsibility

Which organizational unit and which office should be specifically tasked with Strategic Alignment? If it is a general task that cannot be assigned to anyone, it will presumably not be exercised. One possibility would be to assign alignment responsibility to the strategy department, which is usually directly linked to the CEO. The disadvantage is that there is no separation between strategy development and Strategic Alignment.

Subcode 15.2 Tools and methods for alignment

Methods, concepts, procedures and tools that enable and improve Strategic Alignment are central aspects in the present research work. This also concerns conceivable methods or procedures to be applied analogously.

Subcode 15.3 Alignment indicator

For the unambiguous distinction between aligned and misaligned there could be an indicator or a set of indicators. It is more likely that this is a decision, similar to an independent judicial decision, which then has to be taken note of by the Executive Board and Supervisory Board.

Subcode 15.4 Definition of Strategic Alignment

A generally valid definition of Strategic Alignment does not yet exist. If a contribution can be made here to clarify the term, this alone would represent significant progress in Strategic Alignment research. Perhaps only components of a definition can be presented or even conflicting definition approaches.

Code 16 Implementation quality of the strategy

The quality of strategy implementation can vary greatly due to lack of time, procrastination (Strategic backlog) or other interferences.

Code 17 Faulty alignment/misalignment

As a complement to the misaligned strategy, the term misaligned implementation is deliberately used here.

Wrong paths may have been taken in the implementation, in terms of the speed of implementation or also the scope of the work required.

Code 18 Regulation and law

There is no legal obligation to act strategically in a sustainable manner, either in Germany or in Europe. If a legal framework were to be created, as is the case for accounting or financial reporting, Strategic Alignment would inevitably improve.

Code 19 IT Strategic Alignment

There is a model for IT alignment in the literature that has been used again and again for decades. It is about aligning IT and the company, in essence a kind of adjustment or adaptation process. In terms of Strategic Alignment, IT alignment is only one aspect and is very closely linked to organizational strategy and organizational alignment.

Code 20 Strategy communication

The communicative transfer of strategic content is the bridge between strategy development and strategy implementation. In the mostly verbal communication with different target groups lies a major success factor for good alignment and comprehensive strategy implementation.

Subcode 20.1 Communication owner

Informing and involving the owners is particularly critical, because they have more or less concrete ideas about the development of the company. In the case of family-owned companies, this can be an owning family or, in the case of publicly held companies, a major

shareholder or a group of shareholders (and rating agencies). The dialog in the supervisory board plays a special role here.

Subcode 20.2 Communication group

Information within one's own group organization is probably the most important communication thread for Strategic Alignment. The aim is to involve independent companies. Often, the direct right of management does not apply here, but the board of management working there can act relatively independently. Such investments can often only be resolved strategically through personnel decisions (new staffing) by the management board or the management of the legal entity.

Subcode 20.3 Communication staff representation/works council

Involving employee representatives is common practice at large companies, because no realignment of the company or major strategic change can be implemented against the will of the employees.

Subcode 20.4 Understanding of strategy

Strategy dialogues and other event formats can help to bring the strategy to life and thus promote implementation. Everyone in the company should have a general understanding of the strategic direction. Graduated by hierarchy level and function, more content can also be shared with individuals.

Subcode 20.5 Informal communication

Informal communication about strategy between divisions or between individual companies can be beneficial. On the other hand, critical voices or negative rumors can also lead to misalignment.

Subcode 20.6 Management meeting with employees

Events for all employees such as town-hall meetings held live or virtually are a common format. This can be supplemented by internal videos or business TV in the company.

Processing note: The codes and subcodes are described as notes in the program MAXQDA during coding. These notes were then revised into a code description.

CONCLUSION: The codebook with the associated code definitions is on the one hand a tool in the analysis work, but also a result with which further work is done. The codes relevant for the Strategic Alignment could be worked out and there is a direct reference to the qualitative interview research via references to the contents or segments. The codes and the explanations in the codebook provide the raw material for later theory building.

4.4.3. Report of the Coded Segments

The '**Report of coded segments**' is a list of coded segments. For clarification: these no longer have to be texts, but can be images, movies or other data that are designated as a segment. In this research, the coded segments report is over 230 pages long and is a tool for the researcher. Only selected quotes from this are included in the thesis of the research (→ I. Coded Segments exported from MAXQDA, see page 517).

This tabular representation is called a code system (export form MAXQDA):

Table 54

Code system after coding (analysis)

Code color	Number, Code name	Number of segments
	1 Strategic goals	53
	2 Disruption and pandemic	10
	3 Market and competition	24
	3.1 Market and customer strategy	16
	4 Corporate restructuring strategy	34
	5 Organizational strategy	47
	6 Cost strategy	2
	7 Personnel activities	17
	8 Political/Diplomatic strategy	2
	9 Military strategy	11
	10 Disruptive strategy	19
	11 Strategy process	81
	11.1 Strategic management	9
	11.2 Strategic controlling	10
	11.3 Change Management	36
	11.4 Strategy implementation	27
	11.5 Strategy development	20
	11.6 Strategic analysis/diagnosis	30
	12 Strategy as input for the alignment process	29
	13 M&A	25

	14 Faulty strategy	21
	15 Strategic Alignment	24
	15.1 Alignment responsibility	5
	15.2 Tools and methods for alignment	79
	15.3 Alignment indicator	49
	15.4 Definition Strategic Alignment	49
	16 Implementation quality of the strategy	27
	17 Faulty alignment/misalignment	40
	18 Regulations and laws	28
	19 IT Strategic Alignment	10
	20 Strategy communication	31
	20.1 Communication owner	30
	20.2 Communication Group	54
	20.3 Communication Staff Representation/Works Council	3
	20.4 Understanding of strategy	15
	20.5 Informal communication	14
	20.6 Management meeting with employees	53

In some cases, MAXQDA Code Memos, which represent research notes, were also stored. These are listed here for the sake of completeness:

- **Code memo according to code 4 'Corporate restructuring strategy':** Restructuring outside insolvency law
This can also mean the takeover or absorption of a threatened company.

- **Code memo according to code 11.2 'Strategic Controlling':** Part of controlling and therefore also subject to the general understanding of controlling. Support for management, particularly with regard to strategic management (or strategic corporate management).
- **Code Memo according to code 15.2 'Tools and methods for alignment':** Tools and aids (methods, procedures, etc.) for strategic alignment and strategy implementation.

The preliminary consideration in coding was as follows: this is a type of Strategic Alignment process that has an **input**, a **processing**, and some type of **output**. This means that three colors were started with and then codes that did not fit properly into this scheme were given their own color code:

- Input for the Strategic Alignment 
- The Strategic Alignment itself (processing) 
- Output and results from the Strategic Alignment 

Communication initially belonged to the green color range, i.e. to processing. The importance was emphasized and clear in all interviews. Since strategy communication is important for all aspects of strategic alignment, it became a separate code group:

- Strategy communication 

Explanations and descriptions result in the codebook. The explanation of each code, and also the reasoning and possible history of how each code came to be is called a **codebook**. In Grounded Theory, a researcher can begin research without prior knowledge. In such cases, the coding needs to be revised several times and the terms also have to be derived or searched for first. If the researcher has appropriate prior knowledge, for example from other research projects or from his own professional experience, the work of coding can be facilitated and shortened.

The object of research as a process. This **code structure** grows over the course of the research project. It is not necessary to adhere to an outline structure. The idea of the strategy

process has prevailed here: from the strategic goals (owner goals), the initial situation and the influencing factors, to strategy development and strategy implementation with strategic alignment.

Draft of the code structure arises during coding. The code structure is a result of the researcher's work. This is not a generally understandable or publishable version, but an intermediate state. For example, the question arises as to whether **individual codes** should be combined later or whether they would be better standing alone. A linguistic adjustment or correction of a code is possible as long as the same content can still be subsumed under this term. Caution is required here.

The code system is an individual result. At the beginning of coding, the question of how many codes can be formed and how these codes relate to each other is open. Recognizably independent codes are at the top level of the structure. Partial aspects or subcategories are then drawn to a lower level. This depends partly on the respective working technique and also on the individual point of view. It is not about a perfect outline or a particularly intellectually attractive conception, but about real work results.

Focusing on the DoI Strategic Alignment. When coding, only aspects related to Strategic Alignment were considered. It should be noted that **there is no consistent understanding and no valid definition of the term Strategic Alignment**. That is why, for example, some interview partners understood Strategic Alignment as encompassing commitment to strategic goals. However, the researcher of this thesis sees strategic goals as an input for strategy development, meaning this is of secondary importance only.

The output of the analysis with MAXQDA is the report of the coded segments. The 'Report of coded segments' is a list of coded segments. For clarification: these no longer have to be texts, but can be images, movies or other data that are designated as a segment. In this research, the coded segments report is over 230 pages long and is **a tool for the researcher**. Only selected quotes from this are included in the thesis of the research.

CONCLUSION: The codebook with the associated code definitions is on the one hand a tool in the analysis work, but also a result with which further work is done. The codes relevant for the Strategic Alignment could be worked out and there is a direct reference to

the qualitative interview research via references to the contents or segments. The codes and the explanations in the codebook provide the raw material for later theory building.

4.5. EVALUATION PRIMARY RESEARCH

At this point in the research, the most important results in relation to the DOI, i.e. the question “What is Strategic Alignment and how can it be improved?” are summarized for further work.

Working definition of Strategic Alignment. Here is an initial general definition and description of Strategic Alignment as an interim result, as it has emerged in the course of the research to date:

Corporate strategy as an **ideal line for the company's journey into the future**. Corporate action closely coupled with the ideal line is a **good Strategic Alignment**. The opposite of this is a **misalignment**.

From primary research to secondary sources. For further analysis and **enrichment by external knowledge**, e.g. literature or other sources, it is necessary to select the **codes** (= categories) relevant for further research and to place them in context with their mode of action. One possibility is a tabular summary of the relevant codes. The final definition of strategic alignment for this research can be found at the end of the dissertation (→ 7. Summary, cf. page 479).

Analytical work with developed codes and the associated segments. The segments coded with the **code ‘Tools and instruments for Strategic Alignment’** are used for this analytical evaluation because they are of central importance for the subsequent theory development in the sense of Grounded Theory for this research. The segments for all interviews belonging to this code are shown in the appendix and should make it easier for the reader to follow the results (→ II. Coded Segments by topic (filtered), cf. page 681689).

Table 55

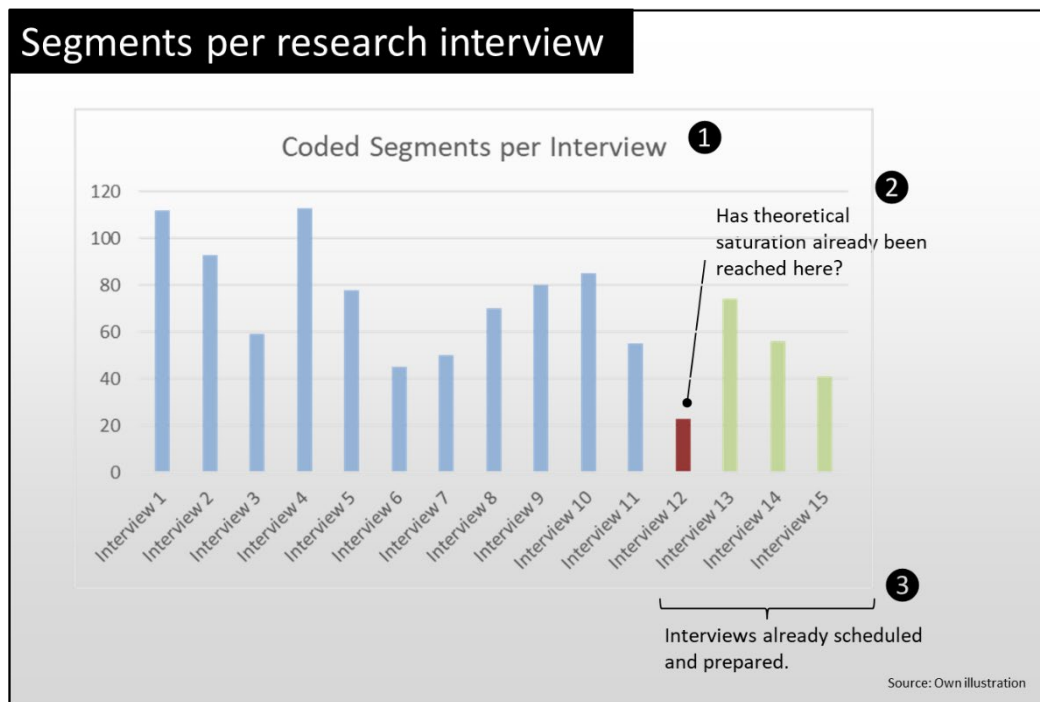
Matrix for explanatory paradigm

	Code (Category)	“Tools and instruments for Strategic Alignment”
(from) Perspective		▪ External Consultants ▪ Top-Management ▪ Middle Management ▪ Corporate Development ▪ Strategy Office
(attributes) Dimensions-Properties		▪ Strategic Alignment met or not met. ▪ Available tools and methods as a starting point. ▪ Scale or unit of measurement for Strategic Alignment. ▪ Generally valid instruments or company-specific tools or measurement systems.
(in) Context (under) Condition		▪ Results of strategy implementation. ▪ As part of the strategy process or a sub-process. ▪ Person responsible for Strategic Alignment.
Action /Process with		▪ Business process for strategy implementation. ▪ Reporting processes.

		▪ Decisions at board level (decision-making process). ▪ Implementation projects (project and program management).
Consequence		▪ Instead of making a case-by-case decision on Strategic Alignment, a better comparability can be established. ▪ A tool can be sold as a consulting product. ▪ A tool is more tangible and directly applicable for a company than a mere method or abstract theory.

Explanation of the codes based on the context. This **matrix for explanatory paradigm** starts from the **selected codes** and mentions under which perspective (e.g. top manager) they are seen, what are the characteristics of this category and in which **context** it should be seen. Finally, it lists which **activities** or **processes** affect this code or what it is involved in. Finally, a **consequence** and a **result** are named. This approach is very **process-oriented** and built on the basis of a result (output).³³²

³³² Corbin and Strauss, *Basics of qualitative research*. p. 89.

**Figure 56**The point of theoretical saturation³³³

New material in the course of the research. The research interviews were intended to provide knowledge and material for further research. In order to assess the quality and quantity of the results obtained, it is important to take a look at the results obtained ①. The average number of coded segments per interviewee is 65. During the research, a point in time had to be determined at which **theoretical saturation** was reached and no further interviews were planned ②. Research interviews that had already been discussed in advance and prepared by the researcher were of course still conducted as planned ③. In this context, a special feature of grounded theory research must be clarified once again: the mere number of coded segments does not allow any statement to be made about the occurrence of theoretical saturation. Only the **qualitative criterion** of whether the DoI is filled with content for the researcher determines whether the work has been completed. The number of coded segments can therefore only be used as an indication of presumed theoretical saturation.

The primary research is supplemented by further sources. Grounded Theory is followed by the evaluation of further literature and other research sources after the qualitative interviews and their analysis. Sources, books, theoretical approaches, or promising contents

³³³ Own illustration, Schmude (2024).

already mentioned in the interview were taken up and deepened by the researcher immediately after the interview. The literature required for this purpose was obtained and evaluated. Some fundamental books are completely excerpted, other marginal areas only in the respective relevant topics.

Index supports the analysis. A subject index is not required for the written version of this dissertation. In the content-related work, especially in the analysis phase, it has been shown that such an index helps with the work and facilitates content-related references and cross-references. **Subject headings** and **personal names** are listed in alphabetical order in the index. This helps to find examples of companies and to show cross-references in the research work. (→ chapter 11 Index, cf. page 510).

Enrichment of knowledge from the literature. The question is whether the literature work should be directly assigned to individual interviews or applied to the entire research paper. In order to avoid duplications here and also to recognize redundancies in content at an early stage, the aspects of the further source work are summarized in content sections, and where a lot of new material was found for the research subject, there was still a subdivision into subsections. According to Grounded Theory, **the researcher's view should widen** in the literature review phase and also delve into history. A narrow view is to be avoided, which ignores developments outside one's own science and thus further promotes **error-prone thinking** in categories and silos. For this reason, **knowledge from other areas** of business, science and culture is also included for the later discussion of theory building, insofar as this is necessary for a better understanding of strategy implementation and Strategic Alignment. For example, the climate crisis and major migration movements had already been anticipated in films from 30 years ago.³³⁴ Scenarios like those from literature or film are unthinkable for many executives at first. Large and global companies that invest more time and budget in scenarios for strategic planning are better prepared here.

Analysis within the framework of Grounded Theory is mainly about comparisons and changes of perspective. A common change of perspective is "think outside the box", which means that the researcher breaks through classical thinking patterns of his science or

³³⁴ David Wheatley, *The March* (1990).

his professional environment.³³⁵ In the case of comparisons, "**close-in and far-out comparison**" is a way of **zooming into the subject**, as it were, and then also looking at the research object again at a **great distance**.³³⁶ In the present research work, this is implemented by detailed observations in the evaluation of the individual interviews or the coded segments (e.g. legal aspects or the technical term 'erroneous strategy' newly coined in this work).

Research platforms on the Internet as a starting point for the development of new literature and knowledge. Research Gate (www.researchgate.net) has become a platform for scientific research where researchers present themselves and present their topics and interests to the closed community. Scientific publications are linked to the person and in this way ongoing research projects can be found and an exchange can be organized in the ongoing research process. Mr. Schmude has also made this research project known in this way and has posted the publications belonging to the project there. For indexing published literature, the Elsevier platform (www.scopus.com) was used. Access to this was established on May 18, 2021 and the associated publications have been tracked since then.

Additional content from literature and case studies. All the literature work was done against the background of the next steps of the work according to Grounded Theory, that is, the condensation into a draft theory and the formation of a **theoretical conception resulting from the research**. Strategic planning and Strategic Alignment are not abstract theory build-ings but should improve and support the work in companies in a very practical way. Therefore, aspects for theory development are also discussed here, which for practical or historical reasons can be guiding for an appropriate approach to a Strategic Alignment. It is not about reinventing Strategic Alignment on a greenfield site and forgetting everything existing but about proposing something that offers a real practical benefit for existing companies or start-ups.

CONCLUSION: Strategy and commitment to strategy are not a new topic. Already in world literature and also in art, examples addressing the topic of Strategic Alignment can be found that span centuries. The term is new in scientific research and only a few studies focus exclusively on this research topic.

³³⁵ Corbin and Strauss, *Basics of qualitative research*. p. 91.

³³⁶ Corbin and Strauss, *Basics of qualitative research*. p. 96.

4.6. SECONDARY AND ADDITIONAL RESEARCH ON STRATEGIC ALIGNMENT

The topics for the in-depth **secondary research based on literature** come from the primary research. After each interview, the terms or aspects relevant for further work were highlighted. The selection and sequence of aspects for further research was chosen by the researcher and is based on the findings from the interviews. The **general topics** and those mentioned in most of the interviews are dealt with first, and then individual aspects are picked out, such as artificial intelligence or neuroscience. Naturally, only a glimpse can be had here of the often very broad concepts, and always from the perspective of what this means for the research topic of Strategic Alignment or could mean in the future. During the preparation of the research and the research proposal, the existing state of knowledge in the field was examined on the basis of published literature. The known approaches to understanding Strategic Alignment are presented in a separate chapter of this dissertation and were documented and analyzed in detail for the reader in the explanations of the research topic (→ 2.2 Selected Theories of Strategic Alignment, cf. page 74).

4.6.1. Strategy as Input for Strategic Alignment

When implementing the corporate strategy, external aspects such as political strategy and general social developments are taken into account. Strategic Alignment within the company does not take place in a bubble, but is constantly influenced by external factors. The ideal image of a person and his organization guided exclusively by strategy does not exist in practice.

People often plan and think in stereotypes and ideal images. The image of the man in economics is characterized by the so-called *homo oeconomicus*, a person who acts rationally and is concerned with his own advantage. This view of humanity is based on the constant optimization of one's own benefit with a minimum of effort. This liberal economic image of man sees man as an 'optimization machine' that is devoid of intellectual or artistic, or social interests. Culture and beauty would probably never have come into being if such avoidance of effort had been practiced from the beginning. Joy and pleasure as driving forces are also not considered in this view. Explaining charity and benevolence with the approach becomes difficult because other psychological forces are at work here. Variants of *homo oeconomicus*, which is

usually modeled as egoistic, were developed, i.e., with more humanity and more realistic behavior, e.g., *homo statisticus*, *homo donatus*, and also *homo strategus*.

A contemporary definition of strategy. The British military historian *Liddell Hart* (1895–1970) did a great deal of research on military strategy, and in particular emphasized the indirect approach to strategy. He himself experienced the First and Second World Wars and gained many insights from these. According to his research, there is a particular dominance of psychological initiatives over purely physical strategic initiatives in the implementation of the strategy. In his definition of strategy, he makes special reference to *Clausewitz* and General *Moltke*.³³⁷ Hart's brief definition of strategy is:

“the art of distributing and applying military means to accomplish the ends of policy.”³³⁸

Hart formulates the distinction between tactical and strategic as follows: **strategic = to the battlefield, tactical = on the battlefield**.³³⁹

Regularities of the strategy. *Hart* criticizes the military literature for equating good strategy with the concentration of forces, which is too short-sighted.³⁴⁰ In summary, *Hart* formulates eight axioms (six positive and two negatives):

1. Adjust your end to your means.
2. Keep your object always in mind.
3. Choose the line (or course) of least expectation.
4. Exploit the line of least resistance.
5. Take the line of operation which offers alternative objectives.
6. Ensure that both plan and dispositions are flexible (adaptable to circumstances).

³³⁷ Basil Henry Liddell Hart, *Strategy*, 2nd rev. ed. (New York: Meridian, 1991, 1967). p. 320.

³³⁸ Liddell Hart, *Strategy*. p. 321.

³³⁹ Liddell Hart, *Strategy*. p. 332.

³⁴⁰ Liddell Hart, *Strategy*. p. 328.

7. Do not throw your weight into a stroke whilst your opponent is on guard.
8. Do not renew an attack along the same line."³⁴¹
9. The strategy must be flexible because any plan can be thwarted by the opponent/enemy. The easier a strategic plan can be changed, the better it is suited for reality.³⁴²

Strategy became a science. In 1904, the military historian *Rudolf Karl Fritz von Caemmerer* provided a kind of meta-analysis of the development of **strategic science** by evaluating and commenting on the literature of the 19th century on the subject of strategy. Strategic science is part of military science and diplomacy.³⁴³ This work is already appealing to reader groups outside the military.³⁴⁴ The comparison of the strategic views of *Jomini* and those of *Clausewitz* shows how their thoughts were received and understood. For us today, these texts can often only be worked out with historical background knowledge and are rarely directly applicable, which is why a summary analysis by a contemporary of the authors can still be valuable for us today. *Antoine-Henri Jomini* (1779–1869) was a Swiss officer and military historian. He was in the service of *Napoleon Bonaparte* and reviewed the military approach from the French point of view. *Jomini* wrote his main work, published in 1805 when he was only 26 years old. He scientifically studied *Frederick the Great's* flank attack at the Battle of Leuthen in 1757, which at the time was considered an exemplary example of strategy. In the numerical consideration of the forces, the 33,000 Prussians were inferior to the 80,000 Austrians. Frederick (Friedrich II.) the great was able to achieve victory by a so-called 'oblique order of battle'.³⁴⁵ *Jomini* transferred the findings of this more tactical approach to the strategic level.³⁴⁶ He summarized the strategic value of warlike actions in this way: with good troops, attack is the best form of battle, but one can also expect the opponent to act defensively on a prepared battlefield, he said. Pure defense is the

³⁴¹ Liddell Hart, *Strategy*. pp. 335–336.

³⁴² Liddell Hart, *Strategy*. p. 330.

³⁴³ Rudolf von Caemmerer, *Die Entwicklung Der Strategischen Wissenschaft Im 19. Jahrhundert*, Der Text ... folgt der Ausgabe: Berlin 1904, aus Fraktur übertragen (Hamburg: Severus Verlag, 2010) The book was translated into English shortly after its publication and became the reference point for many other works.

³⁴⁴ Caemmerer, *Die Entwicklung der strategischen Wissenschaft im 19. Jahrhundert*. p. 8.

³⁴⁵ In German: "schiefe Schlachtordnung".

³⁴⁶ Caemmerer, *Die Entwicklung der strategischen Wissenschaft im 19. Jahrhundert*. pp. 31–32.

least recommended by *Jomini*.³⁴⁷ *Jomini* developed the form of the 'Carré stratégique', a battalion quadrangle of 200,000 men with approximately equal sides. This contrasts with the 'normal formation' developed later by *Clausewitz*.³⁴⁸

Influences on Clausewitz's standard work. *Clausewitz*, who was a student and friend of *Scharnhorst*, as well as a close confidant of *Gneisenau*, is often referred to as the war theorist in the German-speaking world. He later also had a significant influence on his students, including *Moltke*. *Clausewitz* entered the service of the army at a young age. In particular, the spring campaign of 1813, in which he participated as a Russian officer in *Blücher's* staff.³⁴⁹ From 1815 *Clausewitz* was again in Prussian service. He was extensively educated in military history and first published a series of military historical writings before writing his three-volume work, '*Vom Kriege*' (On War). This work was not completed and was published by his widow after a short illness and his sudden death due to cholera on November 16, 1831.³⁵⁰ *Clausewitz* wanted to develop war strategy dialectically, not merely formulate and compile rules for the present.³⁵¹ From *Clausewitz's* perspective, a complete theory of war is useless because considerations and reasoning with variable quantities have to be made all the time. He shows how chance constantly interferes with events and thus, **every strategy is influenced by uncertainty**.³⁵²

From Military Practice to Theory. *Scharnhorst*, as *Clausewitz's* teacher and, later, most important friend, had a major influence on his thinking, and many practical considerations made by *Scharnhorst* were generalized by *Clausewitz* and raised to the level of theory on an abstract level. *Clausewitz* called *Scharnhorst* the 'father of his spirit'. At the beginning of his training at the war school in Berlin, *Clausewitz* found it difficult to follow the lessons and owed it to *Scharnhorst's* encouragement that he was able to develop.³⁵³ To understand *Clausewitz*, the work of *Scharnhorst* must therefore also be considered: *Gerhard von Scharnhorst*, born in 1756 near Nienburg/Weser, received his first military training at the military school established by

³⁴⁷ Caemmerer, *Die Entwicklung der strategischen Wissenschaft im 19. Jahrhundert*. p. 34.

³⁴⁸ Caemmerer, *Die Entwicklung der strategischen Wissenschaft im 19. Jahrhundert* pp. 33, 191.

³⁴⁹ In German: Stabschef.

³⁵⁰ Paret, *Clausewitz in his time*. p. 58.

³⁵¹ Caemmerer, *Die Entwicklung der strategischen Wissenschaft im 19. Jahrhundert*. pp. 62–63

³⁵² Caemmerer, *Die Entwicklung der strategischen Wissenschaft im 19. Jahrhundert*. pp. 66–68.

³⁵³ Leopold Ranke, *Über Das Leben Und Den Charakter Von Scharnhorst: Aus Dem Nachlasse Des General Clausewitz* (Berlin: Trowitsch und Sohn, 1832). pp. 39–41.

Count Wilhelm zu Schaumburg-Lippe-Bückeburg at Wilhelmstein. An artificial fortress in a lake, it was to become a model school for training.³⁵⁴ His military service began in the service of the Kingdom of Hanover. During this time, he also wrote the three-volume *Pocket Book for Officers*, 'The Handbook for Officers on the Practical Parts of the Military Science', and a 'Military Pocketbook for Use on Campaigns',³⁵⁵ which was published in Hanover between 1787–90. *Scharnhorst's* works were published several times and translated into English. *Paret* calls them contemporary classics.³⁵⁶ Some of *Scharnhorst's* reforms, implemented in the Prussian military from 1813 onward, are still effective today. He built military educational institutions and ensured a complete reform of the military. The centerpiece of *Scharnhorst's* military reforms was universal conscription. This was an essential element of political and social renewal. For *Scharnhorst*, all inhabitants of the state were born defenders of it.³⁵⁷ The study of 'The Social Contract' by *Jean-Jacques Rousseau* and its critical commentary led to the realization that the individual has a 'liability' to the state.³⁵⁸ In Berlin, on the street Unter den Linden there is a statue of *Scharnhorst* created by the artist *Rauch*, which today is placed opposite the *Neue Wache* and next to the *State Opera*.³⁵⁹ The founding of the *Bundeswehr* on November 12, 1955, occurred on the 200th anniversary of *Scharnhorst's* birth.

Strategy is the most important input for a model or theory of Strategic Alignment. For this reason, a brief historical classification was also undertaken, which describes the reference value of Strategic Alignment, namely strategy. In the following, individual aspects of this input for Strategic Alignment are taken up and discussed.

What is the minimum requirement for the existence of a strategy? - At least a common idea or a common strategic direction is required. A formulated strategic idea makes it possible

³⁵⁴ Klaus Hornung, *Scharnhorst: Soldat-Reformer-Staatsmann: Die Biographie* (München: Bechtle, 1997). p. 18.

³⁵⁵ Gerhard Scharnhorst, *Taschenbuch Zum Gebrauch Im Felde* (Hannover: Helwingsche Hofbuchhandlung, 1793).

³⁵⁶ Paret, *Clausewitz in his time*. pp. 18–19.

³⁵⁷ Hornung, *Scharnhorst*. p. 203.

³⁵⁸ Hornung, *Scharnhorst*. p. 53.

³⁵⁹ Paret, *Clausewitz in his time*. p. 21.

for people to align themselves with it and recognize for themselves what this strategic idea means and requires for their own actions.

Think tanks and the political arena significantly influence the strategic framework for companies and especially for internationally operating corporations. Therefore, considerations and assessments from this environment are also to be assessed as strategy-forming. Currently, for example, the views of the Institute for Study of War (ISW) are not only of interest to international policymakers, but also to globally positioned companies. In the last 20 years, China has always been seen only as a trading partner, and the underlying political interests have been readily overlooked.

Strategic drivers or forces in the past. In the 19th century, strategic drivers were the completion of the road network, railroads and, in particular, telegraphy. Telegraphy was quickly seen as a way to eliminate the lack of unity in the actions of separate armies through communication,³⁶⁰ hence ultimately, a technical solution to an ongoing control or alignment problem.

Before the splitting of the sciences. Writers of that time were, of course, comprehensively educated and especially familiar with the details of historical contexts. The mental processing of wars and individual battles were a part of officer training and, for a theorist in this field, the basis for abstracting theories. They were writers on strategy and, at the same time, always historians. *Clausewitz* and others are referred to as ‘philosophers of war’, a term that is no longer used in current strategy literature but is filled in by military strategists or political strategists. As always, with the application of classical texts, not everything will be transferable to today’s situation, but the basic ideas and deriving principles may very well be of great use to the current discussion. It is noticeable that in classical works, a distinction was made between the strategic and the tactical. The *war plan* was a strategic document, and the *operational plans* were part of the tactical considerations. In terms of corporate strategy, this distinction is often no longer so clearly maintained.

Tactics in Corporate Strategy. In the military tactics refer to the command of troops in the context of combat and are the responsibility of lower and middle command. Leading **operations** means being responsible for long-range military movements and battles and is the

³⁶⁰ Caemmerer, *Die Entwicklung der strategischen Wissenschaft im 19. Jahrhundert*. p. 131.

task of the senior leadership. **Strategy** is the responsibility of the top leadership, and it is at this level that the country's political, economic and military leaderships interact with regard to the war objective defined by the policy.³⁶¹ The term **tactics** is used today, at least in the German language, in a way that is not neutral or positive. When someone acts tactically, this implies cunning or tricky behavior. Historically, this resonant meaning was not present. If we consider that military science and the art of war are significantly older than business administration, then the use of the term tactics should at least be reconsidered, and the meaning returned to what was historically meant. The considerations on tactics go back to a few classical texts from ancient Greece, especially from *Arrianos* and *Asklepiodotos*. Both are titled '*The Art of Tactics*'. The content is the deployment of troops in the armed forces, i.e., a question of organizational structure, as well as the movement of troops, that is, a question of operational organization. For many writers and philosophers of that time, tactics were a part of mathematics. Therefore, geometrical questions also play a role in the construction of the organization of an armed force, with the help of which one tries to solve the problem.³⁶² The deployment of troops was about effectiveness against the enemy but also about one's own mobility and agility. This usually took the form of a so-called phalanx. The goal of the leader is to bring order and structure to the disorganized mass of warriors.³⁶³

Strategy should be as implementation-oriented as possible. Today, strategic planning in the enterprise has become much more abstract. In the stationary business compared to the virtual business, the geographical characteristics of the demarcation still apply. In military strategy, geographical and topographical information was essential for carrying out mostly physical operations and troop movements. Today it is abstract and intellectual planning that is the content of the strategy. Today, Western warring parties operate classically in five 'strategic spaces': land, sea surface, underwater space, air, and cyber-sphere (reconnaissance, satellite transmission). 'Strategic spaces' are understood in such a way that the gain of terrain

³⁶¹ Karl-Heinz Frieser, *Blitzkrieg-Legende: Der Westfeldzug 1940*, 3. Aufl., Zeitgeschichte nach 1933 8-2011 (München: Oldenbourg Wissenschaftsverlag, 2005). pp. 7–8.

³⁶² Arrian and Asclepiodotus, *Die Kunst der Taktik: Griechisch-deutsch*, ed. Kai Brodersen, Sammlung Tusculum (Berlin, Boston: De Gruyter, 2017). p. 16 introduction.

³⁶³ Arrian and Asclepiodotus, *Die Kunst der Taktik*. p. 33, Section 5.2.

here is decisive for the war.³⁶⁴ In business strategy, a market can be determined less by geographical demarcation than by purchasing power and buyer behavior.

Interests determine the strategy. Anyone who studies strategic planning must know the underlying conflicts and conflict theories, i.e., in the political environment, and the theories of war. Politics and military security policy have always been closely linked. The legitimacy of wars was mostly seen where the applicable law was violated, and now the respective law of war was invoked for acts of attack or defense. Roman law was largely codified and applied to everyday dispute resolution, but for war, an 'ius in bello' was applied. One could now wage war without having to legitimize oneself, arguing that the enemies were criminals.³⁶⁵ Previously, action in the war was conceived as a strategic action, which is no longer the case in conflicts encountered today, such as intercultural war. This form of guerrilla warfare with swarming tactics is asymmetric and, to some extent, *astrategic*.³⁶⁶ The study of theories of war reveals what is or can be the basis of strategic thinking. From the classical war theories or biological war theories of the philosopher *Thomas Hobbes*, according to which even the weakest is strong enough to kill the strongest, either by deceit or by an alliance with others, to psychological theories of war, the scientific spectrum here ranges.³⁶⁷

Politics and political interests as a reason for erroneous alignment. In psychological theories of war, wars give validity to political and economic interests. They are psychological sensitivities that exist in reality or that are waged in a struggle for a chosen enemy. In the process, the construction of enemy images is accepted by the soldiers without a reality check, comparable to clinical psychosis.³⁶⁸ **Political theories of war** include *Plato's* 'The State' and also the view of *Clausewitz*, who subsumes under 'politics' all the organizational principles of polities.³⁶⁹ **Economic theories of war** include war as an instrument to enrich the victor, war to combat economic crises, and also war in the context of globalization. As early as 1979, then U.S. President *Jimmy Carter* announced that, if necessary, the force would be used to ensure a

³⁶⁴ Thomas Jäger and Rasmus Beckmann, eds., *Handbuch Kriegstheorien*, 1. Auflage (Wiesbaden: VS Verlag für Sozialwissenschaften, 2011).p. 23.

³⁶⁵ Jäger and Beckmann, *Handbuch Kriegstheorien*. p. 17.

³⁶⁶ Jäger and Beckmann, *Handbuch Kriegstheorien*. p. 23.

³⁶⁷ Jäger and Beckmann, *Handbuch Kriegstheorien*. pp. 25–26.

³⁶⁸ Jäger and Beckmann, *Handbuch Kriegstheorien*. p. 48.

³⁶⁹ Jäger and Beckmann, *Handbuch Kriegstheorien*. p. 54.

supply of oil from the Persian-Arab region to world markets.³⁷⁰ Even **ecological theories of war** are currently being discussed, with the focus here being on scarce resources such as water consequences of climate change.³⁷¹

Strategic ideas from China. Since the completely preserved work 'Art of War' by the Chinese *Sun Tzu* with its 13 basic principles was translated by Jesuits in 1782, it has been known in Europe. Sun Tzu lived about 500 years BC. The most important thesis from the book is the "indirect strategy", with action elements such as deception, disinformation, lies, deceit, and cunning.³⁷² Various adaptations of this work were created in modern times, for example, instructions from *Mao Zedong* or from the British *Liddell Hart*.³⁷³

Strategic methods from Spain. The Spanish strategy theorist *Santa Cruz de Marcenado*, an aristocrat with military and diplomatic experience, wrote his work '*Reflexiones Militares*' between 1724 and 1732. Already 50 years after the publication of the book by the Schaumburg-Lippe'schen Capitain-Leutnant *Friedrich Wilhelm von Zanthier* (1775).³⁷⁴

Criticism and reception of Clausewitz today. *Clausewitz's* theories are often accused of no longer being able to make a meaningful contribution to the strategic challenges of the 20th and 21st centuries because they are tailored to state wars. This is countered by the open construction of his strategic model, which *Clausewitz* chose. To this day, there is always new guidance on how to understand and read *Clausewitz*.³⁷⁵

Input from Strategic Management Theory into Strategic Alignment Research. Professor and textbook author *Igor Ansoff* (1918–2002) is fondly referred to in the literature as the "Father of Strategic Management." The linguistic proximity of strategic management and strat-

³⁷⁰ Jäger and Beckmann, *Handbuch Kriegstheorien*. pp. 96–101.

³⁷¹ Jäger and Beckmann, *Handbuch Kriegstheorien*. pp. 105–107.

³⁷² Jäger and Beckmann, *Handbuch Kriegstheorien*. p. 158.

³⁷³ Jäger and Beckmann, *Handbuch Kriegstheorien*. p. 167.

³⁷⁴ "Freyer Auszug aus des Herrn Marquis von Santa-Cruz Marzenado: Gedanken von Kriegs und Staatsgeschäften, nebst einem Versuch über die Kunst den Krieg zu studieren," Göttingen et al.: Johann Christian Dieterich.

³⁷⁵ Jäger and Beckmann, *Handbuch Kriegstheorien*. p. 223. Recommended literature: Heuser, Beatrice (2005): *Clausewitz lesen! Eine Einführung*, München: Oldenbourg.

egy implementation is obvious. Therefore, his last work from 1984 entitled 'Implanting Strategic Management'³⁷⁶ is analyzed here in more detail. This book is now in its third edition and has been republished in an updated form by colleagues and fellow authors since *Ansoff's* death. In particular, the examples in the latest edition are current examples that are widely known. The concept of strategic management deals with the implementation of corporate strategy and, in particular, the **organizational problems** involved in doing so in a large organization. Changes in large companies are made reactively and not proactively with foresight. External influences are only reacted to. The basic statement here is that change is fundamentally not welcome.³⁷⁷ *Ansoff* distinguishes between different types of behavior: **Entrepreneurial behavior** and **incremental behavior**. Entrepreneurial behavior can be observed in far fewer organizations.³⁷⁸ *Ansoff* views organizations and businesses as **open systems** that must successfully serve the environment.³⁷⁹ In the management system there are two subsystems: **Strategic Management** and **Operations Management**. Strategic Management is to determine goals and directions for the organization. The result or output from the Strategic Management process is the fulfillment of the organization's objectives. Other outputs from Strategic Management are the internal structure and the dynamics and ability to change.³⁸⁰ He clarifies that the **strategy itself is also a system concept**, which includes a **coherent direction** for the development of a complex organization.³⁸¹ Related to fundamental change and disruptive events, it sees strategy as a powerful tool to cope with change.³⁸² A basic distinction, which can also be found in companies today, is the distinction between **long range planning (LRP)** and **strategic planning**. A well-known example of long range planning is the 'field hockey stick effect', in which a successful business model is scaled up. Expectations and results are extrapolated over future years. In long range planning, growth is always assumed. Strategic planning does not

³⁷⁶ H. Igor Ansoff et al., *Implanting Strategic Management*, Third edition (Cham: Palgrave Macmillan, 2019. 1st edition 1988).

³⁷⁷ Ansoff et al., *Implanting Strategic Management*. p. 7.

³⁷⁸ Ansoff et al., *Implanting Strategic Management*. p. 8.

³⁷⁹ Ansoff et al., *Implanting Strategic Management*. p. 11.

³⁸⁰ Ansoff et al., *Implanting Strategic Management*. p. 12.

³⁸¹ Ansoff et al., *Implanting Strategic Management*. p. 20.

³⁸² Ansoff et al., *Implanting Strategic Management*. p. 23.

fundamentally assume a positive development in the future, nor does it extrapolate the development according to a fixed pattern.³⁸³ In terms of companies, this means that long-term planning is located in the Controlling department and also forms the basis for budget planning or financing planning, for example. Strategic planning, however, is the responsibility of a separate department, which can be referred to as **corporate development**. The 1960s study underlying *Ansoff's* research was based on a questionnaire survey in which 412 questionnaires were sent out and 93 were returned. So a response rate of just over 20%. Derived were the characteristics in managerial behavior: the unplanned or opportunistic approach and a systematic planning approach (planners versus nonplanners). This research was related to M&A transactions, which usually become suddenly possible because a company is offered on the market. M&A transactions are much less predictable or plannable than an internal development in the company.³⁸⁴ The term Strategic Alignment is not used in *Ansoff's* work and, accordingly, is not defined. In the index, there is also no term that could be understood as synonymous.

Interim research consideration. Is the phenomenon of self-organization, e.g. in self-managing teams, transferable to the level of corporate strategy? - **are there forces that would lead to an emerging strategy?** - if so, this would possibly provide an explanatory approach to the phenomenon of emergence in corporate development. Unfortunately, the author Ansoff has not found anything corresponding to this. This would mean that a company would set goals from within itself and would then not need goals brought in from outside (owners, investors).

Proactive or reactive strategy implementation. A distinction can be made between whether the initiative for strategic action lies with oneself or one's own organization (**first-strike plans**), or whether the **defensive strategy** is to be devised. This distinction is also relevant to Strategic Alignment because, in one case, the timing and extent of the trade are freely determined, and the strategic plan can lie carefully worked out and ready in the drawer for a long time. In the defensive case, a strategic and operational response will also be worked out

³⁸³ Ansoff et al., *Implanting Strategic Management*. pp. 27–28.

³⁸⁴ Ansoff et al., *Implanting Strategic Management*. pp. 43–44.

as the organization deals responsibly with external threats, but this will not be able to encompass every conceivable scenario and will require revision and adjustment based on the situation at the time.

Strategy as a design process. In the book *"Strategy without Design"* by Robert Chia and Robin Holt, the question of the **significance of design for strategy** is posed in a rather strategic-philosophical discourse. It looks at examples ranging from architecture and politics to companies. It can be understood as a questioning or an antithesis to the prevailing design theory. There is no question that the human mind needs **concepts** and **theories** that are represented by **models** and **images**. It is also important to define an **inside** and **outside**, just as a painter must determine a motif for his picture, the strategist must also find a **system delimitation** for his strategy.³⁸⁵ **Strategy-as-practice** is a recently developed research direction in strategy research. The development of strategies is examined at a micro level. Strategy development often appears very logical and rational from the outside, but the reality is much more complex and characterized more by political, personal and interpersonal aspects. This is the subject of strategy-as-practice.³⁸⁶ It is important to note that strategies can also emerge without any intention or design process.³⁸⁷ The authors cite Gothic architecture as an example, which follows a pattern. Even if only a section of a plan drawing is available, the rest of the building can be constructed based on rules such as symmetry. In modern architecture or modern painting, such principles of design are sometimes deliberately ignored or completely abolished. For the authors, strategies are **cognitive maps**. This is the classical representation and the strategy process is a **process of cartography** (map-making), while strategy implementation is a **process of navigation** (map-using).³⁸⁸ Strategy work is closely linked to design, but freedom and creativity should nevertheless be given a higher priority in strategy work. Design can have a restrictive effect. New insights can be expected from current strategy-as-practice research. The question of strategy without design is about creating space for new strategic content combined with human creativity.³⁸⁹ The term "Design school" coined by Mintzberg in his ten categories for

³⁸⁵ Robert C. H. Chia and Robin Holt, *Strategy Without Design: The Silent Efficacy of Indirect Action* / Robert C. H. Chia and Robin Holt (Cambridge: Cambridge University Press, 2009). p. 118.

³⁸⁶ Chia and Holt, *Strategy without design*. p. 129.

³⁸⁷ Chia and Holt, *Strategy without design*. p. 141.

³⁸⁸ Chia and Holt, *Strategy without design*. pp. 160–167.

³⁸⁹ Chia and Holt, *Strategy without design*. pp. 210–212.

strategic management is not addressed. It is not even mentioned in the book. The term Strategic Alignment is not mentioned and aspects of it are not discussed in the book.

The decreasing lifespan of companies leads to changes in strategy cycles. If the 500 largest listed companies are taken as a basis, the average lifespan of the companies in this group was 61 years in 1958; today it is **less than 20 years**. The reasons for the end of a company's life can be insolvency, a buy-out, a merger or even liquidation. The oldest public limited company in the world is the Finnish-Swedish forestry group Stora Enso, which began life as a copper mine back in 1288.³⁹⁰ In Germany, companies are only nine years old on average. Strategic crises and mismanagement are identified as the main reasons for this. The oldest companies in Germany are breweries, such as Weihenstephan, with a lifespan of more than 1,000 years. Old companies in Germany are mostly medium-sized and characterized by their owners.³⁹¹

CONCLUSION: A shorter average life span of companies requires an accelerated strategy implementation and thus an even better Strategic Alignment.

Visualization of the strategy. A method in everyday business must have a practical use and prove its justification. In the book 'Corporate Planning squared' (2003) a model for diagnosing and planning is laid out named *Enterprise Design Methodology* (EDM). The technical term consists of the words: enterprise and design. According to Merriam-Webster, the definition of enterprise is a project or undertaking that is especially difficult, complex, or risky. This is the original meaning coming from the Anglo-French in Middle English. Later a unit of economic organization or activity was viewed as an enterprise or a systematic and purposeful activity.³⁹² The meaning of enterprise as an initiative and also the word meaning of entrepre-

³⁹⁰ Gerald Hosp, "Sterben Nur Die Guten Alt? Eine Lange Lebensdauer Für Unternehmen Ist Nicht Nur Ein Qualitätsmerkmal." *Neue Zürcher Zeitung*, February 2, 2022, accessed March 23, 2024, www.nzz.ch/wirtschaft/die-lange-lebensdauer-fuer-unternehmen-ist-nicht-immer-vorteilhaft-ld.1660627.

³⁹¹ "Unternehmen Werden Im Schnitt Nur 9 Jahre Alt: Die Lebensdauer Von Unternehmen Wird Immer Kürzer. Hohes Innovationstempo Verkürzt Die Lebenserwartung. Branchenübergreifendes Und Internationales Phänomen." last modified June 17, 2019, www.wirtschaftskurier.de/artikel/unternehmen-werden-im-schnitt-nur-9-jahre-alt.html.

³⁹² "Enterprise," Merriam-Webster, accessed February 25, 2022, <https://www.merriam-webster.com/dictionary/enterprise#synonyms>.

neurial spirit, which resonates in the word, were decisive for the designation. The design describes all forms of design and stands for the search for creative and innovative solutions.³⁹³ The model was generated from the search for a solution to a specific customer problem, so it required a consulting-based approach rather than scientific research. It is a presentation that is deliberately not designed as scientific literature but is primarily aimed at the business community. Three case studies show the application of EDM in key situations: Company start-up, spin-off, and reorganization (restructuring). The five components of the model are *Structure, Management, Human Resources, Processes and Technology*.³⁹⁴

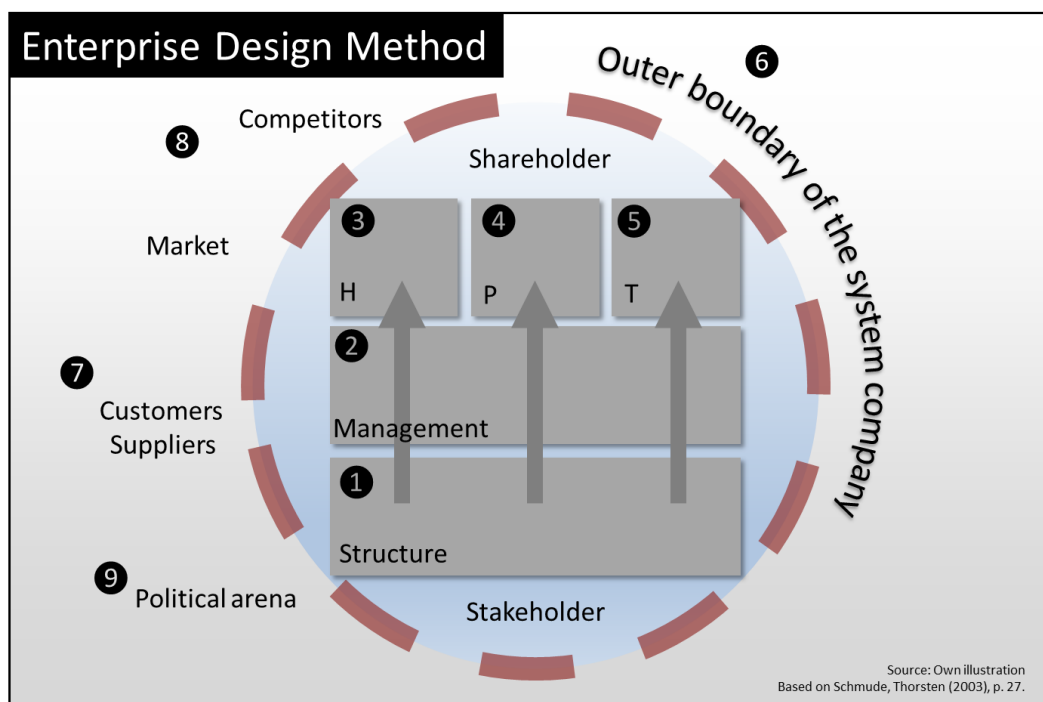


Figure 57
Enterprise Design Model³⁹⁵

An evolving model from strategy development to Strategic Alignment. The structure-forming strategic issues ① are summarized in a module that covers questions of legal form, capital structure and geographical structure (locations, branches, etc.) as well as internal structure and organizational structure. Based on these fundamental strategic issues, the other strategy modules are defined. The level of action and control of the socio-technical system of the company

³⁹³ Thorsten Schmude, *Unternehmensplanung im Quadrat: Zu messbaren Erfolgen mit dem Enterprise-Design-Modell*, 1. Aufl. (Wiesbaden: Gabler, 2003). pp. 17–18.

³⁹⁴ Schmude, *Unternehmensplanung im Quadrat*. p. 20.

³⁹⁵ Own illustration, Schmude (2024) based on Schmude (2003), p. 27.

is summarized in the 'Management' component ❷. These are the people involved and the cultural aspects of corporate management and communication that emanate from them. Reporting channels and decision-making processes are located here. As the company continues to grow, management must delegate and transfer work and responsibility to employees. This is part of the 'HR' building block ❸. Hiring, inducting and training employees and integrating them into the company are tasks in this component. From a certain organizational size, the work organization, i.e. the business processes, must be defined uniformly and be open to continuous optimization. The 'Processes' component ❹ is the work organization. It is deliberately presented separately from the employees, because today ready-made business process models can be purchased ready optimized, as well as always representing the link to technical or technological support. Technology ❺, in the service sectors such as finance, in particular IT with the associated applications, is shown as an 'enabler' for value creation as the final component. All tools and aids for value creation are summarized here. The technical aspects can be purchased externally or, if they are not classified as part of the core business, they can be outsourced. Outside the company ❻ are the customers and buyers of services ❼. Through co-operation and sometimes very close ties, the boundary between inside and outside can also be fluid here. The same applies to suppliers and supplier relationships. Competitors and other market participants are outside the company ❽. The political environment ❾ also belongs to the external area.

The ED cube groups the topics of strategic business design according to **internal logic** and in such a way that **important interdependencies** are easily recognized. The depth dimension of the cube is formed by the entities, for example, organizational units or legal entities. These components are more than the building blocks mentioned by *Ansoff* under **Capability Planning** (→ 2.2 Selected Theories of Strategic Alignment, cf. page 74): Culture (mentality, power), Information, Structure, Systems and Manager. An approach that belongs more to the resource-based view (RBV).³⁹⁶ *Ansoff* understands structure as the design of tasks, roles, responsibilities and competencies. These are contents of the organizational structure, as they are used to design an organizational chart, for example.³⁹⁷

³⁹⁶ Ansoff et al., *Implanting Strategic Management*. p. 62 (map of strategic management).

³⁹⁷ Ansoff et al., *Implanting Strategic Management*. p. 413.

A graphical representation of the strategy creates a prioritization power and defines the strategic framework. Drawing and designing the strategic plan not only has a creativity-enhancing effect in meetings and workshops, but there is also a prioritization power in the presentation of the strategic content and its interdependencies.

Keeping an eye on strategy and implementation. The visualization of a planning model is connected with the idea: do not forget anything and also do not exaggerate. Exaggerating nothing means that an **economically reasonable** and **balanced development** of the components should take place. A model is helpful in organizing a topic or even an entire book because it provides the reader with a quick visual orientation. The same applies to project work: strategic projects always take place under extreme time pressure, and the time for reading or carefully studying texts is often lacking. That is why PowerPoint slides are the standard tool for management consultants. In change management, visualizations are often used to establish a level of collaboration in workshops and meetings. The presentation on a so-called ‘canvas’ is currently very popular, where everything is presented graphically on a single large page, similar to a poster. One such representation for change management or transformation management is the Change Planning CanvasTM.³⁹⁸

³⁹⁸ Braden Kelley, *Charting Change: A Visual Toolkit for Making Change Stick*, 2nd edition (Palgrave Macmillan, 2023). pp. 40–42.

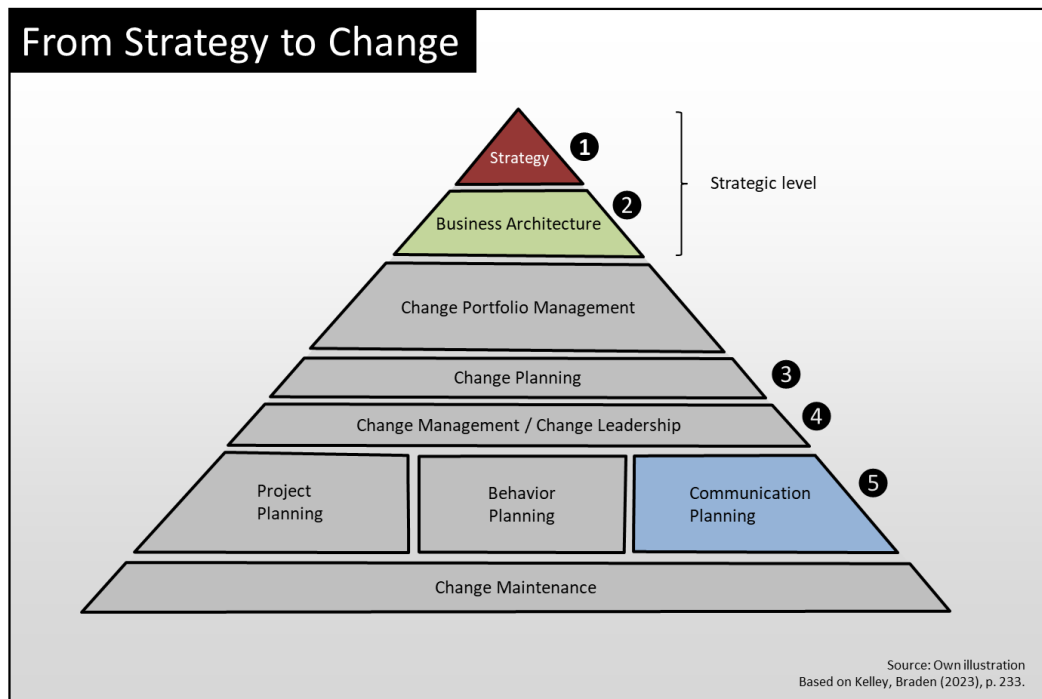


Figure 58

Change management as part of the strategy implementation³⁹⁹

Change management as an integral part of strategy implementation. Change management as the 'people-side' of the organization development is developed on the basis of strategic guidelines ❶ and a defined business architecture ❷. Change management is therefore a tool for implementing the strategy and changing the organization. Change management is often a long-term project that goes far beyond training and information. The planning of changes ❸ shows the future target state. The actual changes and measures are located at the change management and change leadership level and below ❹. Communication ❺ is a bundle of measures alongside behavioral changes at the level of the organization and the individual employee.

Shapes and colors determine our behavior. To investigate the effects of colors, *Josef Albers* used the square as an element, both as a represented form and as a painting ground. His 'Homage to the Square' is a series of several hundred paintings created according to his color theory. Albers was an important artist and teacher at the Bauhaus in Dessau in the 1920s and,

³⁹⁹ Own illustration, Schmude (2024) based on Kelley, Braden (2023), p. 233.

later, he joined the faculty at Yale (USA).⁴⁰⁰ The form in a graphic representation is never indifferent. It determines the thinking of the viewer or recipient. This realization is especially important to keep in mind when it comes to charts and slides, which are very widely used and popular in strategy work. Just as forms and design influence thinking, they also influence action, which follows more or less consciously from thinking: Design can manipulate the space.

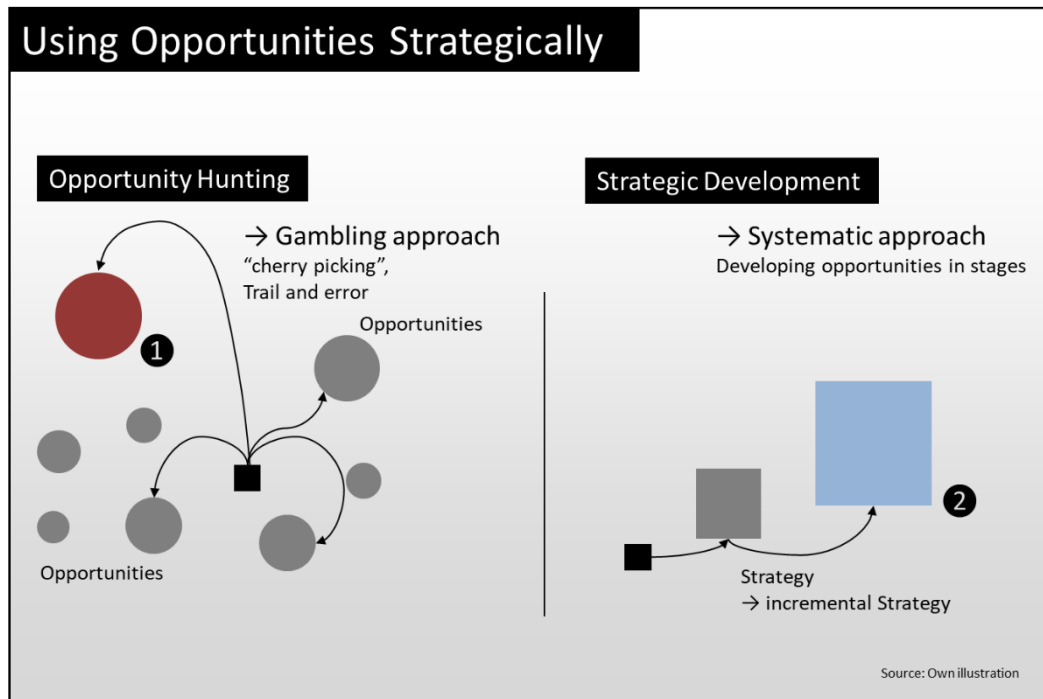


Figure 59

Strategic corporate development versus opportunity hunting⁴⁰¹

Gambling is non-strategic. It is not in every company that strategic thinking determines action. Particularly in small and medium-sized enterprises, business opportunities are sought that are promising in terms of profits. Especially now in the pandemic, this was repeatedly observed in the initial shortage of disinfectants and medical masks. A profit, or at least the prospect of one, becomes the driver for entrepreneurial action. It is a search for business opportunities that are exploited in the short term but abandoned just as quickly ❶. Even large companies are not free from this way of doing business, but are less vulnerable because of the obligation to justify and be accountable. On the question of what is the opposite of strategic, this demarcation was developed. Growth here is accomplished in spontaneous leaps rather

⁴⁰⁰ Josef Albers, *Interaction of Color*, 50th anniversary edition (New Haven: Yale University Press, 2013). A museum of modern art known as the 'Museum Quadrat' is dedicated to *Albers's* works in Germany in the city where he was born.

⁴⁰¹ Own illustration, Schmude (2022).

than a coordinated, systematic approach. Strategy ②, on the other hand, recognizes the opportunities and develops the company accordingly in stages, and follows an internal logic.⁴⁰²

Strategy reduced to key figures and metrics. Instead of the complex systems created using BSC, there should be a reduction to central ‘**Objectives and Key Results**’ (OKR). This is the opinion of two interviewees in the research. Based on the OKR methodology, which became known through its use at Intel and later at Google. This methodology is in the tradition of **Management by Objectives** and has emerged as a contemporary form of this.⁴⁰³ In the sense of agile management, we also advocate this approach.⁴⁰⁴ This leads to instructions on how to use a kit from the Lego company called LEGO® SERIOUS PLAY® to achieve OKR.⁴⁰⁵ Representational presentation and high familiarity (the fact that almost everyone in Germany and perhaps much of Europe had Lego as a child and learned to design playfully with it) have opened the doors of the executive office for this kind of strategy implementation workshop.

CONCLUSION: Strategic Alignment requires a strategy that can be used as a guide for implementation. It can be a written form of the strategy, but also a form of visualization or even a model, all the way up to an implementation workshop. Short-term opportunities and profit often speak against the strategy, which can lead to the ignoring of the strategy. This would then be one of the frequent cases of misalignment.

4.6.2. Aspects from Neuroscience for Strategy Implementation

The topic of neuroscience was mentioned several times in the interviews as a future aspect that will influence management and corporate governance, even if no one can yet estimate the details and scope of this development. This also makes this topic relevant for strategy fulfillment and strategy alignment.

⁴⁰² Schmude, “Strategic Alignment vs. Opportunity Hopping – Disruptive times require a firm strategy” Contents and text components published in advance as part of this PhD program.

⁴⁰³ John Doerr, *OKR: Objectives & Key Results wie Sie Ziele, auf die es wirklich ankommt, entwickeln, messen und umsetzen* (München: Verlag Franz Vahlen GmbH, 2018).

⁴⁰⁴ André Steiner and Erno Marius Obogeanu-Hempel, *Mehr Fokus, Motivation Und Erfolg Mit OKR* (Weinheim: Wiley, 2021).

⁴⁰⁵ Reinhard Ematinger and Sandra Schulze, *Spielend Ziele Setzen Und Erreichen: Objectives and Key Results Mit LEGO® SERIOUS PLAY® / Reinhard Ematinger, Sandra Schulze*, 1. Aufl. 2020, essentials (Wiesbaden: Springer Gabler, 2020).

Influences and findings from the neurosciences. One question in the study of neurobiology is how the brain manages to control and regulate excitability. There are ultimately stimulating and inhibiting impulses in the nerve impulses, which are seen as ‘gas and brake’, scientifically expressed as the sympathetic and the parasympathetic.⁴⁰⁶ The long-held assertion that the human brain cannot form new nerve cells in old age and that it would, therefore, no longer be possible to decisively change the organization of the brain has been disproved. The brain is malleable into old age; this ability is referred to as neuroplasticity.⁴⁰⁷ The human brain is capable of producing new things from itself. This ability is lacking in any computer, no matter how powerful it is.

Natural sciences influence management. The latest developments in the natural sciences, such as neuroscience, must also be taken into account for Strategic Alignment. In the field of marketing and sales research, the terminology ‘neuromarketing’ is an established field for research and teaching. The beginning of neuroscience as a distinct discipline in science began in the late 1980s. Functional magnetic resonance imaging (MRI) techniques were developed in the early 1990s and were first used by cognitive psychology.⁴⁰⁸ The innovation is that with the new technical methods, individual brains can be studied during certain mental activities. The latest developments are magnetoencephalography (MEG), EEG technologies, and transcranial magnetic stimulation (TMS). The distinctive feature of neuroscientific investigation is the imaging techniques that provide data that could not be studied by conventional experimental psychological methods. These techniques can also make unconscious perceptions visible. A widely known example is the increase of blood flow in the amygdala by viewing fear-inducing images. The human brain associates constantly and automatically. It can independently generate perceptual content and associated brain activity.⁴⁰⁹

Neuroscience leads to new insights. The foundations for neuroscience come from medicine and especially anatomy. The division of the cerebral cortex into different areas has remained unchanged since 1909 and goes back to the German neuroanatomist and psychiatrist

⁴⁰⁶ Meike Wiedemann and Kirsten Segler, *Neurofeedback: Wie eine spielerisch leichte Therapie dem Gehirn hilft, Probleme zu überwinden*, 2nd ed. (München: Kösel, 2021). p. 7.

⁴⁰⁷ Wiedemann and Segler, *Neurofeedback*. p. 8.

⁴⁰⁸ Lutz Jäncke, *Lehrbuch kognitive Neurowissenschaften*, 3., überarbeitete Auflage (Bern: Hogrefe, 2021). p. 23.

⁴⁰⁹ Jäncke, *Lehrbuch kognitive Neurowissenschaften*. p. 30.

Korbinian Brodmann (1868–1918). *Brodmann* identified 52 fields, which today are called ‘Brodmann areas’ and are numbered consecutively.⁴¹⁰ The dialogue between man and machine is achieved by means of so-called brain-computer interface (BCI) techniques, where brain activity is used by means of an EEG, and the corresponding signals are converted to control a machine.⁴¹¹ It is already possible to control a computer or steer a vehicle via the mind.

Imprinting and upbringing determine human behavior. The core question is what behaviors have been created by development through **imprinting** and which are still to be influenced by **learning**. In human development, there are irreversible learning processes that occur at certain ‘critical’ stages. The imprinting by the mother was already proven by *Konrad Lorenz* in his experiments. Thus, a gray goose chick could be oriented to a moving ball instead of the mother’s movement, and the animal followed this ball throughout its life. Similar imprints, which are far less easy to observe, take place in other human behaviors.⁴¹²

Learning and behavior change are influenced by new technology. EEG and MEG procedures can non-invasively measure the activity of the human brain. Electrical potential fluctuations are measured on the surface of the skull, through which intracortical excitation of the brain can be inferred. Different frequency bands are distinguished, the most important being the delta band, the theta band, the alpha band, and the beta band. The alpha band is activated in a state of mental focus when the person has to fulfill a certain activity, and the theta band is relevant for relaxation, the so-called ‘resting state’. For the optimization of the shooting ability of an already well-trained soldier, the combination of alpha and theta bands can be used by a teacher or instructor.⁴¹³ The most commonly used method is electroencephalography (EEG), which goes back to a method developed in 1920 by the German psychiatrist *Hans Berger* on how to measure brain waves, i.e., the electrical signals of nerve cells. Today, these measurements are performed with 19 to 256 electrodes.⁴¹⁴

⁴¹⁰ Jäncke, *Lehrbuch kognitive Neurowissenschaften*. p. 67.

⁴¹¹ Jäncke, *Lehrbuch kognitive Neurowissenschaften*. p. 28.

⁴¹² Jäncke, *Lehrbuch kognitive Neurowissenschaften*. p. 105.

⁴¹³ Jäncke, *Lehrbuch kognitive Neurowissenschaften*. p. 95.

⁴¹⁴ Jäncke, *Lehrbuch kognitive Neurowissenschaften*. p. 125.

Automatic versus controlled processes in the brain. Attention is an essential element of all cognitive functions. Attention enables us to process only a small part of the amount of information which comes our way.⁴¹⁵ The **automatic** and the **controlled processes** in human behavior have an important meaning: automatic processes run without conscious control. They require hardly any willpower. The controlled processes are conscious of us and run slower compared to the automatic processes. Controlled processes can be transformed into automatic processes through intensive practice. This is often done to avoid risks, for example, the procedures of airplane pilots in aviation.⁴¹⁶

Behavioral planning and individual influence. Planning is a purposeful attempt to use acquired knowledge optimally for future actions. Those who do not have a plan are unable to anticipate current or future requirements. One aspect of behavior control is self-control, which goes far beyond mere behavior inhibition.⁴¹⁷ In therapy, electroconvulsive therapy (ECT), for example, has been used for over 60 years. In addition to clinical use, there are increasing considerations for consensual use in the non-clinical area. The step to use such technologies also in other areas has been less pronounced so that everywhere where top performance is required and medical care is possible, all available methods will be used.

Neurofeedback as a highly regarded development. The fact that the body and psyche influence each other is generally accepted today and is researched under the term 'embodiment'.⁴¹⁸ Neurofeedback is a method that provides a stimulus to the brain, helping to discard habitual behaviors and try out new response patterns.⁴¹⁹ Neurofeedback has so far been used in therapy by therapists trained in it. The training forms of the brain seem rather playful for the client, which could explain the increasing acceptance of neurofeedback. In neurofeedback, selected brain waves are measured via electrodes and evaluated by a computer. The computer then presents animations, pictures or entire scenes to the client in a film, and the feedback is again evaluated by the system. Presentations are modified according to the training objective.⁴²⁰ The method of neurofeedback is used for concentration disorders in children but also

⁴¹⁵ Jäncke, *Lehrbuch kognitive Neurowissenschaften*. p. 303.

⁴¹⁶ Jäncke, *Lehrbuch kognitive Neurowissenschaften*. pp. 306–307.

⁴¹⁷ Jäncke, *Lehrbuch kognitive Neurowissenschaften*. pp. 372–373.

⁴¹⁸ Wiedemann and Segler, *Neurofeedback*. p. 34.

⁴¹⁹ Wiedemann and Segler, *Neurofeedback*. p. 47.

⁴²⁰ Wiedemann and Segler, *Neurofeedback*. p. 54.

for clear diseases such as anxiety disorders, depression, ADHD, or eating disorders. Stress and burnout are also treated with this therapy. In the 1980s, epilepsy was first treated with neurofeedback. Indeed, it is from this point that the technology has developed.⁴²¹ Within neurofeedback, there are different technical procedures in which the client is either actively involved in the training or purely passively watches a film or a TV program (ILF training).⁴²² The therapist is present during the session and can correct the training parameters at any time. Usually, after about twenty sessions, clients begin to experience success.⁴²³ A wide field of application of neurofeedback is post-traumatic stress disorder (PTSD), as it occurs after catastrophes, days of violence, or war events. For these fields, neurofeedback devices are already being offered to the end user.⁴²⁴

Support and control are available everywhere. Today, every manager and employee can be reached anywhere and at any time via mobile devices. Support devices such as new displays or smart glasses⁴²⁵ will become a constant companion so that the user of such hardware is permanently connected with experts. For example, a service technician does not have to work through technical documentation or maintenance checklists; these are displayed directly via smart glasses and processed interactively with the employee. Data thus becomes available in any situation, and the possibility of control by higher-level organizational units becomes a constant part of the work. Today, it is already common for data glasses to be used in medicine to involve an external expert during operations or for less qualified technicians to carry out maintenance work on-site when they have access to experts via the data glasses with camera and monitor at all times, for example, in the maintenance of wind turbines.

CONCLUSION: The progress in neuroscience is significant, not only in the clinical field, but also in personality disorders and individual development of body and psyche. For or-

⁴²¹ Wiedemann and Segler, *Neurofeedback* p. 165.

⁴²² Wiedemann and Segler, *Neurofeedback*. p. 72.

⁴²³ For more information, visit the International Society for Neurofeedback & Research page (www.isnr.org).

⁴²⁴ Wiedemann and Segler, *Neurofeedback*. pp. 149–151.

⁴²⁵ Since January 2022, Ray Ban and Facebook have been offering smart glasses with two cameras, microphone and a loudspeaker for about USD 300 called 'Ray-Ban Stories'. The device can record movies and be used as a phone for receiving calls. At the same time, it is indistinguishable from ordinary sunglasses. The case for the glasses functions as both a charging station and port. www.ray-ban.com/austria/ray-ban-stories; accessed on June 24, 2022.

ganizations, neuromarketing was first harnessed in sales to ultimately create more effective marketing and purchase-stimulating advertising. On the level of corporate strategy, it is about transformation processes and organizational learning. The findings from neuroscience must also be taken into account here in the future, both for a fundamental understanding and for the design of internal corporate communication and effective human management. Soul states are contagious. In teams, this has been proven that even one negatively polarized person can prevent the entire group from performing. The same applies at the level of the entire organization.

4.6.3. Artificial Intelligence in Strategy Planning and Implementation

The major Internet search engines and trading platforms are gigantic data collectors. The use of the data obtained in this way is also important for influencing the masses, i.e., especially for politics. *Marietje Schaake* from the Cyber Policy Center at Stanford University sees a new power factor in these data stocks.

Data mining and Pattern Recognition. The evaluation of freely available information sources is a way of obtaining information not only for intelligence services but also for companies. This approach is known as Open Source Intelligence (OSINT). Search schemes like those used in journalistic research are used, but they are far more in-depth and usually continuous. Social networks, in particular, can provide content for this form of data mining when evaluated systematically. The problem is that the truthfulness and completeness of the information often cannot be verified. The result can be a distorted picture, which leads to an incorrect assessment of the situation.⁴²⁶ Management control systems (MCS), as one of the most comprehensive forms of management support, will lead to new forms of employee management in conjunction with AI in the future. Such IT applications will no longer be merely a control instrument, but will generate independent control impulses through the accumulation of knowledge and the generation of new knowledge. Business case studies, for example, can be used to train AI to recognize patterns and thus independently alert managers to necessary decisions and actions. The balance between control and empowerment required in HR must

⁴²⁶ Astrid Bötticher, "Open Source Intelligence," in *Cyber-Sicherheit*, ed. Hans-Jürgen Lange and Astrid Bötticher (Wiesbaden: Springer Fachmedien Wiesbaden, 2015).

be ensured by managers. Management control systems can enable employees to manage themselves more effectively. This would achieve strategic goals and improve Strategic Alignment.⁴²⁷

The technical possibilities are the driver for the developments. At an event at Stanford University, *Eric Schmidt*, former CEO of Google and a key thought leader in this area, expressed his views very clearly.⁴²⁸ One of his core theses was that technology companies should not worry about copyrights, but should get what is technically feasible out of IT in order to remain competitive. If legal disputes do arise later on, lawyers can resolve them. Conversely, this means that social rules and legal regulations are ignored in case of doubt or even that the law is massively bent.⁴²⁹

The training of AI determines its capabilities. All AI systems available today must be trained, i.e., they are “fed” large amounts of data. This is the basis for the knowledge available in AI. The collection of literature, books, and databases is therefore the limiting factor for the capabilities of AI. If the data selection or prioritization is incorrect, the AI algorithm will also deliver incorrect or distorted results.

CONCLUSION: The use of artificial intelligence (AI) for management information systems and for controlling the company will become more important in the future. Systems are already in place today for data mining and analysis, but whether AI can also be used to develop new strategy remains to be seen. AI will make the planning process and thus the development of a corporate strategy faster and more efficient. The innovation of completely new strategies and solutions will remain reserved for the human brain. The importance of AI for Strategic Alignment cannot be predicted today, but it will be widely used in the strategy process and especially in the preparation of information. The fact

⁴²⁷ Sarah Mahir et al., “Integrating Human Capital into Management Control Systems: Enhancing Strategic Alignment and Organizational Success,” *Pakistan Journal of Life & Social Sciences*, no. 2 (2024), <https://doi.org/10.57239/PJLSS-2024-22.2.001564>.

⁴²⁸ Eric Schmidt, “Speech at Stanford,” accessed August 20, 2024, https://github.com/ociubotaru/transcripts/blob/main/Stanford_ECON295%E2%A7%B8CS323_I_2024_I_The_Age_of_AI%2C_Eric_Schmidt.txt.

⁴²⁹ Nina Rehfeld, “Erst Rauben, Den Rest Machen Die Anwälte: Der Frühere Google-Chef Eric Schmidt Spricht Klartext Über Den Markt Der Künstlichen Intelligenz: Die Rechte Von Urhebern Zählen Nicht, Es Sei Wie Im Wilden Westen: “Boom, Boom, Boom, Boom”.” *Frankfurter Allgemeine*, August 19, 2024, accessed August 20, 2024, www.faz.net/aktuell/wirtschaft/thema/eric-schmidt.

that in future AI will also be used for standardized communication and certainly also for human management must be accepted as a given. Question: How much influence will AI be given in human management?

In science, AI can help to overcome scientific or knowledge-based silos and conduct interdisciplinary research.

4.6.4. Strategic Alignment Tools and other Alignment Approaches

The idea that control via key figures and metrics is sufficient is widespread. Behind this is the idea that a kind of **control center** or **control panel** should exist in the company, through which the entire organization is controlled. Anyone who thinks about the organization in this way has a purely mechanistic picture in mind: everything in the company follows clearly defined processes of work, and controls, like a large machine or apparatus, only need to be set correctly so that everything functions optimally.

A dashboard or control panel to check off results. The BSC works in the same way, ultimately compiling a company-wide tableau of key figures like a dashboard. This idea comes from mechanical engineering and engineering sciences. To increase output and performance, all that is needed is a clean breakdown of specifications and constant readjustment for optimization. For innovation and the implementation of new strategies, there cannot be such a control center per se. For operational and tactical implementations, control can be efficiently merged here to avoid frictional losses and wasted time, but this is then only an instrument or tool for better implementation and does not yet ensure alignment. The BSC or other tools are an attempt to find a simple solution to a complex problem. Important aspects are then often neglected, as in the case of the BSC, the communication and the psychological sensitivities of the organization.

Input and inspiration from other areas. Finding relevant theories which can contribute to a researcher's work is not limited to his own scientific field. To see the **cross-science relationship** between theories is the most difficult aspect because, as researchers, we are highly specialized in our own field of interest, however contact and communication with other fields are limited. Especially in corporate strategy and strategy fulfillment, the connection to psychology, communication, history and, e.g., political and military science could lead to a more

general and abstract, and therefore better model. The Internet allows for both public and broad research but not preselection. The book 'Dictionary of Theories' used to provide a well-edited alphabetical overview of theories from different areas of science, and coherent terminology allows for cross-scientific references⁴³⁰ but, as a result of Internet research, the book is no longer in publication.⁴³¹

Strategic communication in politics. The literary treatment of strategy and even the anticipation of strategic scenarios has a long tradition. The invasion of U.S. forces to end World War II was published by the writer *Stefan Heym* (1913–2001) about two years earlier as a book under the title 'Of Smiling Peace'⁴³² ('Flammender Frieden').⁴³³ However, *Heym* himself had already been trained in intelligence propaganda by the armed forces by that time and developed the book in this context. Some see these books as a literary prophecy, others simply a form of political propaganda literature. Today, the term **information warfare** is used, which ultimately also feeds on propaganda. In politics, propaganda is understood as a form of control over society.

Case Studies and Business Novels. Texts that are generally understandable and have an entertaining tone have a greater reach in the target group than pure abstract scientific publications. The so-called **management literature** and **business novels** are examples of this genre. A widely known example of a business novel is 'The Deadline' by *Tom Demarco* published in 1997. This novel is about project management developing a new software application. The goal is a storyline that allows a combination of entertainment with educational intent. The storyline guides the reader through different problematic situations in the management of a software project. The business novel is completely different from a case study: it is not designed for class room sessions but suitable for self-study.

The latest ideas and published aspects about Strategic Alignment. One publication that was prepared and designed when this dissertation was already in draft form is by *Reed* in April 2023 and titled "Modeling and measuring strategic alignment" (accepted 25 April 2023,

⁴³⁰ Schmude, "Corporate Strategy in a Disruptive Economic Environment Foremost A Strategic Alignment Topic?." Published in the conference proceedings.

⁴³¹ Jennifer Bothamley, *Dictionary of Theories* (Washington, D.C., 1993).

⁴³² Stefan Heym, *Of Smiling Peace* (Boston, 1944).

⁴³³ Stefan Heym and Bernhard Robben, *Flammender Frieden: Roman* (Gütersloh, 2021). 20 years after the writer's death, this work appears for the first time in his native language.

copy provided by the author via e-mail/researchgate).⁴³⁴ A Strategic Alignment index with a measure from 0 to 1.0 provides a scale for alignment. Reed emphasizes at the beginning of his remarks that the term Strategic Alignment has been discussed for about 30 years, but to date neither an authoritative definition nor a measurement of alignment is possible. The focus of almost all authors in this field is on IT Strategic Alignment. *Reed* calls his model the **resource-product-market model** (RPM) and defines Strategic Alignment as a match between the company's resources and its product-market strategy. So a combination of the two fundamental views, the resource-based view of strategy and the market-based view of strategy. The index is supposed to express the degree of alignment (Strategic Alignment index). The advantage of this model is that internal and external perspectives of the company are taken into account. The disadvantage is that only the current state of Strategic Alignment is measured, but no statements can be made about the opportunities and risks regarding future Strategic Alignment. The starting points for the development of the model are the publications by *Henderson* and *Venkatraman*, the strategic fit process (SFP) formulated by *Beer* in 2005, and the eight possible points for alignment in large organizations named by *Kaplan* and *Norton* in 2006. Another input for the work was the Strategic Alignment Matrix according to Bertolotti 2019, which is directly based on the considerations of *Kaplan* and *Norton*. The **Strategic Alignment Matrix** shows functional KPI's on the horizontal axis and business KPI's on the vertical axis. Reed's study includes ten interviews lasting up to two hours with executives.

⁴³⁴ Jonathan H. Reed, "Modeling and Measuring Strategic Alignment," *Journal of Strategy and Management*, prepublished (2023), <https://doi.org/10.1108/JSMA-11-2022-0212>.

Table 56Taxonomy of strategic moves based on RPM model⁴³⁵

	Type	Strategic Move	Definition
Resource Moves	1	Deploy Resource	Using resource in product line
	2	Withdraw Resource	Stop using resource in product line
	3	Acquire Resource	Create new resource
	4	Divest Resource	Eliminate resource
	5	Adjust Resource Mix	Increase or decrease resource investments
Product Moves	6	Position Product	Start selling product line into market
	7	Recall Product	Stop selling product
	8	Develop Product	Create new product line
	9	Discontinue Product	Eliminate product line
	10	Adjust Product Mix	Increase or decrease product line sales
Market Moves	11	Enter Market	Address new market
	12	Exit Market	Eliminate market
	13	Adjust Market Mix	Increase or decrease addressable market size

CONCLUSION: It is a consideration of the past and, due to the time delay, only becomes effective for the management of the company much later. Forward-looking and prospectively effective mechanisms are missing.

⁴³⁵ Reed, "Modeling and measuring strategic alignment." p. 8.

Retaining high potentials as a form of HR alignment. The book 'Aligning the Stars' talks about the retention of good employees in a professional service firm (PSF) such as consulting companies, law firms or financial institutions. The "stars" are the particularly qualified employees whom the company would like to retain for as long as possible.⁴³⁶ The following definition is used for this form of employee alignment or, in abstract terms, HR:

"Alignment means creating organizational practices and structures that simultaneously fit the strategic requirements of a business."⁴³⁷

The result from a good alignment are: Competitive success, financial strength and the opportunity to become an industry leader. It is emphasized that it is much easier to look at alignment conceptually than to bring about actual alignment. The basis for these considerations was a study beginning in 1997 to examine alignment in the strategic and organizational approach of professional service firms. 18 U.S. firms were included in the study. The focus was on consulting firms and accounting firms. The study was conducted by Bain & Company, itself an international strategy consulting firm.⁴³⁸ Many young professionals use consulting firms as a way to gain a lot of different work experience in a short period of time, and later move on to a traditional company or even a client. The turnover in many of these companies is high, for example up to 20% annually, which means that every five years the entire workforce is replaced. The **structure of the company** and **governance** are important for alignment. So is the **corporate culture**, which contributes to maintaining an alignment. It must also be noted that alignment cannot exist without **effective leadership**.⁴³⁹ On the subject of strategy, the statement is made that strategy is never just something episodic, but fundamentally and always contributes to the long-term success of the enterprise.⁴⁴⁰ Another empirical study examines the importance of Strategic Alignment in **talent recruitment**. It suggests that the HR department and the relevant management should take action based on their own 'talent acquisition strategy'. The conclusion is that attracting talent must become part of the company's

⁴³⁶ Jay Lorsch and Thomas J. Tierney, *Aligning the Stars: How to Succeed When Professionals Drive Results* (Boston: Harvard Business Review Press, 2002). p. 2.

⁴³⁷ Lorsch and Tierney, *Aligning the Stars*. p. 3.

⁴³⁸ Lorsch and Tierney, *Aligning the Stars*. p. 5.

⁴³⁹ Lorsch and Tierney, *Aligning the Stars*. p. 8.

⁴⁴⁰ Lorsch and Tierney, *Aligning the Stars*. p. 35.

strategy because it is essential for the company's long-term goals. A separate model was developed for the study, entitled 'Strategic Alignment Model (SAM-Talent)'.⁴⁴¹

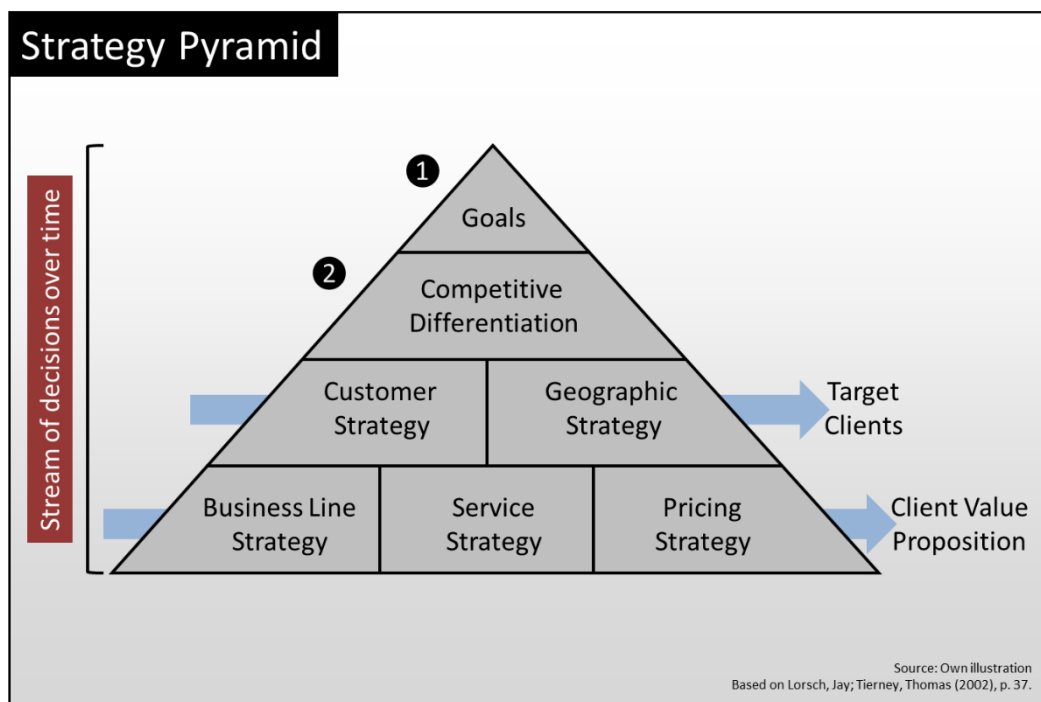


Figure 60
HR-Alignment visualized as strategy pyramid⁴⁴²

Hierarchical structure of the content and components of the corporate strategy. The large management consulting firms are ultimately owner-operated businesses. The partners own the shares in the respective company. There are no publication obligations as with listed companies. As an example, let's look at CSC Index, which triggered the reengineering boom as an inventor and first mover through *James Champy*. The goal was to build up an internationally active consulting company specialized in business process optimization according to the concept of reengineering ①. The distinguishing feature was Reengineering, which was represented in publications from 1993 onwards. The word Reengineering is a term of art, which was created like a brand ②.⁴⁴³

⁴⁴¹ P. Sangeetha and S. Ilaysankar, "Transforming Talent Acquisition: An Empirical Study with a Tested Strategic Alignment Model," *Journal of Information Systems Engineering & Management*, 2025, <https://doi.org/10.52783/jisem.v10i41s.8007>.

⁴⁴² Own illustration, Schmude (2024) based on Lorsch, Jay; Tierney, Thomas J. (2002), p. 37.

⁴⁴³ Lorsch and Tierney, *Aligning the Stars*. p. 48.

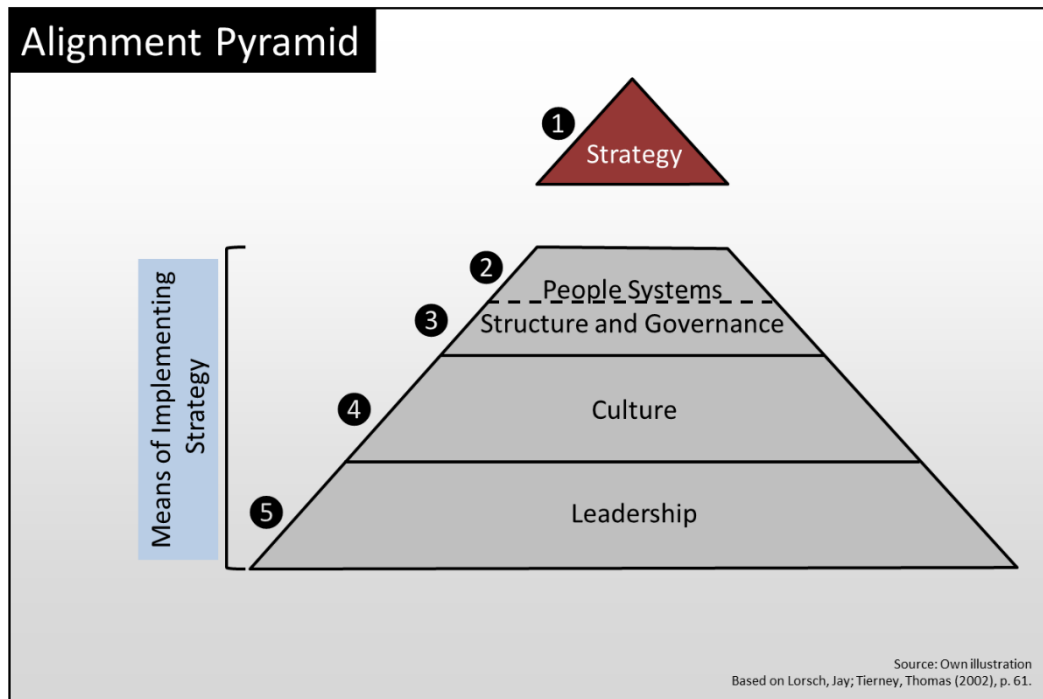


Figure 61
Alignment pyramid⁴⁴⁴

Differentiation between corporate strategy and its means and components in implementation. Alignment takes place under the umbrella of strategy ①. At the top of the pyramid are the employees ② and, directly linked to this, the formal structure (organizational structure) and governance ③. The corporate culture is presented as an independent aspect ④, detached from the leadership ⑤ and the organizational structure. The representation as a pyramid inevitably symbolizes a hierarchy and is reminiscent of an organization chart. Above is important and below is less important, so the reader can understand a pyramid. In this representation, the "people systems", presumably one could speak of units or entities, are shown immediately below the somewhat detached strategy.⁴⁴⁵ In this book, the term Strategic Alignment is not explicitly used and is not found in the book's index.

CONCLUSION: This chapter has summarized and discussed overarching and general aspects, e.g. strategy as a general topic, that have an influence on the research topic of Strategic Alignment or will gain influence in the near future. Naturally, this discussion cannot be complete or exhaustive in its depth of presentation. However, the topics identified in the research interviews will be discussed. The first literature published during

⁴⁴⁴ Own illustration, Schmude (2024) based on Lorsch, Jay; Tierney, Thomas J. (2002), p. 61.

⁴⁴⁵ Lorsch and Tierney, *Aligning the Stars*. pp. 61-62.

the preparation of the research documentation is also evaluated in this section, as it is to be taken into account for the further research work.

4.7. ASPECTS REGARDING STRATEGIC ALIGNMENT FROM THE INTERVIEWS

Input from the interviews, suggestions for further thought and new topics that could be relevant for Strategic Alignment are presented in this chapter. Fundamental developments and aspects of Strategic Alignment and their theoretical design are presented here and discussed as far as this is possible today.

4.7.1. The Need to Define Strategic Alignment

Clarity of terminology Strategic Alignment. There is no generally binding definition for the term Strategic Alignment, but there is also no generally binding or legally binding definition for the de facto superordinate term of strategy or corporate strategy.

The understanding of the term corporate strategy is shaped by the respective situation and is therefore very individual. Each interviewee has developed a particular meaning of corporate strategy in his or her imaginary world, which among corporate practitioners is, of course, guided little by scientific definitions but by the actual use of language and the organization of the company. There is no generally accepted definition of corporate strategy, although this is a central concept for corporate management. Precisely because this concept also has an effect on the external perception of shareholders and investors, a binding definition would be useful here, especially since otherwise this term can be used misleadingly.

The corporate strategy is a plan given to the company itself. The strategy is developed internally and has a function to guide the way the company works and also to discipline operational missteps. One finding of this study is that corporate strategy is dealt with and in some cases it has only a pro forma or fig leaf function, but ideally it is the **central planning document** in conjunction with a business plan and other detailed planning.

The tipping point in strategy implementation. One observation in the research is that there is a certain breadth of interpretation and practical use of the Strategic Directions, all of which are still within the realm of Strategic Alignment. At a certain point, however, there seems to be a shift to misalignment. This point is to be understood in the following as a **tipping**

point, i.e. more precisely as a tipping point in strategy implementation. At the latest when legal boundaries are crossed, as in criminal law or criminal tax law, the case of misalignment is obvious. However, even before criminal law is involved, there is a point at which the company's actions are derived into a **gray area of legality** or no longer proper economic activity. One question for recognizing this criterion is: Where is the corporate strategy no longer followed, but broken?

Requirement of a set of minimum standards for corporate strategy. Despite all the degrees of freedom in the term and the use of the term corporate strategy, there must be a demarcation. The corporate strategy can be **interpreted, updated** or **expanded** in a narrower sense, but the **strategy must not be broken**. In this context, the strategy is understood as a set of guidelines or rules, which has a guiding function for all further decisions and operational functions. According to this understanding, the corporate strategy is a set of rules or laws given to the company, which was adopted after thorough planning and consideration.

CONCLUSION: If there are no legal requirements or generally binding standards for strategic planning in companies, there is even less of a uniform understanding of the term Strategic Alignment.

4.7.2. Legal and Regulation Requirements Regarding Corporate Strategy

There are no regulations in the German Stock Corporation Act (AktG) that provide for a corporate strategy and for the Executive Board to be bound by this strategy. Such a provision would be expected in Section 91 of the German Stock Corporation Act (AktG), which regulates the **duties of the Executive Board** with regard to accounting, the control and monitoring system, early detection, and risk management. There is no reference to strategy here.

Avoidable crises in the financial industry. In the case of financial services providers, the 2008 financial crisis has led to a rethink, and the risk management regulations of the financial supervisory authority now contain corresponding provisions that should actually be applied analogously to large stock corporations. Following the collapse of the U.S. investment bank Lehman Brothers (filed for insolvency on September 15, 2008) and the problems in the subprime market, the 2008 financial crisis also affected German credit institutions. This re-

sulted in a distress sale of Sachsen LB to Landesbank Baden-Württemberg. After German reunification, the state of Saxony was the only one of the new federal states to establish its own state bank. Sachsen LB continued to operate within the LBBW Group until 2018, when it was liquidated.⁴⁴⁶

Financial risk management as a model for strategic risk management. In the 2012 version of the Minimum Requirements for Risk Management, regulations on strategic planning, the strategy process, responsibilities, and commitment to the developed strategy were included under **AT 4.2 item 1**. Today, **Section 25a (1) Sentence 3 No. 1** of the **German Banking Act** (Kreditwesengesetz - KWG) stipulates the following as binding for all credit institutions in Germany: “the definition of strategies, in particular the definition of a business strategy aimed at the sustainable development of the institution and a risk strategy consistent with this, as well as the establishment of processes for planning, implementing, assessing and adjusting the strategies.” In the Standard Commentary on the KWG, the commentary on a supplementary ordinance to the KWG, the *Institutsvergütungsverordnung* (InstitutsVergV – Remuneration Ordinance for Institutions), contains a clear clarification of how strategy work in credit institutions must be carried out from the time it comes into force in 2010. This commentary refers to the interpretation of the entire **Section 25a KWG**.⁴⁴⁷ The key contents of **margin number 1** are:

- The management, i.e., usually the board of directors, is responsible for defining and adjusting the strategy and must **ensure** that the strategy is implemented.
- The responsibility **cannot be delegated**.
- The strategies include, in particular, a **business strategy** geared to the sustainable development of the institute and a **risk strategy** consistent with this.

⁴⁴⁶ Ulrich Wolf, “Dramatische Tage Im August: Vor Zehn Jahren Stand Sachsen Vor Dem Abgrund,” *Sächsische Zeitung*, August 27, 2017, accessed March 13, 2022, www.saechsische.de/dramatische-tage-im-august-3758970.html.

⁴⁴⁷ Karl-Heinz Boos, Reinfrid Fischer and Hermann Schulte-Mattler, eds., *KWG, CRR-VO: Kommentar Zu Kreditwesengesetz, VO (EU) Nr. 5752013 (CRR) Und Ausführungsvorschriften*, 5. Auflage (München: C.H. Beck, 2016). Here in particular: *InstitutsVergV* § 4 Rn. 1–9.

- The **definition of strategies** must be integrated into a **strategy process**.
- The strategic goals and the measures formulated to achieve them set the cornerstones for operational planning.
- In view of the fact that, in the past, strategies were often formulated only in very abstract terms, MaRisk version 2012 requires that the **strategic goals** and **measures** be formulated in sufficiently concrete terms so that corporate operational planning can also be plausibly derived from them.

Strategy binding requires a legal obligation. Analogous regulations were created for the insurance industry in Section 26 of the Insurance Supervision Act (VAG). Section 26 (1) sentences two and (2). The strategies to be developed include, in particular, a risk strategy tailored to the management of the company. In the abridged commentary on the VAG, business strategy is interpreted in a very restrictive manner, and only the requirement that a risk strategy must be derived from the business strategy is formulated. The commentators do not describe how this is to be done in technical and organizational terms.⁴⁴⁸ Even before the financial crisis, there were discussions about amending supervisory law and formulating obligations regarding risk and business strategy. The interest of the legislator was **extensive regulation** and the formulation of **minimum requirements**. The companies and their boards wanted the greatest possible freedom and also little transparency with regard to strategy and business planning.⁴⁴⁹

The benefits of corporate governance are widely ignored. The current version of the German Corporate Governance Code, which has been revised and expanded by a standing

⁴⁴⁸ Oliver Brand et al., eds., *Versicherungsaufsichtsgesetz: Handkommentar*, 1. Auflage, NomosKommentar (Baden-Baden: Nomos, 2018). § 26 Rn. 29.

⁴⁴⁹ Thorsten Schmude, "Geschäftsstrategie Mit Der Risikostrategie Verbinden: Die Auflagen Des § 64a VAG Dulden Keinen Aufschub," *Versicherungswirtschaft* 15.9.2008, no. 18 (2008).

committee, is available to everyone at www.dcgk.de. Companies commit to the Code in a **voluntary form** and use a so-called 'Declaration of Compliance' for this purpose. The GCGC, in its respective current form, is also published in the Federal Gazette. Since 1998, the topic of corporate governance has gained importance in Germany, the first law in this context being the Control and Transparency Act (KonTraG). The Institute for Law and Finance at Goethe University in Frankfurt am Main,⁴⁵⁰ founded by *Theodor Baums*, is focused on the further development of corporate governance issues. *Baums* himself was a long-standing member of the Government Commission for the Corporate Governance Code.

Other voluntary commitments. Closely related to the topic of corporate governance is the use of **codes of conduct** (CoC) as a quasi-legal requirement, but these are ultimately only a recommendation and not binding. CoCs are also used at the corporate level and are often confused with formal work instructions and strict specifications, which in fact, are not. Nothing more than a declaration of intent can be derived from the CoC. One example of the misguided use of CoC is the Cum-Ex scandal in Germany.

Gaps in laws and regulations are systematically searched for. The fact that companies systematically detect and then exploit loopholes in the taxation system is well-known and common practice. In the case of the Cum-Ex scandal in Germany and other neighboring countries, a supposed loophole in the taxation system was identified by tax lawyers and exploited over more than twenty years to the detriment of the treasury, i.e., the taxpayer. This concerns the taxation of dividend distributions by listed stock corporations. In principle, companies have the option of having corporate income tax already paid and refunded by the tax office, which is also known as a corporate income tax credit. Due to share trading around the distribution date of the dividend, there may be a change of ownership exactly on the record date of the dividend payment, and thus, there are two owners of the shares for a record date. Due to a lack of controls and malicious exploitation of this circumstance, a whole 'cum-ex industry' has developed from this. Despite investigations by the public prosecutor's office, media reports, and also discussions in parliament, the alleged legal loophole has not been effectively closed. The Swiss bank *Safra J. Sarasin* and the Hamburg-based *M.M. Warburg Bank* were

⁴⁵⁰ www.ilf-frankfurt.de/gain-the-competitive-advantage.

particularly involved in these schemes.⁴⁵¹ The method was largely developed by *Hanno Berger*, a former tax office auditor specializing in bank audits which had switched to the tax consulting side.⁴⁵² Well-known legal scholars have emphasized the avoidable legality of cum-ex transactions in lectures and publications, thus helping all transactions to achieve apparent legality. The weak point in the entire procedure was that at no time did the tax authorities check whether only taxes that had actually been paid were refunded, or whether there was a double refund. When the shares are sold on the dividend record date, the repurchase is also agreed at the same time, which is referred to as ‘unwind’. Well-known institutions such as HVB from Munich or the largest internationally active law firm Freshfields⁴⁵³ were involved in the system, which gave the alleged business model a serious appearance. The implementation of these transactions was only possible through the collusive efforts of lawyers, tax advisors, banks, and securities traders. In particular, the so-called structures of transactions designed the precise plan for the operational implementation.⁴⁵⁴ A parliamentary investigative committee of the German Bundestag presented its report⁴⁵⁵ on the Cum-Ex scandal in 2017, which was prepared on the basis of 70 witness hearings in 46 committee meetings.⁴⁵⁶ The total damage is estimated at more than EUR 50 billion.⁴⁵⁷ It was not until March 2020 that it was judicially determined that cum-ex transactions are punishable by law. The corresponding judgment is from the Bonn Regional Court.⁴⁵⁸ The Federal Court of Justice (BGH) has upheld the ruling of the Bonn Regional Court and thus established that the Cum-Ex transactions were tax evasion and that it could not have been a legal exploitation of a legal loophole.⁴⁵⁹

⁴⁵¹ Massimo Bognanni, *Unter Den Augen Des Staates: Der Größte Steuerraub in Der Geschichte Der Bundesrepublik* (München: dtv Verlagsgesellschaft, 2022). p. 15.

⁴⁵² Bognanni, *Unter den Augen des Staates* pp. 46–47. The law firm in question operated under the name ‘*Berger, Steck und Kollegen*’, with its registered office in Frankfurt am Main on 32nd floor of the ‘Skyper’ (known for particularly innovative financial engineering firms, VC and special purpose vehicles).

⁴⁵³ Bognanni, *Unter den Augen des Staates*. pp. 174–175.

⁴⁵⁴ Bognanni, *Unter den Augen des Staates*. p. 183.

⁴⁵⁵ “Beschlussempfehlung und Bericht des 4. Untersuchungsausschusses nach Artikel 44 des Grundgesetzes” (Drucksache 18/12700, Berlin, 2017), <https://dserver.bundestag.de/btd/18/127/1812700.pdf>.

⁴⁵⁶ Bognanni, *Unter den Augen des Staates*. p. 189.

⁴⁵⁷ Bognanni, *Unter den Augen des Staates*. p. 196.

⁴⁵⁸ Cum-Ex-Entscheidung Justiz Portal NRW (Landgericht Bonn, accessed May 24, 2022, www.justiz.nrw.de/nrwe/lgs/bonn/lg_bonn/j2020/62_KLs_213 Js_41_19_1_19_Urteil_20200318.html).

⁴⁵⁹ Cum-Ex-Entscheidung (Bundesgerichtshof July 28, 2021), accessed May 24, 2022, <https://openjur.de/u/2364566.html>.

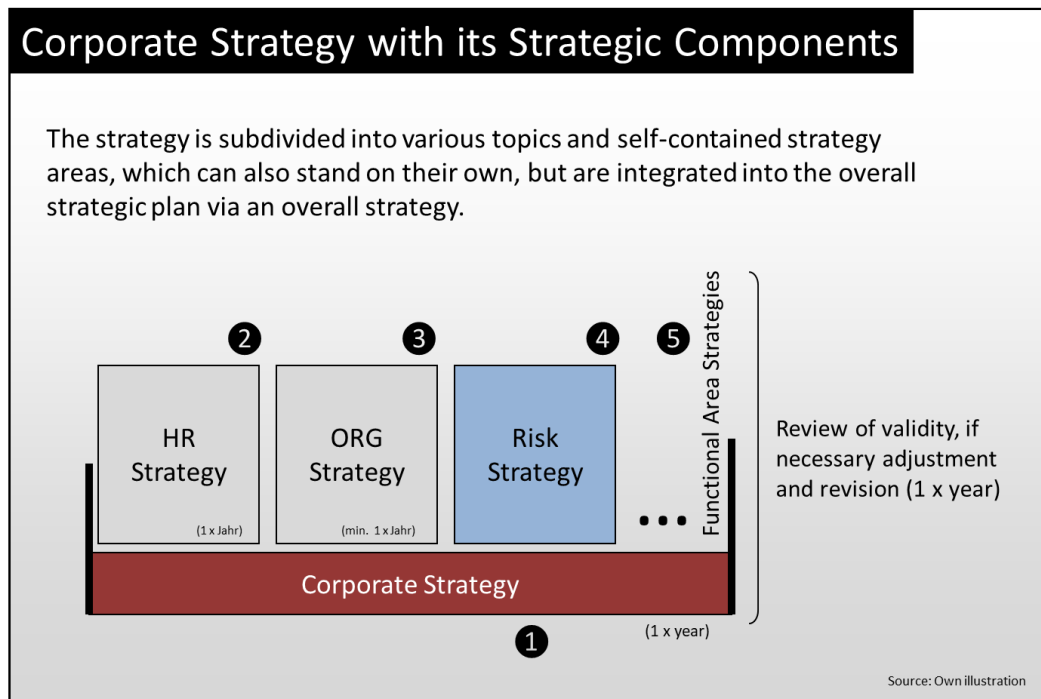


Figure 62

Strategy components⁴⁶⁰

Integration of strategic content. The corporate strategy ① forms the basis for all other strategies, which must be linked to it in terms of content. Depending on the size and complexity of the company, different functional area strategies or sub-strategies will be required. This can be a HR strategy ②, a separate organizational strategy ③, a risk strategy ④ and others ⑤. The other strategy documents can then grow out of the business strategy, which in turn is based on the strategic goals of the company. In the diagram, the structure is therefore chosen from bottom to top.

Linking Strategic Alignment and risk management. A study examines the Strategic Alignment of risk management and regulatory corporate governance using Chinese manufacturing companies as a case study. The particular influence of government control plays a special role here. The distinction between strategic risk management and Strategic Alignment lies in the identification of future risks and their assessment. Strategic Alignment, on the other hand, is a higher-level function that integrates risk management into governance or management processes. As a result, communication and continuous monitoring play central roles. It is striking that Strategic Alignment is not based on a corporate strategy, but only on predefined

⁴⁶⁰ Own illustration, Schmude (2024).

goals (strategic goals). Methods such as balanced scorecards and scenario planning are mentioned as instruments. In contrast to other publications, the influence of the state is largely ignored.⁴⁶¹

CONCLUSION: In the abstract, the existence of a corporate strategy is considered right and good. This means that Strategic Alignment is also supported in principle. In practice, management strives for the greatest possible freedom and scope for action. This results in a contradiction that can only be solved by legal requirements. The discussion about the extent to which a legal requirement is necessary or whether all strategic issues and their implementation should be left to entrepreneurial freedom is a political issue. The current short-term orientation of many large and global companies could be mitigated by legal requirements and codified law. In Europe, board members and CEOs generally have four-year contracts with an option to extend.⁴⁶² It can be observed time and again that entrepreneurial activity is optimized for this short period of time in view of their own bonuses.

4.7.3. Corporate Strategy for Entrepreneurs and Owners

A separate group is the company founders, often referred to as ‘company builders’, who usually build new companies from scratch with a high investment of venture capital. These are usually so-called **scalable business models** that promise above-average profit potential. International as well as local examples will illustrate the special features of **family businesses**.

Strategy development and implementation by the owner. There are owner-managed family businesses where a strategy is not always apparent and does not need to be communicated externally or explained internally to employees. An example of this is the Oetker Group, which is known to everyone in Germany through baking powder and later through custard powders. The founding father of today’s food company *August Oetker*, was born in 1862 in Obernkirchen near Stadthagen. He became aware of the profession of pharmacist through a distant relative, Louis Dohme, who had successfully emigrated to America and founded a

⁴⁶¹ Hu Can and Ahmed Razman Abdul Latiff, “Strategic Alignment of Risk Management and Corporate Governance: Boosting Manufacturing Performance,” *Journal of Digitainability Realism & Mastery (DREAM)* 3, no. 5 (2024), <https://doi.org/10.56982/dream.v3i05.242>.

⁴⁶² In accordance with Section 84 (1) sentence 1 AktG: maximum term of five years for Management Board contracts.

chemical factory there. After studying in Berlin at the Friedrich-Wilhelms University (today: Humboldt University of Berlin) and Freiburg, he was awarded a doctorate on the subject of botany. In 1889 the purchase of a pharmacy in the city of Bielefeld was the beginning, but already then, he wanted to build an industrial production and become a company.⁴⁶³ For a long time, he was considered the inventor of baking powder, but research has since disproved this. Baking powder already existed at the time because Liebig in Giessen and his student, the American Eben Norton Horsford, had already been working on its production. Horsford was already producing baking powder in America and paid Liebig for the license. In Germany, 'Backin', a scientific-sounding name for Oetker's baking powder, had increasing success and created the financial basis for the establishment of today's corporation.⁴⁶⁴ In the early 2000s, *Oetker* became active as a conglomerate with its own bank (Lampe Bank), several hotels, a shipping business with container ships (Hamburg Süd, sold to Maersk in 2017), and increasingly in the business for frozen food and especially frozen pizza. Succession was regulated in the industrial *Oetker* family following the so-called 'hereditary court principle',⁴⁶⁵ according to which the parent company was to fall to a single heir.⁴⁶⁶ Until 1980, the company was run by *Rudolf-August Oetker* in the legal form of a sole trader and then converted into a limited partnership, i.e., also a partnership. There is a fundamental reluctance to open up to the capital markets.⁴⁶⁷ This example shows one of the largest German corporations, which is still in the hands of one family and whose strategy is shaped by only a few heads.

Strategic conflicts can break up family businesses. There is a latent concern that a **family dispute** could split the company, as had been seen with other family businesses. In particular, the Bahlsen company from nearby Hanover was seen as a bad example of this.⁴⁶⁸ The conglomerate's lack of clarity becomes a problem when it comes to training the next generation and company succession: the high degree of diversification gave the Oetker Group, with more than 37,000 employees and over 350 individual companies,⁴⁶⁹ the advantage of operating in

⁴⁶³ Rüdiger Jungbluth, *Die Oetkers: Geschäfte Und Geheimnisse Der Bekanntesten Wirtschaftsdynastie Deutschlands* (Frankfurt am Main: Campus Frankfurt / New York, 2004) p. 48.

⁴⁶⁴ Jungbluth, *Die Oetkers*. pp. 51–54.

⁴⁶⁵ In German: Erbhofprinzip.

⁴⁶⁶ Jungbluth, *Die Oetkers*. p. 215.

⁴⁶⁷ Jungbluth, *Die Oetkers*. p. 299.

⁴⁶⁸ Jungbluth, *Die Oetkers*. p. 370.

⁴⁶⁹ Dr. August Oetker KG, "Kennzahlen 2018-2020," news release, accessed February 13, 2022, <https://www.oetker-gruppe.de/Oetker-Group/portrait-and-key-data/Kennzahlen%202018-2020.pdf>.

industries that were largely independent of each other through the ‘collected’ companies. Furthermore, dependence on banks was avoided.⁴⁷⁰ In 2021, however, it became unavoidable to split the Group into two companies, with the core business remaining in the limited partnership and other activities such as sparkling wine cellars. The explanatory memorandum states, “... with this decision, the shareholder groups are overcoming their differing ideas on the management and strategy of the Oetker Group.”⁴⁷¹

Politics influences strategy in the family group. The largest family business in Germany for well over a century was the Krupp company in Essen. Out of concern that the company could be split up by succession and thus easily face an existential crisis, the company’s succession had to be intervened in as early as 1943 by means of a separate state law, the so-called *Lex Krupp*.⁴⁷² A sole proprietorship was formed from a corporation, which, however, contained regulations on succession and the preservation of the company based on the individual case. The burden on a sole owner is so great that there is not always a successor available who has the necessary qualifications and personality. The last sole owner, *Alfried Krupp*, had installed a general representative as his deputy at an early stage in the company, who could in fact act like an entrepreneur, i.e., like himself. From 1953 this was *Berthold Beitz*, who had been recruited by *Alfried Krupp* from an insurance board for the coal and steel company. Through *Beitz’s* mediation, the Krupp company was finally transformed into a foundation headed by a board of trustees. The sole heir *Arndt von Bohlen und Hallbach*, who himself had no interest in working for the company, had to be persuaded to renounce his inheritance and instead be compensated with annual appanages.⁴⁷³ This solution is certainly a blueprint for many other family businesses. In the case of Krupp, this also opened up the strategic space for changes that became necessary during the credit crisis of 1967. Equity capital for investments is generally scarce in sole proprietorships due to its legal form.⁴⁷⁴

⁴⁷⁰ Jungbluth, *Die Oetkers*. pp. 297–298.

⁴⁷¹ Dr. August Oetker KG, “Oetker-Gruppe Wird Geteilt,” news release, July 22, 2021, accessed February 13, 2022, https://www.oetker-gruppe.de/Oetker-Group/press-releases-de/2021_07_22_Presseinformation_Oetker-Gruppe.pdf.

⁴⁷² Joachim Käppner, *Berthold Beitz: Die Biographie*, Piper 30346 (München: Piper, 2013). p. 146.

⁴⁷³ Käppner, *Berthold Beitz*. pp. 297–301.

⁴⁷⁴ Käppner, *Berthold Beitz*. pp. 313–314.

The dictates of growth can threaten family businesses. Another family business took a different course: the Sprengel company from Hanover in Germany, founded in 1851 as a chocolate factory, developed over many generations as one of the most important companies for drinking chocolate and later chocolate bars and other confectionery. The company was known for special quality and had established a firm place in the market alongside its competitors Stollwerck (Cologne) and Sarotti (Berlin). The last sole proprietor, *Bernhard Sprengel* (1899–1985), had initially missed out on investments in new technologies and rationalization and was very hesitant about cooperation. From the end of the 1960s, there was overcapacity in the chocolate market. His biggest mistake was probably that he devoted more time to his art collection of over 600 objects, neglecting the core business. The art collection was later transferred to the Sprengel Museum in Hanover. The chocolate manufacturing company was wound up.⁴⁷⁵ In 1967, the food group Nabisco entered the company (the 3rd largest chocolate manufacturing company in Germany) and about five years later had increased its shareholding to almost 100%. After this luckless alliance, Sprengel was taken over by competitor Stollwerck in 1979. Production was discontinued, and only the Sprengel brand continued. The entry of Nabisco meant the end of Sprengel's high-quality chocolate production, and, from today's perspective, there was no reason to give in to the compulsion to expand.⁴⁷⁶

The computer industry in Germany depended on one founder. The dependence on a founding entrepreneur is illustrated by the example of Nixdorf Computer AG from Paderborn in Germany. *Heinz Nixdorf* has built up a company for the production and distribution of computers in over 30 years and made it number 3 in Europe. Growth target was job creation; this was the measure of success. At peak times, it was a build-up of 250 employees per month.⁴⁷⁷ In the era of mainframe computers, Nixdorf's central business idea was to bring the computer to the employee's workplace.⁴⁷⁸

The largest software company in Germany has learned from the past. In the software industry, SAP, which was founded in 1972 in Walldorf near Heidelberg, has established itself

⁴⁷⁵ Kristina Huttenlocher, *Sprengel: Die Geschichte Der Schokoladenfabrik* (Springe: Zu Klampen, 2016). pp. 307–308.

⁴⁷⁶ Huttenlocher, *Sprengel*. pp. 266–273.

⁴⁷⁷ Klaus Kemper, *Heinz Nixdorf: Eine Deutsche Karriere / Klaus Kemper* (Landsberg/Lech: Verlag Moderne Industrie, 2001). p. 15.

⁴⁷⁸ Kemper, *Heinz Nixdorf*. p. 140.

on the world market and is, according to its own statements, the world market leader in business software. More than 100,000 employees work for the company worldwide, around 15,000 of them at the Walldorf site. The concept of individualization and customized software has effectively made companies dependent on SAP. An IT decision by management in favor of this software is like a one-way street, and a switch to another solution is virtually impossible because of the technical complexity and the associated high costs. Many applications programmed individually in the past have thus been replaced by SAP. The implementation is carried out in close partnership with partners who provide consulting for the SAP implementation, first and foremost Accenture.⁴⁷⁹

Family businesses also play a major role internationally. One example of a very internationally positioned family business is the Lyreco Group from France. Lyreco is active as a wholesaler of office supplies, office, and business equipment, and workwear in around 45 countries and employs around 9,000 people. Comparable to the US company Staples from Boston (USD 18 billion turnover, 77,000 employees) or Schäfer-Shop in Germany (9 countries, EUR 315 million turnover). Lyreco is showing very aggressive growth in a market driven by the price war for end products.⁴⁸⁰

Alignment with the green market and environmental requirements. Focusing on external circumstances or goals, such as a green market orientation, is also a strategic goal if it is defined as such within the company. A publication on SMEs in Vietnam shows that, taking **contingency theory** into account, focusing on the green market can lead to higher financial performance. Ultimately, it is about optimizing the combination of various resources (both internal and external). The article sees this as an example of Strategic Alignment.⁴⁸¹ Another study by the same researcher was conducted and published on SME restaurants in Vietnam.⁴⁸² Another study examines financial and non-financial metrics in Italian companies. The results

⁴⁷⁹ Bernd Freytag, "Der IT-Konzern, Den Bill Gates Mal Als Unfall Bezeichnete: 50 Jahre SAP," *Frankfurter Allgemeine*, April 1, 2022, accessed April 2, 2022, www.faz.net/aktuell/finanzen/sap-wird-50-bill-gates-bezeichnete-deutschen-it-konzern-als-unfall-17927193-p2.html.

⁴⁸⁰ "A Great Working Day. Delivered.: We Are Lyreco," accessed May 2, 2025, www.lyreco.com/group.

⁴⁸¹ Quang-Huy Ngo, "Are Small and Medium Enterprises Beneficial from the Adoption of Green Market Orientation Under the Intensity of Market Competition? A Strategic Alignment Perspective," *Management & Marketing*, Vol. 17 Issue 4 (2022).

⁴⁸² Quang-Huy Ngo, "The Effectiveness of Strategic Alignment Between Open Innovation and Generic Strategies: Empirical Evidence from Restaurant SMEs in Vietnam," *Journal of Open Innovation: Technology, Market, and Complexity*, no. 9 (2023), <https://doi.org/10.1016/j.joitmc.2023.100016>.

confirm that, as expected according to contingency theory, there are no universal performance indicators. Key figures should be linked to corporate strategy, although it remains unclear how this should be done in practice.⁴⁸³

Transferring the idea of Strategic Alignment to other areas. The basic mode of operation of strategic alignment has been transferred to other areas, such as research universities. The aim of a research university is to generate new knowledge and apply it in practice. This also includes start-ups and spin-offs. Instead of loosely defined research domains, the focus here was on a research strategy with the aim of saving financial resources and other resources. This approach is common in large-scale industrial research.⁴⁸⁴

CONCLUSION: In start-up companies and also in many family businesses, the strategy work is in one hand and is done by one person. This means that often no formal strategy processes are run through here and little or nothing of the strategy is documented. It is often a matter of continuing along a successful strategic path and expanding (scalable business models). The problems with family businesses arise with further growth, the integration of external investors and crises within the family, as well as when the people running the company are personally and/or professionally overburdened. In these cases, the economic situation requires a carefully developed corporate strategy and its consistent implementation. This is the link to the research topic of Strategic Alignment.

4.7.4. Corporate Strategy on Board Room Level

The most serious accusation you can make against a manager is that he has no strategy. Is the manager not acting in gross negligence if he does not have a strategy?

Corporate strategy is mandatory. Even public doubt in media reports as to whether the strategy is appropriate in the given situation can not only damage the reputation of the board members but even lead to their dismissal. In other words, a top leader must never be without a strategy. The subject of strategic management is taught again and again in the training of

⁴⁸³ Ravi Kathuria and Lorenzo Lucianetti, "Aligning Performance Metrics with Business Strategy," *Management decision*, 2024, <https://doi.org/10.1108/MD-02-2023-0184>.

⁴⁸⁴ David B. Audretsch and Maksim Belitski, "A Strategic Alignment Framework for the Entrepreneurial University," *Industry & Innovation*, Vol. 29 Issue 2 (2022), <https://doi.org/10.1080/13662716.2021.1941799>.

managers at business schools, and knowledge is expanded and deepened. Career changers without a business background often have to operate with the concept of strategy without this knowledge.

Politics as a much-discussed role model. Politicians always strive to describe their own actions as strategic in order to demonstrate that their actions make sense. Especially in security and foreign policy, the government wants to show that decisions are in line with its own strategy and the strategy of allied states. This was the case for over 20 years with the deployment of the Bundeswehr in Afghanistan. The chaotic withdrawal called the entire mission into question because the Taliban seized power within a few days, which was absolutely contrary to the objective of the mission. Today, the deployed soldiers lack understanding of the entire mission, and its purpose has naturally been called into question. Was this the tactical political decision or simply a case of misalignment?

Inertia in rethinking the strategic change of direction. Managers have a certain inertia when it comes to implementing strategic innovations. This ultimately affects the entire organization. This resistance to change can also be perceived as persistence.

Different forms of Strategic Alignment. The term '**coalignment**' is used in the literature but is not conclusively defined. When interpreting the word, **indirect** or **extended alignment** can be assumed. In a study published in 1991, the dependence of character traits and qualifications of top executives (CEOs) and strategic orientation is examined. It is assumed that the behavior of the CEO has a direct influence on the performance of the company. To clarify: it is about organizational strategy and questions of the internal and external orientation of the organization.⁴⁸⁵ Two opposite and also fundamental types of **CEO behavior** are distinguished:⁴⁸⁶

- Confident and aggressive CEO → risky and innovative strategies (= **Prospector**).

⁴⁸⁵ Anisya S. Thomas, Robert J. Litschert, and Kannan Ramaswamy, "The Performance Impact of Strategy - Manager Coalignment: An Empirical Examination," *Strategic Management Journal*, no. 12 (1991). p. 513.

⁴⁸⁶ Thomas, Litschert and Ramaswamy, "The performance impact of strategy - manager coalignment: an empirical examination." p. 510.

- CEO with feelings of helplessness → conservative strategies (= **Defender**).

The CEO's qualifications must match the basic strategy, i.e., Prospector or Defender. The more the qualification is in line with the basic strategic direction, the better the performance.⁴⁸⁷

Organizational procrastination must be recognized from the very top of the company. Citing time problems or a lack of resources as the reason for **sluggish strategy implementation** is usually just a pretext, and attributing this to the general laziness or lethargy of a large organization is not helpful. Similarly, bureaucratic obstacles are relatively easy to remove if they are recognized, and if their removal is desired by management. The **Executive Board** and, in some cases, the **Supervisory Board** are responsible for preventing procrastination. If there is no sensitivity in these two bodies for postponing implementations or delaying measures, the problem may never really be recognized. According to the prevailing opinion, procrastination is considered a disease in the scientific community, although there is still a lack of international classification and categorization.⁴⁸⁸ Studies have found that about 20% of the U.S. population describe themselves as 'chronic procrastinators'.⁴⁸⁹ Based on this, it must be assumed that chronic procrastination is also **a latent problem in organizations**, affecting individual employees but also entire groups such as project teams and even the board of directors. What triggers mental blocks in the organization that prevent or at least hinder implementation?

Shaping managers through education and military service. As a rule, the leaders in Europe almost all have military experience. For example, in Germany, compulsory military service applied to all men from the age of 18 to 46 until 2011, when it was suspended until further notice.⁴⁹⁰ As a result, most leaders have also become familiar with the organizational principle of the armed forces, and to a greater or lesser extent, this informs their own leadership behavior.

⁴⁸⁷ Thomas, Litschert and Ramaswamy, "The performance impact of strategy - manager coalignment: an empirical examination." p. 519.

⁴⁸⁸ Anna Höcker, Margarita Engberding and Fred Rist, *Prokrastination: Ein Manual zur Behandlung des pathologischen Aufschiebens*, 2., aktualisierte und ergänzte Auflage, Therapeutische Praxis (Göttingen: Hogrefe, 2017). p. 7.

⁴⁸⁹ Höcker, Engberding and Rist, *Prokrastination*. p. 13.

⁴⁹⁰ § 1 Abs. 1 WPflG.

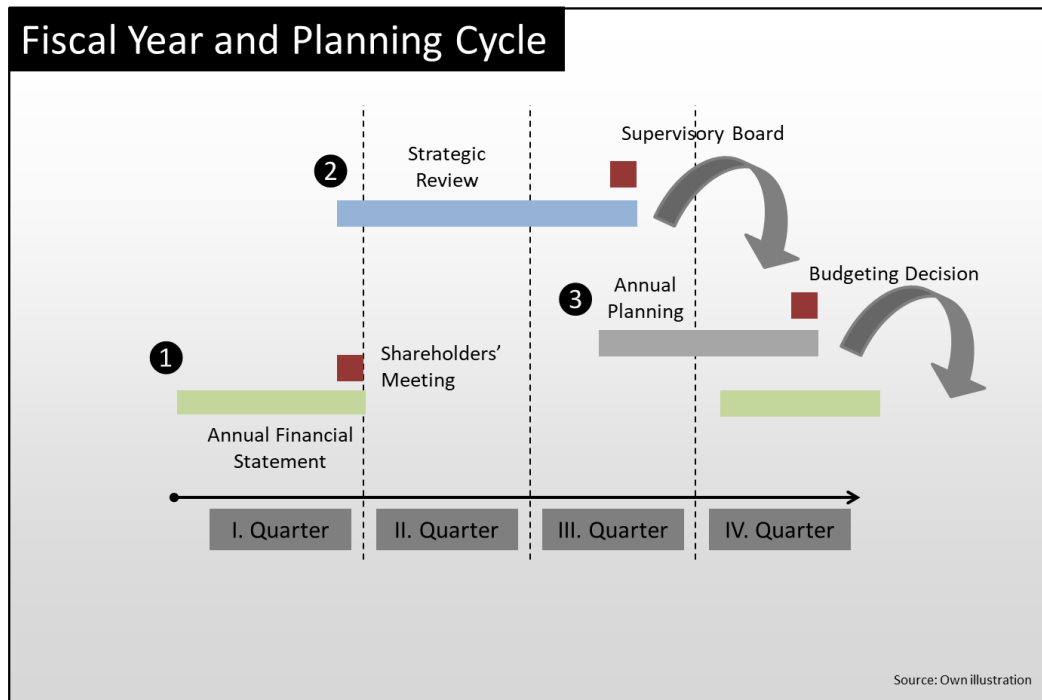


Figure 63
Corporate annual planning cycle⁴⁹¹

Large companies follow an annual planning cycle. In most large companies, annual planning is carried out according to a standard process: the first quarter is used to close the previous year's financial statements ❶ and ends with one of the supervisory board meetings, which are often held quarterly, and a general meeting of all owners later on. In other words, the shareholders of a stock corporation or the shareholders of a GmbH (the most common legal form in Germany). In companies with an established strategy process ❷, the strategy is then reviewed in the form of a **strategic review**. The central question is usually whether external factors have changed significantly and must lead to a correction of the strategy. The so-called owner-driven overall objectives are specified by the Supervisory Board or also derived by the Executive Board from resolutions of the Supervisory Board. In the case of large publicly traded companies, the idea of **shareholder value** plays a decisive role here, which provides for an orientation of the company toward the financial interests of the owners meaning, ultimately, an increase in the value of the company and, thus, an increase in the **market value** in the form of the share price. Of course, this also means an increase in profit distribution in the form of dividends. The following third quarter refers to the **annual planning** ❸ for the following year,

⁴⁹¹ Own illustration, Schmude (2024).

i.e., in particular, the budgets, and the upcoming projects. The final step is the approval of all decisions made in this process by the board and the supervisory board.⁴⁹²

Study on financial planning in Canadian companies. A recent scientific article on accounting deals with the alignment of corporate strategy and budgeting. For the authors, the alignment and synchronization of strategy and financial planning is a topic of Strategic Alignment. Global companies headquartered in Canada were examined. At the beginning of his study, the authors notes that there appears to be little detailed literature on the topic of the connection between strategy and operational financial planning. Within the fiscal year, budgets and strategies should be aligned retrospectively (ex post) and prospectively (ex ante). The influence of financial planning and strategy is bidirectional, i.e., they influence each other depending on the situation. All 20 companies examined had a top-down strategy that was also translated into financial planning.

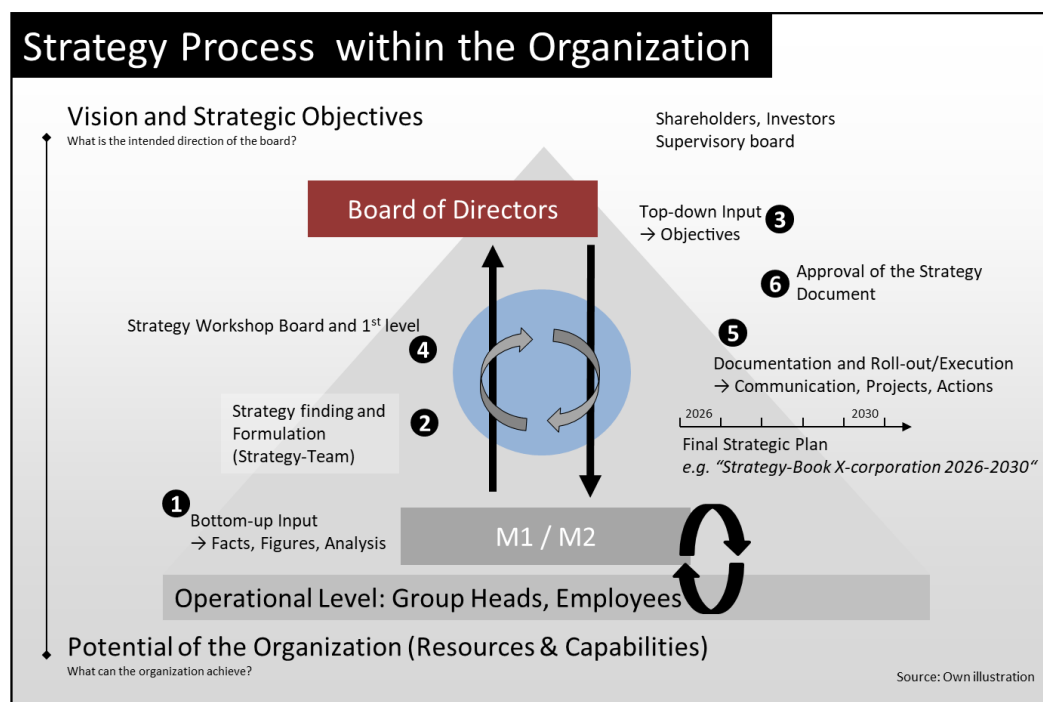


Figure 64

Top-down and bottom-up strategic planning⁴⁹³

⁴⁹² Gary Spraakman and Winifred O'Grady, "Strategic Planning and Budgeting: A Single Integrated Process with Ex Ante and Ex Post Alignments," *Advances in Management Accounting*, no. 35 (2023), <https://doi.org/10.1108/S1474-787120230000035002>.

⁴⁹³ Own illustration, Schmude (2024).

Counterflow methods in strategic planning. Within the organization, which usually shows itself as a kind of pyramidal structure, the strategy process takes place in different areas within the organization: the supplies from the lower levels of the organization from groups and departments are the input for the **bottom-up planning** ❶. Facts, data material and analyses are provided in this way. The **strategic potentials** of the organization and the **available resources**—not only financial resources and employees— but also knowledge and other strategic resources, are to be shown in this way. A central unit, for example, the strategy team in ‘corporate development’, takes care of condensing the data and evaluating it at the board level. **Initial strategic proposals** are formulated and backed up with the data ❷. The **goals** formulated from the owners’ perspective are the **top-down targets**. The management board must formulate and document these goals at its own level; the strategy department helps with this. Since there are also different perspectives between the various board departments, it is advisable to first formulate a target for each department and then one for the entire corporate body of the board ❸. The strategy is then developed in a carefully prepared **strategy workshop** with the Executive Board and the first management level. This includes an assessment of the strategic starting position (status-quo) as well as a definition of how the company’s goals are to be achieved strategically. Such an event, which usually lasts two days, creates the basis for formulating and shaping the corporate strategy ❹. This workshop should also discuss the issue of alignment or misalignment, typical questions including: *Has the strategy been useful for the company in the past? Has the daily work and the multitude of decisions been aligned with the strategy?* The strategy team is responsible for documenting the strategy in the form of slides or, even better, as a fully formulated and **self-explanatory strategy document**, such as a strategy book. The way in which the strategic changes are implemented and rolled out is determined, and a binding schedule is also drawn up ❺. The strategy is not a non-binding draft or a discussion paper of any kind. Once the decision on the strategy has been made, the strategy has a quasi-legal quality, like a multilateral binding contract or an addition to the company statutes. The **strategy book** and the **implementation plan** are formally adopted by the Executive Board and presented to the Supervisory Board at its next meeting ❻. A question that is often discussed is whether top-down planning can take place before or after bottom-up planning or even in parallel. Both planning directions are necessary and mutually dependent. If the board of management is not informed about the strategic status, it is usually not possible to formulate

realistic goals. In cases where there is already a permanent survey, and analysis of strategic potential and options, e.g., via **regular strategic audits** or **reviews**, bottom-up planning can be brief. Bottom-up planning also has the function of involving the lower levels of the organization in strategy development and making them sensitive to strategic issues. It is not merely a collection of data and reporting work, but here the questions are used to provide impulses for thinking about strategic topics and thus also, in part, create the possibility for everyone to contribute to the strategy process within the framework of their areas of responsibility. Another question in this context is how is the **strategy document** handled. Is it classified? Yes, in any case, the complete strategy book is a planning document that is fully known to a very small group of people, and everyone who has access to it is known and liable for **confidentiality**. The contents of the strategy that are communicated are different. These are prepared according to the target group and communicated via the communication channels in the hierarchy. In this strategy implementation, it is then a question of what the new strategy means for one's own work or one's own area of responsibility. A strategy process is illustrated with its phases and process steps in the appendix to the dissertation (→ Generic Strategy Process, cf. page 783). A case study from international sports provides a broader perspective on the topic of strategic planning cycles. For major international sporting events, it makes sense to adopt a project-based strategy that involves decision-makers and those responsible for implementation (often local authorities).⁴⁹⁴

⁴⁹⁴ Georgia Teare et al., "Investigating Top-down and Bottom-up Strategic Alignment of Event Leveraging Outcomes: The Case of the 2021 UCI Road World Championships," *European Sport Management Quarterly*, Vol. 25 Issue 1 (2025), <https://doi.org/10.1080/16184742.2023.2298431>.

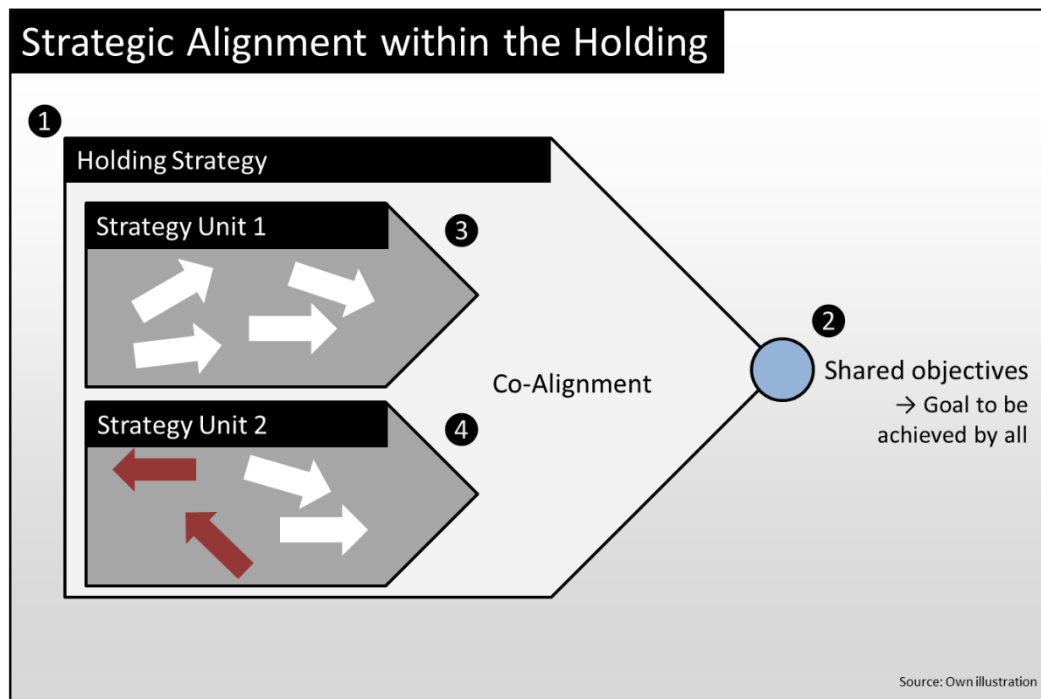


Figure 65

Different levels of Strategic Alignment⁴⁹⁵

Parallel binding as co-alignment. The commitment to the strategy of individual legal entities can vary widely within a **holding organization** ①: A common goal for a holding company should also determine the strategy and help align the individual companies to that strategy. Particularly in the case of holding companies that operate an intensive M&A business, very different strategies can apply to the individual companies, but, overall, they must support the holding company strategy ②. In the presentation, we deliberately do not refer to legally independent units but to strategy units, which are set up as required by law, tax law, or other requirements, for example, regulatory requirements. Unit 1 is fully in line with the holding strategy ③, whereas unit 2 is partially misaligned ④.

Strategic integration of projects. In project-based companies, such as those in the IT industry, consulting firms, or property developers, it is essential to ensure that project goals are aligned with an overarching strategy. This is a Strategic Alignment problem. Due to the operational challenges involved in projects, the integration of corporate strategy content is often overlooked or disregarded for various reasons, such as time pressure. The well-known techniques of project management do not provide for any form of strategic integration. It is

⁴⁹⁵ Own illustration, Schmude (2024).

therefore largely left to management to ensure a more or less clear Strategic Alignment. From a strategic point of view, projects could in principle be treated as independent legal entities. This would make control similar to that of holding companies conceivable.⁴⁹⁶ Another study emphasizes the change management aspect and organizational learning. In this context, Strategic Alignment is understood exclusively as vertical alignment, i.e., alignment with top management or the overarching corporate strategy.⁴⁹⁷ Another study highlights the link between strategy implementation and project management. Project management is seen as an important means of implementing corporate strategy. Based on the corporate strategy, there is an organizational strategy, which also includes project organization. The entire project portfolio is divided into individual programs, which are in turn divided into independent projects. At the project portfolio level, Strategic Alignment should be implemented to ensure that the overarching strategic goals are achieved. The importance of communication and visualization is particularly emphasized in the publication.⁴⁹⁸

Corporate strategy planning process. A company-specific strategy process with detailed organizational instructions for implementation can be used for further research. Such representation on the level of individual persons and responsibilities also allows for a better integration of Strategic Alignment. Such a reference guide to the strategy process of the largest cooperative bank in Germany can be used for the research work. The only limitation is that this internal document, which was distributed to all key managers, dates back to 2012.⁴⁹⁹

⁴⁹⁶ Jéssica Vivianne da Cunha Silva de Brito and Josué Vitor de Medeiros Júnior, "Alignment Strategic in Project-Based Businesses: A Review of the Literature," *Revista Ibero-Americana de Estratégia (RIAE)*, Vol. 20 Issue 1 (2021).

⁴⁹⁷ Muhammad Hayyin Avivi, Mohamad Rizan, and Agung Wahyu Handaru, "The Effect of Strategic Change on Strategic Performance Mediated by Inter-Firm Network and Strategic Alignment," *International Journal of Finance and Business Management (IJFBM)*, no. 3 (2023), <https://doi.org/10.59890/ijfbm.v2i3.1883>.

⁴⁹⁸ Sunil Kumar Suvvari, "Project Portfolio Management: Best Practices for Strategic Alignment," *International Journal of Professional Business Review* 8, no. 4 (2023), <https://doi.org/10.26668/businessreview/2023.v8i12.4987%20>.

⁴⁹⁹ "Strategieprozess Methode: Reference Guide" (Version 1.00, Berliner Volksbank eG, Berlin, 2012).

Table 57

Military strategy compared with corporate strategy

	Military Strategy	Corporate Strategy
Main Representative	Clausewitz	Chandler, Mintzberg
Starting Point	Since the 18 th century	From the 1960s
Characteristics	▪ Military plans and practices different tactical and strategic variants. ▪ Relatively short battles. ▪ Long preparation time. ▪ Battles are observable ▪ Geography and terrain significantly determine traditional battles and engagements. ▪ Immediate Enemy contact. ▪ Use of 'forces'. ▪ Concrete representation on terrain maps with standardized symbols. ▪ The implementation of the strategy is strictly hierarchical and according to a concept of 'mission command'⁵⁰⁰.	▪ Companies are permanently operational from the moment they are founded. ▪ Strategies have to be changed during the operation. ▪ No space, no time for implementation exercises or training. ▪ Plan and use resources instead of forces. ▪ The competition is not always clearly recognizable or is simply ignored for a longer period of time due to incorrect positioning. ▪ Abstractness of corporate strategy is a problem for the imagination of the people involved and also for communication.
Alignment	▪ From the time the order is issued, only the top management can take tactical action. ▪ Visual inspection and control during the operation. ▪ Readjustment is possible ongoing during the operation. ▪ Permanent reconnaissance of the military situation is the basis for	▪ Own definition of alignment: Alignment of the company (not only the organization) with the strategy. The limitation to organizational issues would, for example, reduce the problem to a simple organizational problem. ▪ Indirect control via key figures and thus not so-immediately, but only ex-post.

⁵⁰⁰ In German: Auftragstaktik.

	further decisions (self-reconnaissance/external reconnaissance).	

Visualization of strategic planning work. Probably the oldest form of model representation of strategy is the terrain model. For military operations, a map or, even better, a three-dimensional terrain model is helpful as a reduced representation of the operational area. The discussion and explanation will be based on these terrain representations. Is a geographic map also helpful for corporate strategy? - if it is a strategy based on, for example, a geographic market definition, it can be useful. But if it is a question of rather abstract strategy dimensions for a technology, a map is the wrong planning yardstick.

Symbols and signs shorten communication. Military tactical planning takes place on maps with varying levels of detail. Military signs (or tactical signs) add further content to topographic maps. The highly **abbreviated communication** via symbols is recognizable at a glance for trained persons but meaningless at first glance for unfamiliar third parties. Analogous to military symbols, similar symbol sets have evolved for emergency services such as emergency rescue,⁵⁰¹ firefighters and police. It is only in the tactical planning of companies that a uniform symbolic language has not yet become established that would enable similarly focused and content-dense communication.⁵⁰² Within NATO, a uniform standard has been developed for tactical signs, referred to as 'Joint Military Symbolology' (APP-6⁵⁰³). The Bundeswehr⁵⁰⁴ is developing the symbol system for its own armed forces from this.⁵⁰⁵ Today, the symbols are used in color for modern electronic communication, but they must still be usable in monochrome and possible to draw by hand. The military symbols are composed of individual building blocks. The frame shape shows the identity of an object: friend (rectangle), hostile

⁵⁰¹ Deutsches Rotes Kreuz, "Taktische Zeichen: Kurzübersicht" (DRK-Dienstvorschrift 102), Mainz.

⁵⁰² An example of a current form of tactical military planning is provided by GS Soft AG of Aarau, Switzerland. The corresponding software is "map.army", www.map.army, last accessed May 2022.

⁵⁰³ Allied Procedural Publication.

⁵⁰⁴ Bundeswehr, "Planungsamt Der Bundeswehr," accessed May 23, 2022, <https://www.bundeswehr.de/de/organisation/weitere-bmvg-dienststellen/planungsamt-der-bundeswehr?uri=ci:bw.plg-abw.aktuelles&de.conet.contentintegrator.portlet.current.id=01DB010100000001%7CAAG95Z803DIBR>.

⁵⁰⁵ Bundeswehr, "Militärische Symbole: Zentralvorschrift" (A1-160/0-9200, Berlin,).

(rhombus), or neutral (square). Color is additionally used for identity marking, so red stands for hostile, green for neutral, and blue for a friend (or own units).⁵⁰⁶

Time requirements and speed for change in the company. An example of a radical change in strategy: Berkshire Hathaway Inc. was originally an ailing textile company in New England, USA, which was transformed by investor *Warren Buffett* into an insurance company and later into his equity fund. In the process, however, the original business model was abandoned, and the massive staff was also made redundant. Another example is TUI, the world's largest package tour provider with over 48,000 employees. The company was founded as Preussag AG for mining and steel production. This shows that a strategic transformation can completely replace the company's purpose. The prerequisite is close Strategic Alignment in the transformation phase.

Politics has a direct impact on corporate strategy. The larger a company is in terms of the number of employees, the greater its political influence and the more attention the management board receives from politicians. Employees are ultimately potential voters whom the politician is trying to win over. This can lead to a situation where tough cuts are not made in the workforce, but a way is sought to somehow keep these people on the payroll.

Ideological alignment is a new term in alignment research. A study recently published by *McKean* and *King* shows the alignment effect of ideological alignment in companies. Ideological alignment can originate from top management as well as from the workforce. It is a form of political engagement and a connection to political ideas. This is expected in public companies, but private companies can also use it to create closer ties to current politics and thus gain advantages. This is closely related to corporate political action (CPA). This was investigated using signature campaigns on current political issues, such as climate change, etc., where the respective company took a clear position. The connection to business strategy was not investigated, but implications and dependencies were indicated. The term 'Strategic Alignment' is not used in the publication cited here.⁵⁰⁷

⁵⁰⁶ Ibid., p. 10.

⁵⁰⁷ Anna E. McKean and Brayden G. King, "When Ideologies Align: Progressive Corporate Activism and Within-firm Ideological Alignment," *Strategic Management Journal*, no. 45 (2024), <https://doi.org/10.1002/smj.3632>.

Takeovers and corporate looting as a disruptive business model. A new development is the influence of active or **activist investors** on the strategy of listed companies. This can be a single person or a legal entity trying to influence the strategy of a company **from the outside**. The goal is always a higher share value or higher distributions as dividends. These activist investors assume that the interests of the management and those of the owners are opposed to each other and are usually not identical. This phenomenon became generally known through big deals like Nabisco⁵⁰⁸ or the movie 'Wall Street' (1987). These well-known cases have found imitators, and in the meantime, this has become a business model of its own for investors and especially for lawyers.⁵⁰⁹

All strategy content must be treated confidentially. Strategy as a management instrument: it usually remains unspoken that there is a published and a secret version of the strategy or strategy paper. Depending on the initial situation and the competitive pressure, as well as the culture of the company, the details of the strategy are handled more or less confidentially. This is a question of communication planning. A transparency optimum is described according to the model of *Piet-Hein Coebergh* and *Edi Cohen*. This model is intended to help identify the benefits and risks of transparency.⁵¹⁰

CONCLUSION: The board of directors or the management bears the responsibility for the development of the strategy and for its implementation. An established strategy process helps with strategy development and revision. The topic of Strategic Alignment must also become part of such a steering process.

4.7.5. Corporate Strategy for Middle Managers

Middle management usually consists of several levels of hierarchy and must put the strategy into practice. Changes have to be planned and enforced all the way down to the employees. The meaning and purpose of the strategic adjustments must be communicated in management discussions.

⁵⁰⁸ Bryan Burrough and John Helyar, *Barbarians at the Gate: The Fall of RJR Nabisco* / Bryan Burrough & John Helyar, 20th anniversary ed. (London: Arrow, 2010).

⁵⁰⁹ Nils Krause, ed., *Shareholder Activism: A Practitioner's Handbook* (Berlin: De Gruyter, 2023).

⁵¹⁰ Piet Hein Coebergh and Edi Cohen, *Grenzen Aan Transparantie* (Amsterdam: Business Contact, 2010).

IT skills of managers and employees as an alignment factor. A recent study examines the dependence of Strategic Alignment and digital skills in the insurance industry. Based on the model developed by *Henderson and Venkatraman*, it shows that IT knowledge and IT skills have a key influence on the insurance industry, which is dependent on IT systems. Without available digital skills, management in particular is unable to pursue the corporate strategy. Unfortunately, the publication does not make a clear distinction between the categories of corporate strategy, organizational strategy, and IT strategy.⁵¹¹

Management training of large in Germany. For corporations, over many years, the training of young managers in Germany was dominated by the Academy in Bad Harzburg (AFW: Akademie für Führungskräfte der Wirtschaft Bad Harzburg) and the second location in Zurich (Switzerland). The so-called **Harzburg Model** was developed in particular under the leadership of *Reinhard Höhn*. The central idea of this model is that employees are no longer given concrete decisions but only goals. The way to achieve the goals is left up to the employees. In other words, a form of delegation within the organization. A target system of upper and lower targets, with individual as well as group-related targets, is the core of the Harzburg model⁵¹², in parts very similar to the American **Management by Objectives**. In Germany, a concept of "Innere Führung" was introduced during the establishment of a military defense force, the Bundeswehr. This is also primarily based on Höhn's considerations.⁵¹³

Further training of managers in academies. In 1956, *Reinhard Höhn* (1904–2000) founded the Academy for Business Executives in Bad Harzburg.⁵¹⁴ One component of this approach was the dovetailing of strategy and operational implementation.⁵¹⁵ Revelations in the journal

⁵¹¹ Azzam Abou-Moghli, "The Role of Strategic Alignment and Resource Availability in Boosting the Digital Capabilities of Jordanian Insurance Companies," *Insurance Markets and Companies*, no. 1 (2025), [https://doi.org/10.21511/ins.16\(1\).2025.07](https://doi.org/10.21511/ins.16(1).2025.07).

⁵¹² Alexander O. Müller, *Reinhard Höhn: Ein Leben Zwischen Kontinuität Und Neubeginn*, Biographische Studien zum 20. Jahrhundert Bd. 6 (Berlin: Be.bra Wissenschaft Verlag, 2019). p. 233.

⁵¹³ Müller, *Reinhard Höhn*. p. 127.

⁵¹⁴ Müller, *Reinhard Höhn*. p. 131.

⁵¹⁵ Müller, *Reinhard Höhn*. p. 240.

der SPIEGEL in 1989 about Höhn's past in the 1930s led to a creeping decline of the management academy in Bad Harzburg and the disappearance of the associated model.⁵¹⁶ The scientific treatment of the mode of action of the Harzburg model continues to preoccupy academia, but more so economic history, as the current research of *Stefan Kühl* shows.⁵¹⁷

Target systems as a management concept. The book 'The Harzburg Model in Practice' published 1967 presents the model.⁵¹⁸ In the 1980s, the influence of the Harzburg model declined and was replaced by American models with, in part, very similar approaches. In 1999, Vahlen's *Großes Wirtschaftslexikon* recognized the Harzburg model as one of the most highly developed management systems.⁵¹⁹ In the *Süddeutsche Zeitung*, the topic of the Harzburg model was taken up in 2010, clarifying that a total of around 600,000 executives and junior executives were trained according to this model in Bad Harzburg and that others were familiarized with this model via distance learning. Thus, even if the model no longer plays a role in the literature today, its dissemination and impact on companies should not be underestimated.⁵²⁰

Concepts of the HSG St. Gallen. In German-speaking countries, the Harzburg model was replaced by the management model of the University of St. Gallen, which promised more flexibility. *Hans Ulrich* (1919–1997) was the founder of the Institute of Business Administration at the University of St. Gallen.⁵²¹ He is the founder of the St. Gallen Management Model (1972), which was particularly popular in the book 'Guidance for holistic thinking and acting: A Breviary for Managers'. In 2002, a group of professors from the University of St. Gallen (HSG) again

⁵¹⁶ "Führungsmodell Mit Problemen," *Spiegel*, no. 35 (1989), accessed March 6, 2022, www.spiegel.de/wirtschaft/fuehrungsmodell-mit-problemen-a-64414a5b-0002-0001-0000-000013495307?context=issue.

⁵¹⁷ Stefan Kühl, "Frühe Bundesrepublik - Führen Auf Harzburger Art: Reinhard Höhn, Chefi Deologe Des NS-Staats, Bildete Bald Nach Dem Weltkriegdie Managerelite Aus. Johann Chapoutot Macht Es Sich Mit SeinerKontinuitätsthese Dennoch Zu Einfach." *Süddeutsche Zeitung*, April 9, 2021.

⁵¹⁸ Richard Guserl and Michael Hofmann, *Das Harzburger Modell: Idee U. Wirklichkeit U. Alternative Zum Harzburger Modell*, 2., erw. Aufl., Führung, Strategie, Organisation Serie 3, Bd. 1 (Wiesbaden: Betriebswirtschaftlicher Verlag Gabler, 1976).

⁵¹⁹ Konrad Fischer, "'Das Ist Die Dunkle Seite Der Motivation': Historiker Johann Chapoutot Zeichnet an Der Karriere Des Managementtrainers Gerhard Höhn Nach, Wie Anschlussfähig Die Ideen Der Nationalsozialisten in Der Nachkriegswirtschaft Waren - Mit Folgen Bis Heute." *Wirtschaftswoche* 14 (2021).

⁵²⁰ Christine Demmer, "Mitdenken, Verantwortung Schenken: Was Ist Eigentlich Das Harzburger Modell?," *Süddeutsche Zeitung*, May 17, 2010.

⁵²¹ Müller, *Reinhard Höhn*. p. 230.

completely revised and updated the concept.⁵²² The HSG did not focus on the topics of strategy and organization until 1985, which coincided with the change in the institute's leadership to *Knut Bleicher* (1929-2017) from Giessen. In the first 30 years of its existence, practical management techniques had been the focus.⁵²³ Bleicher was the main editor of 'Zeitschrift für Organisation', the scientific journal of the Gesellschaft für Organisation e.V. (gfo). The journal dates back to 1898 and is one of the most important publications for management and organization topics in the German-speaking world.

CONCLUSION: Middle management carries out the tasks involved in implementing the strategy. Since the 1950s, target systems have been learned at the training academies for middle management. Historically, middle managers often do not have an academic education, so universities have not played a major role in strategy education for these individuals. Even today, there are many different qualifications in middle management and among managers who have risen from the operational level of the company. In the strategy process, middle management is assigned a role in providing input to the strategy process (bottom-up planning) and also in implementing the strategy. Strategic Alignment must be ensured by middle management for their own area of responsibility. This requires basic knowledge of the strategy process and, in particular, the process for monitoring Strategic Alignment.

4.7.6. Corporate Strategy for Employees

The level of employees in the company is affected by the implementation of a strategy, but has little direct relation to strategic planning and strategy implementation. The basic understanding of strategic topics may also be lacking here because the individual employee only knows a very small section (his or her workplace). This means that knowledge of strategy is also limited to management discussions or the employee's own previous experience.

Alignment as a teaching problem. Informing involved employees about the need for Strategic Alignment is a training and education issue. It is not enough if the topic is only brought up in management meetings but there is no awareness of the problem of a lack of

⁵²² Peter Gomez et al., eds., "50 Jahre Institut Für Betriebswirtschaft: 1954 - 2005," (2005). pp. 18–19, 42.

⁵²³ Gomez et al., "50 Jahre Institut für Betriebswirtschaft." pp. 30–31.

alignment. Every single employee, and in particular every manager, must ask themselves whether they themselves are paying attention to the corporate strategy, i.e., whether they are contributing to its success.

Implement strategy against employees. Politicians know that you can also make policy against the citizens/voters. At least for a while, this is accepted almost without objection if communication is structured accordingly. What is possible in the case of politics, where the citizen and voter are considered sovereign, is even easier in hierarchical companies, where there is an economic and contractual dependence of the employees. Nevertheless, there are many examples where this is avoided or it simply does not succeed.

Strategic Alignment in human resource management. Global companies in particular need to align themselves internally within their own structure and with the corporate strategy (vertical alignment) and also adapt to the specific characteristics of the geographical markets in which they operate (horizontal alignment). In horizontal alignment, the reference points are the respective legal and regulatory environment, other market participants, and competitors.⁵²⁴

CONCLUSION: Employees have a special role in Strategic Alignment because all strategic adjustments and innovations must also be supported by the employees and the unions. If this is not the case, delays or carelessness in the implementation will likely ensue, which will ultimately lead to misalignment.

4.7.7. The Management Consultant's Perspective

Experts and specialists have a long tradition in strategy work and are indispensable in the implementation of strategic projects. This is why this external perspective on strategy work is important because, usually, external consultants are hired to develop the strategy, but then the implementation is to be made internally.

Consulting knowledge is a product and competitive advantage. No management consultant who has developed a successful approach will disclose all the details of this—this is in

⁵²⁴ Rusty V. Karst, Nolan Gaffney, and Andrew Johnson, "An Institutional Perspective on Strategic Alignment of International Human Resource Management in Multinational Enterprises," *International Trade Journal*, 38 Issue 1 (2024), <https://doi.org/10.1080/08853908.2023.2276246>.

the nature of things. Hence, if there is any supposed secret knowledge about the strategy work, this will not become public but will be used as long as possible to take advantage of it. Only outside observations or even circumstantial evidence can point to a particular method or even reveal a particular procedure.

Scientific management as the basis of consulting work. The division of labor that *Taylor* studied in the workshops continues to this day. Work is often broken down and divided up to find highly specialized employees for the work files at hand. This industrial form of progressive division of labor is so remarkable because, prior to this, there were only craftsmen's workshops that specialized in one craft and organized themselves through a guild. The craftsman had always completed an apprenticeship of several years and became a specialist in his field, e.g., the carpenter. It was only through the industrial division of labor that it became possible to hire unskilled and, thus, cheaper labor. The lack of knowledge and experience had to be compensated by an industrial organization.⁵²⁵ A central tool for this is the **work-office**. In this regard, all orders shall be placed in writing, and all reports and feedback shall also be provided in writing.⁵²⁶ In particular, the use of **work-cards**, which are also presented with examples in *Taylor's* book, should be the instruction and delegation.⁵²⁷ All information in the work office is brought together on extended time boards with due dates, reports, messages, and the due date list for work.⁵²⁸ *Taylor's* time stages at the Midvale steel mills, beginning in 1883, led to systematic timekeeping by stopwatch.⁵²⁹ Examples from Germany are cited by him in the Borsig company in Berlin-Tegel,⁵³⁰ as well as the work of the Institute for Industrial Psychology of the Kaiser Wilhelm Society under *Prof. Rubner*.⁵³¹ *Taylor's* system of instruction cards, control cards, and other types of cards as tools for implementing management decisions was later found in the industry scorecard and today in the BSC.

Management consultancies depend economically on their clients. Management consultancies are structured strictly hierarchically from business analysts up to partner levels.

⁵²⁵ Frederick Winslow Taylor and Adolf Wallich, *Die Betriebsleitung Insbesondere Der Werkstätten*, Meilensteine der Nationalökonomie (Berlin, New York: Springer, 2007). p. 22.

⁵²⁶ *Ibid.*, pp. 23–24.

⁵²⁷ *Ibid.*, p. 33.

⁵²⁸ *Ibid.*, pp. 49–56.

⁵²⁹ *Ibid.*, p. 91.

⁵³⁰ *Ibid.*, p. 124.

⁵³¹ *Ibid.*, p. 127.

Starting at the so-called SC level (Senior Consultant), there is responsibility for own project teams and associated client projects. New and fresh ideas directly from academia are brought into the consulting process by new employees and often represent significant value to the ossified structures in client companies.

The concept of an Enterprise Leader for good Strategic Alignment. *Trevor* suggested in a 2018 article that there should be a person outside, e.g. external consultant, the normal hierarchy and with no responsibility for operational issues who is solely concerned with tracking and properly executing strategy. He calls this function an **Enterprise Leader**. It should be an architect for the long-term success of the company. The Enterprise Leader should be on the same level or level as a CEO, but without operational responsibilities. The CEO or Chairman of a company has too many tasks and Strategic Alignment is neglected. Also, the mindset of a CEO is too short-term oriented. Trevor calls the task of an Enterprise Leader Enterprise Leadership, i.e. a purely strategic steering or keeping the company on the strategic path. The enterprise leader is not a manager in the conventional sense, but a long-term system architect who can only initiate strategic interventions. The Enterprise Leader should be responsible for the following:

1. **Envisioning**, i.e., developing a robust vision for the enterprise's Strategic Alignment.
2. **Designing** the components of the company's value chain.⁵³²

The Enterprise Leader should be a senior executive. As an example, he cites Ricoh (Japan), which has established Future Business Development Centers.⁵³³ The separation of operational responsibility and pure strategy view, makes sense because so far at the highest level there is always a mixture of these two views and usually the short-term benefit is chosen. What distinguishes an enterprise leader from a chief strategist remains unclear. The example of Ricoh shows that it must be an organizational unit directly under the CEO or the supervisory board in order to effectively initiate strategic management. What the delineation of tasks looks

⁵³² Jonathan Trevor, "Is Anyone in Your Company Paying Attention to Strategic Alignment? Strategy Execution," *Harvard Business Review*, January 12, 2018. pp. 1–4.

⁵³³ Trevor, "Is Anyone In Your Company Paying Attention to Strategic Alignment?." p. 5.

like remains unclear or is left to the persons or consultants involved in the introduction of such a concept. The Enterprise Leader was defined here under the aspect of external consultants because this ensures a professional distance from the operational business and day-to-day decisions. This external view of the entire company also corresponds to the holistic approach, which is a key element of Strategic Alignment.

CONCLUSION: Management consultants are permanent service providers in strategic planning and strategy implementation. If the topic of Strategic Alignment is seen as an important management task, independent external experts can also provide support here. Consultants were also deliberately selected in the research interviews because they are familiar with the procedures in very different companies and thus have a broader knowledge of Strategic Alignment.

4.7.8. Simulation and Aspects from Military Strategy

Live simulation is not a common method in strategy implementation. In strategic business management issues, the experimental solution in the field or laboratory is less common. This is partly because strategic issues are difficult to observe from the outside because they take up too long periods of time in practice.⁵³⁴ Simulations are commonly used for process optimization⁵³⁵ or isolated issues of work organization or even organizational structure. The first laboratory research of this kind was conducted by *Wilhelm Wundt* (1832–1920) at the university of Leipzig with the ‘Laboratory for Experimental Psychology’.⁵³⁶ The situation is different in strategic games or simulations, in which a problem is solved in a time-defined framework according to certain simulation rules, and there is also competition for the best solution by fellow players. An established branch of research as in **experimental psychology** or **experimental organizational research**, e.g. experimental process laboratory,⁵³⁷ does not yet exist for strategy implementation. The laboratory simulation was used in change management to optimize processes in a hospital or restaurant, for example. These can be physical prototypes or just paper

⁵³⁴ Döring et al., *Forschungsmethoden und Evaluation in den Sozial- und Humanwissenschaften*, p. 194.

⁵³⁵ Thorsten Schmude, “Prozesslabor Im Bankbetrieb,” *Die BANK* 10 (2010).

⁵³⁶ <https://home.uni-leipzig.de/wundtbrieft/wwcd/opera/wundt/institut/institut.htm>. Description of the equipment and structure of the laboratory at the time of its establishment.

⁵³⁷ Schmude, “Prozesslabor im Bankbetrieb.”

prototypes (e.g. of software). Increasingly, the simulation of 3D representations is helpful for this.⁵³⁸

Example of a recent experimental study on Strategic Alignment. An experimental laboratory study on the dependence of individual employee performance on Strategic Alignment or misalignment was recently published. In the laboratory setting, the dimensions of accuracy and work speed were examined to determine whether there is an influence when employees have a connection to the company's strategy while performing their work. In the experiment, a hypothetical company was selected and the test subjects performed typical office work consisting of copying long names (names of medications). Over five periods, the experiment simulated the situation without strategic involvement and with a focus on strategy. The test subjects were told that their hypothetical company wanted to become the market leader in accuracy (alternatively: speed) in text processing. The study found that with this strategic goal, personal performance was significantly better than without it. This study was aimed at the field of accounting research and focused on simple repetitive tasks without any creative input. It shows that experimental research can be very useful and is often neglected. It should be added that the study does not provide a clear definition of the term 'Strategic Alignment'.⁵³⁹

The need for more tangible modeling. In the context of simulation, one more term often erroneously associated with simulation should be mentioned. This is the so-called '**show case**', e.g., for logistics or warehouse technology. Here, a part of reality is simulated in the conference room or in the office, usually with objects from the real business process. In complex business processes, this can illustrate the dependencies of technical equipment and the software. In meetings and workshops, this makes it easier to talk about the represented system and all essential dependencies can be easily recognized (at a glance). The show case is not a simulation because no real business cases are run through. Also, no directly transferable data or measured values can be obtained to use in reality.

⁵³⁸ Kelley, *Charting Change*. p. 82.

⁵³⁹ Hayden T. Gunnell, Steven D. Smith, and Travis W. Steadman, "Strategic Alignment, Performance, and the Moderating Effect of Regulatory Fit," *Journal of Management Accounting Research* 37, no. 1 (2025), <https://doi.org/10.2308/JMAR-2023-055>.

Global and local examples for research. The researcher determines what content and examples extend his own work and contribute to further theoretical saturation in the spirit of Grounded Theory. These do not have to be the repeatedly cited and thus generally discussed examples, but rather examples that come from the researcher's circle of experience and thus contribute to later theory building. The problems in strategy implementation can often only be identified after years from the outside, thus discussion cases for Strategic Alignment are often older examples.

CONCLUSION: The examples of simulation and from the military sector, which were also mentioned in the interviews, are seen here as food for thought for further work. Perhaps a lesson can be drawn for corporate strategy and strategic alignment in this area from the cross-comparison with military strategy?

Simulations in military strategy have long been standard. Since about 1824, the Prussian War Game ('Kriegsspiel') has existed as a complex simulation and, until the First World War, this was often played for pleasure in officer circles.⁵⁴⁰ As early as 1864, an English version was available from *Evelyn Baring*, as evidenced by a surviving copy in the British Library.⁵⁴¹ A complex set of rules had to be mastered by the referee, whereas only basic knowledge was required of the participants. Similar to the game of chess, the interaction between the participants is severely limited—'all talking is to be avoided if possible'.⁵⁴² Chance comes into the game through the roll of the dice. For several years, this game has been used in the training of officers at the German Armed Forces Command and Staff College in Hamburg, where up to 40 participants play for three days. Experience shows that waiting for the opponent's turn and frustration in case of losses ('folding in case of failure') and overall communication are learning objectives.⁵⁴³ This simulation was developed by the mathematician *Johann Christian Hellwig* from Braunschweig with the intention of making the different rules of the art of war clear in an entertaining game.⁵⁴⁴

⁵⁴⁰ Jorit Wintjes, *Das Preußische Kriegsspiel*, GIDS Analysis (Budrich Academic Press, 2019), <https://elibrary.utb.de/action/showBook?doi=10.3224%2F9783966659758> AVE. p. 9.

⁵⁴¹ Wintjes, *Das preußische Kriegsspiel*. p. 30.

⁵⁴² Jorit Wintjes and Steffen Pielström, "»Preußisches Kriegsspiel«," *Militaergeschichtliche Zeitschrift* 78, no. 1 (2019), <https://doi.org/10.1515/mgzs-2019-0004>.

⁵⁴³ Steffen Pielström, interview by Thorsten Schmude, March 10, 2022, phone.

⁵⁴⁴ Wintjes, *Das preußische Kriegsspiel*. p. 18.

Learn strategy and trying it out in the game. Wargaming is a technique to simulate conflicts. The prototype for **wargaming** is not so much found in chess but lies in the wargame '**Kriegsspiel**' introduced by *Baron von Reisswitz*.⁵⁴⁵ Chess is always played by two people who measure their mental powers against each other. In chess, there are no decision situations within a team and no unexpected external events. The goal is to beat the opponent, that is, to destroy him completely. There is no other result or compromise in chess. The complexity of today's conflicts cannot be simulated by chess.⁵⁴⁶ Modern wargaming exists as a hobby game and also as professional wargaming. Those who play wargaming for recreation usually turn to historical events, whereas professional users of wargaming are interested in modeling current and future conflicts.⁵⁴⁷ In the university education of students, wargaming can provide insights into its own dynamics of political-military conflict.⁵⁴⁸ The author of the book '*Simulation War*', *Philip Sabin*, has used wargaming for more than two decades for his history students at King's College in London when he teaches about *Clausewitz*.⁵⁴⁹ *Clausewitz* opposed considering the military conflict as a mathematical formula, as it became fashionable among some of his contemporaries.⁵⁵⁰ A prominent author on military history, *Trevor Dupuy*, in his '*Quantified Judgement Model*' (1979) reduced the land war to 73 variables.⁵⁵¹ Some aspects of warfare can only be simulated with real people as participants: the special effects of how biased and blind the two parties are, the 'fog of war', and also the influence of intelligence asymmetries.⁵⁵²

Military Strategy in World Literature. At the Battle of Borodino on September 7, 1812, *Napoleon's* goal was not to conquer Russia, but to restore the Russia-France alliance. The self-proclaimed emperor *Napoleon* had a fixed idea to create a dynasty. He filled the highest military positions with close relatives who were very young and had no experience. *Napoleon's* army was not uniformly organized, different languages were spoken, and equipment and uniforms were inconsistent. The army consisted of 440,000 soldiers from 20 nations. The use of artillery became stronger, and thus the battles bloodier. The result was 70,000 dead. The film

⁵⁴⁵ Philip A. G. Sabin, *Simulating War: Studying Conflict Through Simulation Games* (London: Bloomsbury Academic, 2014). pp. 31–32.

⁵⁴⁶ *Ibid.*, p. 87.

⁵⁴⁷ *Ibid.*, p. 36.

⁵⁴⁸ *Ibid.*, p. 58. About pol-mil gaming.

⁵⁴⁹ *Ibid.*, p. 39.

⁵⁵⁰ *Ibid.*, p. 6.

⁵⁵¹ *Ibid.*, p. 9.

⁵⁵² Sabin, *Simulating war*. p. 54.

'*War and Peace*' (1967), based on *Tolstoy's* novel, tells the story of the battle in about six hours. *Clausewitz*, in his later account, called this war the 'total war' because its only goal was the destruction of the enemy. The Russians had a clear strategy: they wanted to lure the enemy as far as possible into their own country because this would make supplies difficult, and the enemy would tire himself out. For the Russians, it was about defending the country, the tsar, and the Orthodox faith. Napoleon, on the other hand, wanted a blitzkrieg so that he could negotiate with the enemy.⁵⁵³

Literature shows strategic cases. In the novel '*War and Peace*' (1869) by *Tolstoy*, there is the quotation: "Tell me how the Germans have trained you to fight Bonaparte by this new science you call 'strategy'." In *Tolstoy's* novel, there is a short episode between two German adjutants, General *Wolzogen* and *Clausewitz*.⁵⁵⁴ The decisive battle against *Napoleon* was Waterloo in 1815, with the two greatest military strategists of their time on either side: *Carl von Clausewitz* and *Baron Antoine Henri de Jomini*. *Jomini* published a treatise on *Frederick the Great* (1803). His main work was published in 1830 under the title *Art of War*. He died at the ripe old age of 90 in 1869. His understanding of strategy is: strategy is the art of making war on a map.⁵⁵⁵

Anchoring strategic achievements. Today, important events are processed in feature films and thus made accessible to a wider audience. The artistic treatment of strategically important events has a certain tradition: The Battle of Vitoria in 1813, in which the Spanish troops under the command of the *Briton Wellington* were victorious over the French army, was symphonically treated in an orchestral work by *Ludwig van Beethoven* (op. 91). Later, *Pjotr Tchaikovsky* treated the victory of the Russian army against the French army at the gates of Moscow under the leadership of Napoleon in his Overture of 1812. This is the battle *Clausewitz* supported in the general staff of the Russian army and from which he drew many observations for his strategic thoughts. The emotionalization of strategic success can lead to stronger identification and commitment, identical in this case to **self-alignment**.

⁵⁵³ Fabrice Hourlier and Marc Eisenchteter, writers, "Napoleon - Der Feldzug Nach Russland ("Napoléon, La Campagne De Russie"): Das Scheitern Eines Genies,," Aired December 19, 2014, on ARTE France.

⁵⁵⁴ Freedman, *Strategy*. p. 98.

⁵⁵⁵ Freedman, *Strategy*. p. 84.

Strategy and Conflict in Literature and Music. The study of old battles was the basis for officers to think about strategy. The Battle of Fehrbellin, about 50 kilometers northeast of Berlin on June 18, 1675, was one such battle that is still known today. Sweden, as a major power at the time, had invaded Brandenburg earlier with allies. Brandenburg-Prussia, as a small duchy, although clearly outnumbered, managed to achieve victory by using heavily armed horsemen. This was a turning point in history and opened Prussia's later rise. For this reason, a special culture of remembrance developed around the Battle of Fehrbellin with a play by *Heinrich v. Kleist*, 'The Prince of Homburg or the Battle of Fehrbellin', which deals with the night before the decisive battle, and also two operas: one of them composed by *Marschner*, a monument with a victory column in Hakenberg, and the Fehrbellin Riders' March by *Henrion*. Even in the last century, the timeless subject inspired composer *Hans Werner Henze* to write an opera that premiered in 1960 with a libretto by lyricist *Ingeborg Bachmann*. Kleist's drama is based on a historical account of *Frederick the Great* in 1751,⁵⁵⁶ in which it is described that the prince of Hesse-Homburg arbitrarily and rashly attacked the enemy. *Kleist* sharpened this to an action against the order or against the strategy of the Elector. Despite the victory achieved, the Prince of Homburg was sentenced to death because he valued discipline more highly. The psychological conflict in the night before the decisive battle as well as the inner conflict in the battle, whether to follow discipline or the opportunity that presents itself, is shown impressively in the play. Thus, in terms of alignment, it is a question of whether one's own actions continue to be in tune with the planned warfare or whether an opportunity that presents itself, in this case, the burning through of enemy lines with a cavalry, should be seized. *Paret* emphasized in his book that *Kleist's* play is like a case study that directly addresses *Clausewitz's* theory. It is necessary to know that *Heinrich von Kleist* entered the Prussian Army at the same time as *Clausewitz*.⁵⁵⁷

4.7.9. Strategic Tipping Points

The retail industry shows how business models can become obsolete and new business models can emerge within just a few years. The mail order business had the best conditions to be

⁵⁵⁶ "Mémoires pour servir à l'histoire de la maison de Brandebourg." French complete edition edited by Johann David Erdmann Preuß in 30 volumes, Berlin 1846–1856, German first edition edited by Gustav Berthold Volz 1913 in the publishing house Hobbing.

⁵⁵⁷ *Paret, Clausewitz in his time*. pp. 42–43,

successful in the mail order business via the Internet using existing logistics. This rarely happened. Upheavals and disruptive events such as suddenly emerging competitors show this. **Strategic tipping points** are not recognized and therefore not taken into account by established companies. Here is an example from the retail sector of a fundamental problem in strategic alignment.

The disappearance of large department stores. For many decades, the 'Quelle' mail order company in Fürth provided its private customers with the entire range of products of a traditional department store. Founded by *Gustav Schickedanz* in 1927,⁵⁵⁸ it developed into a mail-order company with DM 8.3 billion in sales (including DM 750 million abroad), 43,000 employees, more than 12,000 suppliers, and around 400,000 orders placed each year. Every second household in Germany was a Quelle customer. The semi-annual mail-order catalog, with up to 930 pages and around 80,000 articles at its peak, was the central communication and sales tool. 6.5 million copies were sent out.⁵⁵⁹ This catalog guaranteed customers the prices shown and the availability of the products for six months at a time. After the death of the founder at the age of over 80, his second wife, *Grete Schickedanz* took over the management of the company at the age of 65 and held it until her death on July 23, 1994.⁵⁶⁰ Family and business were inextricably linked, and as early as the 1990s, no clear strategy was apparent to outside observers of the media. When the Karstadt Group was then taken over in 1997, this was a radical departure from the mail-order company's unique selling proposition and no longer corresponded to the thinking of the former founder. In 1998, the year of the merger, Karstadt-Quelle AG had 116,000 employees and more than DM 32 billion in sales. Later, a rebranding to Arcandor AG took place. Finally, this ended in the largest insolvency in German history with the opening of insolvency proceedings on June 9, 2009.⁵⁶¹ The biggest difference between traditional mail order companies and today's Internet mail order companies is that customers are offered a fixed price for a certain period of time. Today's Internet customer relies on a low daily price. The end of an industry cycle must be recognized in strategic planning. Continuing with the previous strategy would be a clear strategic error and not a misalignment.

⁵⁵⁸ Gregor Schöllgen, *Gustav Schickedanz: 1895-1977; Biographie Eines Revolutionärs* (Berlin: Berlin-Verl., 2010). p. 8.

⁵⁵⁹ Ibid., p. 397.

⁵⁶⁰ Ibid., pp. 400–401.

⁵⁶¹ Ibid., pp. 428, 433–435.

Online sales and mail-order business are replacing face-to-face sales. Since its founding in 1994 by *Jeff Bezos*, Amazon has become the largest online mail-order company and has achieved a dominant position in the book segments. The peculiarity is that the company was not born from a technical idea but is a product of Wall Street. Before founding Amazon, *Bezos* worked at the hedge fund *DE Shaw & Co.* (founded in 1988). *David Elliot Shaw* developed algorithms for securities trading as a computer scientist and bioinformatician. The founding idea was that it is actually impossible to have a brick-and-mortar bookstore that has all the books. From the very beginning, the behavior of Amazon customers was analyzed very thoroughly, and all available data were used for this purpose. The idea behind this is that people are predictable. Wall Street investors accepted that Amazon would be **unprofitable for about 20 years**. *Bezos* formulated this as foregoing profits for the time being **in favor of market share**. He also made it clear that he had a strategy that would allow him to monopolize the market. The step from book seller to everything seller was only a small one. Eventually, Amazon was transformed into an open sales platform. In 2005, a special customer loyalty program called 'Amazon Prime' was launched, giving customers priority delivery. The company's warehouses are randomly stocked, and employees run and collect the ordered goods. This can be as much as 24 kilometers per employee per shift. Experiments are also carried out daily in the logistics centers to optimize processes. It is only with the purchase of the company Kiva Systems that warehouse robots are now being used. The idea behind this is 'all items have legs' and 'the shelves move towards the packer'. By the end of 2021, the company had 1.6 million employees worldwide. The company's own delivery system established in 2013 works not with its own drivers but subcontractors (called partners). Lobbying in Washington takes up a lot of space, and the purchase of the Washington Post newspaper publishing house is also intended to help increase the company's influence on politics. Artificial intelligence with Amazon Echo and the voice Alexa entered private households in 2014. This is effectively a listening device that records everything via the built-in microphones as soon as the blue light comes on. This is then evaluated in Amazon's service centers. This trend is also continuing with the entry into camera surveillance by means of cameras distributed in part free of charge by the

company ring.com, which was acquired by Amazon. Despite its incredible economic success, the company engages in massive tax avoidance and pays virtually no taxes.⁵⁶²

CONCLUSION: The Internet and globalization have fundamentally changed production and consumption in recent years. Business models are disappearing or being replaced by others. Strategic changes occur quickly and competitors enter the market that were not there before. This is an issue for strategy development and not of proper Strategic Alignment.

4.8. INFLUENCE OF GENERAL DEVELOPMENTS AND TRENDS ON STRATEGIC ALIGNMENT

At this point in the analysis, individual aspects or thoughts are selected as examples that will be particularly important for the implementation of the strategy in the future. This collection does not claim to be complete, and each idea stands on its own and has not been placed in a context, because this is simply not possible for the future. Rather, the reader is presented with a selection of developments that appear significant for the further steps of the research work and that the reader can think through and evaluate for themselves.

Influence via the media has never been as easy to exert as it is today. The ubiquity of digital media means that everyone can be reached at almost any time via the Internet and cell phones. In the past, communication first had to be transported at a loss of time or take place in person. Today, **indirect communication is everywhere** and **constantly available**. For the communication of strategic leadership, this means that all managers and also all employees must be reachable at all times. Time wasted through, for example, communication by means of written, printed documents no longer exists in practice. Written texts can be composed at any time by the respective manager himself and transmitted immediately. For formats with more personal appeal, there is corporate television and other forms of video communication.

Symmetrical and asymmetrical starting positions. In political strategy, and thus also in military strategy, the importance of asymmetric strategies is emphasized. One way in which a weak opponent can defeat an overpowering enemy is by using an asymmetric strategy, as the author *Arreguin-Toft* demonstrates in his recent book *"How the Weak Win Wars"* using historical

⁵⁶² "Weltmacht Amazon - Das Reich Des Jeff Bezos,," Aired October 16, 2020, on ZDF.

case studies. Opponents of equal size and roughly equal strength are organized and equipped in a similar way. The people in these organizations have also received the same training. Such opposing parties face each other symmetrically. A much smaller opponent (such as partisans or Guirella fighters) does not have these possibilities. This means that victory for a much weaker opponent can only be achieved by using an asymmetrical approach.⁵⁶³ This consideration can also be applied to corporate strategy in principle, but this means that in asymmetric competitive situations, the waste-free implementation of the strategy becomes even more important.

Ideas and models from other humanities, especially political science. These are relevant for the further development of corporate strategy. One such concept is the **post-heroic society**, in which leadership does without special role models and heroic individuals. In terms of the company, there is no longer a need for a CEO who has an all-pervading personality.

The pace of the assembly lines forced an operational alignment. Technology as a strategic driver, a force for further strategic development: today, the Internet and digitalization are one of the most frequently cited **strategic drivers**. One hundred fifty years ago, it was steam engines, railroads, and thus new possibilities in logistics and transport. Flow production was first used on a large scale in Chicago slaughterhouses called Union Stockyards. The thinking behind it was efficiency: an unskilled worker could do the same work in about 15 minutes that a skilled butcher had previously managed in eight hours, i.e., a working day. It was not until rail transportation that centralized mass production of meat at a central point like Chicago became economical and remained so until the 1970s. As early as 1906, the socially critical author *Upton Sinclair* described in his book *'The Jungle'* the working practices in the Union Stockyards, where around 25,000 workers were employed. It is an early form of investigative literature since he did his own research on-site. This book, which was later translated into 17 languages, provides a deep insight into the production methods and also the underlying mode of production of the company.⁵⁶⁴ For organizational psychologists and organizers, the book

⁵⁶³ Ivan M. Arreguín-Toft, *How the Weak Win Wars: A Theory of Asymmetric Conflict* / Ivan Arreguín-Toft, Cambridge studies in international relations 99 (Cambridge: Cambridge University Press, 2005). pp. 219–220.

⁵⁶⁴ Stefanie Kompatscher, "Töten Am Fließband: Die Schlachthöfe Von Chicago," last modified February 6, 2022, <https://www.diepresse.com/702007/toeten-am-fliebsband-die-schlachthoe-fe-von-chicago>.

should be required reading to understand the evolution of work. For strategy planners and business developers, the book is an exciting change of perspective with new insights.

Time and speed as a universal competitive advantage. *Henry Ford* did not introduce assembly line production in his Detroit car manufacturing plant until 1913. The method of organization, in which the workers work at fixed stations and the object to be processed moves over a machine, was already an established part of the business model at the Union Stockyards at that time. The perfection of assembly lines and their extensive use as a clock for the entire production process will always be associated with *Henry Ford*. However, the beginnings of flow production were already underway by the middle of the 19th century and, at the latest since *Sinclair's* book, this form of the working method was generally known and common knowledge.

The breakthrough of innovations depends on the environment. The electric car is not a new invention, indeed with the advent of the use of electrical energy, there were efforts to use this as a form of propulsion. *Andreas Flocken* (1845–1913) had already designed and offered a vehicle powered by an electric motor as an electric car in Coburg in 1888. Electricity as a form of propulsion fell into oblivion, except for niches such as trolleybuses or special vehicles. It was not until Tesla that the topic was taken up again and suddenly became known worldwide.

The latest term for flexibility and dynamism is agility. For years, management literature has focused on the aspect of agility. However, this is also a certain fad because even outside the business world, agility currently enjoys a certain admiration, which extends to dog sports and circuit training that dog trainers offer their customers with great success. A certain skepticism and caution are appropriate when a fad suddenly spreads everywhere. Since well-known representatives, such as *Kotter*, have been calling for **strategic agility**, the topic has been on everyone's lips and has also been readily taken up by the consulting industry, such as McKinsey.⁵⁶⁵ A new study from Switzerland indicates that an **agile strategy process** is more costly than a **linear strategy process**. Only strategy formulation and strategy development were examined, however. The effects of the implementation of a strategy and the increased

⁵⁶⁵ John P. Kotter, *Accelerate: Building Strategic Agility for a Faster Moving World* (Boston, Massachusetts: Harvard Business Review Press, 2014).

expenditure of resources that can be assumed as a result have not yet been taken into account.⁵⁶⁶ The same presentation also uses the notion of alignment, claiming that alignment was derived from the behavior of natural swarms.⁵⁶⁷ Self-control, for example, bird swarms or also bee swarms, has received little attention in the way of research so far. The author of this work is himself an avid beekeeper and would have liked to know more about this connection to biology, but he could not find any sources or evidence for this. The term agility primarily refers to physical abilities, i.e., dexterity and agility. If you ask yourself what the opposite of this is, you already get a more precise word meaning. The opposite is clumsiness and awkwardness. Hence, anyone who calls for more agility in strategy work is implicitly criticizing the fact that strategy is being handled clumsily here.

The European strategy has an impact in all areas. An example of a political strategy that has been pursued over many decades is the strategic intention of the European Union, which was already formulated in the Treaty of Rome in 1957 when the European Economic Community (EEC) was founded. In the preamble to the Treaty of Rome⁵⁶⁸, the approach of an ever closer union among the people of Europe was formulated as a strategy: “determined to lay the foundation of an ever closer union among the people of Europe.”⁵⁶⁹ The goal and political vision behind this is a **fully integrated Europe**. The way to this goal is an ever closer union and networking within the community and between its people. This formulation indicates the strategic guard rails in which the signatories of the treaty envision Europe developing. It is not a formally enforceable claim or legal position, but it binds legislators to stay in line with the ‘ever closer union’—hence, also an alignment topic.

An event breaks through the European strategy. In 2007, 50 years of the Treaty of Rome were symbolically commemorated. The development of the European Union was constructed like a one-way street: this integration process and also the merging process was such that there

⁵⁶⁶ Kerstin Pichel, Andrea Müller, and Claudia Pölderl, “Strategility: Vorschläge Zur Gestaltung Agiler Strategieprozesse,” *ZfO Zeitschrift für Führung + Organisation*, no. 1 (2022). p. 49.

⁵⁶⁷ Pichel, Müller and Pölderl, “Strategility.” p. 43.

⁵⁶⁸ Treaty of Rome (Vertrag über die Arbeitsweise der Europäischen Union), C 326/49, European Union (25.3.1957), accessed March 12, 2022, https://eur-lex.europa.eu/resource.html?uri=cellar:2bf140bf-a3f8-4ab2-b506-fd71826e6da6.0002.02/DOC_2&format=PDF.

⁵⁶⁹ Original text in French: “DÉTERMINÉS à établir les fondements d’une union sans cesse plus étroite entre les peuples européens”; German Version: “IN DEM FESTEN WILLEN, die Grundlagen für einen immer engeren Zusammenschluss der europäischen Völker zu schaffen,” 1st paragraph after the heading in the preamble.

was not even an orderly procedure for a country to leave the EU, which became clear in the case of Brexit. The UK wanted to regain autonomy in central issues of European integration, which contradicted the political strategy of 'ever closer union'. The UK's exit took place on January 31, 2020. There was no effective counter-strategy from the EU for this strategic disruption and a grueling negotiation process concerning the UK's exit followed the 2016 UK referendum. Brexit showed that this central European strategy has its limits. Complete integration of cultural, legal and political autonomy is not desired by the citizens but is perceived as a top-down strategic requirement on the part of politics. In the UK, increasing European integration and the associated transfer of decision-making authority to Brussels was seen as an inadmissible restriction of the country's own sovereignty, if not as a de facto surrender of self.

Some industries have a very narrow strategic corridor. In Germany, healthcare delivery through hospitals has been in crisis for years. A prominent example is the insolvency of the municipal hospital in Ingelheim am Rhein. Ingelheim is one of the wealthiest municipalities in Germany. The billing system based on flat rates per case favors the billing of operations but disadvantages other medical treatments. Around one in ten hospitals in Germany is likely to be affected by closure due to economic problems.

Changes are usually most easily perceived in the retail sector. There are no interviewees from the retail sector in the research, so this segment of the economy will be examined again by looking at general developments. One of the latest developments is the shopping app Temu, which is operated by PDD Holding in Shanghai. It enables end customers to shop worldwide without the need for intermediaries and regional warehousing. The products are temptingly cheap and are delivered directly from China to the end customer within just 11 days by air freight. Returns are free of charge, and the company does not even charge for returns if the value of the goods is low. The company's presumed goal is a rapid and broad distribution of this app, particularly in North America and Europe.⁵⁷⁰

CONCLUSION: The strategy is being implemented in a highly politicized environment. This gives rise to obstacles and problems that can lead to misalignment. The speed and lead

⁵⁷⁰ Marie Bröckling and Daniel Koschera, writers, "Der Temu-Hype: Die Strategie Des Shopping-Giganten Aus China,," Aired December 11, 2023, on ZDF, www.zdf.de/dokumentation/die-spur/temu-shopping-china-qualitaet-preiskampf-100.html.

time in the implementation of technical and other innovations can have a significant impact on strategy implementation. Slow and cumbersome companies or even entire sectors, such as department store companies, may recognize the need for strategic change, but are unable to carry out such a transformation themselves.

4.9. EXTERNAL MACROECONOMIC DRIVERS FOR STRATEGIC ALIGNMENT

Certain external economic influences have a positive impact on strategy implementation and thus favor Strategic Alignment. On the other hand, a number of negative developments in the economy can lead to failure, even in the case of a successful strategy that has been tried and tested over many years. In economic history research, from today's perspective, the Great Depression is seen as the largest disruptive event of the 20th century. After World War I, also one of the key disruptive events of the 20th century, there was a brief global boom from 1920 to 1921, in particular replenishing stocks of goods that had been reduced during the previous five years of war. Pent-up financial resources were put to work, leading to outsized demand and subsequently to rapidly rising prices.⁵⁷¹

The global economic crisis is still ingrained in people's minds. The entire 1920s were rocked by crises, especially inflation, and then, after a few years of largely credit-financed recovery, the Great Depression. The lowering of interest rates by the Federal Reserve System in July 1927 marked the beginning of a period of cheap money, which flowed not only into the economy but also, to a large extent, into stock market speculation. This was the beginning of the stock market boom, which lasted until the American stock market crash on Wall Street in October 1929.⁵⁷² The insolvency of Creditanstalt in Austria in 1931 marked the beginning of uncertainty and crisis in Europe. There had already been rumors about Creditanstalt's economic problems, the largest private joint-stock bank in Austria, for more than two years. About two-thirds of the nation's industries depended upon the Creditanstalt for their credit requirements. In 1929 the government called the Creditanstalt to absorb the nation's second biggest bank, the insolvent Bodenkreditbank. For foreign investors, Austria and Germany

⁵⁷¹ Kindleberger, *Die Weltwirtschaftskrise*. p. 31.

⁵⁷² Kindleberger, *Die Weltwirtschaftskrise*. p. 69.

were equated at that time, although there were hardly any dependencies from German banks to the insolvent Creditanstalt.

Lack of strategic calm and misalignment led to the crisis. The crisis reached Germany after the collapse of the nation's largest textile company, Nordwolle, which was the biggest corporate client for the Danatbank. 40% of the Danatbank's equity was the equivalent of lending to only Nordwolle. On May 11, 1931, the director of Nordwolle *Lahusen* explained the losses of the company and negotiated with him on further action. The head of Danatbank, *Jacob Goldschmitt*, had already received other shocking news during the day in question: the record losses of Creditanstalt and the serious problems of the Karstadt department store group. Even among the solid large companies, the economic crisis was now claiming its first victims.⁵⁷³

Rumors destroy world companies. Before Nordwolle filed for bankruptcy, the company used since 1925 accounting tricks to conceal the consequences of the inflation years. Whether this is still a form of legitimate presentation or what is now known as window dressing, or a fraudulent accounting manipulation, has never been conclusively clarified. From today's perspective, Nordwolle's international business would probably be considered normal for the industry and business. The sudden bankruptcy of Nordwolle came as a surprise to the 13 German and 18 foreign banks. The largest shares were borne by Danatbank and Dresdner Bank. Nordwolle had been built up over four generations into the largest textile group in Europe by the *Lahusen* family. Around 25,000 people were employed.⁵⁷⁴

Chain reactions in the economy mostly starting from large companies. When American banks began to withdraw money from Europe because of the world economic crisis, Danatbank had to accept a loan termination in the amount of 97 million Reichsmarks. In order to keep even Danatbank liquid, he had to be able to fall back on his greatest commitment.⁵⁷⁵ The politicians in the Hanseatic city of Bremen, the newspapers, and also the trade unions placed all the blame on the hitherto successful entrepreneur who tried to mitigate the consequential effects of inflation. Because of the public condemnation, *Lahusen* was forced to present

⁵⁷³ Dietmar von Reeken, *Lahusen: Eine Bremer Unternehmerdynastie, 1816-1933* / Dietmar Von Reeken (Bremen: Edition Temmen, 1996).

⁵⁷⁴ Reeken, *Lahusen*.

⁵⁷⁵ Hans-Hermann Precht, ed., *Wirtschaftskrisen 1929 Und 2009: Forum Nordwolle Delmenhorst*, Schriftenreihe des Wissenschaftlichen Beirats am Nordwestdeutschen Museum für IndustrieKultur Band 2 (Berlin: Culturcon Medien, 2015).

his view of things in 1932 in his own book in view of the threat of a trial.⁵⁷⁶ A comprehensive account of the effects of the economic crisis in Germany can be found in *Abraham's* book 'Konzernkrach', which was written during the crisis. Even here, the section on Nordwolle is headed with a question, 'Crime or error? The case of Nordwolle'.⁵⁷⁷ *Abraham* shows that it was not the alleged balance sheet tricks that caused the collapse, but structural problems, in particular Nordwolle's refusal to introduce union wage scales. Strikes and open disputes with the unions occurred from 1927 onward, as did feuds in the press, especially in the union-owned newspapers. Around half of the 22,000 employees were on strike from April to the summer of 1927. In some cases, production could not be resumed in the usual way until August of that year.⁵⁷⁸ The two *Lahusen* brothers made massive purchases of their own shares with money from their private assets so that by the end of 1929, around one-third of the company's share capital had been bought up. Even when the balance sheet for 1928 was drawn up, the dividend of 12% of the previous year had to be maintained. In public opinion, the prestige of Nordwolle was incompatible with reporting a balance sheet loss or paying a smaller dividend. Only by raising hidden reserves was it possible to pay the same amount of dividend.⁵⁷⁹

Auditing should avoid legal misalignment. In order to hedge the credit risks, 'Treuverkehr Aktiengesellschaft' was founded in 1921 by a consortium of banks led by Deutsche Bank. Since it was not possible to provide security by means of mortgages, the security institution of assignment by way of security (Section 930 of the German Civil Code) was also developed at this time. In particular, Treuverkehr was initially used to monitor import transactions in the textile industry. From the perspective of Treuverkehr, the cause of the bank's collapse was Danatbank's incorrect refinancing, i.e., not matching maturities: Danatbank had borrowed foreign money on a large scale and, in many cases, lent it out on a long-term basis.⁵⁸⁰ In the aftermath of this banking collapse, the profession of the auditor was shaped and regulated by law and enshrined in an amendment to the Stock Corporation Act. Treuverkehr later

⁵⁷⁶ Georg Carl Lahusen, Heinz Lahusen and Friedel Lahusen, *Die Nordwolle Unter Unserer Leitung* (Bremen: Heilig & Bartels, 1932).

⁵⁷⁷ Erich W. Abraham, *Konzernkrach: Hintergründe, Entwicklung Und Folgen Der Deutschen Konzernkrisen* (Berlin: Verlag von Georg Stilke, 1933). pp. 41–60.

⁵⁷⁸ Abraham, *Konzernkrach*. p. 45.

⁵⁷⁹ Abraham, *Konzernkrach*. pp. 50–51.

⁵⁸⁰ Treuverkehr AG, ed., "Treuverkehr 1921 - 1971: Festschrift Zum Fünfzigsten Jahrestag Der Gründung Der Treuverkehr Aktiengesellschaft," (1971). p. 17.

merged with the Anglo-American audit firm Touche Ross & Co. (since 2003: Deloitte & Touche).

In retrospect, the strategy and implementation were correct. After the Second World War, *Lahusen's* innocence was largely confirmed by the courts, and compensation was also granted by the state. By then, however, Nordwolle had already been broken up and was history, and the entire group had fragmented and lost its leading position in the textile market. The town of Delmenhorst near Bremen, the company's headquarters, has still not recovered from the breakup of its largest employer. It was only after decades that it was publicly established that it was largely not fraudulent behavior, but the assets in the form of an important business were destroyed and could not be restored. An example is when the entrepreneur was ultimately wronged by public opinion in the form of newspapers, politics, and trade unions. The political party of the SPD in the city of Bremen also played a not-insignificant role in the intriguing game. In the next section, it will be shown that fraud, embezzlement, and illegal business practices have always existed and oftentimes could only be exposed after a long period of time. The example of Nordwolle shows that different internal and external influences can lead to incorrect strategy implementation. In the minds of the entrepreneurial family, the development of the corporate strategy was clearly mapped out; external attacks and prolonged labor disputes were not anticipated. Ultimately, the Nordwolle company was broken by the negative public opinion, which was significantly influenced by the media, i.e. the newspaper publishers.

CONCLUSION: Public opinion and politics can damage and destroy world companies, even though the companies are following a strategy that makes economic sense and the Strategic Alignment is fine.

4.10. THE IMPACT OF FRAUD ON CORPORATE STRATEGY

Strategy work does not take place free of unwanted influence and rarely proceeds in an ideal manner. There are rules in competition that are not to be broken, especially law and justice. But the fact is that the successful companies go to the extreme in this and claim the right to bend these. **Reference to this research project:** In two interviews, at least questionable action has become part of the corporate strategy. The borderline to criminally relevant acts such as

embezzlement and fraud are often blurred. For this reason, external examples will also be used here in which the law was obviously violated in order to explain misalignment.

Impact of fraud on strategic planning. For the honest company, this means that a competitive disadvantage is created here. Thus, in a tough competitive environment, Strategic Alignment would prove to be a disadvantage—at least with regard to this particular aspect. This view is exaggerated, but it is part of corporate planning to fully exploit the legal possibilities, especially in the areas of tax law, public procurement law, subsidy law and competition law. The major fraud cases of recent years, such as Enron, Wirecard, or scandals in the pharmaceutical industry,⁵⁸¹ are particularly disturbing.

Global crimes against local companies. Crimes committed directly against companies, such as fraud and extortion, have increased due to the possibilities offered by the Internet. One example is ransomware, where companies are held to ransom. The deletion or blocking of the company's internal network is used as a means of exerting pressure. Without IT and access to data, most companies are effectively unable to operate and are threatened with closure. In this increasing form of cybercrime, the threat is the complete destruction of a company's existence. For fear of competitive disadvantage, many of these extortions are kept secret and are not even reported to law enforcement agencies for prosecution.

Global tax havens encourage crime. There are legal systems that tend to support criminal acts globally and do not help to combat them. Tax evasion and money laundering are two accusations that are repeatedly leveled against the Swiss banking system. Article 47 of the Swiss Banking Act (BankG) makes the disclosure of client secrets punishable by fine or imprisonment. Thus, Swiss banking secrecy ultimately enables anonymous financial investments. Crimes related to these funds, such as arms trafficking or drug trafficking, are hardly detectable by this banking secrecy. Banking in Switzerland in its present form developed from around 1850 onwards and was largely shaped by Schweizerische Kreditanstalt (SKA) in Zurich. The banking law that is still valid today came into force in 1934.

⁵⁸¹ "Big Pharma: Die Allmacht Der Konzerne,." Aired September 15, 2020, on ARTE, <https://programm.ard.de/TV/Programm/Jetzt-im-TV/?sendung=287243439242766>.

Money laundering distorts competition. Money laundering poses a particular threat to established companies. Illegal money that has been ‘laundered’ and enters the normal economic cycle leads to distortions of competition. The investments from money laundering do not have to pay off economically and can often be operated at a loss for many years. The intelligent model of money laundering across several national borders and organized globally poses a particular threat in this regard. Reputable companies trying to survive in this unequal competition sometimes have no real chance of surviving with a good strategy.⁵⁸²

Intransparency in new currencies. One particular phenomenon is the mystery of *Satoshi*, the presumed developer or inventor of bitcoins. Whether it is a natural person or an organization is unclear, no one knows the identity of this person. Indeed, whether it is a philanthropist or a great swindler remains to be seen. It is clear that large payment flows are already being processed today via this **completely unregulated currency**, bitcoins, and other similarly functioning cyber currencies. A **shadow system** has emerged here, which is also used for illegal transactions in particular. In the past, a currency was safe if the money was backed by a precious metal of stable value, such as gold. Today, knowledge and trust in a computer code are enough to entrust money to this system. A development that could not only make banks superfluous but could also lead to state monetary policy ad-absurdum. For traditional companies that rely on traditional payment functions, such a development can cause a **strategic disadvantage**. It is questionable whether government control mechanisms such as freezing accounts or interrupting payment flows are not still effective at all if such a circumvention option is available. Then such a development also takes on a political and social dimension because a parallel system of currency and associated economic services is established.

Hidden fraud in vital industries. The working methods of even the largest pharmaceutical companies in the world can be described as ethically questionable, and even in this economic segment, which is indispensable for the health of many people, suspicious and even illegal practices are commonplace. Big Pharma is defined as the largest corporations, each with more than 100,000 employees: Novartis, Pfizer, Johnson & Johnson, Roche and Sanofi. In Eu-

582 Oliver Bullough, *Butler to the World The Book the Oligarchs Don't Want You to Read - How Britain Helps the World's Worst People Launder Money, Commit Crimes, and Get Away with Anything* (St. Martin's Press, 2022).

rope, Sanofi is at the center of a scandal involving a drug called ‘Epilim’, which harms pregnant women and the unborn. It was not until 50 years after this product was introduced that a warning about it was included on the drug’s package insert.⁵⁸³

Regulation must narrow the strategic path. The government-set price caps for healthcare is a long-used regulatory constraint that limits the pharmaceutical industry's profit opportunities. One criminal case that revealed special insights into the dark machinations of the industry is the case of *Martin Shkreli*, CEO of Turning Pharmaceuticals. *Shkreli* is an American hedge fund manager with a focus on the drug business. As co-founder of the fund ‘MSMB Capital Management’ as well as the Swiss company ‘Schweizer Turning Pharmaceuticals AG’ in Baar. The illegal practices became known after Shkreli was convicted in U.S. federal court on Dec. 17, 2015, of fraud in connection with the company ‘Retrophin LLC’. The sentence was set at seven years in prison in 2018. Content of the amount acts: in the drug ‘Pyrimethamine’ (brand name: ‘Daraprim’), the price was raised from USD 13.50 to USD 750 per tablet. This is despite the fact that the drug is over 60 years old and its patent protection has already expired.⁵⁸⁴ This approach is not only legally objectionable and humanly reprehensible, but also has an impact on the commitment of other companies to a legal strategy.

Cascades of dependency in industries. Not only are questionable practices common on the producer side of the drugs, but the dependencies between physicians and the pharmaceutical industry have created financial ties: each year, some 65,000 physicians benefit from perks or other benefits from the pharmaceutical industry. Only one in five physicians is willing to disclose these benefits.⁵⁸⁵

Society is ultimately liable for the misalignment in the pharmaceutical industry. The obvious fact that health care companies also put profit above ethics is not new: the biggest scandal in Germany was the drug ‘Contergan’ from the company Grünenthal near Aachen. From 1957, the drug for sleep disorders was available in German pharmacies without a prescription. In pregnant women, it led to malformations of the newborns. In 1960, the number

⁵⁸³ Claire Lasko and Luc Hermann, “Big Pharma.”

⁵⁸⁴ Claire Lasko and Luc Hermann, “Big Pharma.”

⁵⁸⁵ Claire Lasko and Luc Hermann, “Big Pharma.”

of deformities in newborns and stillbirths became so striking that doctors and the media uncovered the case. At the end of 1961, the Grünenthal company took the drug off the market. It was not until 1968 that the case was tried before the Grand Criminal Chamber of the Aachen Regional Court for intentional and negligent bodily injury and for involuntary manslaughter. After more than 240 trial days, the proceedings were discontinued due to the minor guilt of the defendants and waning public interest in prosecution, § 153 StPO. Such examples show that the strategic path is often very broadly defined and does not set any limits to potential illegal activity.

Breaking the law must not be part of corporate strategy. These examples show the **hidden strategy** behind the actual corporate strategy, a hidden approach that nevertheless significantly determines the corporate strategy and has become part of the corporate reality. If only to avoid the legally serious case of intent, such practices will be without documentation and systematic planning. Companies are moving toward preventing criminal behavior within their organization through their own **fraud management**. It remains to be seen whether this will enable top management to exculpate itself in the event of misdemeanors and crimes.

The overturning of large companies (fraud = misalignment). Wirecard AG was the largest payment transaction service provider in Germany for electronic payments and the credit card business until its insolvency in June 2020. One subsidiary even had its own banking license. Former CEO *Markus Braun* and his COO *Jan Marsalek* are at the center of the fraud case. The second man in the company *Jan Marsalek* has remained in hiding until today. This is the first case in which a listed company from the DAX has slipped directly into insolvency, thereby damaging the reputation of Germany as a financial center. The media repeatedly criticized non-transparent accounting, but neither the auditors nor BaFin recognized the fraud. Wirecard was finally forced to admit at a press conference that the auditors from Ernst & Young had no proof of the existence of EUR 1.9 billion in escrow accounts.⁵⁸⁶

Universal value to carry the strategy is missing. At the corporate level, criminal trafficking is now prevented by compliance and fraud management. In large companies, these are

⁵⁸⁶ Felix Holtermann, *Geniale Betrüger: Wie Wirecard Politik Und Finanzsystem Blossstellt* (Frankfurt/Main: Westend, 2021).

departments that are often run alongside or within the legal department or, like risk management, have their own board affiliation. But it is more true than ever for today's business: **Profit becomes superior to the rules.** Ethical and moral rules, as well as the law, are interpreted more broadly than narrowly, and people pride themselves on pushing the envelope to the limit. The Christian values that determined the actions of many managers until just a few decades ago have largely disappeared from consciousness and everyday business life. The established large religions as role models and moral authorities are no longer perceived as such. The secret admiration for dubious dealings of the underworld, such as the Mafia, are encouraged by films: through the cinematic depiction of violence and crime, there is no decrease in these crimes, but in large parts of the population, this is accepted and accepted as a fact.

Fraud prevents innovation in industries. One of the largest fraud cases in history in Germany is Flowtex, with over DM 4 billion in damages. The seller, *Manfred Schmider*, founded the company in 1994, and it has existed for five years. The company sold horizontal drilling machines, which made it possible to lay cables without completely tearing up roads.⁵⁸⁷ The machines were financed through leasing contracts from banks. The leasing banks checked the existence of the machines only on the basis of stamped machine numbers,⁵⁸⁸ which, however, were manipulated. Not even one-tenth of the machines were actually available. It was a Ponzi scheme in which the entire company was financed only by leasing loans. The state government and politicians in Baden-Württemberg came under fire for their overly generous support of Flowtex,⁵⁸⁹ as did the company's auditor KPMG.⁵⁹⁰ After Schmider had served his seven-year prison sentence, a television documentary revealed the extent of the fraud to the general public.⁵⁹¹

Acting against the strategy at the highest level. The automotive industry is the engine of the German economy. For this reason, there is also almost unlimited political support for

⁵⁸⁷ Meinrad Heck, *Der Flowtex-Skandal: Wie Politik Und Fiskus Jahrelang Von Einem Gigantischen Wirtschaftsbetrug Profitierten*, Fischer 17080 (Frankfurt am Main: Fischer-Taschenbuch-Verl., 2006). p. 33.

⁵⁸⁸ Ibid., pp. 37–39.

⁵⁸⁹ Ibid., pp. 28–31.

⁵⁹⁰ Ibid., p. 124.

⁵⁹¹ Martina Treuter, Stefan Tiyavorabun, and Cordelia Marsch, writers, "Big Manni, Big Money: Die Wahre Geschichte Eines Milliardenbetrugs,." Aired 2018, on SWR, <https://www.youtube.com/watch?v=Mr9wHWACNP4>.

these industries. Around 2 million jobs depend on the automotive industry, which is approximately one in 20 employees. Around 800,000 people are employed directly by the automotive industry. The combustion engine is considered a flagship of German engineering. The German Association of the Automotive Industry (VDA) has correspondingly great political weight in its lobbying work in Berlin. All German automakers are involved in the **diesel scandal**. *Rupert Stadler*, the CEO of AUDI, was remanded in custody for several months for this. A criminal process that was considered impossible until then. Electromobility has been the trend ever since Tesla successfully, and very media-effectively launched its cars on the market. Cars with electric drives are less complex, so they also require less design effort and shorter manufacturing processes. There are about 500 e-car manufacturers registered in China. One of these start-ups is the car brand 'Byton', which was founded by ex-Daimler manager *Daniel Kirchert* in 2017. The goal is to produce 300,000 vehicles annually. In the summer of 2020, Byton's funding stalled, and almost all employees were laid off. Whether vehicles will ever roll off the production line at this company is questionable. The German subsidiary in Munich for vehicle development with around 100 employees filed for insolvency in April 2021.⁵⁹² Because of the sales slump in 2020, the entire auto industry has been shaken. Germany used to be the world leader in industries such as textiles, chemicals and consumer electronics and has completely lost its leading role in these industries.⁵⁹³

Financial industry is particularly vulnerable to misalignment. In March 2021, **Greensill Bank AG**, headquartered in Bremen, was forced to close for business by order of BaFin. It was not until 2014 that the bank was renamed; the institution was originally founded under Norddeutsche Finanzierungs-AG in 1927 and later operated under NordFinanz Bank AG. Control was taken over by the investment company of the Australian *Lex Greensill*, based in London. The business of Greensill Bank AG was changed from classical financial business to financing working capital by means of factoring and reverse factoring transactions. Greensill Bank paid above-average interest rates and had EUR 3.3 billion owed to customers at the end of 2019. At the request of BaFin, insolvency proceedings were opened against the company in

⁵⁹² Order of Munich Local Court dated August 2, 2021 (Case No. 1501 IN 508/21) opening insolvency proceedings. The Company was thereby dissolved.

⁵⁹³ Stefan Ebling and Greta Zimmermann, writers, "Auto Macht Deutschland: Die Autoindustrie Und Ihre Politik,," Aired October 21, 2020, on ZDF, www.zdf.de/dokumentation/zdfinfo-doku/auto-macht-deutschland-die-autoindustrie-und-ihre-politik-100.html.

March 2021.⁵⁹⁴ *Lex Greensill* was able to expand only through investor *Sanjeev Gupta*, who himself had bought together a conglomerate of steel companies through **financial engineering**. Direct contact with British *Prime Minister David Cameron*, in 10 Downing Street 10 from 2012 to 2016, promoted the growth of the Greensill companies through political contacts. *Lex Greensill* even became a government advisor with his own desk in the Prime Minister's official residence.⁵⁹⁵

Intent in misalignment in pyramid principle/Ponzi scheme. Another case where the business model is built on the crime of fraud is the case of P&R Container. This company rented out containers for freight transport and raised the money for the purchase of the containers from private investors via the so-called **gray capital market**. *Heinz Roth* founded the company in 1975 in Munich.⁵⁹⁶ The objective was to pay out 'credible' returns of around 4% above the interest rate of the savings account on a permanent basis. Due to the separation of the sales company in Munich-Grünwald and the holding company in Zug, Switzerland, the fraud could probably have been kept secret for decades, even among the small staff of only 25 employees.⁵⁹⁷ The research is fueled by current examples, which is why the largest insolvency in Austria of **Signa Holding** and its subsidiaries should also be mentioned here. Founder *René Benko* is at the center of the fraudulent approach. While working on this research, the reporting on this scandalous case, which also has a direct impact on the real estate sector in Germany and the department store sector (Galeria Kaufhof), is far from over. Nevertheless, this case has influenced the thinking and also the considerations for this research. A large number of well-known entrepreneurs and individual business personalities were involved in Signa as investors. As is already known today, new investors were constantly needed to pay off or settle old investors. The business model was only viable through a **pyramid model** or **Ponzi scheme**.

⁵⁹⁴ Order of the Bremen Local Court dated March 16, 2021, file number 508 IN 6/21.

⁵⁹⁵ Daniel Garrahan, writer, "Greensill, Gupta and Cameron: What Went Wrong," on Financial Times, www.youtube.com/watch?v=OhkFbgxQuXA.

⁵⁹⁶ *Süddeutsche Zeitung*, "Strafprozess Gegen P&R-Gründer Geplatzt: Milliardenpleite," June 11, 2019, accessed August 18, 2022, www.sueddeutsche.de/wirtschaft/p-r-container-heinz-roth-1.4522006.

⁵⁹⁷ Jenny Heininger, writer, "Betrug Des Jahrhunderts: Der P&R Container-Skandal," Aired March 4, 2022, on ZDF info, www.zdf.de/dokumentation/zdfinfo-doku/abgezockt-der-pr-container-skandal-100.html.

This can already be stated as a certainty today. The effects of this case are not yet fully recognizable.⁵⁹⁸

The phenomenon of the **Minsky moment**, named after *Hyman Minsky* (1919-1996), must also be mentioned in this context: sudden financial crises have been widely recognized since the 2007 banking crisis at the latest.⁵⁹⁹ Minsky's crisis theory includes financing via the credit markets, but also takes into account the emergence of Ponzi scheme that can be observed in all financial crises. The Minsky effect is characterized by a **sudden tipping point** (→ emergence, 2.2.1 Evolving Strategies and Emergence, see page 74). This ultimately makes financial crises difficult or even impossible to predict. Designed as a prediction model for major unexpected events, such as the Great Depression, the model is based on a **complex dynamic system** that is influenced by various forces.⁶⁰⁰ Various sources of instability are identified and form the starting point for Minsky's 'financial instability hypothesis'.⁶⁰¹ Minsky distinguishes between three types of financing: 1. Hedging, 2. Speculative, 3. Ponzi.⁶⁰²

The 5P's Leadership Model with a focus on safety and values. A scientific journal article from 2023 on the 5P's leadership model shows one approach to addressing current challenges in strategic management. Under the influence of the unpredictable developments of our time, the article identifies the key challenges that a model must take into account: 1. Technology, 2. Globalization, 3. Diversity, 4. Ethics, 5. Innovation, 6. Security, 7. Terrorism, and 8. Workplace violence. The authors do not provide reasons for this selection or prioritization. It is assumed that there is a clear distinction between right and wrong strategies, right and wrong structural decisions, and right and wrong values or corporate culture. The so-called 5P's Leadership Model brings the following building blocks into a model-like context: 1. Purpose, 2.

⁵⁹⁸ Rainer Fleckl and Sebastian Reinhart, *Inside Signa: Aufstieg Und Fall Des René Benko*, 1. Auflage (Wien: edition a, 2024). p. 132.

⁵⁹⁹ Piero Ferri, *Minsky's Moment: An Insider's View on the Economics of Hyman Minsky*, New directions in modern economics (Cheltenham UK, Northampton MA: Edward Elgar Publishing, 2019).p. 26.

⁶⁰⁰ Ferri, *Minsky's moment*. p. 10.

⁶⁰¹ Ferri, *Minsky's moment*. pp. 16–19.

⁶⁰² Ferri, *Minsky's moment*. p. 31.

Principles, 3. Processes, 4. People, and 5. Performance. How the demand for improved implementation will be realized remains largely unclear in the presentation. The term ‘alignment perspective’ is highlighted in the title, but is insufficiently reflected in the text of the article.⁶⁰³

CONCLUSION: Money from illegal business damages legal business. It is like doping in sports, where the honest athlete is at a disadvantage (often undetected). The transition from criminal activity and a socially and legally tolerable ‘gray area’ is fluid: often, the so-called pyramid schemes (Ponzi scheme), which are intended to provide the founders and the top of the pyramid with a passive income, are hidden behind the questionable structures. The lower levels of the pyramid pay and go empty-handed with false promises. Network marketing, which can have both a legal and an illegal manifestation, must also be seen in this context. A sudden and unexpected insolvency of a major listed financial services company is a new development. Even under the critical eyes of the mass media and rating agencies, a fraudulent case of Germany-wide proportions was possible. The danger is that other honest companies will abandon their strategic path in order to remain competitive. Fraud and other white-collar crimes are a cause of misalignment within a company, but they also have an impact on the entire industry as a factor for misalignment.

4.11. STRATEGIC COMMUNICATION

Communication is oriented to a strategy, which we call strategic communication, a term from politics and the military. **Information** and **disinformation** are means that are used for this, also often also with the intention of influencing dishonestly. In the business world, these terms and also the approach has been taken up so that today the same approaches to communication are used in companies and organizations as at the political level. Traditionally, the term propaganda is also used for this.⁶⁰⁴

⁶⁰³ Sonia Taneja, Yasemin Atinc, and Mildred Pryor, “Redefining Strategic Management: The Alignment and Implementation Perspective,” *Journal of Accounting, Business & Management*, 30 Issue 2 (2023).

⁶⁰⁴ Kirk Hallahan et al., “Defining Strategic Communication,” *International Journal of Strategic Communication* 1, no. 1 (2007), <https://doi.org/10.1080/15531180701285244>.

Strategy sets the direction of thought. The Management Board develops the corporate strategy in order to drive forward what it considers to be the right corporate development. Certain basic ideas are anchored in the minds of the management, which are intended to trigger **steering impulses**. Ultimately, the Management Board determines the direction of the company's thinking through the instrument of strategy. An experimental study examined the relationship between vague and clear strategic communication and strategic alignment. The research aimed to improve the internal control system and performance measurement. The result was a recommendation to use a **clear strategy statement** as a pre-structured and planned form of communication. Incorrect communication leads to misalignment and dysfunctional behavior among employees. Vague communication can only give employees a rough idea and leaves a lot of room for interpretation and implementation. Precise communication, on the other hand, immediately grabs employees' attention and thus directly influences behavior. Contradictory communication content is problematic as it can lead to confusion and ignorance. The study was conducted without the incentive systems commonly used in companies.⁶⁰⁵

Informal communication as an influence on Strategic Alignment. Informal communication within the company and also outside in chat rooms and systems such as social platforms can suddenly, and also immediately influence and completely jeopardize strategy implementation. Today, communication no longer needs time to take effect. The moment it is sent, the possibility of influence is already there, which makes it much more difficult to react to such actions. In this case, the recipient of the messages often cannot ascertain whether it is information or disinformation.

Strategic Alignment is opinion enforcement. The role of communication in politics and society was explored by U.S. political scientist and communication theorist *Harold Dwight Lasswell* (1902–1978). One quote attributed to him is that opinion management is more cost-effective than force or bribery. He had already studied the effect of propaganda⁶⁰⁶ during the First

⁶⁰⁵ Smith and Thomas, "The effects of strategic alignment and strategic clarity on multidimensional task performance."

⁶⁰⁶ Today, the word 'Public Relations' (PR) is used synonymously. Walter Lippmann, *Die öffentliche Meinung: Wie sie entsteht und manipuliert wird*, 1. Auflage, ed. Walter Ötsch and Silja Graupe (Frankfurt/Main: Westend, 2018) p. 10.

World War and later the formation of opinion in the USA.⁶⁰⁷ He formulated his findings as follows: “the civilian mind is standardized by the news and not by drills. Propaganda is the method by which this process is aided and abetted.”⁶⁰⁸ *Lasswell’s* work is based on a number of publications by authors he already names on the first page, especially *Johann Plenge* (1874–1963).⁶⁰⁹ *Plenge*, a law professor from Münster⁶¹⁰ in Germany as a political scientist and sociologist,⁶¹¹ took up the subject of propaganda after a lecture by his childhood friend *Ludwig Roselius* (1874–1943). *Roselius* is the founder of the company of Kaffee HAG, and he presents the importance of propaganda in business, especially for product marketing.⁶¹² *Plenge* also provides a short definition according to which propaganda is the dissemination of a spiritual drive.⁶¹³ He sees the origin in the ecclesiastical *congregatio de propaganda fide* of 1622, which was supposed to help spread the Catholic faith anew. After the Thirty Years’ War, this was intended to counter the spread of Protestantism. *Plenge* delineates certain areas of propaganda, such as propaganda in film or commercial propaganda. It is not advertising that is meant by propaganda, but “commercial propaganda is not about small business tricks, but about the big goals.”⁶¹⁴ He discusses the classic examples of democratic organizational propaganda, such as *Platon’s* work ‘*Menexenos*’, which is in dialogue form: a fictional or literary conversation between the teacher *Socrates* and his pupil *Menexenos*, a young Athenian, is presented here. *Socrates* expresses his contempt for the demagogic whitewashing of false rhetoric (ca. 400 BC). For *Socrates*, rhetoric is a manipulative technique.⁶¹⁵ According to *Plenge*, all areas have already been permeated with propaganda for a long time; trade unions make use of the corresponding instruments, as do companies and the state.⁶¹⁶

Communication provides control over the company. The journalist *Walter Lippmann* (1889–1974) published his book ‘*Public Opinion*’ in 1922 and, to this day, it remains one of the

⁶⁰⁷ Harold D. Lasswell, *Propaganda Technique in the World War*, M.I.T. studies in comparative politics (Cambridge, Mass.: Martino Publishing, 2013 Reprint (first published 1927)).

⁶⁰⁸ Lasswell, *Propaganda technique in the World War*. p. 11.

⁶⁰⁹ Lasswell, *Propaganda technique in the World War*. p. 1.

⁶¹⁰ Doctoral advisor to Kurt Schumacher (SPD).

⁶¹¹ Johann Plenge, *Deutsche Propaganda: Die Lehre Von Der Propaganda Als Praktische Gesellschaftslehre* (Bremen: Angelsachsen-Verlag, 1922). p. 75.

⁶¹² Lecture by Roselius on “Coercion or Propaganda in the Organization,” July 13, 1920.

⁶¹³ Plenge, *Deutsche Propaganda: die Lehre von der Propaganda als praktische Gesellschaftslehre*. p.13.

⁶¹⁴ Plenge, *Deutsche Propaganda: die Lehre von der Propaganda als praktische Gesellschaftslehre*. p. 12.

⁶¹⁵ Plenge, *Deutsche Propaganda: die Lehre von der Propaganda als praktische Gesellschaftslehre*. p. 57.

⁶¹⁶ Plenge, *Deutsche Propaganda: die Lehre von der Propaganda als praktische Gesellschaftslehre*. p. 50.

fundamental texts on PR and communication. Later, *Lippmann* became known for firmly establishing the language image of the 'Cold War' in political communication.⁶¹⁷ He became a political advisor at an early stage and thus also had a significant influence on U.S. political control.⁶¹⁸ In the book, *Lippmann* describes how people can be influenced and controlled by **imaginative images**. Influencing the imaginary worlds of broad sections of the population was already an integral part of business and politics at that time.⁶¹⁹ Many of the book's examples relate to war reporting and its manipulation during the First World War. It is not a scientific treatise but a collection of observations and related interpretations. According to *Lippmann's* conception, the individual no longer has direct access to the external world, but there is a '**pseudo-environment**'⁶²⁰ in between—hence there is a triangular relationship between humans, the pseudo-environment and the environment. The subject is always **mass communication**, and he also uses *Gustav LeBon's* definition. The real power is not the politicians but those people or institutions that shape **patterns of imagination**.⁶²¹ Techniques such as the concealment of ideas and 'hypocognition' (omission of ideas) are already outlined here. These are understood today under Black and White Fallacy. Later, *Siegfried Kracauer* would process these considerations in his works on film psychology⁶²² and mass communication.⁶²³ *Hayek* is influenced by his distinction between original thinkers (the creative minds) and the secondhand dealers in ideas in the article 'The Intellectuals and Socialism'.⁶²⁴ *Lippmann* provides a definition of propaganda in the following way: a group of people who can deny the public access to events or information and arrange messages that serve their own purposes.⁶²⁵ The masses are constantly exposed to suggestions and receive only messages that already contain a direction to be taken. They are not reports of fact, but communication that is already stereotyped to a

⁶¹⁷ Lippmann, *Die öffentliche Meinung*. p. 10. of the introduction.

⁶¹⁸ Lippmann, *Die öffentliche Meinung*. p. 19 of the introduction.

⁶¹⁹ Lippmann, *Die öffentliche Meinung*. p. 10 of the introduction.

⁶²⁰ Lippmann, *Die öffentliche Meinung*. p. 54, Chapter 'The external world and the images in our heads'.

⁶²¹ Lippmann, *Die öffentliche Meinung*. p. 27 of the introduction.

⁶²² Siegfried Kracauer and Karsten Witte, *Theorie Des Films: Die Errettung Der Äusseren Wirklichkeit*, 6. Aufl., Schriften / Siegfried Kracauer Bd. 3, Ed. 5 (Frankfurt a.M: Suhrkamp, 2006).

⁶²³ Siegfried Kracauer et al., *Totalitäre Propaganda*, Suhrkamp Taschenbuch. Wissenschaft 2083 (Berlin: Suhrkamp, 2013).

⁶²⁴ Friedrich August von Hayek, *The Intellectuals and Socialism*, 3. Aufl., Studies in social theory No. 1 (Menlo Park, Calif: Institute for humane studies, 1978). First published 1960.

⁶²⁵ Lippmann, *Die öffentliche Meinung*. p. 84.

certain model of behavior.⁶²⁶ From the famous speech of *Mark Anthony*, he derives a procedure for political or strategic communication: first, the speaker must present the prevailing opinion, and it appears to his listeners that he identifies with it. As soon as he has confidence, he can win over the masses with a good story or a reference to an emergency situation, and now a new solution is expected from him.⁶²⁷ Public opinion is its own driver or force. This must be taken into account strategically and not ignored under any circumstances. Mass psychology works within any organization above a certain number of employees. This makes it easier to influence and often eliminates scrutiny by the individual. Moral values can also be perceived differently or even completely eliminated in the effect of mass psychology. For the communication of the corporate strategy and also for Strategic Alignment, these findings are of elementary importance.

Mass communication in the organization follows its own laws. *Edward Bernay's* book 'Propaganda' was published in 1928. To this day, it is seen as a PR classic. *Bernay* himself was a good self-promoter and styled himself as the first PR consultant for companies and politics. It is generally known that he invented the 'American Breakfast' to increase sales of ham. Instead of just coffee, toast, and juice, 'bacon and eggs' were now served. There was no tradition for this, only the desire of the meat industry to increase sales. He also managed to build a new image for U.S. *President Coolidge*, who was generally considered to have a boring public persona, by dealing with Hollywood stars at invitations to tea at the White House.⁶²⁸

Political communication as a role model. *Bernays* assumes that after the aristocracy was replaced by the bourgeoisie, a ruling minority emerged. This minority uses techniques and methods to **shape the opinion of the masses**.⁶²⁹ He formulated this in such a way that the gap between the intellectuals and the masses in the complex modern society is bridged with the help of propaganda.⁶³⁰ On the relationship between democracy and propaganda, *Bernays* sees it as the case that our democracies must be led by an intelligent minority that knows how to

⁶²⁶ Lippmann, *Die öffentliche Meinung*. p. 227.

⁶²⁷ Lippmann, *Die öffentliche Meinung*. p. 228.

⁶²⁸ Edward L. Bernays and Klaus Kocks, *Propaganda: Die Kunst der Public Relations*, with the assistance of Doris F. Bernays, and Mark C. Miller, Deutsche Erstausgabe, achte Auflage (Berlin: orange-press, 2017). p. 2 of the introduction.

⁶²⁹ Bernays and Kocks, *Propaganda*. p. 18.

⁶³⁰ Bernays and Kocks, *Propaganda*. p. 76.

guide and direct the masses.⁶³¹ The **'Barnum effect'** and the associated Barnum statements have a special function in PR: people tend to interpret vague and generally valid statements about their own person in such a way that it is perceived as an accurate description. This has also been known as the verification phenomenon since the 1920s.⁶³²

Forming opinions through targeted communication. Politics often leads the way in strategic developments. For example, television has been the defining medium for U.S. election campaigns since 1960, influencing voters through both news and election advertising. *Kennedy* was probably only able to win the election campaign because a television crew accompanied him very closely and thus disseminated his perspective on U.S. politics during the campaign.⁶³³ TV coverage now follows a set pattern of following a front-runner from the first primaries to the White House. This then shows the process of **political change** all the way to becoming a statesman.⁶³⁴ *Theodore White's* work a year after the mentioned campaign already set forth his observations and analysis in 'The Making of the President 1960'.⁶³⁵ The U.S. president, who is also seen as 'the nation's chief executive', is a direct **role model for all executives** and companies for strategic leadership and strategy communication.⁶³⁶

Lessons from Public Relations. Today, politics is determined by media campaigns, which are designed according to the same laws as well-known product advertising. Objective presentation is unimportant here; facts are replaced by subjective opinions and emotional conviction. Election campaigns are won with big budgets and clever media work, no longer with measurable successes, comprehensible facts, or different political concepts or ideologies.⁶³⁷ One of the most influential PR agencies is Hill & Knowlton (H+K), whose work became known to a broad public through its communications during the second Gulf War. Two campaigns of

⁶³¹ Bernays and Kocks, *Propaganda*. p. 77.

⁶³² Bernays and Kocks, *Propaganda*. p. 58.

⁶³³ E. D. Dover, *Presidential Elections in the Television Age: 1960-1992* / E. D. Dover (Westport, Conn., London: Praeger, 1994). pp. 10-13.

⁶³⁴ Dover, *Presidential elections in the television age*. p. 8.

⁶³⁵ Theodore H. White, *The Making of the President, 1960* (New York: HarperCollins, 2009 (1961)).

⁶³⁶ Dover, *Presidential elections in the television age*. p. 1.

⁶³⁷ Noam Chomsky, *Media Control: Wie Uns Die Medien Manipulieren*, 8. Auflage (Frankfurt am Main: Nomen, 2019).

targeted disinformation by this PR firm are the so-called incubator lie in the second Iraq war and the tobacco industry's disinformation on smoking.⁶³⁸

Communication can prevent or reduce crises. At the height of the financial crisis, German *Chancellor Angela Merkel* had the political task of preventing panic or hysteria among small investors and savers. A promise was made by the German government that was by no means secure but was based in part on the hope that things would calm down soon: "we also say that those who have done irresponsible business will be held accountable. The German government will see to that. We also owe that to the taxpayers in Germany. *We tell savers that their deposits are safe.* The federal government is also standing up for that."⁶³⁹ The goal was to prevent mass concern among the population. As is known, it worked in the situation. In the book, *Lippmann* describes how people can be influenced and controlled by **imaginative images**. Influencing the imaginary worlds of broad sections of the population was already an integral part of business and politics at that time.⁶⁴⁰

Psychological effects of communication can lead to collective trauma. It is well known that certain psychological conditions are almost contagious and spread like an epidemic: this happened during hyperinflation and the bank run or in times of war, where a rumor is enough to provoke irrational collective behavior, similar to psychosis. For example, in the town of Demmin, where hundreds of women, fearing rape, took their own lives in a great mass suicide in the waters of the Peene River.⁶⁴¹ The collective trauma of this mass psychosis continues to affect the city to this day. Only a few years ago, a historian came to terms with this event and showed the causes and cognitive preconditions that led to this phenomenon. In the second part of the book, the phenomenon is transferred to other historical contexts and it is shown

⁶³⁸ Karen Miller Russell, *The Voice of Business: Hill & Knowlton and Postwar Public Relations* / Karen S. Miller, Luther Hartwell Hodges series on business, society, and the state (Chapel Hill, NC, London: The University of North Carolina Press, 1999).

⁶³⁹ Statement by the German Chancellor on Sunday, October 5, 2008. The entire speech can be found here: "Die Spareinlagen Sind Sicher': Merkel Und Steinbrück Im Wortlaut," *Spiegel*, 2008, accessed March 16, 2022, www.spiegel.de/wirtschaft/merkel-und-steinbrueck-im-wortlaut-die-spareinlagen-sind-sicher-a-582305.html.

⁶⁴⁰ Lippmann, *Die öffentliche Meinung*.

⁶⁴¹ Between April 30 and May 4, 1945, more than 1,000 people are said to have committed suicide (according to the current Daurer exhibition on the subject in the church of St. Bartholomaei). Further information: Landeszentrale für Politische Bildung Mecklenburg-Vorpommern, *Das Kriegsende in Demmin 1945*, 1. Aufl., Landeskundliche Hefte (Schwerin: Helms-Verlag, 1995).

that in existential crises, communication and propaganda can lead to irrational fears and actions.⁶⁴² Presumably there will also be something like a **collective trauma** in corporate organizations, or at least shared previous experiences. Both can lead to obstacles or misalignment when aligning with the strategy. Sentences such as "We've always done it this way" or "It hasn't worked before" express the fact that there are obstacles on a psychological level that prevent the implementation of strategies that have been adopted. As this is a topic of organizational psychology, it will not be discussed further in this paper, but should be mentioned for the sake of completeness.

Misalignment through collective trauma. An important question for the transformation triggered by a change in strategy is whether the entire organization, i.e., the entirety of the employees and their managers, are at all willing and able to successfully implement such a **transformation process**. A collective trauma that is recognized by other organizations, such as states or population groups, is also likely to apply to the organization. An organization also has a collective memory through its people and can thus also develop a kind of collective trauma. Companies that have gone through a reorganization or even insolvency are also emotionally burdened by this, and existential fear, once gone through, seems to remain latent afterwards. At ETH Zurich, experimental research on animals has shown that the grandchild generation suffers particularly from inherited trauma.⁶⁴³ The particular finding from this research is that the grandparent generation and, then again, the grandchild generation are particularly affected by his trauma, meaning a generation is skipped (transgenerational transmission of trauma).⁶⁴⁴

CONCLUSION: Something like a collective memory of a group of people or an organization does exist. Even if you would not go so far as to attribute trauma to a group, it is generally recognized that there is such a thing as a collective memory in a company. This can shape the corporate culture to some extent or even determine future strategic development.

⁶⁴² Florian Huber, *Kind, Verprich Mir, Dass Du Dich Erschießt: Der Untergang Der Kleinen Leute 1945*, 5. edition, Piper 30898 (München: Piper, 2015). p. 63.

⁶⁴³ Katharina Gapp et al., "Implication of Sperm RNAs in Transgenerational Inheritance of the Effects of Early Trauma in Mice," *Nature neuroscience* 17, no. 5 (2014), <https://doi.org/10.1038/nn.3695>.

⁶⁴⁴ Vanessa Lux, "7. Ererbtes Trauma," in *Kulturen Der Epigenetik: Vererbt, Codiert, Übertragen*, ed. Vanessa Lux and Jörg T. Richter (Berlin, Boston: De Gruyter, 2014).

Future events are anticipated in the media. A current example of the incredible impact of targeted communication is the case of Ukraine and the current President, *Volodymyr Zelenskiy*. In 2019, *Zelenskiy* was elected the sixth president of Ukraine. Until then, he was an actor and comedian. The political-comedy series ‘Servant of the People’ (Ukrainian: ‘*Sluha narodu*’), with over 50 episodes, has been broadcast in Ukraine since 2015. *Zelenskiy* embodied in this TV series a history teacher who teaches at a school in Ukraine and denounces the mistakes of Ukrainian politics, and this is published in the film by his students on social media. The expected happy ending of the series is that this history teacher frees Ukraine from corruption and unites the country as president.⁶⁴⁵ In the reception of this TV series, it becomes clear that *Zelenskiy’s* presidency was strategically prepared here: *Zelenskiy’s* political party bears the name from the film. The film anticipates something that will later be implemented politically with the help of oligarchs, in particular *Ihor Kolomoyskyi*, who is the owner of the producing and broadcasting television station 1+1. The usefulness and effectiveness of this TV series, which generated significant attention not only in Ukraine, prepared *Zelenskiy’s* later electoral success. Only through this did he become known and, in effect, elevated from a nobody to a respected politician. The direct attacks against the president by a perceived ‘outsider’ were very effectively placed in the film. Under the guise of comedy, the current political system was attacked very harshly, especially the incumbent *President Poroshenko*. The ongoing polemics did not stop at the state borders: Russia was the target of these actions all the time. Other established politicians, such as *Yulia Tymoshenko*, who had already been prime minister for three years, were also relegated to back seats in the presidential election. With extreme media attention, *Zelenskiy’s* candidacy was announced on television on New Year’s Eve 2018. Since this presidential election, Russia has viewed the actions in Ukraine all the more critically. As of today, there is now a war in Ukraine following the invasion of the Russian army on February 24, 2022. The conflict was closely covered and talked up by the media. This example shows the incredible effectiveness of strategic communication in a real and very current case. This could be very harmful to democracy, and we should be now: for the liberation of the soul and the betterment of the world.

⁶⁴⁵ First broadcast in Germany on November 19, 2021 via ARTE Mediathek.

Disruption initialized by the mass media. The inadmissible interference of the media in politics and business is illustrated by the case of ‘News of the World’, a discontinued newspaper from *Rupert Murdoch’s* media group. For several decades, it was possible to exert a direct influence on politics. By supporting *Tony Blair* as Prime Minister, a direct influence on British politics was established. The News of the World scandal shows that the media company disregarded the law and wanted to enforce policy through its own channels. The magazine’s editorial staff wiretapped politicians and made improper inquiries.⁶⁴⁶

Information versus disinformation. In many cases of strategic communication, the question is whether the information is real or disinformation. In the absence of the possibility to verify communicated content, it is often believed lightly. Influencers (new: ‘content creators’) on the Internet are currently responsible for a new form of opinion formation. Originally born out of personal conviction and a drive for self-promotion, this has now become a business model in its own right. It is all about reach (media reach), i.e., how many people can be reached by one’s own website and how many people can be influenced in their opinion. Building reach is the primary goal of influencers. Traditionally in print advertising, the key figure of Thousand Ad Impressions (TAI) was relevant for media planning: it indicates the amount of money that has to be invested to reach 1000 people of a target group via visual contact. For banner advertising on the Internet, the ad impression is counted as a contact.

‘False flag’ communication and operation. For the most part, a strategy designed to gain an advantage in the market must always be kept secret. In the battle for market share and economic existence, strict secrecy has a high priority in operational practice, even if this is not usually acknowledged accordingly in the literature. Disinformation is one side of this secrecy and deception of other competitors, but it also includes corresponding actions that make disinformation credible in the first place. Such deceptive acts can be summarized under the term false flag operations.

⁶⁴⁶ Laurel Brake, Chandrika Kaul and Mark W. Turner, *The News of the World and the British Press, 1843-2011: Journalism for the Rich, Journalism for the Poor*, Palgrave studies in the history of the media (Houndmills, Basingstoke, Hampshire, New York, NY: Palgrave Macmillan, 2016).

Images do not always show the truth. Photos and videos have had high evidential value in the past. At the latest, the so-called ‘pseudo-documentaries’ or **documentaries** have disproved the lack of probative value of seemingly unfalsifiable images. Such ‘fictional documentaries’ have even made it into major broadcasts such as ARTE as seemingly genuine documentaries.

Marketing communication points the way. In the competition between companies, it has long since ceased to be a question of achieving the best for the customer; often, the presumed or promised advantage is enough without this ever having to be proven. This is particularly evident in the food industry. Mondelez International is one of the world’s largest food companies, headquartered in the USA. Mondelez was created in 2012 from the splitting of Kraft Foods Inc. in two companies: Mondelez International and Kraft Food Group. Kraft Food Inc. was founded in Chicago back in 1903. Kraft's founder was *James Lewis Kraft* (1874–1953), who started the business trading cheese in Chicago. In 2015, Kraft Foods and Heinz merged under the coordination of *Warren Buffet*, who later held 27% of the new company. Mondelez is particularly active in the coffee roasting and coffee market: brands such as Jacobs Krönung, Kaffee Hag and Tassimo are among them. A very profitable business has been built up, in particular with the capsules (single-serve coffee container) for Tassimo, where packaged individual portions are sold at around three times the price of conventional coffee in coffee packets. Tassimo is a consumer single-serve coffee system that prepares one-cup of coffee, tea, hot chocolate, or other coffee drinks.

Conviction is created through communication. Nestlé has been particularly successful in the food segment: in three decades, the share price has risen and, in over 60 years, the dividend has never shrunk. The current dividend yield is 5.5%. **Coffee capsules**, in particular, have developed into an earnings generator over decades. The market for this was created by the company Nestlé itself starting in 1986, and thanks to internationally known advertising media, a broad mass market could be reached and maintained. Despite the frequent scandals at Nestlé and in the approximately 2000 brands, there has been no lasting damage to the Group's image. From sociology, this phenomenon is called **Attitude Behavior Gap**.⁶⁴⁷

⁶⁴⁷ Jacqueline Goebel et al., “Uns Kann Keiner: Nestlé,” *Wirtschaftswoche*, no. 23 (2022). pp. 17–20.

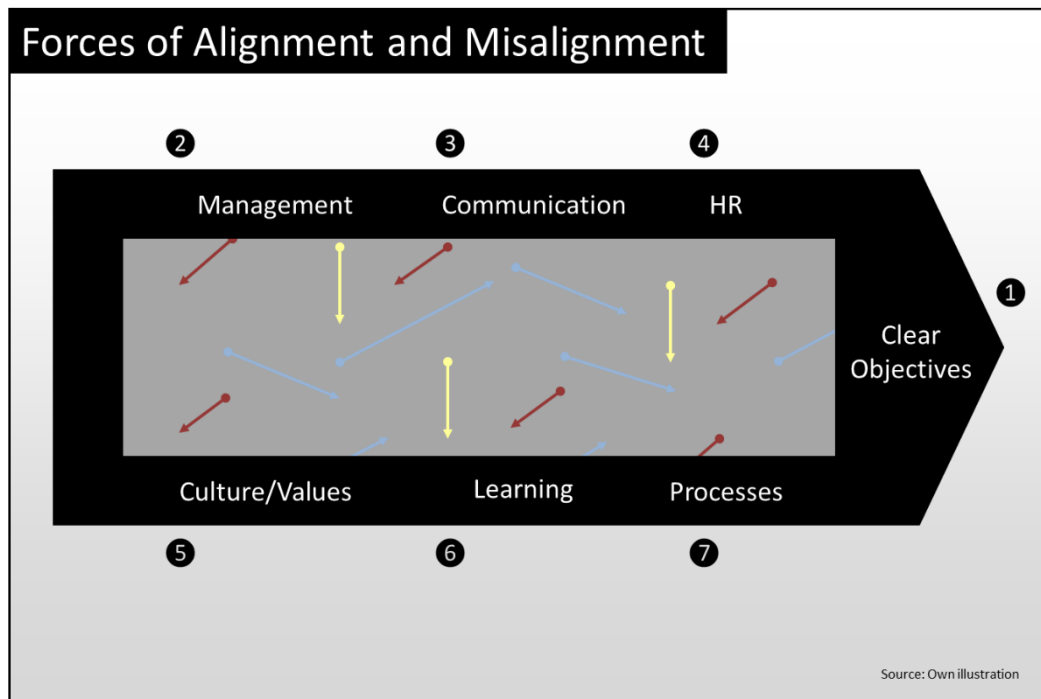


Figure 66
Alignment forces⁶⁴⁸

Drivers and forces for Strategic Alignment. The forces that lead to good alignment or to bad alignment, i.e., misalignment, are the starting point for a deeper understanding of Strategic Alignment. The graphic shows the framework in which alignment takes place. The individual forces each affect and can affect strategy implementation. When these drivers are identified and understood, targeted influence can be considered via optimization and management of these forces. The **direction is set by the objectives ①**, which is why clearly formulated and understandable targets are an absolute prerequisite for alignment. The remaining **six forces are:**

- management or control ②,
- communication ③,
- human resources (employees) ④,
- culture and values ⑤,
- learning and knowledge transfer ⑥, and the

⁶⁴⁸ Own illustration, Schmude (2024).

- organization of work here referred to as business processes ⑦.

Explanatory approaches for strategic alignment. To find a linguistic image for alignment, one would have to compare it to a **form of natural bonding**, such as is the case with magnetism. Invisible forces bring everyone and everything together to fulfill the strategy.

Implementation steering on an individual level. A written and binding request to adhere to the strategy is the Memorandum of Change (MoC). MoC is a tool for fine-tuning strategy implementation. Willingness to change is rarely demanded in concrete terms and is also made part of the assessment. Tools that unambiguously document the status quo and also require a corresponding change within a defined time frame are helpful here. The commitment to the strategy is not just a loose demand, but an enforceable claim of the employer against the employee. In the same way, an **alignment call** works as a call to comply with the strategy.

Strategic Alignment and the public. The press and media are interested in whether there is a strategy and whether it will be sustainable for the future. Often the media discussion is reduced to the simple question: 'does the company have a strategy or not?' It is like an overall judgment of the company's management that is then written about this. The competition is naturally particularly interested in details of current and future strategies. Thus, it always remains a question of weighing up which contents of the strategy are shared in order, for example, to strengthen public confidence in the financial markets and what has to be kept quiet or communicated in a meaningless way for competitive reasons.

Storytelling as a way to boost a company's innovation. Storytelling is seen as an important form of strategic communication that helps people feel more connected to a company's goals and mission. A recent study published in a trade journal shows that storytelling can improve Strategic Alignment. The study examined how storytelling affects the innovative strength of a company in the defense industry. Storytelling can be used to convey shared values, collective experiences, knowledge, and goals. A distinction is made between **personal stories** and **strategic narratives**. For strategic communication, it is therefore a key task to enable narratives to circulate within the organization, but also outside it. The use of visual and

cinematic elements can be part of this, so that a **visual image** is created in the minds of the audience.⁶⁴⁹

The Alignment Story as a narrative. Since the 1990s, the term ‘narrative’ has been in common use. This is understood to mean a sense-making narrative that is intended to lend legitimacy to an issue. This is a term from politics, but it also applies to strategic communication in particular. A central question is: who controls the narrative? The board of directors, staff representatives, the media or others? Formal and de facto power over the narrative need not coincide but may reside with very different individuals or groups in ways that are difficult to discern. One consideration is that the person who develops and controls the narrative also ultimately has a significant influence on Strategic Alignment.

Language as an instrument of change. The origin of today’s management language is seen as the beginning of change management projects, such as the transformation at Pacific Bell, which *Charles Krone* accompanied as an organizational consultant, beginning in 1984. Pacific Bell’s management wanted to orient its well over 20,000 employees toward new competition and profit thinking. Every employee was to undergo a training program on a more or less voluntary basis, consisting of 10 two-day events. *Charles Krone* used his own language in the training sessions, which later and to this day became independent as its own management language. The project at Pacific Bell, which was budgeted at \$147 million, was stopped after one year, when about \$40 million had already been used. Krone drew his ideas and approaches from the Russian mystic *George Gurdjieff*, who assumed that people are in a ‘waking sleep’ through an inner evolution should develop. The project at Pacific Bell had failed. A programmer named Scott Adams processed his impressions in the cartoon “Dilbert”, which became known worldwide.⁶⁵⁰ Management language and also consulting language are now an integral part of companies. In order not to let a new term be taken over by these trends and fashions,

⁶⁴⁹ Kathryn Trauth Taylor et al., “The Impact of Storytelling on Innovation Success: Innovators Can Be More Effective Storytellers by Using the Strategies Presented in This Article And, in Turn, Achieve Strategic Alignment, Team Collaboration, and Market Success,” *Research Technology Management*, 66 Issue 4 (2023).

⁶⁵⁰ André Spicer, “From Inboxing to Thought Showers: How Business Bullshit Took over,” *The Guardian*, 2017, accessed February 19, 2023, <https://www.theguardian.com/news/2017/nov/23/from-inboxing-to-thought-showers-how-business-bullshit-took-over>.

a clear and lasting scientific definition must be found and further developed. This also applies to the still somewhat undefined term of Strategic Alignment.

Easily accessible words are often used in strategic communications. These include the so-called *Business Buzzwords* that have evolved from managerial language, but also **linguistic neologisms** that imitate more sounds: *onomatopoeia*. A current example of onomatopoeia: in Germany, *Chancellor Olaf Scholz* has called a 'double whammy' (Doppel-Wumms) for unprecedented financial support for households in the energy crisis.⁶⁵¹ The question of whether such language is inappropriate and infantile for a head of government in a crisis situation immediately raises newspaper criticism. In any case, this comic language is catchy.⁶⁵² A now classic example of a Business Buzzword is *Reengineering*: the combination of engineering and the Latin prefix 're.' According to *Michael Hammer*,⁶⁵³ What is meant is the complete rethinking and reconstruction of business processes.

CONCLUSION: The ideal in Grounded Theory is that theory is formed from the data in the researcher's mind. However, this creative act is not regulated. It is only required to consciously use contrasts against the operational blindness of the researcher (contrasts in the analysis). This was achieved by historical comparisons and also examples from other scientific disciplines. The different effect of communication was shown. Corporate communication is based on PR and the well-known mass communication of politics. Large companies are increasingly acting more professionally in strategic communication. The disruption of Strategic Alignment by external effects as well as informal communication must not be underestimated. The importance of communication was emphasized in all interviews, although the individual understanding varied greatly. Ideally, communication within the company leads to a strong self-commitment of each individual to the strategy (Strategic Alignment = natural commitment to the corporate strategy).

⁶⁵¹ Olaf Scholz, "Wirtschaftlicher Abwehrschirm Gegen Die Folgen Des Russischen Angriffskrieges: Deutschland Durch Die Krise Führen, Verbraucherinnen Und Verbrauchern Sowie Unternehmen Helfen, Den Gasmarkt Stabilisieren, Versorgungssicherheit Gewährleisten," accessed October 8, 2022, <https://olaf-scholz.spd.de/aktuelles/detail/news/doppel-wumms-fuer-bezahlbare-energie/29/09/2022/>.

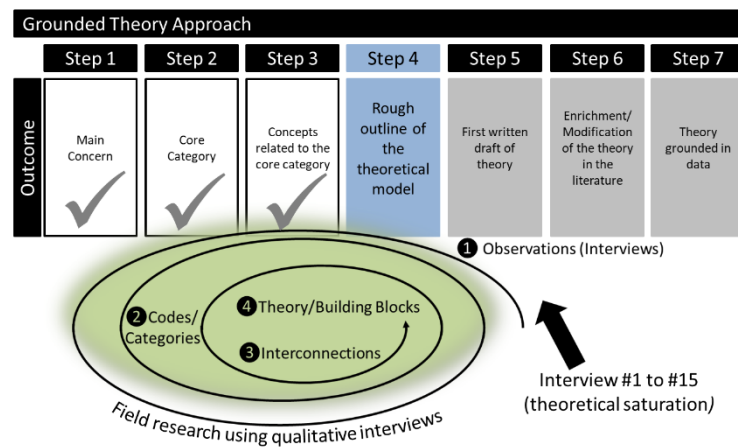
⁶⁵² Martin Zips, "Mehr Krach, Bumm, Boing Wagen! Stilkritik "Doppelwumms"," *Süddeutsche Zeitung*, September 30, 2022.

⁶⁵³ Dennis Hevesi, "Michael Hammer, Business Writer, Dies at 60 - the New York Times," *The New York Times*, accessed January 3, 2021.

5. THEORY BUILDING

In the previous chapters, the research was described and the results were evaluated. New topics and developments were touched upon and presented with background knowledge as far as possible. The researcher's focus is on transferring the results from the evaluation and analysis into a

theory. First, a first draft is worked on. The final step following Grounded Theory is the development of a theory. The result will be a new process for Strategic Alignment in companies, which will be integrated into the existing organizational structure of companies via a new function, the Strategic Alignment Officer (SAO).



5.1. CONCEPTUALIZATION, AND DEVELOPMENT OF METHODOLOGICAL CONTRIBUTIONS

5.1.1. From Research Findings to Theory

General requirements for theory building. Theory building involves defining and distinguishing and delineating concepts. Concepts can be distinguished in terms of their components and their dimensions. *Corbin* and *Strauss* see three necessary steps in theory building according to Grounded Theory:

1. defining the main topic, event or problem in the research,
2. explaining the context for actions and interactions,
3. assigning actions and interactions.⁶⁵⁴

For this research paper, this means that the topic and **phenomenon of Strategic Alignment** is sufficiently described for the reader. A misalignment is to be avoided because it means a waste

⁶⁵⁴ Corbin and Strauss, *Basics of qualitative research*. p. 62.

of resources and leads to a disadvantage in competition. Actions and interactions are in the operational environment between the managers and their staff units. A separate function for the Strategic Alignment seems sensible and should ideally be established outside of the normal hierarchy. Actions, decision-making powers and necessary coordination (multilateral interactions) are to be assigned to the persons.

Impact of the pandemic on theory building. For the corporate world today, the Post-Covid-19-Strategy represents the current challenge. The structural problem is that most strategies are not defined in a way that allows management to adjust the strategy in an ongoing process flexible to internal and external events, e.g., an agile approach.⁶⁵⁵ Thus, **dynamic strategic management** is in the mind of managers but not backed by efficient routines and procedures that allow for **instant strategic changes** in line with the governance of the owners and other stakeholder groups.⁶⁵⁶ The turning point of the pandemic and the subsequent global problems can be seen as a turning point for corporate strategy in general. In future, a strategy process must be able to better integrate these disruptive events and react more dynamically to the entire environment (not just the market).

The pandemic led to the suspension of laws. Political interventions, mostly with subsidies and relaxation in legislation and suspension of law, e.g., in Germany, the main parts of insolvency law have been suspended for more than one year now, are a predominant strategic driver. Securing jobs is a major goal with short-time work and payments from the public sector. The well-known and established views in strategy, such as the market-based or resources-based perspective, have been rendered obsolete in the current situation. Indeed, had competition and the impact of markets been allowed free reign, then entire industries, such as hospitality, cruise ships and tourism, may have already disappeared. On the one hand, the suspension of legal regulations will provide relief, but will postpone fundamental problems along the timeline.

Criterion of theoretical saturation as a transition point to theory development. The results from the Grounded Theory research process are gathered one after the other, and the

⁶⁵⁵ Sylvie Löffler, "Agiler Strategieprozess: Mit Sprints Aus Der Krise - Ein Erfahrungsbericht," *ZfO Zeitschrift für Führung + Organisation*, no. 6 (2018).

⁶⁵⁶ Thorsten Schmude, "Dynamische Strategie Trägt Die Unternehmensentwicklung," *Die BANK*, December (2015); Planung und Umsetzung.

analysis—including coding—takes time. The decision of when to end the process with a sufficient **saturation of data**, concepts, relationships and memos (researcher's notes) **depends on the individual perspective of the researcher**. It is clear that the findings (codes, concepts, theories) must emerge, and this requires that all findings must mature. The published number of qualitative open interviews for saturation depends on a large number of influential aspects, e.g., the participants, the subject (research domain), the experience and personal background.

Temporal limits of research work. This study started with companies and interview partners in the DACH region (Germany, Austria and Switzerland) and developed beyond that. The time frame for the interview research was about a year. Strategic issues require a research horizon of a long-term perspective. A **longitudinal study** would, of course, be more suitable for the subject because of the mostly long-term nature of strategic issues. But this is not possible due to time restrictions.

Enrichment of the primary survey through theoretical sampling. Theoretical sampling based on existing scientific literature is a major stage in sharpening and working the results from the primary survey in this study, the qualitative open interviews. For theoretical sampling, **published theories and models** can be incorporated into the work. Furthermore, aspects from the history of individual companies, entrepreneurs, or other decision-makers in the economy are of interest and importance. A stronger interest in one's own history is also desirable. In addition to published case studies, the historical decisions of individual companies are also instructive and can lead to new insights and knowledge. In today's world, business history is neglected in teaching, and there is no time or space for it in everyday business life. Therefore, the critical review and analysis of strategic developments at the level of the individual company are often missing. Here in Grounded Theory research, the fact that an evaluation of historical facts is likely to be purposeful for the development of a **Strategic Alignment Model** should be taken into account. Theoretical saturation determines the end of the research work according to the grounded theory. It is determined individually by the researcher for the respective research situation. Theoretical sampling is similar to the literature work in conventional research designs, but should always be seen as additive to primary research and never as a justification for research. The researcher decides what sources to use, including interdisciplinary considerations and current news that has occurred during the research and influenced it.

Describing and presenting theory. The final step in Grounded Theory is the building of a model or specific framework. First as a descriptive text, but also as one summarizing presentation.⁶⁵⁷ A graphic format used for summarizing is commonly the **flow-chart** or different sorts of tables, matrices and structures but, whatever is used, **it is unlikely that all components, relationships or their properties can be shown.** Hence, whether or not it is possible to show the highly complex interdependencies in strategy implementation and the alignment of corporate reality to the defined strategic path continues to be a major challenge for this research project.

Pictorial representations are the oldest evidence of human communication. The representation of thought and the human imagination was first seen in the so-called ‘Lion Man’, which is a 40,000-year-old depiction of a mixed creature of lion and man. The work of art found in the Swabian alpine pasture is the first known movable work of art of mankind and enjoys protection according to the UNESCO World Cultural Heritage.⁶⁵⁸ For theorizing discussed here, this means that an visual representation (even a poor one) should be found; it is better than a purely descriptive text. This human need for visual representation and clarity should be taken into account in the context of theory development. A process diagram or flowchart may be the best way to show how Strategic Alignment works in the organization. With explanations, a draft of a Strategic Alignment theory can be sketched out.

Reduce complexity for theory work. Modeling an alignment model from the findings can be the final step in the research process. It is a conceptual model which abstracts the situation from the real world. The **specific scope** and the **level of detail** are the two dimensions determining the content of the model.⁶⁵⁹ From the qualitative research and the Grounded Theory research process, not all findings can be incorporated into the model-building. Simplifications are essential for a good model. Clear objectives for the simplification ensure a more rapid model development and use of the model in the future. Further simplification improves transparency.⁶⁶⁰ Strategy is often very abstract thinking. Therefore, a model can help stimulate the

⁶⁵⁷ Walsh, Holton and Mourman, *Conducting classic grounded theory*.

⁶⁵⁸ “Der Löwenmensch,” Stadt Ulm, accessed July 13, 2022, www.loewenmensch.de/ausstellung.html.

⁶⁵⁹ Stewart Robinson, *Simulation: The Practice of Model Development and Use* / Stewart Robinson, Professor of Management Science, Loughborough University, 2nd edition (Houndmills, Basingstoke, Hampshire, New York, NY: Palgrave Macmillan, 2014). p. 77.

⁶⁶⁰ Robinson, *Simulation*. p. 82.

strategic imagination. An alignment model and a **strategic situation picture** together should complement each other meaningfully, i.e., the model must be applicable to the respective status-quo in the strategic situation.

Elements or building blocks for theory building must be defined. A key deliverable in modeling is a component **list of all components**⁶⁶¹ and a short description (not prioritized).

Table 58

Elements for theory building

Component of the theory	Description and Details
Employees	Company employees as the operational level of strategy implementation.
Management	Top management and large sections of middle management. Together with their support units.
Communication	Targeted and technically supported communication. More than just a communication plan. Corporate communication focused on strategic issues.
Owner/shareholder	Individuals or groups that set strategic goals. This depends on the legal form of the company and also on the general conditions under company law.
Corporate Strategy	A documented strategy is the input to the alignment process. This can be a strategy book or a slide presentation. The corporate strategy is often incomplete and open to interpretation.
Alignment function	Person or team for prospective alignment control.
Alignment chart	Display of the current status-quo regarding alignment and misalignment (there is nothing in between). Umbrella term for a suitable representation of the strategic

⁶⁶¹ Robinson, *Simulation*. p. 89.

alignment in the respective company situation.

CONCLUSION: The building blocks considered important for theory formation were compiled and briefly described here. No distinction was made between acting persons and functions. Processes and a strategic alignment process were also identified as theory building blocks. Based on the description of these components, the modeling of the theory can begin.

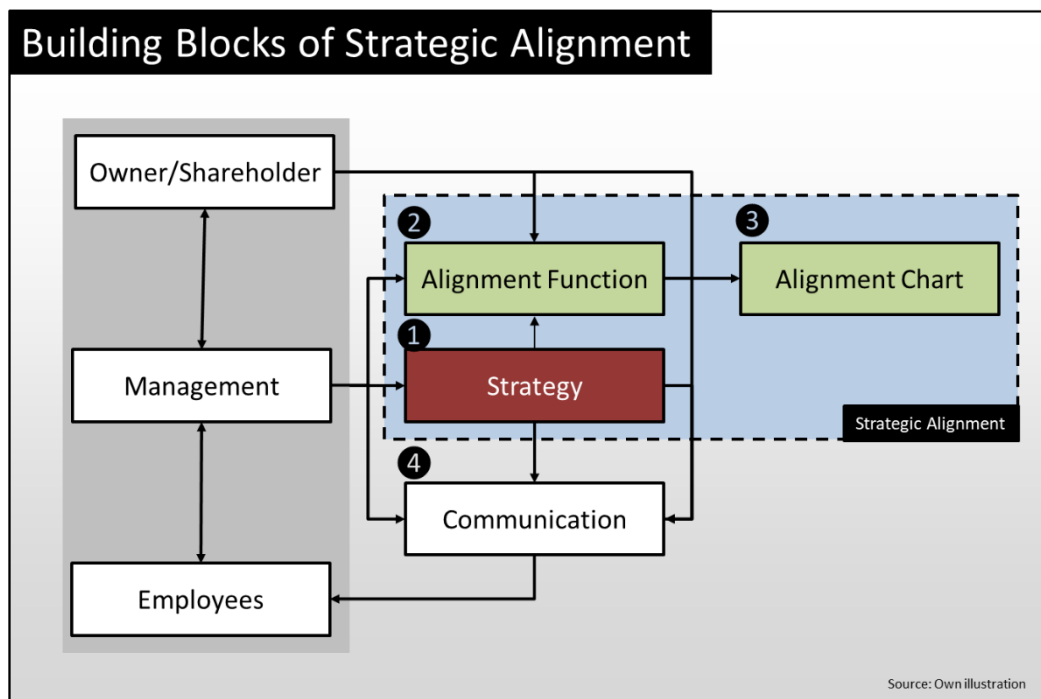


Figure 67
Elements of the Alignment system and key relationships⁶⁶²

Components of a Strategic Alignment model as a process model (input-output). To develop a theory according to Grounded Theory, the elements of the theory and their relations to each other are the basis. In the diagram, the **important groups of people** are shown in the first column. In the middle of the flowchart is the management, i.e., the board of directors or the management. Above this are the owners or shareholders, and below management are the employees who own the operational side of the company. **In the center of the diagram is the strategy** (corporate strategy) ❶ and below that is **communication** ❷. This can be a task as

⁶⁶² Own illustration, Schmude (2024).

well as the function of strategy communication. In any case, this element of the theory is so significant that it has been presented independently. Alignment was presented as a functional unit (organizational unit, job), which is closely connected with a suitable tool for monitoring the alignment status. The **Alignment Function** ② is located above management and between management and owner. Similar to an external auditor, this function should monitor compliance with the Strategic Alignment. To clarify: the alignment function works with the strategy, which is an input for the alignment. But this strategy may need to be interpreted, expanded to fit the situation, and used by the Alignment in terms of its application in practice. The three elements **Alignment Function**, **Communication** and **Strategic Alignment Chart (SAC)** ③ form the Strategic Alignment in a narrower sense.

Methodological critique of Grounded Theory Methodology. Grounded Theory is a type of green field approach in research and is particularly suitable for new and previously little-researched topics (→ 3. Methodology and Research Design, cf. page 105). The method was applied consistently in this dissertation and, through interview research, provides a wealth of new content for concretizing the topic of Strategic Alignment in companies and the associated development of a theory. A case study would not have been able to produce such broad-based results on this topic (→ 3.1.1 Case Studies and Case Histories as Input for Strategic Research, cf. page 106). Grounded Theory is not only used to collect, organize, and systematize knowledge, but also to develop a theory. This allows researchers to work toward a specific goal, which leads to more efficient and economical research. Such a theory can then either be directly transferred into practice or tested beforehand using simulation methods (→ 4.7.8 Simulation and Aspects from Military Strategy, cf. page 383). The researcher always kept the three fundamental principles of Grounded Theory in mind (→ 3.1.2 Qualitative Research with Grounded Theory, cf. page 108).

CONCLUSION: A first draft of the model or theory with associated elements and key connections has been developed and described in this section. Here, once again, it must be stated unequivocally that there is no function that develops a theory from the research material about coding. In short, Grounded Theory and also the MAXQDA application is not a 'theory dispenser/machine'. The creativity of the researcher and all persons involved in the research process provide the ideas for the later model building and theory development. It should be noted here that three elements belong to the newly defined

Strategic Alignment in the company: an alignment function (person/group), communication and a representation of the strategy with reference to the Strategic Alignment (chart). For these three elements to work together, the company needs a **'Strategic Alignment' business process**.

5.1.2. Research Output According to Grounded Theory

This section presents the necessary requirements for further work with a draft theory, as envisaged by Grounded Theory. The particular quality criterion of the Grounded Theory research method is **theoretical saturation**. This was explained in detail at the beginning of the dissertation and mentioned repeatedly throughout the rest of the work (→ Figure 29

Research focus in GT research projects (research funnel), see page 127). Another criterion for the quality of the research is the **selection of appropriate interview partners** (→ Figure 30

Sampling approach to obtain a broad view of the research topic, cf. page 129).

Simplification as part of theory formation. One central simplification is the reduction of components that are irrelevant or less important for the theory or model. For the alignment of the corporate strategy, the external components, such as customers/clients or competition, are of subordinate importance. For strategic development, this may be completely different, but for strategy implementation, only the internal aspects are relevant and have to be aligned towards the strategic path. **Removing components** and interconnections can be a legitimate way to simplify. Another is to use more simple components and interconnections.⁶⁶³ The **aggregation of model components** and a **grouping** of entities can promote clarity. In the case of one large model, it can be beneficial to split the model into two or more **parts (sub-models)** in a **combined model**.

The alignment model is a social concept. One difficulty is representing human interaction with the model.⁶⁶⁴ Interpersonal interaction is only partially predictable and plannable.

⁶⁶³ Robinson, *Simulation*. p. 110.

⁶⁶⁴ Robinson, *Simulation*. p. 113.

Much of it can also follow irrational or personal interests. Grouping the critical human activities in one component or a sub-model can clearly separate the human side of the alignment from other perspectives.

Requirements for scientific models. Scientific models should be neutral, without bias. When concluding the modeling phase, this aspect has to be considered. Balanced importance of the components within the model can reduce the bias issue. Certainly, not all components are equally important, but they should contribute to a balanced overall result. In general, the activity of modeling is seen very much as an art or a craft. For this work, there is very little guidance available.⁶⁶⁵

Scope of the theory and model. Regarding the usage of the model, different types of model can be distinguished. The first three types relate to the frequency with which a model is used. The other two relate to the number of problem situations that can be addressed by the model:

1. **Throwaway model.** Mostly used for a prototyping or research purposes.
2. **Ongoing use.** The model evolves over time, and careful documentation of the model becomes essential.
3. **Regular use.** The model is used for decision-making on a regular basis.
4. **Generic model.** A generic model is abstracted from a particular context and can represent a system across a number of organizations. The model and the user documentation are important to transfer the related knowledge and have to be updated and maintained over a period of time.

⁶⁶⁵ Robinson, *Simulation*. p. 97.

5. **Reusable model.** The complete model can be used in another context and/or for another purpose for which it was originally intended.⁶⁶⁶

Business model and strategic concepts should have real-world value. The modeling objectives depend on the research objectives but can even be more widely defined. Generally speaking, these form a reference point for validation and the possibility of finding metrics by which the success of the study can be judged. A scientific model in business is not valued for its intrinsic value, but for the effect it has on decision-making. Even in the case of a generic model, it is developed with a view to selling it or transferring the model to numerous companies.⁶⁶⁷

Strategic transcription is the daily business in corporate development. In corporate practice, many strategic considerations are not originally new, but a transcription of existing strategies. The adaptation of strategic considerations from competitors and other market participants plays a major role here. For strategy implementation, this means that even with identical strategies, business success lies in their **effective implementation**. It is often not a matter of innovative considerations regarding implementation and Strategic Alignment, but rather of implementing the strategy in a **timely and technically correct manner**.

Communication and persuasion are key components in the alignment model. Strategy communication is the essential linkage between the strategic plan and its realization in daily business practice. Current development is **nudging** in the sense of **food for thought**.⁶⁶⁸ It is a communication approach used by politics and business to influence the formation of options. It concerns influencing people's behavior without resorting to prohibitions and commands. After *Richard Thaler* was awarded the Nobel Memorial Prize in Economic Sciences in 2017 for his work in the field of behavioral economics and the effects of **nudging communication** came more into focus. The question that mostly arises from the recipient's point of view is: is it an impulse to act or a deliberate manipulation? In answering this, it probably depends on the intention with which this technique is used. Is the user of nudging trusted or distrusted?

⁶⁶⁶ Robinson, *Simulation*. pp. 271–274.

⁶⁶⁷ Robinson, *Simulation*. pp. 97–100.

⁶⁶⁸ In German: Denkanstoss.

Due to the increasing influence on opinion, this indirect method can be seen more as an undue influence than as a beneficial instrument. Most people will quickly recognize and sense that something is being asked of them indirectly. The question that arises here is whether indirect coercion is then more harmful because trust in the system is still destroyed?

The research output sought by Grounded Theory is the development of an independent new theory. At this point in the dissertation, the requirements are summarized that must be met by such a theory or a corresponding model. Requirements for building a **Strategic Alignment Model**:

- All important aspects of Strategic Alignment must be mapped.
- The model must reduce complexity and be understandable.
- The model must provide a benefit for practical use.
- The model should be easy to understand and use without much prior knowledge.
- On the one hand, the model must be generic and, at the same time, it must be possible to adapt it to the individual situation.

CONCLUSION: Further work with the first draft of a strategic alignment model requires a look at the requirements formulated by the research methodology. The aim is to further condense and simplify the complexity of the theory, while also keeping in mind whether a general model is being created or only a theory or a solution for the individual case under investigation. A model or a theory should ultimately be useful for operational practice, which requires considerations regarding adaptability and reusability. Communication is one of the building blocks of the theory because it was mentioned as a central requirement in all interviews. Nevertheless, it is not the task of this dissertation on strategic alignment to address and solve general communication problems. Communication permeates all management processes, but here it should remain in the background.

Emergence is the antagonist of Strategic Alignment.

5.1.3. Preconditions for the Construction of a Theory

Grounded theory is a methodology that encourages the use of the researcher's own creativity in research and theory building. This alone makes it easier for the researcher to take a step toward theory building even if he is in constant doubt whether all essential circumstances have actually been researched yet. In theory development, previous research is only seen as an input. Rather, the aim is to create something new based on the knowledge gained.

Creativity and an eye for the new. We have all learned to suppress the inner child and curiosity within us as we have grown up. A research process with plenty of room for creativity and novelty can bring back this inner child in us—at least for the moment of theory building and model development.

The researcher must bring all his knowledge to bear on theory building. The conclusion of the research process follows a **pragmatic criterion**. Thus, also the results from the research can always be considered preliminary. As is well known, representativeness is not aimed at the research to meet certain quality criteria, for example, the richness of the data collected or the degree of integration of the theory.⁶⁶⁹ Already the two founders of Grounded Theory later had contrasting views on how to deal with knowledge: *Anselm Strauss* demanded that **prior knowledge** be incorporated into the interpretation of the data, and for *Glaser*, the codes and categories must **emerge from the collected data alone**.⁶⁷⁰ Already in 1934, *Karl Popper* (1902–1994) claimed that there is an impossibility of inductive knowledge. According to his conviction, no logically compelling path leads from observation to law or rule. Research is

⁶⁶⁹ Equit and Hohage, *Handbuch Grounded Theory*. p. 28.

⁶⁷⁰ Equit and Hohage, *Handbuch Grounded Theory*. pp. 48–49.

an individual art of discovery. The beginning of research is a good and creative idea that is anchored in the psyche of the researcher. Thereby an empirically founded intuition is necessary for research ('logic of discovery') and an empirically-logically proceeding justification ('logic of justification').⁶⁷¹ Beyond the actual philosophy of science, *Popper* is influential in economics but also in law. Even the legal theorist *Zippelius*⁶⁷² follows this line of thought, who has significantly influenced legal thinking and writing for decades through his brief on legal methodology.

Hermeneutic circle as part of Grounded Theory. Even though interviews are the standard instrument for surveys in qualitative research, the starting point for concept development is always **observation**. Therefore, it is made clear in the literature that the condensation of observations is the central procedure of Grounded Theory and not, for example, the interview. The theory that later emerges from the research must, therefore, also grant itself against the background of these observations.⁶⁷³ The researcher must therefore be able to judge the appropriateness of the research results on his or her own responsibility. There are no external or even objective standards or institutionally anchored benchmarks. Thus, the success of research depends very much on the personality of the researcher. The research results within Grounded Theory are legitimized less by the procedure than by the personality of the researcher.⁶⁷⁴ For these reasons, **self-reflexive practices** are very important in the Grounded Theory research process. Especially at this point of the work, where the final condensation, evaluation, and development of a theory take place, one's own research style should be reconsidered. The circular or spiral movement in the research can be doubled, for example, by providing complementary input to the research, resulting in a double hermeneutic circle. The researcher's own findings, such as **thinking** and **working styles, patterns of interpretation, obstacles in cognition**, and **tunneling**, are to be reconsidered or revised for the subsequent result.⁶⁷⁵

⁶⁷¹ Equit and Hohage, *Handbuch Grounded Theory*. pp. 55–56.

⁶⁷² Reinhold Zippelius, *Juristische Methodenlehre*, 12. Auflage, ed. Thomas Würtenberger, Schriftenreihe der juristischen Schulung, Studium Band 93 (München: C.H. Beck, 2021).

⁶⁷³ Equit and Hohage, *Handbuch Grounded Theory*. p. 57.

⁶⁷⁴ Equit and Hohage, *Handbuch Grounded Theory*. pp. 57–59.

⁶⁷⁵ Mats Alvesson, "Beyond Neopositivists, Romantics, and Localists: A Reflexive Approach to Interviews in Organizational Research," *Academy of Management Review* 28, no. 1 (2003), <https://doi.org/10.2307/30040687>.

Multiple examples increase the quality of research. In an ideal way, the theory from the research is not only for a single case, e.g. a specific company, but for diverse forms of companies. In the current situation, for example, this can also be for the particular situation of the disruptive era. A **sophisticated model** is the goal of this research, but not a global universal theory. In this dissertation, in addition to the examples from the interviews, countless examples from the literature have been incorporated. Current and historical examples were selected from a range of different industries.

Strategic Alignment can also be viewed as a 'strategic discipline'. The implementation of the strategy demands from each individual the discipline to subordinate their actions to the corporate strategy. Discipline, in this sense, means a commitment to strategic guidelines and that one does not use everything that lies on the way to the goal in terms of possibilities but focuses the activities and resources on the strategic path.

Impact horizon of Strategic Alignment. The question of how Strategic Alignment works is a central aspect for the development of a theory: should the respective status quo in strategy implementation be evaluated in terms of alignment or misalignment, or does this also apply to an area in the future, however defined? - The assessment in retrospect based on quasi-historical information is always possible and can lead to lessons for the future, but is of little help to management in the specific situation and also does not avoid misalignment and errors in strategy implementation in the future.

CONCLUSION: Strategy and Strategic Alignment is a discipline between management and law (→ 4.7.2 Legal and Regulation Requirements Regarding Corporate Strategy, cf. page 353). When developing a theory to improve Strategic Alignment, the management side must therefore be considered, but also the need to define binding guidelines (minimum standards) for the corporate strategy and its implementation. Strategic Alignment is about assessing whether the strategy is being followed or whether there is a misalignment. Misalignment is a management error that must be corrected by **realignment**. Looking only at the internal company side of the issue of Strategic Alignment would not be enough.

5.2. ETHICAL CONSIDERATIONS

The researcher should always act with **moral integrity**. If moral integrity is integral to thought and action, the results from the research should also be morally and ethically good. Fundamental strategic decisions in companies today are increasingly based on scientific studies. Grounded Theory Methodology provides a new framework for qualitative research in the field of strategic planning and strategic corporate management.

The ethical considerations relate to research. The interview partners must be protected and the data collected must not be used without sufficient anonymization. For in-depth and detailed qualitative interviews, a relationship of trust between researcher and interviewee is the basis. The interviewee wants to contribute to a good and meaningful result by participating in the qualitative interviews and possibly benefit from insights gained from the research later on.

Corporate strategy in accordance with ethical principles. The strategy itself should not only be legally sound but also meet the ethical standards to which the company has committed itself. Strategic Alignment always has a strategy as its point of reference, rather than higher orders such as the legal system or considerations of ethics and morality.

Reflection and self-reflection of the researcher. The research design based on Grounded Theory used today is very broad and is well characterized by the statement '**All is data**'. Not only qualitative interviews that are transcribed and then, through a process of condensation and content processing (coding), become the building blocks of a theory of their own. All sources are allowed, including the experiential knowledge of the researchers. The classification of the sources and the identification of subjective aspects and personal evaluations are therefore crucial in order to achieve the highest possible degree of scientific objectivity.

Potential Sampling Bias. Theoretical sampling is a core principle of Grounded Theory. This involves the selection of sources such as interview partners. There is no statistically determined number of interviews, for example, but the researcher determines when theoretical saturation is reached in the specific research project, and data collection is terminated. In principle, this can also lead to a misinterpretation by the researcher or to other external restrictions. This possible sampling bias is inherent in the Grounded Theory research method.

Grounded Theory expects future-oriented innovations. Openness in research is one of the special strengths of Grounded Theory and allows the researcher to **develop new solutions born of creativity**. Ethical considerations are very important, especially with a **very broad method** and **a free field for new solutions**, because they provide a framework for one's own thinking and research. However, greater freedom in research also leads to greater ethical and moral responsibility on the part of the researcher. The **researcher's own reflection** on all steps in the research process and especially on the results, therefore, becomes an immanent topic. In relation to the present research topic of strategic alignment, no particular moral or ethical restrictions can be identified due to the high level of abstraction of the topic and the strong methodological orientation.

Confidentiality of company data and personal data. Confidentiality was agreed with the interviewees with regard to personal information and also as regards company data. Therefore, in all texts that may be published or become public, it is necessary not to mention company names or personal names. The description of examples should also be so abstract that no conclusions can be drawn about current developments in the respective companies. The interviews conducted in this research took place a few months ago, so confidentiality must be interpreted particularly narrowly. The situation is different when old customer files that have already been archived, e.g. from consulting projects that were completed a long time ago, are used. Here, many more details can be cited and even after around ten years, the expected competitive advantage from such projects is either realized or not. Good insights can be gained from these very precisely documented files. For reasons of the scope of the research, the integration of existing consulting documents is not planned; this would possibly require a separate research design.

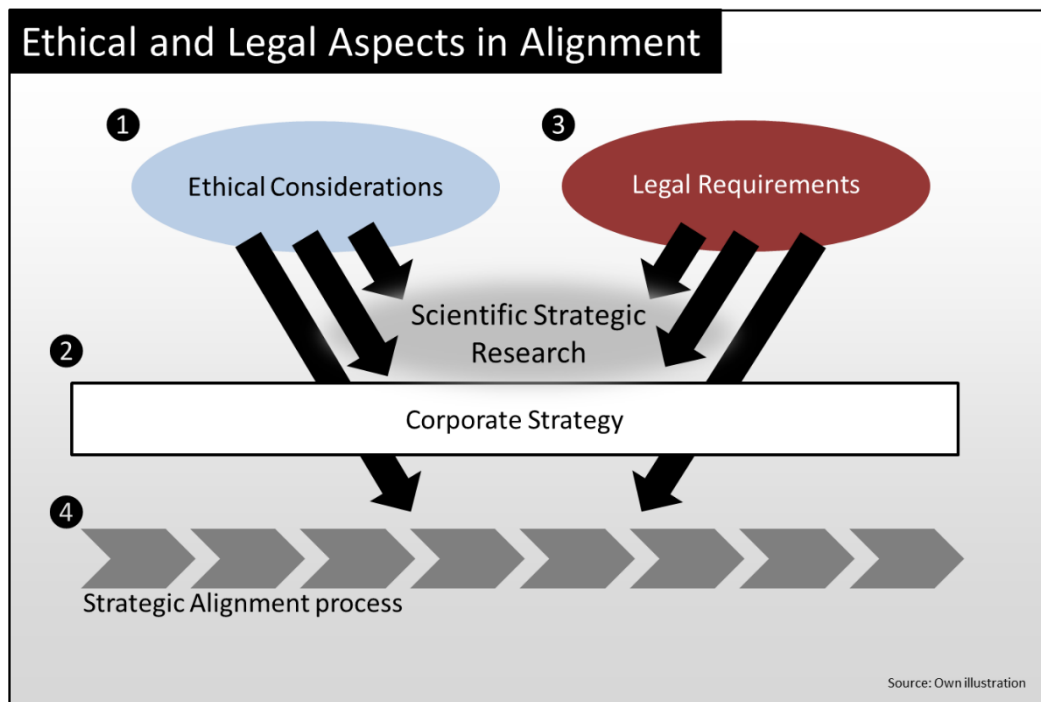


Figure 68
Ethical and legal impact on Strategic Alignment⁶⁷⁶

The corporate strategy must meet high ethical and legal standards. The figure shows two levels: ethics and morals in corporate strategy in general. The ethical and moral perspective for Strategic Alignment and the associated scientific research on Strategic Alignment. Ethical considerations **1** should always be taken into account when developing and, in particular, implementing the corporate strategy **2**. As already shown by examples in this research report, there are ethical and legal aspects **3** that are relevant to corporate strategy. A breach of ethical principles or a violation of applicable law must be considered a misalignment. Where such tendencies are already recognizable, countermeasures must be taken via a **4** Strategic Alignment process. The corporate strategy and its implementation serve as a role model for the entire company. If ethical, moral or legal gray areas are already apparent here, this can act as a door opener for far worse behavior in downstream processes.

Scientific research for commercial enterprises can be ethically problematic. The funders and their interests in research are often not sufficiently disclosed, as examples from medical or pharmaceutical research show. Here, there is a conflict between the mission of physicians and health care professionals and the profit motive of pharmaceutical companies, for

⁶⁷⁶ Own illustration, Schmude (2024).

example. Such a conflict does not exist in research on the current state of science in Strategic Alignment and, therefore, will not be explored in depth here.

CONCLUSION: In the present research, ethical considerations were made in relation to the research process as well as to the subject of Strategic Alignment. No problematic aspects for the research project are recognizable in the research presented here, or were already identified and avoided in advance. Corporate strategy and the research topic of Strategic Alignment do have a direct connection to legal as well as ethical and moral aspects. The demand from the research is that this is sufficiently taken into account in the company's strategy process. The corporate strategy must be monitored with regard to ethical and moral aspects, both during its creation and development and during the implementation phase.

5.3. SELF-REFLECTION AND CRITICAL APPRECIATION

The researcher is influenced in his work and in his thinking by his previous education, his level of knowledge, his practical experience and many other aspects. In this section, the possible biases due to the person or persons of the researcher or even the research institution will be discussed. Often more or less clearly recognizable expectations have to be fulfilled, which can also lead to a bias. The free researcher, subject only to his conscience, is an ideal.

Each researcher brings a unique perspective to the research. This includes assumptions and biases and prior experience (prior knowledge). Perspectives, biases and assumptions have a great influence on the results when analyzing and evaluating the research findings. This is a fact that is common knowledge and becomes transparent through the most comprehensive self-reflection possible.⁶⁷⁷

The researcher's own experience improves the quality of research. Including the researcher's knowledge increases the quality of the scientific discussion of the research results and enriches the results. Consequently, a researcher who has been working in a particular field for years is no longer a 'blank slate' and cannot completely hide his prior knowledge in order to achieve objectivity. Therefore, it is important that **self-reflection** and **systematic documentation** in the research report make it clear where existing knowledge and prior experience have

⁶⁷⁷ Corbin and Strauss, *Basics of qualitative research*. pp. 46–47.

been incorporated. **Reflexive Grounded Theory** accepts that the researcher is not a neutral person and brings his own knowledge and considerations into the research process.⁶⁷⁸ The resulting biases, dissonances, or unexpected results must be made transparent in the research process and corrected as necessary before theory building.⁶⁷⁹ One possibility or tool for researcher knowledge and externally collected content could be the distinction between first-order codes (from the survey) and second-order codes (from the researcher's knowledge), according to Gioia's approach.⁶⁸⁰ The contrasting presentation of first- and second-order codes is part of this dissertation.

The major disruptive events had an impact on the researcher's work. Today, global disruptive developments have a direct impact on national economies and, thus also, on individual companies. Europe and the world are currently in the third year of the Covid-19 pandemic and have largely solved the medical challenges—at least, we think so. The first disruptive effects on the economy were immediately noticeable during the first lockdown. Since the beginning of the pandemic, disruptions and interruptions have afflicted global supply chains. This has led to orders not arriving or the inability to produce at all. In all this, outdated business models and less robust corporate strategies have quickly become apparent. Furthermore, since February 2022, the war in Ukraine has brought about a new wave of disruptive consequences for the global economy and, again, has had a resounding impact on individual companies and their business models.

Examples determine the research work and the circle of possible solutions. Strategic research traditionally works with case histories, which retrospectively demonstrate a reflection of reality, but with reduced complexity. For teaching and research, a completed case study, for example, corporate restructuring, is easier to view from a later point in time. In reality, however, company managers never have a perfect, complete picture with prepared data for their daily decisions. Therefore, a research design that covers both completed cases

⁶⁷⁸ Franz Breuer, Petra Muckel, and Barbara Dieris, *Reflexive Grounded Theory: Eine Einführung für die Forschungspraxis*, 4th ed. (Wiesbaden: Springer Fachmedien Wiesbaden; Imprint: Springer VS, 2019). p. 86.

⁶⁷⁹ Elizabeth G. Creamer, *Advancing grounded theory with mixed methods*, 1st ed. (London: Routledge, 2021). p. 116.

⁶⁸⁰ Dennis A. Gioia, Kevin G. Corley, and Aimee L. Hamilton, "Seeking Qualitative Rigor in Inductive Research," *Organizational Research Methods* 16, no. 1 (2013).

and ongoing developments are of significant advantage. Grounded Theory allows for the use of different data sources, not only interviews and their transcripts, but also complementary sources such as fieldnotes or files. External case studies from the literature were always incorporated into the text where it was deemed to complement and enrich the work. The index of this dissertation shows the great variety of examples that were researched and integrated into the work.

Theoretical saturation is a very individual criterion. The research process in Grounded Theory requires constant attention by the researcher and his team in an iterative approach. The theoretical saturation can hardly be determined at the beginning of the research but rather emerges over the course of the work. When discussion-worthy results are available, they can be published and discussed with experts. A high degree of similarity in the answers given in the interviews and thus in the analysis is a sure indication of theoretical saturation. This was also explained and discussed in detail at the appropriate point in the interview evaluation.

The research can be continued at any time. The research methodology, according to Grounded Theory, allows a research project to be reopened and continued at any time, for example, if new findings are expected, or the environment has changed. This openness in research design is particularly useful for studies that have a long-term research intention (longitudinal studies). Strategy topics are particularly suitable for long-term studies, of which there are unfortunately too few.

Triangulation is an inherent part of the research design. Triangulation is an open concept where a different perspective is taken. In the present research, the topic of Strategic Alignment is mostly looked at from the perspective of the scientist. A different perspective comes into the research through the interviews, in which different management functions have been involved. Likewise, the external perspective of management consultants or strategy consultants was presented. In chapter 4 (→ 4.7.4 Corporate Strategy on Board Room Level, cf. page 364), the perspective on the topic from top management, middle management and from the employees themselves is discussed. Different countries such as Germany, Switzerland, France and the U.S. are involved in the research. Data triangulation and also investigator tri-

angulation are thus already inherent in the research setting and have also occurred in the research. When discussing the theory, the researcher must in turn adopt different perspectives, e.g. internal and external. This was taken into account in the present research work.

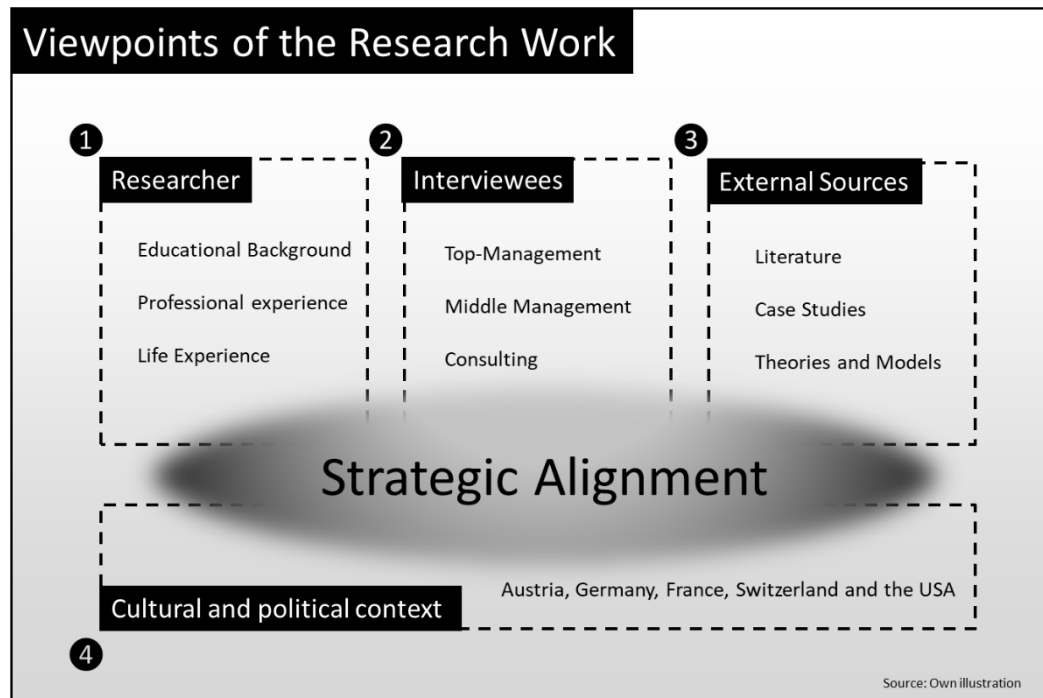


Figure 69
Perspectives in research work⁶⁸¹

In this dissertation, very different perspectives on the research topic or the DoI Strategic Alignment could be collected. The ① researcher himself has more than 20 years of experience in management consulting, an MBA and an LL.M. and is therefore business- and law-oriented. The ② interview partners belong to different hierarchical levels and functions in the company, and external management consultants and specialists have also been included. ③ External sources were included throughout the research. Emphasis was placed on up-to-date presentations that also include the disruptive effects of Covid-19, as well as on historical sources. Particular emphasis was placed on examples from companies in the form of case histories. ④ Various political, economic and cultural aspects were taken into account in the survey. The interview partners come from Austria, Germany, France, Switzerland and the USA.

Documentation of the research work. Throughout the research process, a growing collection of materials was created by the researcher, chronologically listing all relevant findings

⁶⁸¹ Own illustration, Schmude (2024).

from the activity, like a **research diary**. This included the literature work, impulses from conversations and conferences, as well as initial reflections for the entire work. On more than 780 pages, a collection of material had thus been created, listing literature sources and concrete quotations, as well as observations, questions, and working methods. When writing this thesis, only these notes, CITAVI with deposited citations and summaries, and MAXQDA and the index cards were used.

Research as a progressive learning process. For the researcher, such work is a learning process that opens up many new sources and widens the view of marginal topics and references that might otherwise be seen as meaningless. The incorporation of personal experience as a strategy consultant and organizational change consultant have been incorporated into the work, as well as abstract knowledge from a large number of client projects.

Research is always subjective to some extent. Here, the criterion of ‘**reflected subjectivity**’ will be discussed, which **replaces the quality criterion of objectivity in Grounded Theory**.⁶⁸² To this end, three points in time are addressed: before the research begins, during the research, and at its conclusion.

- **Before this research began**, the strategic orientation was first a problem for the corporate development department or the top management, and the question was how to implement a strategy. It quickly became clear that the perspective of a staff department was too narrow and that a change of perspective was needed here.
- **During the research**, issues were raised by interviewees, as well as by fellow researchers, at scientific conferences and training sessions that influenced the focus of the work. In particular, the seminar from the VHB, ‘Methods of Interviewing’,⁶⁸³ should be

⁶⁸² Equit and Hohage, *Handbuch Grounded Theory*. p. 102.

⁶⁸³ The organizer was the Association of University Teachers of Business Administration e.V. (VHB) in the period from February 9 to 12, 2021. Seminar instructors Manuel Nicklich from FAU Erlangen-Nuremberg and Olivier Berthod from Freie Universität Berlin.

mentioned. The research design of this research project was reconsidered after the four days of the seminar and adapted into essential parts. The scientific foundations were discussed in detail, and in particular, *Popper's* significance for qualitative research was also addressed.⁶⁸⁴ It also became clear that consultant interviews with the aim of generating content are very similar to scientific interviews conducted for qualitative research. The researcher of this work has conducted several hundred interviews in his professional practice for the collection of strategic content and organizational problems so that this methodical way of working can be used well for scientific research. The difference is a greater degree of self-reflection and a more general classification of the results above the operational problem. In both forms of interviews, content must be collected and knowledge generated. Furthermore, the interim results were presented by the FOM in Essen in annual presentation weeks and discussed with professors in attendance.

- Summarizing and evaluating the **results of the research** work, it became clear that the issue of strategy implementation and, among them, Strategic Alignment is a permanent challenge, both for managers and for researchers and academic education. Constantly new knowledge will lead to a different form of Strategy Alignment so that also scientific research must be fundamentally oriented to it. A **longitudinal study would be useful**, following this development over a decade or more.

Bias as a central component of research criticism. Methodological criticism also includes the detection of biases. The **selection bias** plays a particularly important role here. The selection of interview partners is essential for the results in Grounded Theory. If the selection

⁶⁸⁴ Karl R. Popper, *Alles Leben ist Problemlösen: Über Erkenntnis, Geschichte und Politik*, Serie Piper 2300 (München: Piper, 1996).

is too narrow, the research subject may be penetrated more into depth, but the context and environment of the research subject remain in the dark. Care must therefore be taken to strike a balance. In the course of this research, care was taken to avoid bias in the selection of sources and interview partners. The research therefore looked outwards and, in the context of the iterative approach, opened up new interview partners and sources. The selection of cases already described in this dissertation ensured a balanced ratio of sources and interview partners within the framework of the time and personnel possibilities. The **contrasting sampling** ensures such a balanced source situation.

Thinking errors and false assumptions. Thinking errors or biases were unavoidable in the past, which is also true for today and the future. With a broad information base and largely open and unbiased thinking, the researcher should avoid fundamental bias. Empirical values and heuristics have proven to be extremely useful, especially in the applied sciences, and are omnipresent in everyday business life. Heuristics shorten decision paths and lead to savings in analysis and decision-making, perhaps sometimes at the expense of accuracy and a detailed assessment. There were no recognizable errors in reasoning or incorrect assumptions in this research work.

The utility of a questionnaire. Should the researcher use a questionnaire? The use of a questionnaire can be dispensed with, because it does not represent the uniqueness with the respective interview partner. On the other hand, the work in the creation of such a questionnaire is useful for the researcher, because he has to think through and structure the topic. Even if not all questions fit the individual interview partner, these topics are then addressed again in the free interview if necessary. The time of the interview partner is limited and if there is a choice between a questionnaire and an open interview, the researcher must choose the open interview because it usually leads to higher quality content. Grounded Theory assumes open forms of elicitation, therefore, due to the method, preference is also to be given to the open interview.

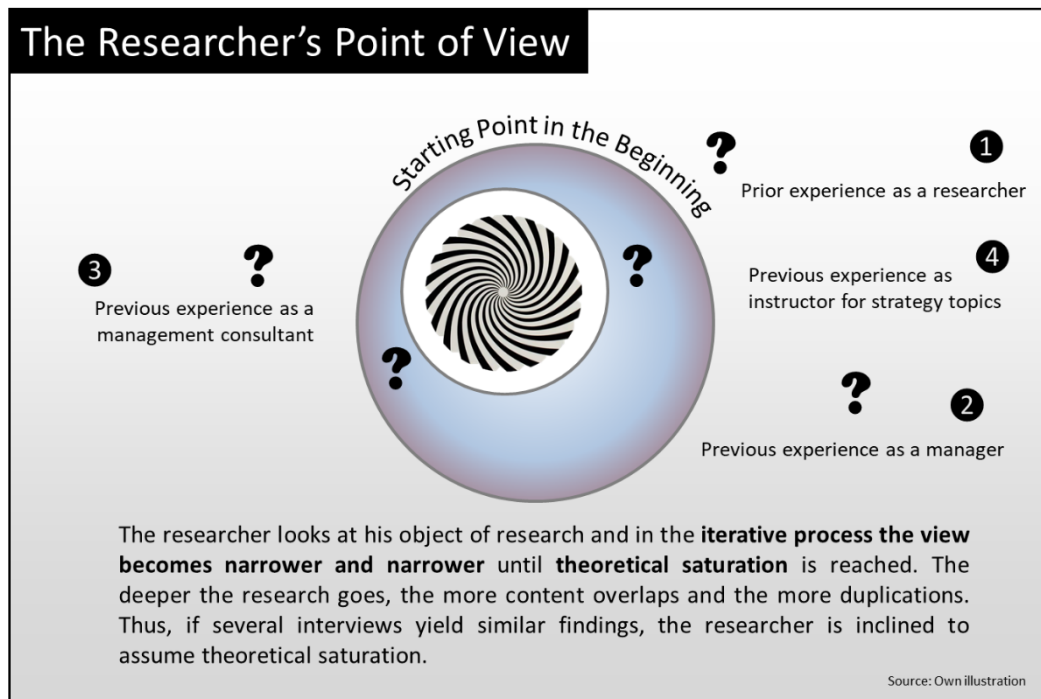


Figure 70

The Bias of the narrowing focus of the researcher⁶⁸⁵

Previous life experience and knowledge are an advantage and a bias for research. The present research is an individual effort by Mr. Schmude, so that his personal previous experience from his studies ①, his work in various companies and organizations ②, as well as his work as a management consultant ③, also lead to a source of knowledge that has been incorporated into this research and the present study. This also includes regular work as a trainer for strategy topics in companies ④. Personal interests in historical contexts and historical research have also been incorporated into the research work.

CONCLUSION: The study was very broad and was limited to the predefined DoI “Strategic Orientation” (→ 1.2 Research Objectives and Domain of Interest, cf. page 51) as a research assignment. This was always in connection with the corporate strategy. Based on the interviews, the researcher consulted further literature and chose examples from his own environment or well-known examples that demonstrate **the phenomenon of Strategic Alignment**. The researcher brought suitable knowledge and his own previous experience into the research process, starting from the phase of analysis and evaluation. Distortions and research errors were avoided by the methodology of self-reflection and

⁶⁸⁵ Own illustration, Schmude (2024).

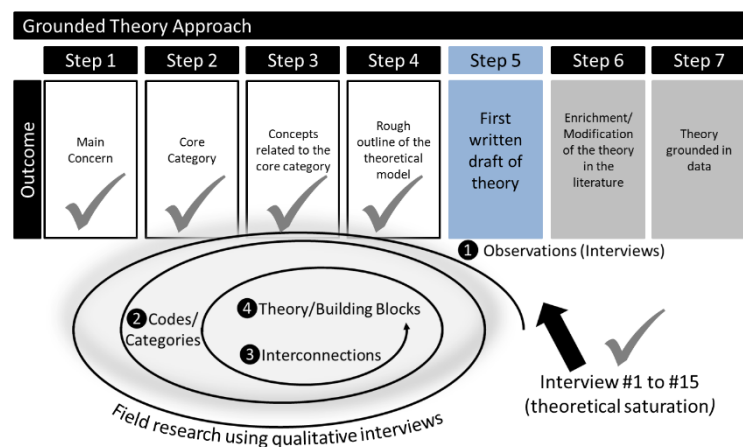
triangulation. Criticism of the Grounded Theory method is addressed at various points in this dissertation. The **deliberate subjectivity** in the analysis and evaluation of the research results is both an advantage and a disadvantage. On the one hand, the researcher's **previous experience** and **prior knowledge** are incorporated into the research in an ideal way; on the other hand, comparability with other studies is less assured. The methodological flexibility and openness of Grounded Theory allow it to be combined with other methods. In addition to coded interviews, Grounded Theory also incorporates observations and supplementary documents (e.g., files) from the researcher. This openness with regard to primary sources is a clear advantage of Grounded Theory.

The great advantage of
qualitative research is
that subjective knowledge is tapped.

5.4. ELEMENTS AND RELATIONSHIPS FOR THEORY BUILDING

This section of the dissertation presents the theory development that concludes the grounded theory research. The theory consists of individual **building blocks or elements** that are **related to each other**. Based on the research, the findings are condensed here and the design is presented by the theory

with its elements and dependencies. As already stated, the **scope of the theory** does not have to be universal, but can be limited to a **period of time** or a **case**, or **group of cases**.



5.4.1. Specific Requirements for a Strategic Alignment Theory

Alignment as a score or policy decision. The degree of alignment or misalignment can determine whether the intended and also decided strategy is implemented accordingly. In large companies today, strategy is the result of a highly complex planning and decision-making process. The result is **a strategy that is adopted by consensus**. In other words, with a majority decision by the Board of Management. This democratic procedure contrasts with the **strategy definition** of company founders in the early days, who chose a strategic path that suited them, usually without documenting it. For company founders, the personal life strategy is often the same as the corporate strategy and carries a lot of personal characteristics and features. When we talk about alignment in a strategic sense today, a process that everyone in the company can understand, must determine this alignment. Regardless of the educational background, it should be possible to convey in simple words and also simple representations whether **the entirety and also the individual is behaving in accordance with the strategy**. This already results in **initial requirements for the development of a theory** in the context of this scientific research on Strategic Alignment:

- The Strategic Alignment phenomenon must be **communicable within the company** and across all hierarchical levels.
 - The **elements of the theory must be comprehensible** and **understandable** in such a way that, if possible, they can be incorporated into everyday business life.
 - A theory of Strategic Alignment should show or help **diagnose** whether a company is in line with the strategy or not (analysis and diagnosis tool).
 - A Strategic Alignment model must **provide guidance** for upcoming decisions.
 - The decision on alignment/misalignment must be **independent** of day-to-day business and the hierarchical structure in the company. **Alignment monitoring from**
-

outside is also conceivable. Such external monitoring can potentially provide a much more objective assessment of the state of Strategic Alignment in the company.

- **Standards for the procedure** in Strategic Alignment, in particular a defined business process Strategy with a **sub-process Strategic Alignment**.
- A **good** and a **bad Strategic Alignment** must be clearly distinguished from each other if Strategic Alignment is to provide more clarity in strategy implementation.

Partially aligned means misaligned, in effect. In developing the theory, it remains to be determined whether it is a **dichotomous decision**, that is, whether a company is either positively aligned or misaligned. In other words, what intermediate levels are permitted? Is there a **tipping point** at which alignment turns into misalignment? Such binary thinking leads to unambiguous statements and clarity that is missing with any number of intermediate levels. For this reason, and because with each intermediate level the discussion about classification becomes more complex, '**all-or-nothing thinking**', i.e., either **aligned or misaligned**, has a great advantage for the application and thus for the acceptance of the theory. From this consideration, we want to limit the classification to these two categories, even if this does not correspond to today's practice: generally speaking, we have resigned ourselves to thinking in 'gray' and also to be accepting of half-finished things.

An example of general acceptance of the imperfect. The largest construction site in Germany for many years was the capital's new airport at Schönefeld near Berlin. Construction work began in 2006 and was to be completed in November 2011. The completion date had already been advertised, and airline tickets had already been sold for the new airport when apparently sudden defects in the construction led to delays. The completion date had to be postponed a total of seven times. It was not until October 2020 that BER, as the new airport is

abbreviated, could be inaugurated.⁶⁸⁶ The total cost was over EUR 7 billion.⁶⁸⁷ The general public accepted this scandal, with no uproar and no large demonstrations for the waste of masses of taxpayers' money. This was caused by faulty planning and a lack of political control. Both federal states Berlin and Brandenburg are governed by the political party of SPD and have been subjected to constant changes and rescheduling. This example shows a blatant misalignment that is playing out in plain sight. The lesson to be learned from this well-known case is that it was only at the absolute tipping point, namely the public announcement of the start of flight operations with the opening ceremony, that the entire disaster in the planning and implementation was noticed. Before that, the mistakes and grievances in the implementation were covered up and kept secret. In the press, especially by politicians, everything was sugar-coated, although there were clearly other indications. Because of this suspected fundamental tendency to conceal problems and difficulties, Strategic Alignment deliberately relies on a yes-no decision and corresponding reporting.

Strategic Alignment as a binary choice. To find another metaphor for this 'Alignment: Yes or No?' consideration, it is necessary to return to the Strategic Roadmap. Either a vehicle is on the roadway of the road, or it is turning off it. Within the lane, it may vary somewhat, but it may never drive into oncoming traffic nor veer off the road and into the ditch or anywhere else. Leaving the lane inevitably means an accident.

CONCLUSION: The theory of Strategic Alignment should make a clear distinction between the two conditions of "correct strategic alignment" and "misalignment". Ultimately, this assessment can only be made by a suitably qualified person with the appropriate expertise. The function of a Strategic Alignment Officer (SAO) can be filled by an internal or external employee.

⁶⁸⁶ Spiegel, "Flughafenchef Hält BER-Eröffnung Im Oktober Für Sicher: Wichtige TÜV-Genehmigung," *Spiegel* 20.4.2020, accessed January 9, 2025, www.spiegel.de/wirtschaft/unternehmen/flughafen-berlin-brandenburg-ber-chef-haelt-eroeffnung-im-oktober-fuer-sicher-a-fcf26d07-f031-48e9-b7bf-fb620066e469.

⁶⁸⁷ "Kosten Für BER Übersteigen Sieben Milliarden Euro: Hauptstadtflughafen," *Spiegel*, no. 23.2.2018, accessed January 9, 2025, www.spiegel.de/wirtschaft/soziales/flughafen-berlin-brandenburg-ber-kosten-steigen-auf-7-3-milliarden-euro-a-1195101.html.

5.4.2. Codes and Prior Knowledge as the Basis for Theory Development

The framework of this research is determined by **Grounded Theory**. The research design does not have to be set in stone from the beginning of the research. Especially the method, according to *Dennis Gioia*, allows a freer handling of the method, also concerning theory building. *Gioia* distinguishes between so-called **1st Order Codes** and **2nd Order Codes**. The first ones are based on the informant (interviewee). This often has the consequence that too many codes are generated, and simplification must be brought about by seeking similarities. The second codes (2nd order codes) are **researcher-based** (interpretation and own experience). The codes of the first group are looked at, and a theoretical answer is sought, or a summary is generated. The distinction between *Gioia* and Grounded Theory has not been worked out scientifically, but simplified Grounded Theory is a method, and *Gioia* is more of a tool. The application of *Gioia* does not have to be in the analysis and coding after each interview but can be blocked by block at the end of the research process. The goal of *Gioia* is to be able to present the interpretation of the statements in a more credible way.⁶⁸⁸ From Section 5.3 onwards, the 2nd order codes (codes created by the researcher) are used in this work.

Supplementation with prior knowledge as 2nd order codes. The codes or segments resulting from the research in this project are listed under 1st order codes. This is a repetition and selective selection (filtering) from the previous presentation in this dissertation (→ table on page 310). At this point, further considerations and previous experiences of the researcher can be incorporated as 2nd order code. These are scientifically strictly separated from the original research results. The 2nd order codes can include your own observations, professional experiences, literature or your own reflections and thoughts. However, prior knowledge is also incorporated into the design of the survey (research design), the conduct of interviews and the analysis. This is about prior knowledge that lies outside the context of the scientific research of this work.

⁶⁸⁸ Dennis A. Gioia, Kevin G. Corley, and Aimee L. Hamilton, "Seeking Qualitative Rigor in Inductive Research," *Organizational Research Methods* 16, no. 1 (2013), <https://doi.org/10.1177/1094428112452151>.

Table 591st and 2nd order codes in the research project according to Gioia

1st order codes From primary research	2nd order codes From the researcher's own experience and prior knowledge
Sources: → chapter 4.4.2 Codebook after analysis, page 296 → chapter 4.4.3 Report of the coded segments, page 309 → Content blocks for theory modelling from the interviews, Figure 53 Content blocks from the interviews I., page 287. Figure 54 Content blocks from the interviews II., page 288. Figure 55 Content blocks from the interviews III., page 288.	
From Coding in MAXQDA	Pure 2nd order codes (after analysis)
Strategic goals	Visibility of strategy implementation
Organizational strategy	Discontinuity and emergence (tipping points) as characteristics of misalignment
Strategy process	Misalignment versus alignment as a case decision, i.e. yes or no
Change Management	There must be a defined and generally understandable process for strategy development and

	strategy setting, as well as one for Strategic Alignment.
Strategy Implementation	
Strategy as input for the alignment process	
Faulty strategy	
Strategic Alignment	
Tools and methods for alignment	
Faulty alignment/misalignment	
Regulations and laws	
Strategy communication	
From the visual analysis of the interviews (context diagrams with content blocks)	
Strategic Alignment process	
Explicit vs. implicit alignment	
Impact Controlling	
Alignment Directions	
Holistic View	
Decision Controlling	

Modular principle for the development of theory. The components of the theory will first be described individually, and then their interaction will be shown. Some contents are to be mentioned in the remarks of the research results here again but still more strongly reduced and, as far as this is possible abstracted. A fundamental statement in advance: during the research work, it became apparent that Strategic Alignment cannot be considered independently of the entire strategy process in the company but that it is a part of, or a supplement to it. It also became clear that **strategic controlling** is not the same as alignment but that it overlaps with content. In any case, it is not a synonym for Strategic Alignment. The same applies to the complex 'Strategic Management', which also has a lot to do with alignment but focuses more on the regular management responsibility of all executives. Strategic Alignment is a task that should basically be performed within the company but can also be organized externally.

CONCLUSION: The distinction between 1st order codes and 2nd order codes makes it easier for the reader to recognize what has been directly derived from the scientific research and what the researcher himself has contributed in terms of knowledge and previous experience. By way of qualification, it must be noted that a great deal of personal perspective and interpretation already flows into the research in the analysis phase and in the coding. Thus, this subdivision is not always absolute and precise. 1st and 2nd order codes are input for theory development. However, the distinction has no effect on the development of a model or theory.

5.4.3. Components of the Strategic Alignment Theory

Elements and theoretical building blocks. At this point in the dissertation, the most important elements or building blocks for an input-output scheme or a simple process model for Strategic Alignment are summarized. Elements or **building blocks of a Strategic Alignment theory**:

- Strategy Process, foremost the implementation phase
 - Strategy Communication
 - Input: the corporate strategy
-

- Output: the alignment corporation (not only organization)
- Interferences or disruptive events
- Innovation and human creativity in search of feasible solutions

The final goal of theory formation has led to continuous drafts since the beginning of the research work. To better understand why the theory is presented in this form, the design process should be explained in a little more detail. Throughout the research, results were repeatedly presented as sketches or simple line drawings in the notes. The final development of a representation follows this preliminary work and shows the design idea for the representation of the theory.

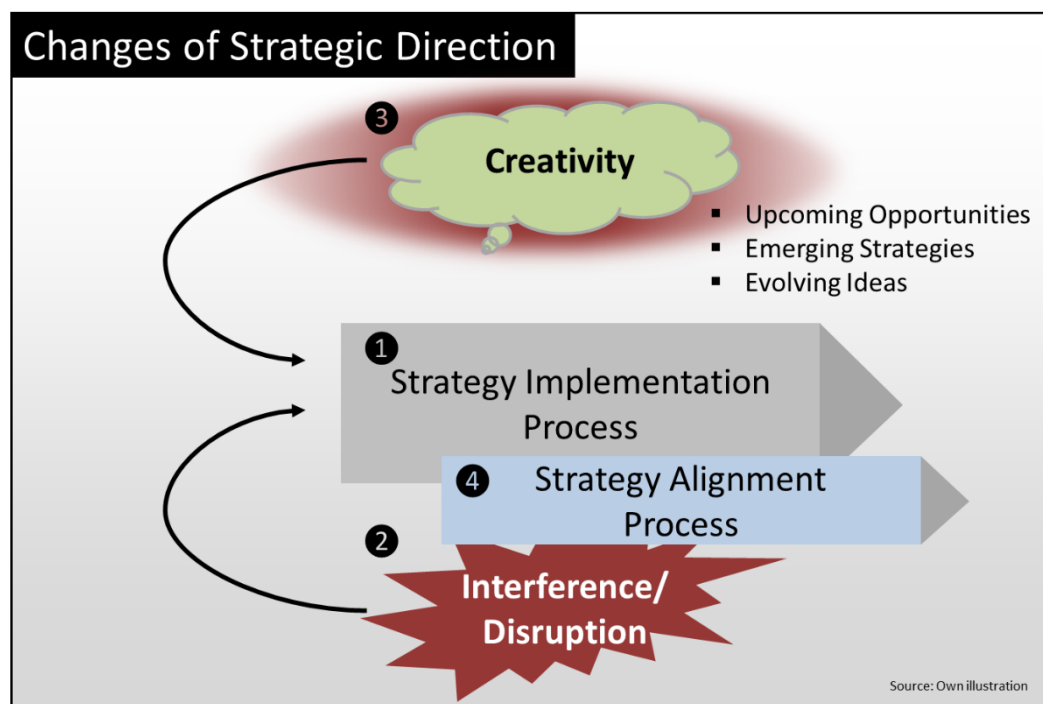


Figure 71
Influence on Strategy Implementation⁶⁸⁹

Reasons for strategy deviation and misalignment. The implementation of the corporate strategy ① requires a significant amount of work, and also energy to deal with resistance and disruptions ②. Creativity ③ can result in solutions that conform to the corporate strategy or

⁶⁸⁹ Own illustration, Schmude (2024).

are contrary to it. Here, attention must be paid to ongoing Strategic Alignment. The Strategic Alignment continuously accompanies the strategy implementation process as a separate process 4.

Strategy implementation can hardly be standardized. The consideration is that somehow new strategies or only parts of a strategy do not happen in a vacuum, a void. Rather, people are always involved in the strategy implementation, so that creativity always affects the implementation of the strategy. This can be aspects of the implementation, but also new, previously unconsidered contents of the strategy. It can therefore be a necessary concretization of the strategy, without which implementation would simply be impossible. In the interpretation of the strategy, for example, if only a collection of slides is used to communicate the strategy, there is a wide room for interpretation. Even if the strategy is interpreted conscientiously, there may always be cases of doubt that need to be decided.

Strategic Alignment Theory must be open to new ideas in strategy implementation. New and fresh ideas that arise during strategy implementation do not have to hinder or prevent the intended strategy; they can also simply have a practical benefit for implementation because no attention was paid to their feasibility when the strategy was developed.

The realized strategy is always slightly different from the plan. There will always be disruptions in strategy implementation as new disruptive factors arise, whether internal or external. Internally, time pressure and scarcity of resources can be responsible for an impediment in the implementation. Externally, there are large and small disruptive events that no one had predicted to the same extent (imponderabilia).

The search for the central variable or constant. Is there a recognizable **constant** from the research? In the construction of a theory, such a constant would be of particular importance. One distinguishable constant is communication, which was mentioned as the most important element of Strategic Alignment in all interviews.

CONCLUSION: No key figure or variable that adequately describes strategic alignment can be derived from the available research. Rather, the influencing factors vary greatly depending on the individual company situation and require a critical external assessment. Someone who is heavily involved in the ongoing implementation of the strategy will

lack the critical distance to decide for themselves whether the Strategic Alignment is good or bad.

5.4.4. Modeling Work for Theory Development

Solution search for the Strategic Alignment problem. As mentioned earlier in this dissertation, the support provided by the MAXQDA software ends with the evaluation and analysis of the qualitative interviews. How the researcher then arrives at theory takes place outside of this software. Personal notes such as the research diary or initial drafts and sketches were created during the analysis phase. Here, the results of the work are brought together, selected and condensed for the development of the theory.

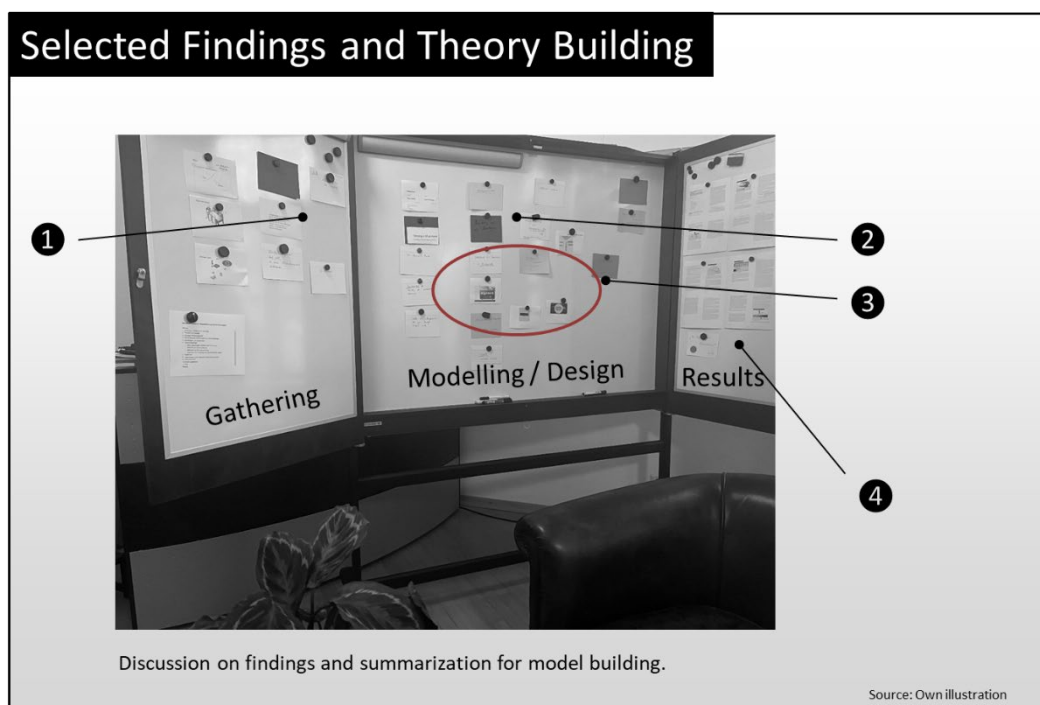


Figure 72

The workspace for research⁶⁹⁰

Insight into practical research work. Notes and initial sketches are noted and briefly evaluated during the research work. They are still unsorted on the left-hand side of the meeting wall ❶. The middle area is reserved for summarizing and forming content clusters ❷. This is where the actual creative work takes place. The right-hand area shows drafts of finished text parts and sections that will later be incorporated into the dissertation ❹. Each element and

⁶⁹⁰ Own illustration, Schmude (2024).

relationships between these elements were identified. Defining groups and relationships by organizing and re-organizing ③. Notes were collected on the whiteboard throughout the research project and repeatedly re-sorted and re-grouped. This affords the researcher a constantly shifting view back and forth from research to theory building, where notes and further content can be added at any time. Such an interactive procedure is demanded by Grounded Theory.

5.4.5. Relationships within the Strategic Alignment Theory

Dependencies and relationships between the theory blocks. Once the elements of the theory are known and described, the relationships between these elements can be worked out. There are existing relationships and also completely new relationships that have yet to be defined and developed. This modeling work was demonstrated using the modeling wall. The Strategic Alignment Officer is a central new function in the theory of Strategic Alignment. This role must be defined and given a concrete structure. In the absence of concrete models, analogies must be drawn upon, for example, how a conductor leads an orchestra. The conductor interprets the music and ensures perfect interplay between the individual functions.

Conducting as an alignment task. Another comparison to understand alignment and its meaning—strategy is like the musical score that must be brought to the performance. Here, the conductor/manager is responsible for the faithful reproduction of the work. Orchestral conducting would thus be an alignment task. This comparison is not correct in one central point: a score as a self-contained work is usually no longer changed. The strategy, on the other hand, is to be adapted to the dynamically changing requirements. It depends on the correct interpretation of the corporate strategy. These considerations were guiding when it came to creating and specifically designing the new function of Strategic Alignment Officer. It should not be another auditor or accountant, nor any kind of management consultant.

- **Important relationships between the elements of the theory.** The most important relationships between the theory building blocks are presented here. Many of these relationships only become understandable in the context of the organizational structure (organigram) and the newly designed processes for Strategic Alignment (→ Strategic Alignment Process Model (SAPM), see page

791). Therefore, reference is made to these sample designs, i.e. sample organigram with Strategic Alignment function (→ Sample Organizational Chart for Strategic Alignment, see page 802) and the business processes for Strategic Alignment in the appendix of the work. In principle, there can be monodirectional, bidirectional and multidirectional relationships. The most important relationships around the new function of the Strategic Alignment Officer (SAO) are presented here.

Table 60

Main relationships and connections in Strategic Alignment theory

Relationship	Description of the relationship type
Chairman of the Supervisory Board ↔ SAO	The chair of the supervisory board appoints the strategic alignment officer and provides them with the necessary rights and budget funds. The specific design of the SAO position must also be agreed with the chair of the supervisory board in terms of content and contract law (→ Strategy Alignment Process: function setup, cf. page 792). In the case of a detected misalignment, the supervisory board and first of all the chairman of the supervisory board must be notified (→ Strategy Alignment Process: misalignment, cf. page 798). Corrective action for the lack of strategic alignment must be monitored, improved, optimized and, if necessary, re-approved (→ Strategy Alignment Process: intervention, cf. page 800).
CEO ↔ SAO	The SAO must have the same access to information as the CEO. The provision of documents and information is ensured through the CEO's office. The SAO can attend the board meetings, which usually take place weekly, and inspect all minutes (→ Strategy Alignment Process: function setup, cf. page 792). To obtain information, the SAO can approach Corporate Development, as well as other defined organizational units and persons. The SAO has

	access to all documents of the auditors and internal auditors (→ Strategy Alignment Process: function execution, cf. page 796). The CEO can discuss the application and interpretation with the SAO, as well as any problems and difficulties that are expected. To identify strategic tipping points, it is necessary to hold informative discussions with the CEO and other board members. These do not have to be formal interviews, but background information must be provided. If intervention is required, the CEO is informed at the same time as the chairman of the supervisory board (→ Strategy Alignment Process: intervention, cf. page 800).
SAO ↔ Corporate Development	Corporate development must also ensure that the company is managed in line with strategy, but this organizational unit is usually more than busy with the development of new strategic concepts, M&A activities and strategy development, so that little resources remain for strategy monitoring during strategy implementation. Corporate Development provides the SAO with the necessary information (facts and figures) and makes the currently valid corporate strategy, along with all sub-strategies, available to the SAO (→ Strategy Alignment Process: function execution, cf. page 796). Corporate Development learns from mistakes in strategy implementation and cases of misalignment (→ Strategy Alignment Process: misalignment, cf. page 798).

Visual language is a global and universal means of communication. Iconography is a scientific method from art history that deals with the interpretation of motifs from the visual arts. It is about the interpretation of the content and symbolism of the depicted image content. The pyramids in ancient Egypt or the representations carved in stone from ancient Rome are

cited as classic examples. The **iconography** at the time of the Romans was mostly undisguised propaganda, for example, on triumphal arches or other representations glorifying their own victories. In particular, Hanover-born *Erwin Panofsky* (1892–1968), as an art historian, explored the symbolic language and configuration of color, line, and body patterns. In particular, he also explored the question of primary or natural carriers of meaning, that is, motifs that are understandable to everyone from themselves. The Bible, as the most printed book in the world, is available not only in the pure text version but also with illustrations. Before the printing of books, pictorial representations of individual biblical passages were created as lithographs, which either summarized the contents for the preacher or offered him aid during the sermon. At that time, most people could not read and therefore could not understand texts. Even *Luther* initiated the printing of Bibles with pictures, although Protestantism otherwise applies ‘Scripture alone’.⁶⁹¹ The models and theories available in the literature have placed little focus on this motivational factor. The immediate effect of pictorial representations, e.g. visualizations and slides, or of perceptions in rooms on the viewer's emotional world is known as **synaesthesia**. This phenomenon is particularly important in the case of future-oriented or innovative themes.

Presentation slides are the basis of modern business communication. Today, when we think about visualizing an idea, we quickly design something in Power-Point without really thinking about alternative designs beforehand or realizing how it will work. A lot of visual junk is produced in this way, some of which is more confusing than enlightening for the viewer. This usually has only the value of a momentary sketch. It is rare that representations are worked on over a long period of many years and continuously improve.

Improve and increase commitment to the strategy. Does the commitment of individuals in the organization follow from the sheer authority of the strategy or from solidarity with the content of the strategy? The strategy as a superordinate decision of the highest body, i.e., usually the board of directors, gives the strategy incredible authority and reach within the organization. Nevertheless, the individual does not have to agree with the contents. Declaring

⁶⁹¹ Exhibition of the Württemberg State Library “Bildfromm? The Bible in Pictures” (April 25, 2022–August 8, 2022).

solidarity with an idea and actively representing it is a further step because here, the individual makes the contents of the strategy his own and also represents them. Another form of tie is alliance-like bonding, such as marriage. Here, there is no natural reference, but due to **law** and **conventions**, a bond is established.

Ongoing assessment and evaluation of Strategic Alignment. Ongoing diagnosis of the current state of alignment is imperative for any large enterprise. A kind of **Continuous Alignment Test (CAT)** should be carried out regularly by specialists who are not involved in day-to-day business or corporate management. This test can only deliver meaningful results if the alignment status is assessed as neutrally as possible. Such a test is similar to the **strategic diagnosis** or a **strategic audit** based on questions and a rating score. It is in the nature of strategy work that new topics and new fields of work are constantly being opened up, which can never be fully covered by a standardized test. Therefore, the judgment of a person or group experienced in strategic issues is always additionally required to apply the idea of alignment to new issues and to assess and interpret whether a commitment to the strategy still exists or the strategy has already been abandoned. The continuous alignment test considered here is a procedure that uses the existing corporate strategy, minimum content for a corporate strategy and certain expectations or premises based on the industry and economic environment as input. Interviews with selected knowledge holders are then used to gain an insight into the current status of Strategic Alignment. The advantage of this is that personal assessments, forward-looking statements and unofficial opinions can also be incorporated. This idea is not pursued further in the present research work, since absolute basic research had to be carried out here in the research and the dissertation. This approach can be taken up for later research and for concrete application in the company.

Strategic Alignment visualized by symbols and shortcuts. When building a theory, it can be helpful to visualize it. What can Strategic Alignment represent and describe? The word itself means to align to a line or, better, to a given drawn line. Thus it means keeping to this line as closely as possible and as is situationally necessary. This line is the strategic path, hence, it must be a strategic path that is recognizably formulated and documented.

There is a long tradition of using models. *Michelangelo* was not commissioned to build St. Peter's Basilica in Rome until he was 71 years old. The core of the architecture was to be the

dome, a construction the likes of which had never been created before. *Michelangelo's* great concern was that he himself would only be able to supervise part of the work due to his advanced age and that later builders would not be able to complete the dome on the basis of drawings.⁶⁹² For this reason, *Michelangelo* had a scale model of the dome made, showing the structure and construction method for everyone to understand.⁶⁹³

CONCLUSION: The elements of a Strategic Alignment model have been named and described, as have the requirements for the presentation and use of such a model. The relationships between the elements could be represented purely in terms of their dependencies as a context diagram, or they could be represented as a control process with a defined input of a sequence of work steps and decisions and one or more outputs.

Strategy implementation
is not an automatism.

⁶⁹² Christian Tröster, "Dem Himmel so Nah," WELT am Sonntag, accessed June 14, 2024, www.welt.de/print-wams/article140923/Dem-Himmel-so-nah.html.

⁶⁹³ Jutta Frings, *Barock Im Vatikan: Kunst Und Kultur Im Rom Der Päpste II, 1572-1676* (Bonn, Leipzig: Kunst- und Ausstellungshalle der Bundesrepublik Deutschland; E.A. Seemann, 2005).

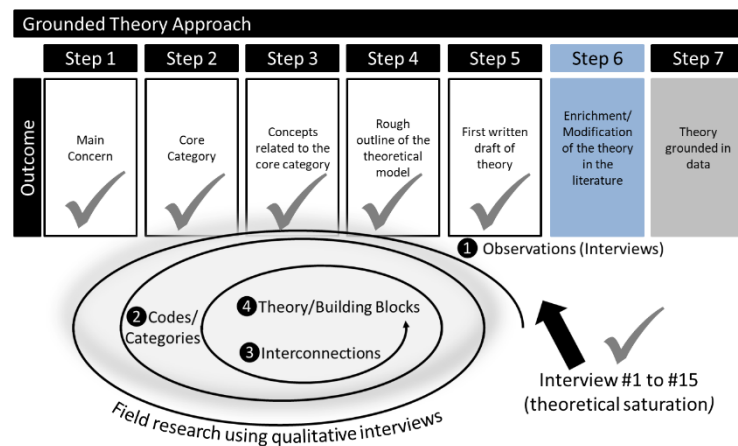
5.5. OUTLINE OF AN EXTENDED STRATEGIC ALIGNMENT MODEL

The goal of Grounded Theory is to develop a theory or model, where a theory is an abstract scientific concept, and a scientific model is an image of reality. The theoretical model derived from the present research is, by its very nature, limited to the defined research area. In the present study,

German companies were taken as the starting point and the research was then expanded. However, non-profit organizations, for example, were deliberately not included in the study in order to maintain a clear focus. This section of the theory development is concerned with the transferability of the research results to a broad field of application.

Voluntary versus Forced Alignment. One finding from the current research is that individuals voluntarily align to a strategy and there is the other case when alignment occurs through incentives or sanctions when it is more involuntary. The alignment of the individual or even the entire organization can be voluntary or forced. A voluntary alignment with the strategy is the ideal case because here, the actors involved know and understand the strategy and act and decide in its spirit. In the case of forced alignment, means of influence and management are used to ensure that the organization behaves in accordance with the strategy.

Concepts are not theory. Concepts in Grounded Theory are basic units of thought that help us organize the set of objects, events, and relationships in our physical and mental world. Since classical Greek philosophy, concepts have been used to reduce aspects to essential basic elements. An example of a concept is the 'concept of man'. **Concepts for events** are also called **scripts**, for example, a visit to a restaurant or a board meeting.⁶⁹⁴ Despite this realization, the appropriate products to build a complete and attractive long-term product range were lacking, and cooperation in compensating for this disadvantage failed to materialize.



⁶⁹⁴ Jäncke, *Lehrbuch kognitive Neurowissenschaften*. pp. 465–467.

Strategy implementation is strongly influenced by the time factor. The topic of storytelling has also already been discussed in strategy implementation and has had an influence on this. The idea that a strategy is a kind of script that then has to be implemented on a timeline is relatively new. A script is a basis in film or theater for a production. As an aid in planning, such production **storyboards** are used: these can be used to obtain a first visual impression of individual sections of the realization, namely, what the act and the scene are as outline criteria as regards the timing of a film. These can be milestones or special dates such as general meetings, press conferences, or staff meetings when implementing a strategy. The idea of visualizing a strategy implementation as a storyboard helps to get a complete picture of what has to happen, when, and how. A state is broken down into individual actions and steps. In the film, a storyboard is especially a tool for the director and the director of photography (DOP) to find the right perspectives on the facts, and to create a result that is convincing and emotionally moving.⁶⁹⁵ The ability to immerse oneself in such a state is called **immersion** in the psychology of perception. Here, an immediate conviction of the viewer can be achieved. In the film, the step from **text-based script** to **illustrated storyboard** is called scenic resolution. This is where it is determined how the staging is to take place and what the cameraman will capture for the later final product of the movie. Film is the most complex art form today (in the past is used to be opera). Coordinating these different works and preparing the director's work on set are helped by storyboards, which can be used in a variety of forms. The aim is to achieve the greatest possible immersion, i.e., an experience for the viewer that is also described as being somewhere between 'life and dream'.⁶⁹⁶ This is why a corporate strategy is also referred to as a **script** or **playbook**. For Strategic Alignment, the aspect of time and chronological sequence is important, which are central elements of a script and playbook. Moreover, this form of visualization facilitates discussion of individual steps and stages of strategy implementation.

Corporate strategies will have to be adapted in ever shorter periods of time. The rapid changes in the business environment force managers to adapt their own corporate strategy more frequently and more fundamentally. These disruptive changes were described in detail at the beginning of this paper, as they are evident today. In addition to disruption, consulting

⁶⁹⁵ Sigmar Warnecke, *Storyboard: Visual Storytelling* (München: Münchener Filmwerkstatt / HFF, 2022).

⁶⁹⁶ Heiko Raschke, *Szenische Auflösung: Wie Man Sich Eine Filmszene Erarbeitet*, 1. Auflage (Konstanz: UVK Verlagsgesellschaft, 2013). pp. 33–34.

refers to a **multi-crisis environment**.⁶⁹⁷ Examples have shown, as with the family-owned companies Krupp and Oetker, that sticking to a strategy once it has been chosen and successfully implemented pays off in the long term. There is no need for a change of strategy in such situations if the basic structure remains identical. However, in the event of fundamental shifts in the market or the competitive structure, conditions are no longer constant, so the entire strategy building must then be questioned and possibly adjusted. In general: sticking to a good strategic concept pays off (**the benefit of persistence**).

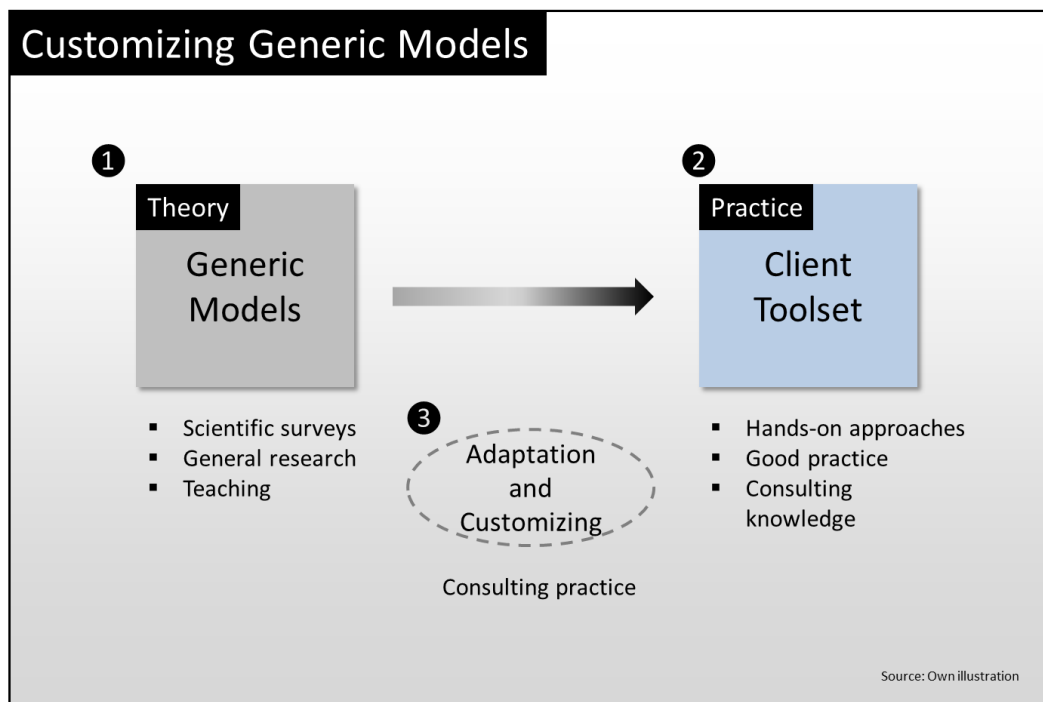


Figure 73

Adaptation of models in business⁶⁹⁸

An abstract and generalized model can be adapted to individual situations. General models ① can help in understanding or even explaining a particular phenomenon. For academic education, such a model is very useful because it can be used by the student for his later work and helps him to understand the complex world in an orderly way. The practitioner and many managers, however, want more than just a model that can show them a way to a solution, rather they want a ready-made solution with a **corresponding toolbox** ②. Building such a toolset requires more than just the existence of a model, but also experience of implementation

⁶⁹⁷ "Transformation Im Multikrisen-Umfeld: BDU-Fachkonferenz Sanierung," accessed October 10, 2023, www.bdu.de/veranstaltungen/fachkonferenz-sanierung-marz-2024.

⁶⁹⁸ Own illustration, Schmude (2024).

and impact, as well as consulting knowledge to firmly establish that model. Rarely pure doctrine will be implemented, but rather practical approaches are required of companies, some of which can be implemented hands-on by anyone **3**. The adaptation and customization of a model are usually the work of external strategy consultants. External strategy consultants, who can combine knowledge from different companies and industries, are usually responsible for adapting and tailoring a model. Why should a company do this detailed work itself when there are specialists for this?

Platforms as a theoretical basis for an alignment model. The modular design and also the platform idea, which originates from engineering, are two design principles that can also be useful for constructing a business strategy. The automotive industry provides a good example: Since 2005, Volkswagen has developed a concept called ‘Modularer Querbaukasten’ (MQB), which is also used for other brands in the group, such as Audi. In this context, the platform provides a technical foundation for Group-wide products. A distinction is made between platform parts and system parts, e.g., side panels, roofs, and doors. The advantage of this is that costs can be saved, and the development of new models can take place more quickly. In the automotive industry, a distinction is made between the platform or floor assembly and the ‘hat’. For example, more than a dozen of the Group’s models are based on the Golf platform. An extension of this platform model is the ‘modular product hat’ (MPB)⁶⁹⁹, which standardizes production so that VW factories worldwide will look almost identical. This will make it easier to transfer knowledge, relocate production to other sites, and even manufacture different models on the same assembly line.⁷⁰⁰ The platform idea in companies has been evident since the New Economy, with companies such as Uber, Airbnb, eBay and Zalando being such **platform companies**. They are transaction platforms for the exchange of services.⁷⁰¹ The corporate strategy also describes development processes, which are mostly growth processes. Even in the case of downsizing or restructuring, which is only a negative growth process, so this development should also be covered by it. The modular principle is

⁶⁹⁹ In German: Modulare Produktionsbaukasten.

⁷⁰⁰ “Mobilbaukasten: VWs Modularer Querbaukasten: Volkswagen Perfektioniert Das Baukastenprinzip Unter Dem "Hut",” Heise, accessed March 10, 2022, www.heise.de/autos/artikel/Mobilbaukasten-VWs-Modularer-Querbaukasten-1426936.html.

⁷⁰¹ Peter C. Evans and Annabelle Gawer, “The Rise of the Platform Enterprise: A Global Survey,” The Center for Global Enterprise, accessed March 10, 2022.

seen as an opportunity for **rapid scalability** of the company. For this reason, business process models today are highly modular and business processes can be put together accordingly. The same applies to corporate strategy. A generally understandable example is the principle of the prefabricated house, where a unit can be built many times with only minor adjustments.

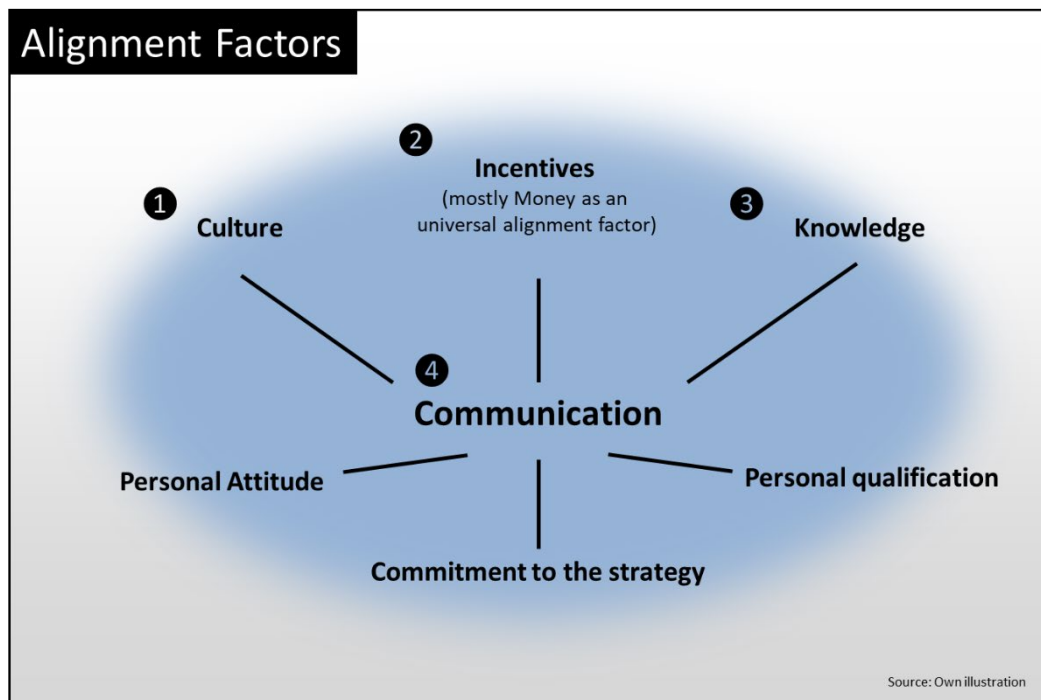


Figure 74
Strategic Alignment factors⁷⁰²

Several influencing factors determined the Strategic Alignment. The most important factors from interviews and literature are **Culture** ①, **Incentives** ②, **Knowledge** ③ and **Communication** ④. The factor 'communication' is linked with all other factors because, without communication and sense-making, the alignment would not work. The cultural aspects are the corporate culture with all its usually not quite clearly defined contents, such as behaviors, beliefs, traditions, and convictions. This also includes the conviction of the importance of the strategy for the company and how it is dealt with. Does the company want to commit itself closely to the strategy, or is it a purely *pro forma strategy*? The motivator for the work of managers and employees is compensation, which is ultimately money. This must also be considered in Strategic Alignment because if a disregard for strategy leads to a higher bonus, for example, the incentives are set incorrectly here, and misalignment is ultimately rewarded. Knowledge of one's own corporate strategy is a prerequisite for individuals to be able to orient

⁷⁰² Own illustration, Schmude (2024).

themselves to it. But knowledge of interdependencies and strategic thinking are also part of this.

Alignment index from zero to one hundred. In business administration, people like to work with key figures and index values, because this provides an immediate quantification of the respective aspect. There will never be a measure of Strategic Alignment that is valid for all industries and all times. This would be a natural scale, as we know it from the thermometer. The only conceivable measure is a relative scale or an index that subjectively reflects the extent of good or bad Strategic Alignment. However, even asking an employee how aligned he is with the corporate strategy will not lead to a satisfactory answer on a conceivable alignment index of 0–100 points. Expressing something in percentage points is common and internationally widespread, so that such a scale would at least be conceivable. In this research, this approach was not pursued further because it would have required development in relation to a concrete situation in a company.

A score value can provide comparability. In order to have a binding value for the alignment, a key figure should be used for this purpose, into which other parameters can also be incorporated. It is conceivable, for example, that a score is applied for each parameter of Strategic Alignment and that the individual scores then result in the **company-specific Strategic Alignment Score (SAS)**. Similar to other assessment methods, such as Value at Risk (VAR), different aspects must be reviewed at regular intervals and assigned a score. Selected persons in the company were to provide the input for the individual scores, and the **Chief Strategy Officer** would then collate these and report on them to his superior, the CEO.

Measures of good alignment. It would certainly be desirable to express a measure of the deviation of the strategy from its implementation as a key figure, i.e., an alignment indicator. Then, for example, a percentage deviation from the strategic path could be named. In the case of BSCs, the complexity is a hindrance in practice and tends to lead to confusion rather than a useful recommendation. The term transformation refers to structures and the organization. It is, therefore, more of a change management approach. More important is transmission, i.e., the transfer of strategic ideas into practice. In the past, too much work was done on procedural and structural changes, which ultimately led from a static state to the next static state. Strategic Alignment is a strategic adjustment, and it is continuous. The fundamental arguments against

an index are the past orientation and the observation that strategic alignment begins at a tipping point which, as with the phenomenon of emergence, cannot be determined using an algorithm. The present research has shown that a generally valid or universal index for strategic alignment, for example as a score or percentage degree of fulfillment, cannot be valid for all companies and sectors. Such a value is based on historical values and assessments. Nevertheless, the idea of such an index will be discussed further here, because managers like to call for such an instrument.

Office for strategic affairs. The corporate strategy office is ultimately modeled on a military command post or an operations center but without the need for 24/7 readiness or permanent monitoring of the situation. This is where the strategic actions or **Strategic Initiatives (SI)** are planned and monitored.

Time, time pressure and speed as parameters of Strategic Alignment. Another success factor for alignment is **time pressure**: there is usually sufficient time to develop the strategy, and alternative strategic scenarios can be created and discussed well in advance as case studies. For strategy implementation, on the other hand, the time factor plays a major role because this can cause or lose a head start. The time window for strategic implementation is often very short, and this must be adjusted accordingly. There are different types of time pressure: internal, which is caused by management and the company's own ambitions, and external, which is triggered by customers or competition. Time pressure can arise from the nature of the matter, e.g., a research lead, or it can be initiated by a specific person because personal deadlines and personal expectations have been formulated as a mandate. On the other hand, the absence of time pressure and fixed deadlines is known to cause a waste of resources and inefficiencies.

Corporate strategy as a two-way alignment contract. Strategic Alignment can also mean strategy firmness⁷⁰³ in the sense of whether an organization or, indeed, an individual, stands by the strategy or not. This is a commitment that can either be made **formally** or **can result from the circumstances** of the strategy implementation. This is the character of a decision or agreement that an adopted strategy should have. One question top management must ask is: does the spirit of strategy permeates the organization?⁷⁰⁴ Consequently, the corporate strategy

⁷⁰³ In German: Strategiefestigkeit.

⁷⁰⁴ In German: **Durchzieht** der Geist der Strategie die Organisation?

for collective thinking and action within the organization would have to be effective. In line with the considerations from Rousseau's social contract, which are still of central importance for constitutional law from a legal philosophy perspective, corporate strategy can be considered the most important and highest-ranking paper (except perhaps the notarized articles of incorporation). If you don't want to go into constitutional law, you can also imagine a two-page contract under the law of obligations, in which the contractual relationship must or should be in a synallagma.

Alignment responsibility. One question is whether Strategic Alignment needs more of a controller or some kind of director or conductor who can keep an eye on the interplay throughout the company and, by virtue of his or her professional and formal authority, work to ensure that the strategy is adhered to. As a result of this research, the responsibility for strategic alignment was considered to be assigned to the supervisory board or a committee of the supervisory board (strategy committee). However, this body is more than busy with many other tasks and often does not have access to the relevant information. Therefore, a separate personnel position is to be created for the Strategic Alignment function. This role is called **Strategic Alignment Officer (SAO)** and is responsible for the business process Strategic Alignment.

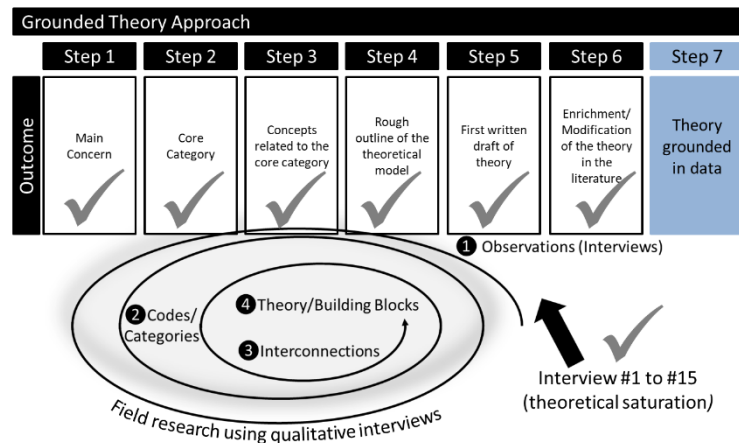
There is a need to establish a strategic culture in society and in companies. The importance of strategic planning and its systematic implementation is generally accepted in theory and research. In business practice, there are regular deviations from this realization, which usually remain without negative consequences and sanctions. It is often not even apparent to third parties that **astrategic action** (= non-strategic action) is being taken.

CONCLUSION: A Strategic Alignment model must include as elements the acting groups of people in the company and ensure that the corporate strategy is followed like a law or contract in the company. One person or one group must be responsible for Strategic Alignment and this person or group must be **largely independent** of the other corporate functions. The **process of Strategic Alignment** is important, probably much more important than an index or a functional model, e.g. the representations or the alignment chart. The results of this work are therefore incorporated into a business process, or rather a control process for strategic alignment, and displayed accordingly as a flowchart.

The Strategic Alignment Officer (SAO) is responsible for strategic alignment in the organization. This role can be an internal function to the CEO or an external role.

5.6. THEORETICAL INTEGRATION

After developing a model for Strategic Alignment, the question arises: How can the model be used alone or in combination with other existing models, theories and in which environment? - Here we want to discuss the models and theories presented in the dissertation and show the possibility of connection and integration.



One question geared towards future research is: What still needs to be developed and what research should sensibly follow?⁷⁰⁵

Table 61
Theoretical integration

Model/Theory	Connection and integration with a new Strategic Alignment approach
Strategic Alignment Matrix, <i>Trevor (2016)</i> → Figure 10 Strategic Alignment Matrix	<i>Trevor's Strategic Alignment Model</i> is a form of alignment measurement (alignment chart). These considerations can be directly combined with the theory presented here. Companies that want a measure can use this in their company-specific model.
Emergent Strategy, <i>Mintzberg (1994)</i> → Figure 14 Disruption leads to	The phenomenon of emergence, i.e. that developments do not follow a linear course but have a tipping point (chaotic course), has not yet been sufficiently re-

⁷⁰⁵ Corbin and Strauss, *Basics of qualitative research*. p. 187.

emergent strategies	searched, but is an observation that is generally shared in the scientific community. There is a kind of natural law that can stand in the way of systematic and logical strategy implementation. This should always be taken into account when considering Strategic Alignment. How destructive emergence can be countered in the area of Strategic Alignment still needs to be researched.
Alignment Pentagon, <i>Verweire (2017)</i> → Figure 17 Alignment Pentagon of Verweire	The alignment pentagon is a radar chart with defined measured variables. It is a visualization form of Strategic Alignment, i.e. an alignment chart. The basis is a balanced development in the sense of the BSC. The problem is to determine the measured values, as there is no objective benchmark for this. In relation to the theory in this paper, the approach of a radar chart can be integrated and used in any case.

CONCLUSION: The connection and integration of the solutions proposed in this dissertation for the identified Strategic Alignment problem in companies must be combined with other approaches to corporate management or monitoring. In individual cases, this must be tailored to the specific situation and implemented within the company. Grounded Theory as a research method was open and adaptable to the research subject and could be investigated without restrictions. Using the alternative research method considered, with one or more case studies, would not have yielded the same diversity and breadth of findings.

5.7. PRACITCAL APPLICATION STRATEGIC ALIGNMENT PROCESS

The practical application of the present research results in companies can be initiated by the executive board, the supervisory board, or influential departments such as corporate development. Furthermore, the research offers external consultants an opportunity to expand and supplement their own consulting products. The Strategic Alignment Process Model (SAPM) presented in this dissertation as a theoretical research result can be used as a template for further adaptations and concretizations.

Strategic Alignment as an essential task of the Executive Board. Companies and decision-makers who have recognized that there is a Strategic Alignment problem in their company and who want to actively combat this misalignment now have a control process for strategic alignment that can be integrated into existing business processes for strategy implementation.

External factors can contribute to the establishment of Strategic Alignment. The motivation to introduce Strategic Alignment can also be reinforced by corresponding demands from investors, rating agencies, or the public.

Legal and regulatory framework for strategy work. In principle, it is desirable that there are minimum requirements for strategy work, which are either required by law, e.g., stock corporation law in Germany, or by binding corporate governance guidelines. Such minimum requirements for corporate development could be enacted by politicians in the same way as other standards. In addition to strategy development and decisions on a corporate strategy and its associated sub-strategies, such strategy standards include functional and effective Strategic Alignment.

6. SCIENTIFIC DISCOURSE/Q&A

Scientific discourse on research in the form of questions and answers based on the already published content:

Question 1: Are long-term strategies still possible and meaningful in a rapidly changing environment?

Researcher: Yes, the strategy is first of all the mental anticipation of an action that will later be reflected in reality. However, different variations of the strategy have to be thought through and worked out the stronger and more abruptly the framework conditions change. These variants are called scenarios and for each strategic scenario all facts and data should be carefully collected and prepared. The more meaningful scenarios are thought through, the easier it will be later to take such a strategy paper out of the drawer ready for implementation. In the research, a large company dealing with risk strategy stated that concepts and strategy papers already existed for such cases before the pandemic. The people involved had therefore already thought about and conceptualized a worldwide health crisis and had already examined alternative courses of action. In the company in question, the home office was already being tested as an alternative to working in the office just a few weeks before the pandemic began.

Question 2: How much time do you have now and in the future for strategy implementation, including Strategic Alignment?

Researcher: The answers range from six weeks to half a year until a strategic change has a steering effect.

Question 3: Does the entire process of strategic management need to be adapted or shortened?

Researcher: Understanding strategy work as an ongoing planning process in the organization is relatively new. In the past, it was the task of a staff or even an executive assistant to write a strategy. These individual strategy papers were often not related to each other and were not standardized in type and scope. Today, a strategy business process with a strategic planning process and a separate implementation process (strategy implementation) is common. The problem is that the development of the strategy always

requires input from the operational units (departments) and therefore these people are often only involved in the strategy work temporarily or in the form of a project. To accelerate strategy development and implementation, there must be a permanent organizational unit for strategy; this can be a corporate development unit, a corporate development department or a strategy office. Strategy development and strategy implementation must be set up separately in terms of organization and personnel. As a link, a **Strategic Alignment Office (SAO)** can keep an eye on commitment and compliance with the strategy.

Question 4: In fast-moving times, is strategic planning becoming even more important than systematic strategy implementation?

Researcher: You can't answer that in that way. In fast-moving times, preparation for changes is much more important than in stable conditions. In disruptive times, management is often suddenly forced to act by new threats and problems without being sufficiently prepared for them. Therefore, it can generally be said that in these times, action should also be taken with a certain strategic calm, i.e., there must be sufficient time for strategic considerations. In the research, there is a large financial institution that has had to be strategically repositioned again and again for about twenty years due to the financial crisis and internal problems. The general conviction there during the pandemic was: wait and see and think things through in peace.

Question 5: Is planning, i.e., thinking through all the relevant issues, of fundamental importance in order to be able to react at short notice if necessary, even in a way that is independent of a previously defined strategy? (Planning vs. Plan)

Researcher: Yes. Planning as mental preparatory work for making decisions and taking action.

Question 6: Will it still be possible in the future for companies, e.g. SMEs, to adapt their resources, processes and business partners to the rapidly changing framework conditions? Or is there a risk of being overwhelmed?

Researcher: Well-positioned companies will be able to make the adjustments quickly; poorly positioned companies will fail here. It is a central task of Strategic Alignment to

ensure an economical implementation of the strategy, to counteract a waste of resources such as finances, personnel and other assets and to have processes that are adaptive to strategic changes. A misalignment is always a waste of the mentioned resources and especially time, as one of the most important resources at all. A head start in time or a higher speed in adaptations is always an advantage in competition.

Strategic Alignment
helps save
scarce resources.

7. SUMMARY

It is also a question of owners' expectations as to whether a tight or more loose Strategic Alignment should be implemented. This certainly depends on the professionalism in the organization whether it is recognized independently that a tight alignment with the strategy is perhaps sometimes too bureaucratic or causes an unacceptable control effort. In the case of obviously poor alignment, this must not only be made transparent but countermeasures must also be taken in the form of realignment.

Understanding strategy and strategic thinking. Everyone in the company should have a basic understanding of the process and benefits of strategic planning, which includes strategy implementation and Strategic Alignment. Only then can each individual align his or her behavior with the strategy. This requires, on the one hand, that strategic thinking and action be encouraged and, on the other, that knowledge about this be imparted. Training in strategic thinking and strategy implementation is essential.

Independent monitoring of Strategic Alignment. Strategic Alignment can only be managed by an independent person, similar to the Chief Risk Officer in Risk Management. If one wants to avoid 'strategy-lessness', the mechanisms of self-control are not sufficient. The temptation to deviate from strategy when the potential is sufficiently large is a constant one.

Erosion of corporate strategy. Can a corporate strategy, once adopted, dissolve? If Strategic Alignment does not ensure retention of the strategy, even a strategy that has already been successfully implemented will change due to new ideas and emerging opportunities. For instance, new executives bring a different interpretation of the strategy and the situation, which already leads to a deviation from the strategic path.

Robust theories and models for a time of upheaval. The current situation requires models for the time after the pandemic and theories which help to bring the strategy not only more quickly but also more thoroughly into practice. It is time to review the old models critically. It is clear that the global health crisis has had an impact not only on the business/corporate level but also on political power. To build future strategies, creativity and practical frameworks are of particular value. Strategies for upcoming situations, e.g., a new financial crisis emerging

from parallel financial systems like bitcoins, must allow corporate leaders to get ahead of the situation, meaning they do not need to react to daily developments.

The need for a post-pandemic strategy. The first results from this sophisticated study with detailed data from the field of investigation are the basis for a *post-covid* strategy implementation. The time pressure and the acceleration of external influence have reached a new peak— driving the company leaders to new business models with more flexible structures. However, the time for organizational change and strategic adjustments is almost zero—indeed, start-ups have often shown themselves to be better adaptors: they can grow by a growth value of several hundred percent per year and have no initial waste of resources.

Corporate strategy must respond elastically to disruptive events. Elastic strategies can be adjusted to the shock of a disruptive event. The strategic fulfillment or implementation should be linked to the decided strategy in a flexible manner that allows for rapid reaction.

Strategic Alignment must not degenerate into micromanagement. There is a tendency in companies to define a separate management cycle for each problem. This somehow turns every issue into a management problem. It is rather an assessment problem. The judgment of alignment or misalignment must be made by a respected and independent person or body. This is less of a strategy committee and more of a panel of judges.

Misalignment as a core idiosyncratic risk.⁷⁰⁶ The state of misalignment can cause the company to quickly slip into a state that is outside of the intended strategy and break the company. Misalignment is thus an idiosyncratic risk that cannot be offset by other behavior. In other words, this risk cannot be diversified away.

Strategic tipping points and emergent system behavior. The implementation of the strategy is disrupted by emergent events, which usually occur suddenly and fundamentally interfere with the realization of the strategy. Characteristic of emergence are tipping points, where seemingly predictable developments tip over into chaotic states. The often prevailing linear thinking in management does not help here. On the contrary, management is often trapped in false assumptions and ideas and recognizes the emergent tipping point too late. A

⁷⁰⁶ In German: unsystematisches Risiko.

person outside of management without responsibility for day-to-day business can be an important monitor or advisor here.

Thinking in terms of future-oriented strategic scenarios must be expanded. Today we are in a situation where creativity is required for innovative strategies and where imagination and anticipatory thinking are called for. The post-disruption strategy cannot be based on old theories. This would ignore the game-changer effect of disruption completely.

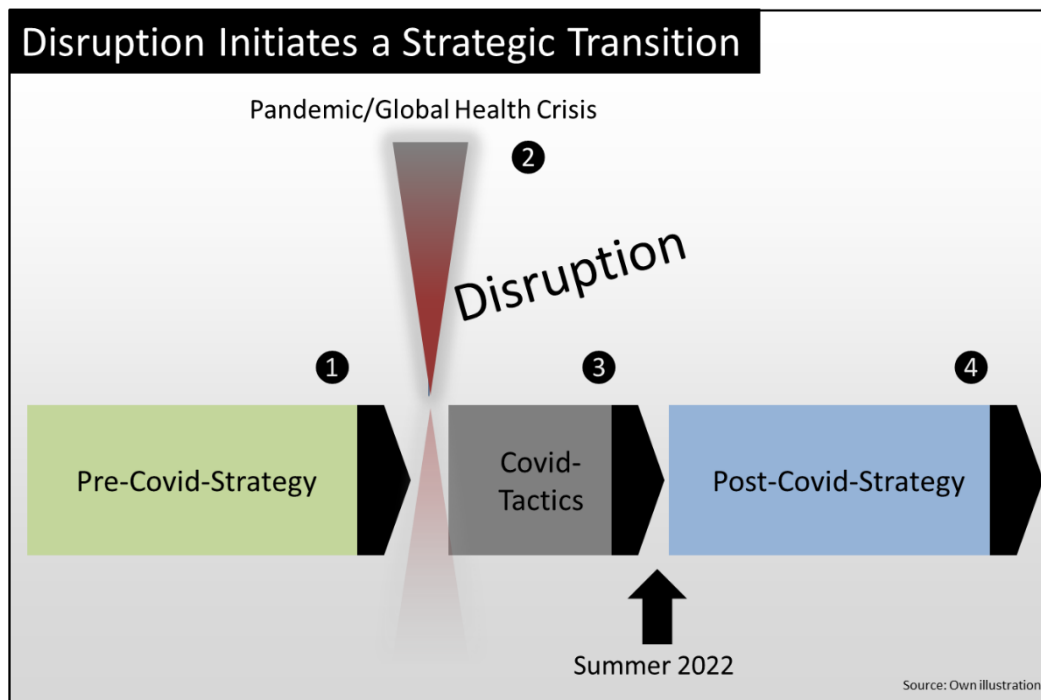


Figure 75
Alignment towards the disruptive requirements⁷⁰⁷

Research in times of upheaval. Unfortunately, Covid-19 has forced 'covid-tactics' ③ upon us, whereby new actions are tried, used, and, in case of a failure, these are corrected. This is not a strategic approach. Clearly, then, there is a need to think and plan ahead to prepare the post-covid or ante-covid strategies ④ and to roll these out before the competition dominates the market. The period before the pandemic and the other crises that have emerged since then was characterized by great planning stability. The pre-Covid strategy ① was often based on very linear and predictable developments. In the course of the research presented here, it became clear that the post-pandemic period is determined by completely different laws and that

⁷⁰⁷ Source: Own Illustration, Schmude (2021).

there are therefore radically different requirements for corporate strategy. Whether the pandemic was the cause or even just a trigger for changes that had already been latent for a long time cannot yet be assessed from today's perspective. However, the suddenness of the disruptive event ② created a turning point in the development that is clearly perceptible and can also be adequately described.

Answering the Research Question. The Domain of Interest or the research question for this research project relates to the collection and analysis of methods and procedures that can improve strategic alignment in the future. A consistent implementation of the strategy will become even more important in the future if resources have to be saved: these are not only production resources and finances, but also time lead and implementation speed. Strategic Alignment should result in a lasting competitive advantage. The strategy is the guideline for the development of the company and everything is oriented towards this. The prerequisite for an effective Strategic Alignment is a complete strategy, and that regulation gaps in the strategy are closed according to systematic principles (flawed strategy, gap strategy). Without legal requirements and where it is carried out on a purely voluntary basis, the topic of strategic planning and implementation will continue to be handled very differently. A minimum level of strategic planning is mandatory for medium-sized and large companies. This can be seen as a regulatory or corporate governance issue. New technologies and latest research will influence Strategic Alignment. Communication is essential for alignment, but can also cause misalignment if used incorrectly. A **Strategic Alignment Officer** is not a controller, nor is he a corporate development employee. This function must be independent from the management board and the supervisory board. The SAO must be able to decide on misalignments within the Strategic Alignment process. It is more the function of an independent judge or, ideally, an external auditor. Depending on the circumstances and the size of the company, one person may be overwhelmed with the task, especially if different expertise regarding, e.g., industries, countries or technologies plays a role in the assessment of Strategic Alignment.

New disruptive events will follow. As a core issue in the current situation at the end of the global pandemic and with many political and military crises, disruptive events are always to be expected. It is impossible to automatically tie corporate strategy to future events. Alignment can only be ensured by a fast and very adaptive strategy process. All imaginable and even momentary rather unthinkable ideas must be incorporated into strategic scenarios.

Regarding sub-question Q1. To date there is no method that can ensure an automatic Strategic Alignment. Likewise, there is no software or system that is known and offers a solution here. What is needed is an independent function in the large company for Strategic Alignment with associated planning and control processes. The qualification must be a board qualification and should include experience from different companies and industries. This function should also be regulated in the basic features by law, for example in the corporate law for stock corporations. The overall result in the alignment review must be clear, like a court verdict. There is no such thing as partial alignment. Either the company is on the strategic path or it has already strayed from it. If the guardrail is broken, there is a clear case of misalignment. For methods, this is the central question, whether sharp lines limit the company's development or whether washed-out contours are allowed. Research has raised the fact that pressure to act only arises when a clear judgment is made on the question of alignment.

Regarding sub-question Q2. A visualization of the alignment or misalignment is important as a communication tool. This can take the form of an alignment chart that is easy for all managers to understand. Any method that has to be taught first and cannot be applied immediately in meetings and workshops does not meet this requirement. In addition, the Strategic Alignment Manager can use other tools or spreadsheets to keep track. An alternative would be the use of a **strategy database**, which is extended by a function for the Strategic Alignment.

Regarding sub-question Q3. Limiting it to pure organizational change does not yet help fulfill the Corporate Strategy and bring about good alignment. Organizational alignment or IT alignment are aspects of organizational development or organizational strategy and only a partial solution to the strategic alignment problem. The organization, or rather the people in the organization, must be open and ready for fast and fundamental strategy changes. Internal communication plays the central role here.

Final (Working) definition of Strategic Alignment. In summary, the following definition can be stated:

Strategic Alignment means aligning all actions in the company with the strategic line or a strategic path. This strategic path shows all strategic initiatives on the time axis.

Strategic Alignment means a consistent commitment to the strategy. This requires all decisions and the resulting actions to be synchronized with the strategy and with each other.

8. OUTLOOK AND RECOMMENDATION

On the basis of the research on Strategic Alignment presented in this dissertation, an outlook is given in this chapter on future developments and recognizable trends. This is combined with recommendations for further research and possibilities for implementing Strategic Alignment in companies.

The theory should be able to develop evolutionarily. A theory developed according to Grounded Theory does not have to be finished or perfect. It is enough to have an approach that can be worked with in science and also in business practice. The Strategic Alignment Model proposed here should also be seen against this background. New elements have been developed and also new functions for the monitoring of the Strategic Alignment have been described. An integration into an existing strategy process has been shown.

This study is a contribution to strategy research. In this work, an area of scientific strategy research that has been neglected was examined. Strategy implementation and the special phenomenon of Strategic Alignment and the permanent danger of slipping into misalignment were examined from different perspectives. The interviews in particular showed that Strategic Alignment is a real and urgent problem in business practice. There is no general solution for the Strategic Alignment problem, but there are functions and a control process for Strategic Alignment that can improve or even ensure Strategic Alignment.

Discussion of the chosen methodology – Grounded Theory. The chosen methodology, Grounded Theory, which is very open, has proven itself in this research and would be used again in a comparable situation. Grounded Theory, which aims to develop a theory, requires the researcher not only to collect and structure knowledge from qualitative surveys, but also to produce a tangible result that has practical benefits for science and for management in companies. In this research, not only was a strategic alignment process developed, but a new function and position was also identified to ensure proper strategic alignment within the company. Time and research budget are clear restrictions that lead to limitations, as is the fact that a single researcher was involved rather than an entire research team or institute.

Interdisciplinary research on corporate strategy. The scientific research on Strategic Alignment presented here deliberately used the Grounded Theory research methodology.

Grounded Theory, as a qualitative research approach, is particularly well suited to new and previously little-researched topics. Nevertheless, other research approaches such as case studies and simulation, both of which were addressed and discussed in this dissertation, can be recommended and looked to for further research on Strategic Alignment. Now that a theory for managing Strategic Alignment using a Strategic Alignment Officer and the associated business processes is available, it can be tested in a simulation before being implemented in a company.

Consistent strategy implementation is becoming increasingly important in disruptive times. The strict alignment of corporate resources with corporate strategy in the sense of strategic alignment is becoming more and more important in times of disruptive events. Wasting time, financial, human and other resources can quickly lead to a competitive disadvantage and ultimately to the insolvency of the company. Acting quickly, guided by the strategy, is essential for survival. Strategic Alignment provides the basis for close alignment with corporate strategy and is therefore crucial for saving time and all other resources. It is precisely the loss of time or the sluggish implementation of projects and decisions, a kind of procrastination, that is dangerous for companies.

Strategic Alignment is a management issue. New findings and developments in neuroscience will contribute to new forms of organization and leadership in companies. Untapped potential can still be tapped here in the future. The use of artificial intelligence will also increasingly impact all business processes.

A separation of artificial and human intelligence seems reasonable. The original creation of something new and previously unthought will become much more important as a creative achievement in the future. This purely creative achievement will remain the preserve of human intelligence. Although mechanical pianos have existed for more than a hundred years, we still go to piano concerts and possibly hear much worse pianistic performances there. The demand for such lived creativity and emotionality could increase in the future.

The point is to understand
strategic thinking & planning and
strategic action as one unit.

9. CONCLUDING THESES FROM THE RESEARCH

In addition to the chapter of the summary, the central theses and findings from the current research work on Strategic Alignment are summarized here in a core statement. The sequence of theses is without evaluation and without prioritization.

1. Strategic Alignment requires knowledge of strategy content and an understanding of how to implement it.
 2. Strategic Alignment must deal with the phenomenon of emergence. Emergence is a risk for the planned implementation of the strategy. Emergence is often triggered or intensified by disruptive events.
 3. Strategic Alignment must proactively identify potential strategic tipping points.
 4. Communication is an integral part of Strategic Alignment, as the content of the strategy needs to be shared and communicated.
 5. Strategic Alignment is, at its core, a state of the enterprise that is binary, i.e., either on the strategic path or not.
 6. There should be a separate function within the company for monitoring Strategic Alignment that is largely independent of both the Executive Board and the Supervisory Board.
 7. The Strategic Alignment Officer (SAO) is a new role and function in the company setting.
 8. Strategic Alignment is a separate process within the company's strategy processes.
 9. Strategic Alignment can be created by voluntarily committing (self-commitment) to the corporate strategy or by being forced to commit.
 10. Specifications for strategy work and also Strategic Alignment should be created by the legislature as binding legal regulations. Corporate governance based largely on voluntary action is not sufficient for this purpose.
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11. Strategic Alignment is not strategic controlling in its current form. Strategic controlling is usually a monitoring of the measures and projects derived from the strategy.
12. Disruptive times require close ties to business strategy in order to compete with available resources.

10. PUBLICATIONS DURING THE PhD PROGRAM

Already published content from this research. Individually selected contents from the present work have already been published during the research project. These are the requirements of the Ph.D. program that had to be completed during the three years of research:

- At an international conference of the University of Sopron (Hungary) on November 4, 2021, the research project was reported publicly for the first time in a presentation by Mr. Schmude entitled ‘Corporate Strategy in a disruptive economic environment’. In the conference proceedings, Mr. Schmude subsequently published a scientific paper entitled ‘Corporate Strategy in a disruptive economic environment—foremost a Strategic Alignment topic?’.⁷⁰⁸
- The article ‘Strategic Alignment vs. Opportunity Hoping—Disruptive times require a firm strategy’ was published in the scientific journal *Scientia Moralitas*, which focuses on interdisciplinary topics. The focus of this paper is the force opposing Strategic Alignment, which the author characterizes as the hunt for ever new opportunities. When jumping from one economic opportunity to another, the corporate strategy that is usually in place is quickly lost sight of. Strategy is sacrificed at the expense of quick and short-term profits. Behind this is the question: what is the opposite of Strategic Alignment? If there is a force that leads to commitment to strategy, there must also be one or more forces that prevent managers and employees from acting strategically (antagonistic strategic forces). The presentation

⁷⁰⁸ Schmude, “Corporate Strategy in a Disruptive Economic Environment Foremost A Strategic Alignment Topic?.”

also outlines the methodology of grounded theory and how to proceed with qualitative sampling.⁷⁰⁹

- The article ‘Economic disruption as a strategic accelerator: the increased importance of Strategic Alignment in the post-Covid-strategy’ was published in the issue 3–4 in 2021 of the scientific journal of the University of Sopron *Journal of Economy & Society (Gazdaság és Társadalom)*. It is a peer-reviewed journal.⁷¹⁰

⁷⁰⁹ Schmude, “Strategic Alignment vs. Opportunity Hopping – Disruptive times require a firm strategy.”

⁷¹⁰ Schmude, “Economic disruption as a strategic accelerator: the increased importance of Strategic Alignment in the post-Covid-strategy.”

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Only people's names are highlighted in italics.

13. APPENDIX AND ATTACHMENTS

I. Coded Segments exported from MAXQDA

From the MAXQDA analysis software, the report of the coded segments (= text passages in the transcript of the interviews) was used. The entire document "Coded segments in chronological order" comprises more than 150 pages. The segments understandable without the entire context and the formulations and content relevant for further work were selected here.

Research interviews in two languages were included. The interviews were conducted in German, except for interview no. 8, which was conducted in English. The interviews in German were also processed in this way during coding and only the selected segments were translated into the publication language English (AE) for the dissertation.

Working with segments for coding the content. Basic note for the reader: Some of the following **segments (= text sections)** are only understandable and comprehensible in the context of the entire transcribed interview. If they are extracted from the entire document, background information and the necessary context are missing. This should be borne in mind when reading and working with the following segments:

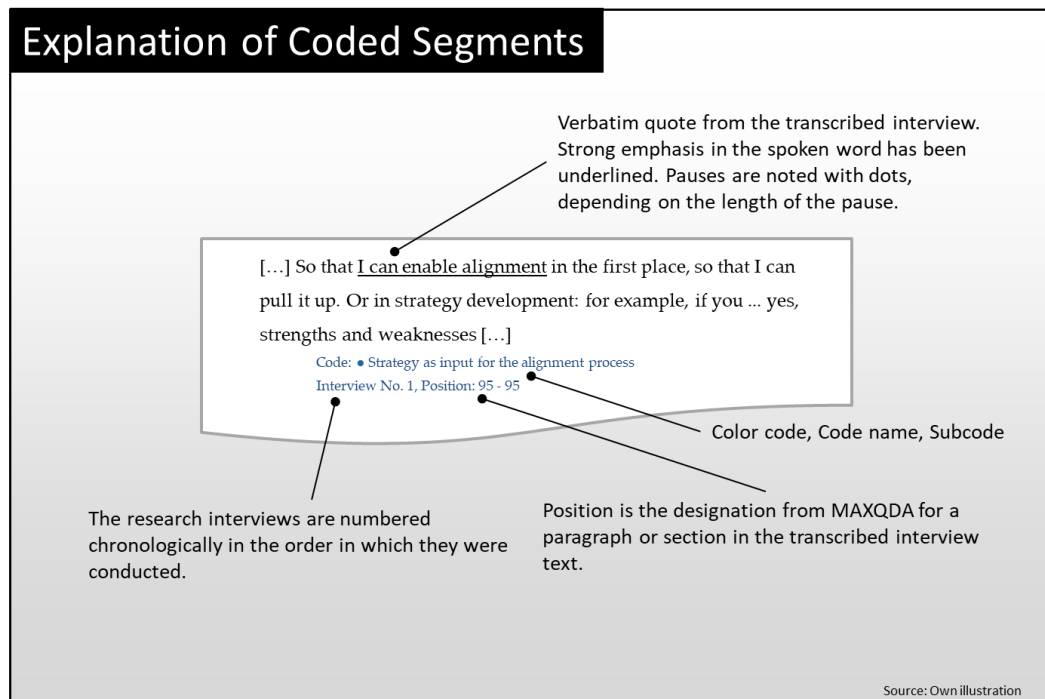


Figure 76

Linkage to the primary research (interviews)⁷¹¹

Data source for scientific research and analysis. The quotations from the research interviews presented below are coded and the respective codes or code groups are presented together so that all statements and findings relating to a code can be compared within an interview. This presentation forms the basis for the summarized presentation in the text of the dissertation → chapter 4.2 Interview Findings, page 150.

1. Coded Segments Interview No. 1

[...] what comes **before** implementation, because, in my view, this is one of the biggest pain points for strategic alignments, namely: How do I get to (thoughtfully) coordinated activities, goals and investments? [...]

Code: • Strategy as input for the alignment process
Interview No. 1, Position: 3 - 3.

[...] We took a lot of time to jointly develop and formulate our strategy [...]

Code: • Strategy as input for the alignment process
Interview No. 1, Position: 23 – 23.

⁷¹¹Own illustration, Schmude (2024).

[...] from Development over here, to formulation, for me this is the most central alignment step of all, because here I think to myself: What are the problems? [...]

Code: ● Strategy as input for the alignment process

Interview No. 1, Position: 39 - 39.

[...] So that I can enable alignment in the first place, so that I can pull it up. Or in strategy development: for example, if you ... yes, strengths and weaknesses [...]

Code: ● Strategy as input for the alignment process

Interview No. 1, Position: 95 – 95.

[...] Important strategic dialog [...]

Code: ● Strategy communication

Interview No. 1, Position: 15 – 15.

[...] It needs the story, which may then communicate internally, but mostly externally, [...]

Code: ● Strategy communication

Interview No. 1, Position: 111 – 111.

[...] On the other hand, we need storytellers who can paint this grand vision that people can follow, but which is then also credible. [...]

Code: ● Strategy communication

Interview No. 1, Position: 111 – 111.

[...] that we are pursuing contradictory goals, [...]

Code: ● Incorrect strategy

Interview No. 1, Position: 5 – 5.

[...] Driven by shareholder value madness [...]

Code: ● Incorrect strategy

Interview No. 1, Position: 17 – 17.

[...] It's virtually impossible! We don't have that many experts to fill the line! That means we make matrices, also in order to, let's say, do justice to the market conditions. This means that as a person, I have at least two bosses and am involved in four

programs, in a bunch of projects and initiatives, and have to work in many teams that don't actually affect my area directly in the narrowest sense. [...]

Code: • Organizational strategy
Interview No. 1, Position: 7 – 7.

[...] I have Supply Bundling on the one hand, I have my spend cube analytics where I look: Where can I still get something out of it? Then I have supplier cooperation topics [...]

Code: • Organizational strategy
Interview No. 1, Position: 17 – 17.

[...] The second was that we poured this architecture and the process into software, [...]

Code: • Organizational strategy
Interview No. 1, Position: 27 – 27.

[...] We have bad organizational structures - yes, across the board - but there are, in my view, only bad and less bad forms of organization. And I think the matrix is the least bad compromise, [...]

Code: • Organizational strategy
Interview No. 1, Position: 53 – 53.

[...] the structure has not grown with it. We see this very often, especially with companies that are on the cusp of becoming international companies. [...]

Code: • Organizational strategy
Interview No. 1, Position: 53 -53.

[...] There is only one way to do this, namely by networking the right people with each other. [...]

Code: • Organizational strategy
Interview No. 1, Position: 53 – 53.

[...] Other working methods and systems will also be needed, and in the end, [...]

Code: • Organizational strategy
Interview No. 1, Position: 87 – 87.

[...] And that means that the alignment problem starts even before implementation.

[...]

Code: ● Strategic Alignment

Interview No. 1, Position: 5 – 5.

[...] a kind of Zoom In, where you can then zoom in further and further from the large image into the details. [...]

Code: ● Strategic Alignment

Interview No. 1, Position: 50 – 50.

[...] There's not much alignment at all. Yes, we do the spend cube optimization, I just have to put the right people on it and then something happens. They already do it together. [...]

Code: ● Strategic Alignment

Interview No. 1, Position: 93 – 93.

Alignment topics are now translated as "voting topics".

Code: ● Strategic Alignment \Definition Strategic Alignment

Interview No. 1, Position: 3 – 3.

[...] voting in the classic sense, we are often not operating in grassroots democracies, but there are levels that have to be brought together, processed and decided in some form or other, at various levels. [...]

Code: ● Strategic Alignment \Definition Strategic Alignment

Interview No. 1, Position: 5 – 5.

[...] I have a lot of businesses that think about actions or initiatives, programs, projects - it's all the same to me. Let's call it activities! And many people think about the goals we should achieve. Then, in these complicated matrix structures, we have the task of somehow bringing things together [...]

Code: ● Strategic Alignment \Definition Strategic Alignment

Interview No. 1, Position: 5 – 5.

[...] For me, alignment involves several things. One is, of course, the question of resources. [...]

Code: ● Strategic Alignment \Definition Strategic Alignment
Interview No. 1, Position: 7 – 7.

[...] The second element of alignment is this ongoing coordination of the content of the key tasks, the priorities, and the clarification of interfaces. Another alignment, I would say, is the clarity of objectives. [...]

Code: ● Strategic Alignment \Definition Strategic Alignment
Interview No. 1, Position: 7 – 7.

[...] For me, there are only three ways. One is consistency: do the goals I have on the different levels fit together and do they fit into the overall picture? The second, and this will become even more important, is for me comprehensibility for people. So if I have a goal for a sub-area, can I understand where this goal contributes? The chain, this consistency, as well as possible. (reflects) And the third thing is the impact of what we do: So: with the things we are pushing forward, are we getting closer to this goal or not? [...]

Code: ● Strategic Alignment \Definition Strategic Alignment
Interview No. 1, Position: 9 – 9.

[...] Impact controlling

Code: ● Strategic Alignment \Definition Strategic Alignment
Interview No. 1, Position: 11 – 11.

[...] Consistency: Is the overall picture right? [...]

Code: ● Strategic Alignment \Definition Strategic Alignment
Interview No. 1, Position: 11 – 11.

[...] For me, the topic of "alignment" is a big part of not only impact controlling, but also **assumptions controlling**, i.e. the assumptions that I made at the beginning, are they actually still correct? [...]

Code: ● Strategic Alignment \Definition Strategic Alignment
Interview No. 1, Position: 15 – 15.

[...] A classic alignment issue: integration and coordination. [...]

Code: ● Strategic Alignment \Definition Strategic Alignment
Interview No. 1, Position: 87 – 87.

[...] And for me, that is implicit alignment. In other words, a shared understanding of very few key moments in the implementation, and there shouldn't be many, because we won't get many right, only a few. [...]

Code: ● Strategic Alignment \Definition Strategic Alignment
Interview No. 1, Position: 99 – 99.

[...] good large SMEs, of which we have so many, which have grown organically or inorganically in their structures, but at the same time the markets are turning faster and the markets are becoming more differentiated [...]

Code: ● Strategy process \Strategic analysis / diagnosis
Interview No. 1, Position: 3 – 3.

[...] And that means we took our time to develop a language with the customer, [...]

Code: ● Strategy process \Strategic analysis / diagnosis
Interview No. 1, Position: 27 – 27.

[...] There is a part of strategic development that deals with options, growth areas and challenges, [...]

Code: ● Strategy process \Strategic analysis / diagnosis
Interview No. 1, Position: 33 – 33.

[...] Now comes a lot of analysis, which the person then does and at some point comes a SWOT analysis [...]

Code: ● Strategy process \Strategic analysis / diagnosis
Interview No. 1, Position: 39 – 39.

[...] I also don't believe in quantitative modeling methods [...]

Code: ● Strategy process \Strategic analysis / diagnosis
Interview No. 1, Position: 103 – 103.

[...] Program scenarios and seeing how they work, that's possible and it's also technically possible! I think that's very valuable for making the big decisions at a high level [...]

Code: ● Strategy process \ Strategic analysis / diagnosis
Interview No. 1, Position: 103 – 103.

[...] If we took care of the right alignment of activities, goals and investments vertically in the organization earlier, but better horizontally, implementation would be easier [...]

Code: ● Implementation quality of the strategy
Interview No. 1, Position: 5 – 5.

[...] We are pushing things forward twice and three times in parallel that are going in a similar direction, but which we are not able to do at the level above. [...]

Code: ● Implementation quality of the strategy
Interview No. 1, Position: 5 – 5.

[...] Minimum standards of project management [...]

Code: ● Implementation quality of the strategy
Interview No. 1, Position: 21 – 21.

[...] a very good one, it just doesn't work practically anymore, because this rigid breaking down and linking of goals with each other is practically impossible! Unless you have BSC software, [...]

Code: ● Implementation quality of the strategy
Interview No. 1, Position: 35 – 35.

[...] I have a customer who has 600 targets! [...]

Code: ● Implementation quality of the strategy
Interview No. 1, Position: 35 – 35.

[...] Execution Gap [...]

Code: ● Implementation quality of the strategy
Interview No. 1, Position: 41 – 41.

[...] I would now like to see all project ideas, from all regions. For me, this is also a kind of alignment. [...]

Code: ● Implementation quality of the strategy

Interview No. 1, Position: 47 – 47.

[...] I have experienced McKinsey, very often, who have made great strategies. I've also experienced changes of chair at CEO level: a new person comes in, quite well. And then after a hundred days or after ... a little more or a little less, the screws are turned. [...]

Code: ● Implementation quality of the strategy

Interview No. 1, Position: 81 – 81.

[...] There are also two sides to the implementation gap that we have, namely that what we set out to do doesn't get there. One side is that if the management is constantly changing the targets, and I've also experienced this, then at some point people go crazy. Because I start to manage an OKR, which means I set a lot of targets and go into sprint planning, [...]

Code: ● Implementation quality of the strategy

Interview No. 1, Position: 85 – 85.

[...] It totally depends on the type. I know people who need very strict guidelines and framework conditions, and I have to shovel them free, and I also have to talk to a lot of people so that they don't get in the way, and then this person is so effective and opens up, and there is real power behind it and others, they then find their own way [...]

Code: ● Strategy communication \ Management discussion with employees

Interview No. 1, Position: 91 – 91.

[...] This is a problem for strategy development, but will then have an impact on strategy implementation. [...]

Code: ● Strategy process

Interview No. 1, Position: 3 – 3.

[...] a chemical company that is divided into several divisions, all of which, I would say, have their own strategy at different levels. And they don't have uncomplicated strategy processes and a lot of them, at three levels. [...]

Code: ● Strategy process

Interview No. 1, Position: 19 – 19.

[...] we have a vision, it has goals, it has a vision, it has guard rails, [...]

Code: ● Strategy process

Interview No. 1, Position: 33 – 33.

[...] a top-down/bottom-up process in the larger companies. [...]

Code: ● Strategy process

Interview No. 1, Position: 33 – 33.

[...] We can't do this every two years, we have to do it more often [...]

Code: ● Strategy process

Interview No. 1, Position: 33 – 33.

[...] the alignment also back again, from implementation to strategy work, via the assumptions and the impacts. [...]

Code: ● Strategy process

Interview No. 1, Position: 37 – 37.

[...] Shorter cycles, more dynamic,

Code: ● Strategy process

Interview No. 1, Position: 106 – 106.

[...] We have a completely different strategic discussion because we no longer do so much. Not everything always has to be coordinated down to the last detail, but we have a few points where we say: Coordinate on this! And then we need in-depth coordination, and this can be achieved using a simple, reduced but robust methodology. [...]

Code: ● Strategy communication \ Strategic understanding

Interview No. 1, Position: 19 – 19.

[...] Swarm intelligence for strategy [...]

Code: ● Strategy communication \Strategic understanding

Interview No. 1, Position: 82 – 82.

[...] Use the collective intelligence of the company in any case [...]

Code: ● Strategy communication \Strategic understanding

Interview No. 1, Position: 85 – 85.

[...] that we as an organization, as a whole, become clear about what the priorities are. [...]

Code: ● Strategic Alignment \Indicator for alignment

Interview No. 1, Position: 7 – 7.

[...] For me, there are only three ways. One is consistency: do the goals I have on the different levels fit together and do they fit into the overall picture? The second, and this will become even more important, is for me comprehensibility for people. So if I have a goal for a sub-area, can I understand where this goal contributes? The chain, this consistency, as well as possible. (reflects) And the third thing is the impact of what we do: So: with the things we are pushing forward, are we getting closer to this goal or not? [...]

Code: ● Strategic Alignment \Indicator for alignment

Interview No. 1, Position: 9 – 9.

[...] Consistency: Is the overall picture right? [...]

Code: ● Strategic Alignment \Indicator for alignment

Interview No. 1, Position: 11 – 11.

[...] and also in the implementation, have minimum standards and no maximum standards, necessary content. There are a few elements that we don't need to discuss, they are taken. But then leave plenty of room for maneuver. [...]

Code: ● Strategic Alignment \Indicator for alignment

Interview No. 1, Position: 19 – 19.

[...] for these alignment rules [...]

Code: ● Strategic Alignment \Indicator for alignment

Interview No. 1, Position: 33 – 33.

[...] You need software for that. You can no longer work with Excel and PowerPoint. And in recent years, OKR World has come up again, which I think is basically very good for the direction of [...]

Code: ● Strategic Alignment \Indicator for alignment
Interview No. 1, Position: 37 – 37.

[...] The third element is that we do without this rigid breaking down, [...]

Code: ● Strategic Alignment \Indicator for alignment
Interview No. 1, Position: 37 – 37.

[...] Impact Controlling [...]

Code: ● Strategic Alignment \Indicator for alignment
Interview No. 1, Position: 46 – 46.

[...] Let's call it high altitude, just investment and revenue. I have a market initiative and generate more revenue. [...]

Code: ● Strategic Alignment \Indicator for alignment
Interview No. 1, Position: 47 – 47.

[...] few implementation standards [...]

Code: ● Strategic Alignment \Indicator for alignment
Interview No. 1, Position: 49 – 49.

[...] for everyone and consistently, because this is the only way you can support this alignment at the various levels [...]

Code: ● Strategic Alignment \Indicator for alignment
Interview No. 1, Position: 49 – 49.

[...] not only this vertical alignment, but also the horizontal alignment. [...]

Code: ● Strategic Alignment \Indicator for alignment
Interview No. 1, Position: 49 – 49.

[...] probably about twelve, 13 aspects of alignment that I see again and again [...]

Code: ● Strategic Alignment \Indicator for alignment
Interview No. 1, Position: 51 – 51.

[...] Boundaries are correct, the guard rails, then the swarm can move an incredible amount [...]

Code: ● Strategic Alignment \Indicator for alignment
Interview No. 1, Position: 85 – 85.

[...] Demand commitment from people, keep at it [...]

Code: ● Strategic Alignment \Indicator for alignment
Interview No. 1, Position: 89 – 89.

[...] During implementation, there are red flags, i.e. a lot of departments implement things and the boss always wants to know: Where is the fire? [...]

Code: ● Strategic Alignment \Indicator for alignment
Interview No. 1, Position: 97 – 97.

[...] OKR is very old. Not as old as the Balanced Scorecard, but Objectives & Key Results as an implementation tool. [...]

Code: ● Strategic Alignment \Tools and methods for alignment
Interview No. 1, Position: 33 – 33.

[...] The implementation tool is always the balanced scorecard [...]

Code: ● Strategic Alignment \Tools and methods for alignment
Interview No. 1, Position: 35 – 35.

[...] frequencies of the target control are much higher, you just think of sprints or impulses, six weeks, or even the sprint planning [...]

Code: ● Strategic Alignment \Tools and methods for alignment
Interview No. 1, Position: 37 – 37.

[...] find a practicable way of going over it every month, at least roughly, and saying: Am I on track here? [...]

Code: ● Strategic Alignment \Tools and methods for alignment
Interview No. 1, Position: 47 – 47.

[...] Minimal methodology, [...]

Code: ● Strategic Alignment \Tools and methods for alignment
Interview No. 1, Position: 47 – 47.

[...] whether this refers to this Enterprise Cloud for Strategy tool [...]

Code: ● Strategic Alignment \Tools and methods for alignment
Interview No. 1, Position: 62 – 62.

[...] I come from the St. Gallen school of thought and this school of thought has four components that are closely interlinked: These are strategy, structure, culture and leadership. [...]

Code: ● Strategic Alignment \Tools and methods for alignment
Interview No. 1, Position: 81 – 81.

[...] Weekly stand-up of half an hour on a project, with a template. Then everyone can have their say and report back. [...]

Code: ● Strategic Alignment \Tools and methods for alignment
Interview No. 1, Position: 89 – 89.

[...] Strategic Challenges is a tool, a methodology, I call it a method, a form, when you formulate questions here, and these questions are evaluated according to strategic importance and need for action and they are categorized. Everyone has the same thing. And if I know that everyone has the same method, that's great, because then I can say as a father: Give me all the market-related challenges that are rated five or four from all the stores, from all the regions. [...]

Code: ● Strategic Alignment \Tools and methods for alignment
Interview No. 1, Position: 95 – 95.

[...] then you speak the same language at key points [...]

Code: ● Strategic Alignment \Tools and methods for alignment
Interview No. 1, Position: 95 – 95.

[...] Gaming, simulation, I'm a friend of that [...]

Code: ● Strategic Alignment \Tools and methods for alignment
Interview No. 1, Position: 103 – 103.

[...] of possible implementation scenarios, I think that's great [...]

Code: ● Strategic Alignment \Tools and methods for alignment
Interview No. 1, Position: 103 – 103.

[...] For me, strategy is a very practical craft. [...]

Code: ● Strategic Alignment \Tools and methods for alignment
Interview No. 1, Position: 111 – 111.

[...] good large SMEs, of which we have so many, which have grown organically or inorganically in their structures, but at the same time the markets are turning faster and the markets are becoming more differentiated [...]

Code: ● Market and competition
Interview No. 1, Position: 3 – 3.

[...] In my professional practice, I experience one thing, namely that the markets are turning faster than we have developed organizationally. [...]

Code: ● Market and competition
Interview No. 1, Position: 3 – 3.

[...] If we took care of the right alignment of activities, goals and investments vertically in the organization earlier, but better horizontally, implementation would be easier [...]

Code: ● Strategy process \Strategy implementation
Interview No. 1, Position: 5 – 5.

[...] We only have one option: we have to empower more people to implement the strategy. [...]

Code: ● Personnel measures
Interview No. 1, Position: 37 – 37.

[...] and projects, even more so. I believe that the job descriptions of today will die out. There will be assignments, there will be goals, and there will be teams and team functions [...]

Code: ● Personnel measures
Interview No. 1, Position: 53 – 53.

[...] I have had a very positive experience of the quality of the strategic dialog taking place at various levels. [...]

Code: ● Strategy communication\Communication Group
Interview No. 1, Position: 19 – 19.

[...] Yes, absolutely. So I can basically subscribe to the idea of "change management", but change management is still very much in people's heads, and so, of course, there are tools and there are processes to accompany it, but at the end of the day, I believe that this saying: everything flows - panta rhei [...]

Code: ● Strategy process\Change Management
Interview No. 1, Position: 87 – 87.

[...] And to be honest, I don't quite believe that. We need a few pegs to hold on to as human beings. If we are constantly changing and constantly in limbo, and our goals are always changing [...]

Code: ● Strategy process\Change Management
Interview No. 1, Position: 87 – 87.

[...] People are going crazy [...]

Code: ● Strategy process\Change Management
Interview No. 1, Position: 87 -87.

[...] McKinsey came into play, and they spent years transforming many regions. And they left a shambles behind them [...]

Code: ● Strategy process\Change Management
Interview No. 1, Position: 87 – 87.

[...] because they no longer believe in it, because it is not accepted and understood, the culture of trust has been destroyed [...]

Code: ● Strategy process\Change Management
Interview No. 1, Position: 87 – 87.

[...] and these targets are changed again and again, these are moving targets [...]

Code: ● Strategic goals
Interview No. 1, Position: 13 – 13.

then the organization also learns from it, but in a positive sense. Namely, not to duck when targets come along again

Code: • Strategic goals

Interview No. 1, Position: 15 – 15.

[...] strategic controlling. I realize that it is very difficult [...]

Code: • Strategy process\Strategic controlling

Interview No. 1, Position: 3 – 3.

[...] In other words, strategic controlling must be tightened up and other mechanisms are needed. Only then will we be able to be faster as a company, to be more agile and to learn, otherwise it won't work! [...]

Code: • Strategy process\Strategic controlling

Interview No. 1, Position: 37 – 37.

[...] initiative management or PMO, classic project management, depending on the level. And the second would be strategic controlling. [...]

Code: • Strategy process\Strategic controlling

Interview No. 1, Position: 41 – 41.

[...] that in volatile times, when we are on the move, we have to spread strategic management and implementation over many more shoulders. [...]

Code: • Strategy process\Strategic management

Interview No. 1, Position: 7 – 7.

[...] I have Supply Bundling on the one hand, I have my spend cube analytics where I look: Where can I still get something out of it? Then I have supplier cooperation topics [...]

Code: • Cost strategy

Interview No. 1, Position: 17 – 17.

[...] why it often doesn't work in implementation. There are two reasons: poor coordination in advance, the wrong packages being put together and the wrong distribution of resources [...]

Code: • Incorrect alignment / misalignment

Interview No. 1, Position: 39 – 39.

[...] that we do not manage to link strategy and targets with medium-term planning properly [...]

Code: • Incorrect alignment / misalignment

Interview No. 1, Position: 41 – 41.

[...] This is a practical problem because strategy often originates elsewhere than the goals. And that, in turn, is managed somewhere else than the finances. We have controlling on the one hand, we have initiative management, PMO on the other, we have sales controlling, which often takes care of the targets, [...]

Code: • Incorrect alignment / misalignment

Interview No. 1, Position: 41 – 41.

2. Coded Segments Interview No. 2

[...] People ask the question of where the strategy actually comes from and. And that's why we always look at it in the overall context of all aspects. [...]

Code: • Strategy as input for the alignment process

Interview No. 2, Position: 2 – 2.

[...] The input parameters are then this master strategy [...]

Code: • Strategy as input for the alignment process

Interview No. 2, Position: 7 – 7.

[...] This can just as well be via opportunities that arise from technology. [...]

Code: • Strategy as input for the alignment process

Interview No. 2, Position: 20 – 20.

[...] Is the content of the strategy correct and is it still up to date? That is a different question. Alignment ... Let me put it this way: If you only think that alignment happens by setting a big corporate vision and that doesn't happen. [...]

Code: • Strategy as input for the alignment process

Interview No. 2, Position: 50 – 50.

[...] Whether you do a task-breakdown or an objectives-breakdown, i.e. whether you lead by objectives or whether you lead by a detailed specification, has to do with two factors. Firstly, what industry are you in, how dynamic are you and how opportunistic are you? And secondly, what situation are you in? The OKR logic, for example, has become popular [...]

Code: ● Strategy as input for the alignment process

Interview No. 2, Position: 54 – 54.

[...] So, if you now look at the topic of "strategy", if you have a situation in which you temporarily need an expertise or a capacity, then it makes sense [...]

Code: ● Strategy as input for the alignment process

Interview No. 2, Position: 80 – 80.

[...] Reducing it to that is critical. It can work in some situations. Let me give you an example: If you found a start-up with five people and you have a shared story of who you want to be, then that's almost your strategy, then it's de facto your strategy. Then all employees will execute their part of the strategy. In a large, complex company and in a situation like the one I just described, where there are technical opportunities, there are equity story opportunities, there is potential for optimization and, and, and - you won't capture everything. [...]

Code: ● Strategy communication

Interview No. 2, Position: 24 – 24.

[...] People who do this excellently, excellently, that's Tesla. [...]

Code: ● Organizational strategy

Interview No. 2, Position: 18 – 18.

[...] This can therefore be a continuous improvement process at the production level, and is actually already part of the strategy, just like an equity story and possibly [...]

Code: ● Organizational strategy

Interview No. 2, Position: 20 – 20.

[...] absolutely saturated commodity industry, where everyone can do everything, so you are the hundred-thousandth screw manufacturer, then you don't do much, then you look for incremental improvement potential, [...]

Code: ● Organizational strategy
Interview No. 2, Position: 54 – 54.

[...] Yes, but it's a difficult task to find the overview, of course. [...]

Code: ● Strategic Alignment
Interview No. 2, Position: 66 – 66.

[...] Alignment is a continuous process, just as I have just described that the strategy is actually a continuous process [...]

Code: ● Strategic Alignment
Interview No. 2, Position: 68 – 68.

[...] So for me, strategic alignment is not really something where I can go and say: I'm going to set up a Strategic Alignment Office and it will take care of it. There is a great temptation to think that this will now be delegated to someone who will take care of it, then we need (.....) (00:01:59). But as we've just described, there are so many other things that affect strategic alignment that if someone doesn't have the ability, for example, to create an incentive system or a KPI system (.....) (00:02:10), then that's one (.....) (00:02:13), then nothing will happen. Strategic alignment is a goal of various other functions. [...]

Code: ● Strategic Alignment
Interview No. 2, Position: 70 – 70.

[...] Yes, in the end the CEO is always responsible. [...]

Code: ● Strategic Alignment
Interview No. 2, Position: 74 – 74.

[...] We do not view strategic alignment or even strategy alone (.....) (00:00:57), but always as a whole. [...]

Code: ● Strategic Alignment \Definition Strategic Alignment
Interview No. 2, Position: 2 – 2.

[...] The alignment topic must be part of an overall concept of a dynamic, continuous strategy process and strategy implementation. [...]

Code: ● Strategic Alignment \Definition Strategic Alignment
Interview No. 2, Position: 4 – 4.

[...] Can this - the term "strategic alignment" - also be (extended?) to this picture? [...]

Code: ● Strategic Alignment \Definition Strategic Alignment
Interview No. 2, Position: 6 – 6.

[...] This means that the actual implementation and the constant updating of the measures being implemented are aligned with the input parameters. That is a different term than the one that is commonly used for this. It's usually a question of: Do people understand our strategy? Does the organization understand it and are they all working in the same direction? But it would be an equally legitimate term for strategic alignment, because then you are aligning your activities with the current input parameters. [...]

Code: ● Strategic Alignment \Definition Strategic Alignment
Interview No. 2, Position: 6 – 6.

The term "strategy" covers everything relating to the transformation of the company.

Code: ● Strategic Alignment \Definition Strategic Alignment
Interview No. 2, Position: 22 – 22.

[...] Everything that is corporate change, everything that is not the operational processing of today's order, but the improvement of what we do, in the product, in the provision of services, whatever, that is all part of the context of strategy for us. [...]

Code: ● Strategic Alignment \Definition Strategic Alignment
Interview No. 2, Position: 22 – 22.

[...] In the past, strategy was always about optimizing the company's profit, not its value, because companies used to be much more [...]

Code: ● Strategic Alignment \Definition Strategic Alignment
Interview No. 2, Position: 34 – 34.

[...] With alignment, you can make sure that people don't necessarily work against each other because they don't understand what the overall goal is. With alignment you get people motivated, you get them to contribute all these positive parts. But you can align as much as you want, an organization cannot act against its own interest.

[...]

Code: ● Strategic Alignment \Definition Strategic Alignment

Interview No. 2, Position: 48 – 48.

[...] But the topic of "strategy and strategic alignment" - strategic alignment is a sub-part of what constitutes strategy as a whole. Strategy is a (.....) (00:07:10), I can't say otherwise. The strategy has to happen in-house, at least the decision to do so. The preparatory work can be discussed, analyses and the like, [...]

Code: ● Strategic Alignment \Definition Strategic Alignment

Interview No. 2, Position: 80 – 80.

[...] We are currently working on providing tools that make this much, much more efficient and much faster. So the bottom-up process can be made much faster and more efficient. It's a question of design and making the right use of opportunities.

[...]

Code: ● Strategy process \Strategic analysis / diagnosis

Interview No. 2, Position: 30 – 30.

[...] to be based on today, on the current situation, i.e. not to set targets and say: What is my organizational structure today, what is my product structure? Instead, the top-down process can and should always start on a blank sheet of paper. Not every day, of course, because we have to look at the cyclicity again. You can't completely realign organizations to a new vision every quarter. There needs to be a certain continuity. So depending on what we're talking about, we need different cyclicity again. But looking at it purely as a target-setting process reduces the content of the top-down process [...]

Code: ● Strategy process \Strategic analysis / diagnosis

Interview No. 2, Position: 30 – 30.

[...] the consideration of externalities. So what has an impact on a company? Not just today, but above all in the future. How do opportunities develop from this? How do I arrive at possible strategic actions? What strategy do I adopt? And then: How do I implement it so that the implementation is not static, but dynamic? [...]

Code: • Strategy process

Interview No. 2, Position: 2 – 2.

[...] By "dynamic", I mean that it is easiest to present it by distinguishing it from the past. [...]

Code: • Strategy process

Interview No. 2, Position: 6 – 6.

[...] In the past, strategy was often a matter of predefined, fixed cycles. So we do a five-year strategy, that's the classic, where you might even do the strategy process annually, but only adopt a master strategy every five years or every three years, with the corresponding investments, with the vision, with the communication. (00:03:43) And that's no longer up to date because so much can happen in three to five years these days, [...]

Code: • Strategy process

Interview No. 2, Position: 6 – 6.

[...] that a successful strategy process today has to be a continuous process, namely a continuous consideration of: What is happening outside my company that is relevant to me? Continuous analysis of: What implications does this have for me? And continuous adjustment of my strategic parameters through to the portfolio of where I am currently investing my resources and capital, i.e. human resources and capital. (00:04:32) Continuous adjustment based on the realization of the constantly evolving strategic picture that you have for your company and for your business environment. That is what we mean by "dynamic strategy", [...]

Code: • Strategy process

Interview No. 2, Position: 6 – 6.

[...] The challenging thing about strategy is that it still requires five and ten years and sometimes even 15 or 20 years of consideration, because in corporate strategy [...]

Code: • Strategy process

Interview No. 2, Position: 6 – 6.

[...] It is also often the case that you have different components within this industry that have different cycles. So if you are an electronics manufacturer in the product range, there may be things that have hardly any innovation left, that are technically well-developed, where not much is happening anymore. And then, at the same time, you have things that come out every month, where software [...]

Code: • Strategy process

Interview No. 2, Position: 8 – 8.

[...] paper manufacturers, where the production facilities are very expensive, then you end up with 15-, 20-year cycles because you need to refinance your investment [...]

Code: • Strategy process

Interview No. 2, Position: 12 – 12.

[...] Consumer goods, you simply have shorter cycles. [...]

Code: • Strategy process

Interview No. 2, Position: 12 – 12.

[...] a very broad and wide concept of strategy [...]

Code: • Strategy process

Interview No. 2, Position: 21 – 21.

[...] of course still differentiate between strategy and tactics, but tactics are actually for the (achievement of means) [...]

Code: • Strategy process

Interview No. 2, Position: 22 – 22.

[...] Nevertheless, a structured strategy process will still be needed, [...]

Code: • Strategy process

Interview No. 2, Position: 26 – 26.

[...] which, on the one hand, is based on what the organization knows from the bottom up and, on the other hand, a top-down strategy process that questions things independently of the status quo. [...]

Code: • Strategy process

Interview No. 2, Position: 26 – 26.

[...] The bottom-up process is traditionally relatively slow. This has something to do with the fact that digital opportunities are currently hardly being exploited in the bottom-up process. [...]

Code: • Strategy process

Interview No. 2, Position: 30 – 30.

[...] only one view of the counterflow process, that's where the term counterflow process comes from, we see it as a partial aspect. Another aspect is really to say that the top-down process is not a (.....) (00:26:07) process, or perhaps it is. But the essential thing about the top-down process is that it can allow itself, [...]

Code: • Strategy process

Interview No. 2, Position: 30 – 30.

[...] Mergers & acquisitions, equity story, changes in the business model, yes, these are all part of the top-down process. [...]

Code: • Strategy process

Interview No. 2, Position: 30 – 30.

[...] the topic of an "asymmetric threat situation", or what you could also call an "asymmetric strategic situation". If we now compare the military or politics with companies, we basically also have what is known as an asymmetric situation, a strategic situation, where new things might pop up quickly, so I'll say pop up now, such as in the cab industry, Uber, or in other disruptive developments. [...]

Code: • Disruption and pandemic

Interview No. 2, Position: 105 – 105.

[...] So asymmetry is quite normal to observe in strategy, indeed, it is daily business.

[...]

Code: ● Disruption and pandemic

Interview No. 2, Position: 108 – 108.

[...] the best way you can use people's potential is through storytelling. Is absolutely justified, both in terms of motivation, alignment, and in terms of implanting what is in principle [...]

Code: ● Strategy communication \Strategic understanding

Interview No. 2, Position: 24 – 24.

[...] In principle, the ideal scenario would be without any interval, i.e. constantly. Of course, this is not realistic. That means you first have to differentiate: Which industry are you in? Different industries have different natural cycles: Innovation cycles, market change cycles, etc. [...]

Code: ● Strategic Alignment \Indicator for alignment

Interview No. 2, Position: 8 – 8.

[...] that we are not dealing with machines. It is not a purely mathematical construct, but we have people in between. People simply do not function in a purely linear and purely mathematical way. [...]

Code: ● Strategic Alignment \Indicator for alignment

Interview No. 2, Position: 24 – 24.

[...] There are now relatively good methods for strategic alignment, whether that is objectives management or communication, [...]

Code: ● Strategic Alignment \Tools and methods for alignment

Interview No. 2, Position: 4 – 4.

[...] Many people talk about agile strategy. And agile, as you may know, is a method of project management that comes from product development, where you try to draw on past experience using waterfall principles... So I define one hundred percent of what I want beforehand and then build it all the way through, and afterwards I may end up with a product that is not well received on the market. There is the agile

method. But agile is explicitly not really suitable for strategy, in our opinion, because then in case of doubt ... you have to plan strategies five or ten years into the future if you have topics that require large investments. [...]

Code: ● Strategic Alignment \Tools and methods for alignment
Interview No. 2, Position: 6 – 6.

[...] So the balanced scorecard is basically a matrix for your strategy so that you don't overemphasize a certain strategic aspect, unless you do it specifically and say: I only want to be this and this is how I differentiate myself from the market. That's what the balanced scorecard is for. It doesn't have that much to do with OKR. OKR is more of an operational system according to the motto: How do I use the capacity of the organization, the creativity and intelligence of the organization and the knowledge of the organization so that it can take the right measures itself, at least within the framework of what it can invent itself. [...]

Code: ● Strategic Alignment \Tools and methods for alignment
Interview No. 2, Position: 58 – 58.

[...] Harzburg model. In principle, the whole thing is based on older management principles. There were some very, very clever thinkers back in the 40s, 50s, 60s, 70s on the subject: What does management actually mean? [...]

Code: ● Strategic Alignment \Tools and methods for alignment
Interview No. 2, Position: 58 – 58.

[...] And what is often forgotten or ignored are incentive systems. So when we talk about alignment, you always have to think about incentive systems. Nothing has more long-term power than whether you give someone more or less money if they do or don't do the following, mainly on the disruptive side, which most people don't see. If you have wrong incentivization systems, you can have the most awesome strategy, it will never be executed. I'll give you an example: these are the silo effects in companies. [...]

Code: ● Strategic Alignment \Tools and methods for alignment
Interview No. 2, Position: 58 – 58.

[...] Strategy does not work like a road map, where you map out a route. [...]

Code: ● Strategic Alignment \ Tools and methods for alignment
Interview No. 2, Position: 98 – 98.

[...] to professionalize the topic of "strategy" as a whole and, in our case, to contribute to this professionalization with digital data. [...]

Code: ● Strategic Alignment \ Tools and methods for alignment
Interview No. 2, Position: 114 – 114.

[...] that strategy is an overall construct, an end-to-end construct. Most people start with the pain points of: I have a problem with strategy implementation. So, and then they look for the sources of error in there, then they look for work-breakdown structure and all sorts of others or objectives management etc. Our USP is that we don't see it that way at all, yes, but that we see it as an overall topic, from the consideration of instabilities to the identification of opportunities to modeling and evaluation for communication, which we map holistically on a platform [...]

Code: ● Strategic Alignment \ Tools and methods for alignment
Interview No. 2, Position: 118 – 118.

[...] Unless you are Google, which has hardly any investment in physical goods, but lives mainly from digital goods. If you are in the physical world, for example in the chemical industry or similar, you often have to plan and build plants and investments with cycles of five to ten years and then a (return on investment of 20 years?) (00:05:31). [...]

Code: ● Market and competition
Interview No. 2, Position: 6 – 6.

[...] So opportunities, you also have to break that down into many different components. If you take a company ... Let's take a very classic example and produce the company (.....) (00:13:08). Then there are different opportunities at different levels. One opportunity, for example, is that you can become more efficient, i.e. classic: cost-

reducing measures. And there are actually opportunities in the self-assessment, in the analysis of: Where is there potential for efficiency? Where can I improve? [...]

Code: • Market and competition
Interview No. 2, Position: 18 – 18.

[...] Because Tesla is in the situation that they are constantly building capacity, not having inventory capacity, they always consider every technical production step in terms of: How much capital do I have to invest in order to set up a production facility? This is an example of an opportunity or opportunities in optimization potential. [...]

Code: • Market and competition
Interview No. 2, Position: 20 – 20.

[...] long-term opportunity level. This could include mergers & acquisitions, for example. [...]

Code: • Market and competition
Interview No. 2, Position: 20 – 20.

[...] This is a completely different strategic game to what happens in 99 percent of all companies. [...]

Code: • Market and competition
Interview No. 2, Position: 34 – 34.

[...] If you look at SAP: They could close up store today, send everyone home and make incredible money over the next 10, 20 years via (.....) (00:32:24) and service contracts and basically annuitize the inventory that they have. So if they stopped making new business and didn't develop the product significantly, but just kept it alive, then this [...]

Code: • Market and competition
Interview No. 2, Position: 34 – 34.

[...] perhaps in a restructuring situation or in a certain phase in the company, that they make a part of the strategy independently, that you do not have to plan in de-

tail, but in principle it is something like, a similar mechanism of action as with methods of the OKR, that you say: Here we want here, now please help us, this is how we measure you. It is a legitimate procedure for getting out of the strategy. But you will never develop major disruptive strategies in this way. [...]

Code: • Corporate restructuring strategy

Interview No. 2, Position: 24 – 24.

[...] Management by Objectives or OKR always takes time. It can achieve a better result, but it takes time to take effect. If you are in a restructuring situation, if you are heading for insolvency, you won't catch anything with OKR. [...]

Code: • Corporate restructuring strategy

Interview No. 2, Position: 56 – 56.

[...] You take a hard line and say: Top-down, we now have to see where we can best cut out the costs that will totally destroy me as a (.....) (00:45:33) company. Again, the fact that an organization cannot question itself and a person cannot question their own value. You don't need to start with OKRs. [...]

Code: • Corporate restructuring strategy

Interview No. 2, Position: 56 – 56.

[...] Alignment is one aspect of what you need to do to get the strategy on the road successfully [...]

Code: • Strategy process\Strategy implementation

Interview No. 2, Position: 50 – 50.

[...] You need a breakdown. You can't say we want to become the largest bathroom fittings manufacturer in the world and then hope that some department head knows what to do now. You need a breakdown, and there are different ways to go about it. Either you have a relatively strong organization that breaks this breakdown down into actual tasks, yes. So now you have to do the following, then that contributes to it overall, then the communication, i.e. the alignment, is inherent to a certain extent in

the task breakdown, but can be complemented by change management and communication: Why do we want this and how does your building block contribute to the following overall company goal? [...]

Code: ● Strategy process\Strategy implementation
Interview No. 2, Position: 50 – 50.

[...] No, this is a concretization. This is a concretization about projects that you set up, goals that you give these projects. These can be KPI targets, these can be financial targets, these can be objectives that you give them. So this is nothing more than work that needs to be done. If there is our strategy or our strategic goal, what are the components that contribute to it? And this includes developing initiatives, options, evaluating initiatives, options and optimizing the resources available and the use of these resources. This is the work that needs to be done when you break down primarily into specific projects, measures and tasks. That is nothing else, [...]

Code: ● Strategy process\Strategy implementation
Interview No. 2, Position: 52 – 52.

[...] Execution planning, yes, and then just and so on. This is now the relatively static version, in which you put in the maximum amount of work to define down to the task what you still have to do. [...]

Code: ● Strategy process\Strategy implementation
Interview No. 2, Position: 54 – 54.

[...] you don't do the complete task breakdown, but then do a breakdown with objectives. You may be familiar with OKR logic, which is one of them. There are precursors to this, [...]

Code: ● Strategy process\Strategy implementation
Interview No. 2, Position: 54 – 54.

[...] And therefore, this scripting, storytelling, etc. is a legitimate mechanism that also enables a certain elasticity in strategy implementation, which can leverage the entrepreneurship or creativity of the organization. [...]

Code: ● Strategy communication\Communication Group

Interview No. 2, Position: 26 – 26.

[...] Humans have some great qualities, yes, incredible creativity, no machine or math etc. can do that, but at the same time they have an unavoidable self-interest.

[...]

Code: ● Strategy communication \ Communication Group

Interview No. 2, Position: 46 – 46.

[...] Governance is a very broad term, yes. That's why we need to define a bit what we're talking about right now. There are also very different ownership structures with very different, shall I say, activism. [...]

Code: ● Strategy communication \ Communication Owner / Shareholder

Interview No. 2, Position: 82 – 82.

[...] At the end of the day, every CEO is responsible to the owners and the owners' committee when it comes to strategy. They are usually on their own in this respect. As a CEO (.....) (00:10:00), you can't say: "I'm going to come up with a strategy" without first coordinating it with the owner representatives. [...]

Code: ● Strategy communication \ Communication Owner / Shareholder

Interview No. 2, Position: 82 – 82.

[...] whether this is the task of the supervisory board as a whole, to look at the strategy and say: (.....) (00:12:21) is one of the classic functions of the supervisory board, yes, one of the two in my opinion. One is governance (.....) (00:12:29) and the other is future direction and where is the investment going. How do you ensure that the owner, the owners and their interests are properly represented? [...]

Code: ● Strategy communication \ Communication Owner / Shareholder

Interview No. 2, Position: 86 – 86.

[...] Strategic Alignment can completely change the corporate culture and completely change the corporate structure. You can optimize it and ensure that you make the most of the advantages you have. [...]

Code: ● Strategy process \ Change Management

Interview No. 2, Position: 110 – 110.

[...] because we don't have our own capability, what we as a company can do ourselves, either in terms of capacity or expertise or facilities or whatever, but we identify it. Then a combination may even be possible, where you say: I'll buy a company or I'll work with a company that has these capacities and competencies. [...]

Code: • Strategic goals

Interview No. 2, Position: 20 – 20.

[...] Mergers & acquisitions, equity story, changes in the business model, yes, these are all part of the top-down process. [...]

Code: • Strategic goals

Interview No. 2, Position: 30 – 30.

[...] If you look at one of the biggest levers for corporate value today, it's not even necessarily efficiency, it's not even EBIT and not all that, but it's actually the factor of (.....) (00:27:17) business model. [...]

Code: • Strategic goals

Interview No. 2, Position: 30 – 30.

[...] Value to the shareholder, [...]

Code: • Strategic goals

Interview No. 2, Position: 34 – 34.

[...] Jeff Bezos at Amazon, he was never interested in EBIT, he was only interested in EBIT as a potential, according to the motto: Could we be profitable? How can we prove that we could be profitable? Otherwise, it was always a game of reinvesting everything you earned into growth as long as there was market opportunity. And if the market differs, then you look for the next market opportunity. [...]

Code: • Strategic goals

Interview No. 2, Position: 34 – 34.

[...] Market position on the acquisition market. [...]

Code: • Strategic goals

Interview No. 2, Position: 36 – 36.

[...] more classic model. And then, in principle, the distribution stream was what determined their company value. But as I said, you can shift the distribution stream into the future and reinvest instead and increase the equity value. [...]

Code: • Strategic goals

Interview No. 2, Position: 42 – 42.

[...] The balanced scorecard is based on another correct idea, namely: If I focus a company on just one single goal, then it can go bust. [...]

Code: • Strategic goals

Interview No. 2, Position: 58 – 58.

[...] To be honest, strategy comes from the military. If you now imagine a military situation where you say: We want to go up the mountain, there's an elevated position up there, it's strategically important, we want it. Then your strategy is to say: I want to take the position. And you have a map with different routes. And you go ... Ideally, you send your troops out with a map like this, in which different paths are marked and in which it is not anticipated that the route will always be straight, to the left, to the right and so on. That's the principle of a (..... map) (00:15:48) where there's only one way. Strategy always has more, potentially always several paths. And that means: you don't want to anticipate the decision, you want to anticipate the target point or an approximation of a target point. [...]

Code: • Strategic goals

Interview No. 2, Position: 100 – 100.

[...] A strategy is an anticipated goal, not an anticipated decision. [...]

Code: • Strategic goals

Interview No. 2, Position: 100 – 100.

[...] During implementation, we become even smarter about risks, (.....) (00:00:43) and other opportunities. And during the implementation phase, the input parameters for a strategy may have changed again. [...]

Code: • Strategy process\Strategic controlling

Interview No. 2, Position: 2 – 2.

[...] This is a level of opportunity. In principle, this is the most operational level of opportunity. [...]

Code: • Cost strategy

Interview No. 2, Position: 20 – 20.

[...] in my opinion, it is obvious that there are considerable deficits in the alignments. It is one of the areas in which there are deficits that lead to strategy implementation not being as successful as one would wish. [...]

Code: • Incorrect alignment / misalignment

Interview No. 2, Position: 4 – 4.

[...] and this can apply on several levels. It can be the abolition of your own job. But it can also be something like this ... Look, if you're a department head in the organization with 100 people, then you have a meaning about the fact that you lead 100 people. Sometimes there are even new pay scales, so your salary might depend on how big your department is, with grades and all the systems that are in place. Then not only will you not admit that you have no potential for optimization and would get by with 50 people, but you won't see it yourself. This is already subconsciously prevented. [...]

Code: • Incorrect alignment / misalignment

Interview No. 2, Position: 46 – 46.

[...] Corporate development departments are relatively powerless because they do not have direct line responsibility, because they are not involved in operational business. Power in the company is always based on implementation or consists of: I am responsible for. And corporate development, as it is often practiced today, is a service function or a budgeting or implementation competence, [...]

Code: • Incorrect alignment / misalignment

Interview No. 2, Position: 72 – 72.

[...] disruptive topic, cannot happen across the entire organization because the organization may have to question itself, which it cannot do for human reasons. In very

few companies is that possible. I'll say, I haven't experienced it myself, but colleagues have told me about a special culture at some companies, such as Bosch, where the trust in the employer was so great that the engineers questioned their own products and said, for example: Here comes the fuel injection system, we don't need a carburetor anymore [...]

Code: • Disruptive strategy

Interview No. 2, Position: 26 – 26.

[...] If you have a high enterprise value, this is not only good for your shareholders, but also gives you opportunities at the equity story level, for example to finance things and buy companies. Again, the example of Tesla. Tesla would be able to buy Daimler without batting an eyelid, [...]

Code: • Disruptive strategy

Interview No. 2, Position: 30 – 30.

[...] Strategy, that also has to take place. It plays on a completely different playing field. [...]

Code: • Disruptive strategy

Interview No. 2, Position: 32 – 32.

[...] but it leads to market power in the takeover market, [...]

Code: • Disruptive strategy

Interview No. 2, Position: 34 – 34.

[...] In other words, profitability may be shifted into the future in order to generate enterprise value instead. Yes, that's a good example of how this works in principle. [...]

Code: • Disruptive strategy

Interview No. 2, Position: 34 -34.

3. Coded Segments Interview No. 3

[...] This naturally includes his immediate management team, i.e. the C-level, then CEO, CFO, CIO, COO, etc., as well as his HR managers, [...]

Code: ● Strategy communication
Interview No. 3, Position: 8 – 8.

[...] Internal Hall events [...]

Code: ● Strategy communication
Interview No. 3, Position: 8 – 8.

[...] what the people, the employees of the company who are affected by a new strategy, that they know where they stand. So who has to expect that they will have a new job, a different job, a different task and that they also know, yes, what this change means for them and that there won't be any rumors. [...]

Code: ● Strategy communication
Interview No. 3, Position: 14 – 14.

[...] What do I communicate by email, what do I communicate in writing, what do I communicate via chat, what do I want to communicate via a Zoom meeting, i.e. a media conference, and what do I want to communicate in person or on the phone? Each of these means of communication has its advantages and disadvantages. Especially when it comes to difficult and negative information [...]

Code: ● Strategy communication
Interview No. 3, Position: 34 – 34.

[...] He has to respond to the audience, he needs a thorough audience analysis. So depending on who is sitting in front of him, or is being shown on the screen, he has to adapt his words, has to adapt his approach. [...]

Code: ● Strategy communication
Interview No. 3, Position: 44 – 44.

[...] Findings from neuroscience are always good to look at, take into account and then use depending on the situation. I think all the social media is an aspect that belongs in a (communication plan?) (00:01:04) these days. [...]

Code: ● Strategy communication
Interview No. 3, Position: 59 – 59.

[...] The sponsor has to stand behind it and show it. So they have to show themselves, stand up, stand out, inform people and keep supporting the project here. That also shows that the attention at management level is there. It also shows the project staff [...]

Code: ● Strategy communication
Interview No. 3, Position: 83 – 83.

[...] This agile project management allows for even more flexibility in development. [...]

Code: ● Organizational strategy
Interview No. 3, Position: 28 – 28.

[...] Size is a huge issue, a huge advantage. The (Kahn effects?) (00:20:18) are much more decisive than with other products that are offered, let's say. That's why there are these overpowering [...]

Code: ● Strategic Alignment
Interview No. 3, Position: 87 – 87.

[...] Align, i.e. align, so that it's like a parabolic mirror, they all pull in the same direction, they all have to pull in the same ... and the same end of the rope, otherwise, yes, you lose a lot. [...]

Code: ● Strategic Alignment \Definition Strategic Alignment
Interview No. 3, Position: 20 – 20.

[...] classic look, then you do an employee survey [...]

Code: ● Strategy process \Strategic analysis / diagnosis
Interview No. 3, Position: 71 – 71.

[...] The whole issue of digitalization is huge. Yes, and can we position ourselves in such a way that we can still hold our own against the competition? [...]

Code: • IT Strategic Alignment

Interview No. 3, Position: 87 – 87.

[...] That you don't get a ransomware attack [...]

Code: • IT Strategic Alignment

Interview No. 3, Position: 87 – 87.

[...] In principle, it's a bit like, say, the fire department, who also practise different scenarios, or the civilian service, which also works. Yes, what do we have there? Some flooding or we have some storm damage or whatever, we think about it: What do we do in these cases? How do we proceed? In some cases, i.e. in civil defense, there are checklists, in the fire department too, of what to do and what not to do. What means of communication do we use if the internet goes down? Things like that. I mean, one scenario is always the electricity, the power supply goes down. What happens then? So let's say: supermarket, yes. The power supply goes down, then the cash register stops working, then the electric doors stop working, then all the frozen goods defrost. Then, depending on the situation, there may be looting because people can't get money from the ATM or into the supermarket [...]

Code: • Implementation quality of the strategy

Interview No. 3, Position: 30 – 30.

[...] Russell Brunson has built up a fan base. And there are fans who have the company logo - and now please hold on tight ... I don't expect that in our German-speaking countries, but it could be the goal, or it would be nice if you could manage it - they have the logo tattooed on their arm. They then wear the company's clothing, which is more common here. If you give them a great fiber fur coat with the company logo on it, there are those who wear it proudly and often rightly so. [...]

Code: • Implementation quality of the strategy

Interview No. 3, Position: 48 – 48.

[...] So he has to make sure he gets as many people on board as possible. [...]

Code: ● Strategy communication \ Management discussion with employees
Interview No. 3, Position: 8 – 8.

[...] It's often nice if he can do it in person, it's sometimes more personal and the chemistry is more noticeable. But it can definitely be part of this communication plan [...]

Code: ● Strategy communication \ Management discussion with employees
Interview No. 3, Position: 8 – 8.

[...] Milestones, i.e. intermediate goals that you have achieved and then like to celebrate [...]

Code: ● Strategy communication \ Management discussion with employees
Interview No. 3, Position: 14 – 14.

[...] It's important that employees report this at an early stage: Yes, I can't keep all the balls in the air. Which balls can I drop? And then the responsibility lies with the management. [...]

Code: ● Strategy communication \ Management discussion with employees
Interview No. 3, Position: 22 – 22.

[...] Especially as further training measures are often planned. [...]

Code: ● Strategy communication \ Management discussion with employees
Interview No. 3, Position: 26 – 26.

[...] for example, an external microphone, or an external camera, or lighting, or even sending them something by post, by parcel post. And there's a soft drink in there, if you like, and something to nibble on. [...]

Code: ● Strategy communication \ Management discussion with employees
Interview No. 3, Position: 40 – 40.

[...] All the online meetings mean even more screen time. And sometimes that's hard on the eyes, it's exhausting. [...]

Code: ● Strategy communication \ Management discussion with employees
Interview No. 3, Position: 40 – 40.

[...] Leading by example. That he sometimes appears on the factory floor or in the warehouse. It's best if he can also operate this forklift truck, so he can drive a pallet around the area himself. [...]

Code: ● Strategy communication \Management discussion with employees
Interview No. 3, Position: 50 – 50.

[...] and then showing yourself to people. It's also standing your ground again, standing there and saying: Hey, here, this is me and these are the ideas that I bring with me, this is how we will proceed. And that's what you can expect from me and that's what I expect from you. In other words, that you talk straight, that you create clarity. [...]

Code: ● Strategy communication \Management discussion with employees
Interview No. 3, Position: 56 – 56.

[...] But when I've achieved it, when I'm at the top, oh, that's satisfying. And that should be celebrated. [...]

Code: ● Strategy communication \Management discussion with employees
Interview No. 3, Position: 61 – 61.

[...] One-to-one coaching can also help [...]

Code: ● Strategy communication \Management discussion with employees
Interview No. 3, Position: 73 – 73.

[...] They simply played through such unforeseen events in their minds, in case they happen, these events, that they are already prepared. And one scenario was, what would happen if the oil price fell to one dollar per barrel? And they thought about that a bit. Yes, so that they don't just stand there like donkeys on a hill when the time comes and nobody has thought about it beforehand. That's where strategic workshops like this are valuable, [...]

Code: ● Disruption and pandemic
Interview No. 3, Position: 28 – 28.

[...] So rumor mills are always the worst thing there is. [...]

Code: ● Strategy communication \Informal communication

Interview No. 3, Position: 14 – 14.

[...] I can tell you that after that evening at the Oktoberfest, or afternoon and evening, things went so much more smoothly and easily in the project than before, it was fantastic. So thanks to this event, which we experienced together, we were able to look back on it, [...]

Code: ● Strategy communication \ Informal communication

Interview No. 3, Position: 16 – 16.

[...] Burnout is often caused by false expectations or the rumor mill, yes, then fear: Oh, I'm going to lose my job! You don't know where you stand. [...]

Code: ● Strategy communication \ Informal communication

Interview No. 3, Position: 26 – 26.

[...] then there is a huge shitstorm [...]

Code: ● Strategy communication \ Informal communication

Interview No. 3, Position: 36 – 36.

[...] In a pandemic situation like this, office chats at the coffee machine are practically non-existent, which is a real shame because these are important conversations that are held to clarify things and share experiences. And now online [...]

Code: ● Strategy communication \ Informal communication

Interview No. 3, Position: 42 – 42.

[...] Break-out rooms. In other words, you go into smaller groups electronically to talk to each other. [...]

Code: ● Strategy communication \ Informal communication

Interview No. 3, Position: 42 – 42.

[...] Break-out room. This can replace a little bit of corridor talk or at least encourage people to talk in a small group. [...]

Code: ● Strategy communication \ Informal communication

Interview No. 3, Position: 42 – 42.

[...] It has to be an attractive destination. Yes, so you have to trigger the desire in the audience to want to go there. There's a quote, I'm no longer sure who it's from: Don't

teach people how to build a boat, teach them to long for the sea, for the ocean. Then they'll build a boat on their own. Yes, so in such strategic communication, this must be the goal [...]

Code: ● Strategy communication \ Strategic understanding
Interview No. 3, Position: 46 – 46.

[...] Burn-out, because nobody benefits from it, neither the person who burns out nor the manager, because they then have to look for someone new to hopefully do the work. [...]

Code: ● Strategic Alignment \ Indicator for alignment
Interview No. 3, Position: 22 – 22.

[...] Bringing in external parties, because they also have a higher pressure and in many cases the project does not simply peter out. [...]

Code: ● Strategic Alignment \ Tools and methods for alignment
Interview No. 3, Position: 10 – 10.

[...] change management, we have found that it is very important not to simply proclaim an idea and say: Hey, everyone run to the right! But the payment and the metric at the end of the year in the annual review is rewarded in such a way that everyone runs to the left. Yes, so all the incentives, all the incentives, especially for what is ... What are you measured on and paid for? [...]

Code: ● Strategic Alignment \ Tools and methods for alignment
Interview No. 3, Position: 18 – 18.

[...] Power map, i.e. a list of the people in the company and how powerful they are. This is often not the same as the organization chart. So there are people you can't tell by looking at them, but they have a lot of influence. These are the people who ... it's worth getting on your side or getting them to support you and not torpedo the project [...]

Code: ● Strategic Alignment \ Tools and methods for alignment
Interview No. 3, Position: 73 – 73.

[...] What should this person do as part of this new strategy, or the existing strategy for that matter? What contribution should this person make and how can they go about doing it? Then there will always be difficulties and then you'll be glad to have a sympathetic ear from a coach. [...]

Code: ● Strategic Alignment \Tools and methods for alignment
Interview No. 3, Position: 75 – 75.

[...] Thanks also to the fact that the entire remuneration system, the entire incentive system, has been adapted to this [...]

Code: ● Strategic Alignment \Tools and methods for alignment
Interview No. 3, Position: 83 – 83.

[...] have enough resources available to do this. It takes time to populate these information channels [...]

Code: ● Strategic Alignment \Tools and methods for alignment
Interview No. 3, Position: 85 – 85.

[...] communication planner. [...]

Code: ● Strategy communication \Communication Group
Interview No. 3, Position: 4 – 4.

[...] Of course, you have to have a certain amount of flexibility to make sure that the resources are available and then, depending on the situation, make improvements or change direction if necessary and then perhaps achieve the original goal after all [...]

Code: ● Strategy communication \Communication Group
Interview No. 3, Position: 4 – 4.

[...] You can create a table in Excel and think about which measures you will use for which target groups. This can take the form of a big invitation, saying, okay, we'll get the most important contacts together in a nice location, in a nice place, or you can make a podcast or send out an (internal?) (00:02:27) newsletter once a week or send emails or make phone calls. So there are all kinds of possible measures. [...]

Code: ● Strategy communication \Communication Group
Interview No. 3, Position: 6 – 6.

[...] Sometimes it just takes another appearance from the top boss, who says: "Hey, great, how we're doing and we've also ... we've done this and that so far, [...]"

Code: ● Strategy communication \ Communication Group
Interview No. 3, Position: 14 – 14.

[...] and pick it up from the boss: That's where it should go. What is his impression?
Do an interview: Ah, how does it look ... And then, what I can also recommend from experience, is that you ... define intermediate successes, [...]"

Code: ● Strategy communication \ Communication Group
Interview No. 3, Position: 14 – 14.

[...] In my experience, we've always had success with employees when we've given them a clean bill of health. So when I say: it can also go completely down the drain, or here for certain people, especially in accounting. When we introduced new accounting software, the aim was to manage accounting with fewer people. That was also part of how this project was financed. We then said: Hey, the plan is probably that instead of ten people doing the bookkeeping now, there will only be four afterwards. [...]"

Code: ● Strategy communication \ Communication Group
Interview No. 3, Position: 32 – 32.

[...] I spoke about the rumor mill in order to address these rumors and also to give my view of things as quickly as possible so that people know where they stand. It's important to have built up a reputation over the years and to be a reliable partner. You can rely on what they say. You don't want to run the risk of being told later that it's fake news, i.e. some nonsense, and tomorrow everything will be completely different again. [...]"

Code: ● Strategy communication \ Communication Group
Interview No. 3, Position: 32 – 32.

[...] What you can do, as far as I'm concerned, is to make sure that this online communication is good. There are good TV shows and there are bad TV shows, there are

terrible TV shows. Some of these online speeches are not particularly well done, so you have to make sure that you have a good presenter and a plan for how it should run. [...]

Code: ● Strategy communication\Communication Group
Interview No. 3, Position: 38 – 38.

[...] Co-moderator, [...]

Code: ● Strategy communication\Communication Group
Interview No. 3, Position: 38 – 38.

[...] Therefore, a co-moderator who can then draw his attention to the fact that he can also deal with concerns or questions in the question-and-answer session from time to time. It may well be that he can't answer certain things yet, but that doesn't matter. However, he can then answer them afterwards. In other words: Yes, we'll look into it and will communicate and answer it by email or on the internal website or however we can [...]

Code: ● Strategy communication\Communication Group
Interview No. 3, Position: 38 – 38.

[...] Organize split meetings. This means that for this part of the meeting, we need the expert for departments A and B. After half past nine, we no longer need experts A and B, but then we add C or D so that A and B don't have to go through the whole meeting [...]

Code: ● Strategy communication\Communication Group
Interview No. 3, Position: 40 – 40.

[...] Giving presentations that are well received, short, concise, crisp and understandable. And that's the way it is. You have to invest time from the outset so that it comes across as clearly as possible. It's the same for me. I have to have the resources to plan it, have editors to write it, to speak it. If a CEO is to make a video message, then this speech, this text, has to be planned somewhere so that it comes across really well. [...]

Code: ● Strategy communication\Communication Group

Interview No. 3, Position: 42 – 42.

[...] It goes on to the investors to the partners, these various stakeholders, the people who are affected by the city. [...]

Code: ● Strategy communication \ Communication Owner / Shareholder

Interview No. 3, Position: 8 – 8.

[...] change management and communication are closely linked [...]

Code: ● Strategy process \ Change Management

Interview No. 3, Position: 13 – 13.

[...] There has to be someone from the C-level who is committed to this project, this strategic direction, and doesn't just justify it once at the beginning, so that he or she shows up at the project every few weeks, at least every two weeks, and commits to ... to it, [...]

Code: ● Strategy process \ Strategic management

Interview No. 3, Position: 12 – 12.

[...] the sponsor must make a decision as quickly and quickly as possible, [...]

Code: ● Strategy process \ Strategic management

Interview No. 3, Position: 12 – 12.

[...] Your own people are already busy with day-to-day business, so you have to think about whether you have enough resources within the company to develop a strategy to achieve the goals you have set yourself, or whether you need external help. [...]

Code: ● Incorrect alignment / misalignment

Interview No. 3, Position: 10 – 10.

4. Coded Segments Interview No. 4

[...] After six months at the latest, the goals should be questioned and adjusted?

Interviewee: (.....) (00:36:41) have reached [...]

Code: ● Strategy as input for the alignment process
Interview No. 4, Position: 57 – 58.

[...] So, I went to the Harz Mountains for three days to sort things out with myself, yes. That's the strategy. [...]

Code: ● Strategy as input for the alignment process
Interview No. 4, Position: 116 – 116.

[...] Without a strategy, every decision is wrong [...]

Code: ● Strategy as input for the alignment process
Interview No. 4, Position: 200 – 200.

[...] Communication is of course a very important point in this strategy development, but also afterwards in the implementation, that we had a very important topic, communication, that we informed weekly. In other words, at some point I started doing this - I don't know what it was called, Friday news or something ... On Fridays at a certain time, always at 3 p.m., information went out to all employees via an internal medium [...]

Code: ● Strategy communication
Interview No. 4, Position: 20 – 20.

[...] Always on Fridays, always at the same time, always, I don't know, for five years, always. There was never a Friday where I didn't give any information, and always to the second or minute at least. [...]

Code: ● Strategy communication
Interview No. 4, Position: 20 – 20.

[...] Communication alone is not enough, yes, if you only look at the spoken or written word, but it also has to be striking and it has to be there. [...]

Code: ● Strategy communication

Interview No. 4, Position: 40 – 40.

[...] So of course I drew an enemy on the wall for the team (laughs), because (hesitates), because you just need it for a story. You need a bad guy for a story, yes. And you need it, you just have to have it. [...]

Code: ● Strategy communication

Interview No. 4, Position: 90 – 90.

[...] I then set up a communication cascade [...]

Code: ● Strategy communication

Interview No. 4, Position: 108 – 108.

[...] And the strategy was missing [...]

Code: ● Incorrect strategy

Interview No. 4, Position: 10 – 10.

[...] the mistake was probably (hesitates) made five years earlier, or even earlier - I just have to develop it again. So certainly five years earlier there was a ... There was already a closure decision. It was already there, it had already been passed. But then we had ... We probably investigated it a bit: What's actually happening? If we close the store, then a few tens of millions are due. And then they said: that's not possible. And then local big names got involved again and said: Intervene, etc. And then it was decided a long, long time ago to close the store at some point if it didn't get back on its feet. [...]

Code: ● Incorrect strategy

Interview No. 4, Position: 34 – 34.

[...] Concealing goals, for example a hidden agenda, is not really good because it will come out at some point [...]

Code: ● Incorrect strategy

Interview No. 4, Position: 116 – 116.

[...] developed a competence center where the entire technology and order processing, purchasing, etc. were together [...]

Code: ● Organizational strategy

Interview No. 4, Position: 16 – 16.

[...] The administrative part, the actual real administrative part of the company, yes, we have simply merged it, [...]

Code: • Organizational strategy

Interview No. 4, Position: 16 – 16.

[...] There were ten managing directors within ten years. [...]

Code: • Organizational strategy

Interview No. 4, Position: 24 – 24.

[...] If I now talk in three levels, I say the management, which is responsible, the management, then there is a team, i.e. a management team, and then there is the workforce, three levels. [...]

Code: • Organizational strategy

Interview No. 4, Position: 100 – 100.

[...] a learning process, that you can learn from your mistakes and then become better as an organization through the mistakes and the knowledge gained from them. [...]

Code: • Organizational strategy

Interview No. 4, Position: 161 – 161.

[...] What strategy is there anyway? So what can we even do with the company? I was familiar with the company technically, so I knew what they did and what the product was. Technologically, it was nothing for me [...]

Code: • Strategy process\Strategic analysis / diagnosis

Interview No. 4, Position: 10 – 10.

[...] In other words, if there is no data, you cannot develop a strategy (pause). There has to be a healthy database first. So, that took a relatively long time [...]

Code: • Strategy process\Strategic analysis / diagnosis

Interview No. 4, Position: 10 – 10.

[...] I first have to create the database [...]

Code: • Strategy process\Strategic analysis / diagnosis

Interview No. 4, Position: 10 – 10.

[...] There were ten managing directors within ten years. [...]

Code: ● Strategy process \ Strategic analysis / diagnosis

Interview No. 4, Position: 24 – 24.

[...] old halls and founded in 1800 at some point [...]

Code: ● Strategy process \ Strategic analysis / diagnosis

Interview No. 4, Position: 34 – 34.

[...] an organization, on a team, on a strategy, on the implementation of a strategy, of course, mistakes happen, mistakes in the sense of: It was a one-way street, I drove into a one-way street and drove out again, it cost money, time or money. [...]

Code: ● Implementation quality of the strategy

Interview No. 4, Position: 158 – 158.

[...] it is helpful in a corporate culture, in an organizational culture, if mistakes are allowed [...]

Code: ● Implementation quality of the strategy

Interview No. 4, Position: 158 – 158.

[...] the team is just committed to it, committed, trying to inspire for the realization of these goals that we have set ourselves [...]

Code: ● Strategy communication \ Management discussion with employees

Interview No. 4, Position: 12 – 12.

[...] High flyers, high performers, that's what you need in day-to-day business [...]

Code: ● Strategy communication \ Management discussion with employees

Interview No. 4, Position: 12 – 12.

[...] normal works meeting [...]

Code: ● Strategy communication \ Management discussion with employees

Interview No. 4, Position: 24 – 24.

[...] Somehow, yes, keep employees happy, keep them in line [...]

Code: ● Strategy communication \ Management discussion with employees

Interview No. 4, Position: 31 – 31.

[...] All with names, of course. In production, I went through the production twice a week, just to show faces, yes, people want that, they want to see someone. [...]

Code: ● Strategy communication\Management discussion with employees
Interview No. 4, Position: 102 – 102.

[...] So no e-mail communication. And if it's urgent, if it's really urgent, then come in, but only if it's really urgent, [...]

Code: ● Strategy communication\Management discussion with employees
Interview No. 4, Position: 108 – 108.

[...] an e-mail and I will try to answer it within 24 hours [...]

Code: ● Strategy communication\Management discussion with employees
Interview No. 4, Position: 108 – 108.

[...] What interests me on this particular day, what do I want to see? What job, for example? Or where is it important from your point of view [...]

Code: ● Strategy communication\Management discussion with employees
Interview No. 4, Position: 112 – 112.

[...] We are in the process of reducing the number of employees by 50%, but we don't know exactly who yet." You shouldn't go out with this statement, yes, it's not a good idea. [...]

Code: ● Strategy communication\Management discussion with employees
Interview No. 4, Position: 116 – 116.

[...] I always try not to have a hidden agenda, at least not permanently. You can have it for a short time, that's fine, but sometimes you have to say at some point [...]

Code: ● Strategy communication\Management discussion with employees
Interview No. 4, Position: 138 – 138.

[...] You can come to me with any issue, I can't always fulfill everything, but I at least try, yes. And if we have a problem, some kind of search for a solution, and I already have a solution, I'm happy to help. [...]

Code: ● Strategy communication\Management discussion with employees
Interview No. 4, Position: 138 – 138.

[...] We then developed a strategy, with the workforce of course, not with everyone [...]

Code: ● Strategy process

Interview No. 4, Position: 10 – 10.

[...] and the parent company has agreed to implement this measure [...]

Code: ● Strategy process

Interview No. 4, Position: 10 – 10.

[...] To define a strategy, you need seclusion, (pause) a trusting approach to these goals. And if I am alone and this is my own strategy, I need to have confidence in myself. I say that for a reason, because it's easy to fool yourself, but you also have to write down the things that you might want to say to yourself (laughs). [...]

Code: ● Strategy process

Interview No. 4, Position: 114 – 114.

[...] It works well in the forest when nobody is listening, [...]

Code: ● Strategy process

Interview No. 4, Position: 116 – 116.

[...] So exactly, I said "yes" to "process". Basically, a strategy for me is a (hesitant) life ... "task" [...]

Code: ● Strategy process

Interview No. 4, Position: 200 – 200.

[...] Then something happens in the body. I'm not a doctor, but I've noticed it (laughs), something happens, yes. You look forward to it. So, and that's something where you can manage this spiral quite well - it's an upward spiral, not a downward spiral - that you always move towards bigger goals, steps, so to speak, more important or yes, that have a greater impact on you, on the team, then you manage to maintain motivation quite well. [...]

Code: ● Strategic Alignment \Indicator for alignment

Interview No. 4, Position: 124 – 124.

[...] Error culture. (.....) (01:26:48) So it is something that I (hesitates) believe that there is, to put it mildly, an inadequate error culture in Germany. [...]

Code: ● Strategic Alignment \Indicator for alignment
Interview No. 4, Position: 154 – 154.

[...] When she arrived, we then developed a strategy, together with the workforce of course, [...]

Code: ● Strategic Alignment \Tools and methods for alignment
Interview No. 4, Position: 10 – 10.

[...] by Warren Bennis: "Ingenious teams". [...]

Code: ● Strategic Alignment \Tools and methods for alignment
Interview No. 4, Position: 10 – 10.

[...] put together a team now. To put together a team to implement these measures. Because I can't do it alone, it's pointless, it's not possible, you have to do it as part of a team [...]

Code: ● Strategic Alignment \Tools and methods for alignment
Interview No. 4, Position: 12 – 12.

[...] We found a room where we were really isolated, we completely rebuilt everything with things that were available in order to make the switch to a different environment, so that we were really in a mentally different environment. I think we went through that for half a year and after half a year we ... (pause) Yes, after half a year we had completed all the points except for one. [...]

Code: ● Strategic Alignment \Tools and methods for alignment
Interview No. 4, Position: 12 – 12.

[...] When you talk about visualizing goals, I have also had another experience, especially when it comes to personality and personal goals, where you start by saying: What are my goals anyway? Yes, at the beginning of the year, we've probably all done this somehow: What do we want to do this year? And what resolutions are we going to make? (00:30:00) Usually you do that quarterly maybe (laughs), setting goals, personal goals. And now I have the goals. I now have five goals of my own

that I want to achieve. What do I do then? And my experience is: I have my five goals, they're down there, so here they are. [...]

Code: ● Strategic Alignment \Tools and methods for alignment
Interview No. 4, Position: 40 – 40.

[...] five golf balls. Nothing to do with golf, that's what it says. [...]

Code: ● Strategic Alignment \Tools and methods for alignment
Interview No. 4, Position: 42 – 42.

[...] I imagine myself scoring a goal and then cheering in front of the South Curve or something like that, yes, as a footballer. That's also a visualization of goals in my mind's eye. [...]

Code: ● Strategic Alignment \Tools and methods for alignment
Interview No. 4, Position: 46 – 46.

[...] I don't have to look at the pinboard on the right or left, they're always there and I know exactly where they are and how they're positioned. So they're just there, because they always stick in my mind. The images stay in my head, I can always pull them out. And it constantly reminds me of the goals I'm working towards, yes. And that's something that definitely helps, [...]

Code: ● Strategic Alignment \Tools and methods for alignment
Interview No. 4, Position: 46 – 46.

[...] In other words, you worked with these balls in this refurbishment company?

Interviewee: Yes. [...]

Code: ● Strategic Alignment \Tools and methods for alignment
Interview No. 4, Position: 65 – 66.

[...] Efficiency or effectiveness, i.e. working on the right things, is promoted by visualizing goals [...]

Code: ● Strategic Alignment \Tools and methods for alignment
Interview No. 4, Position: 100 – 100.

[...] So if I want visualization, I first have to think about what goals I'm chasing after [...]

Code: ● Strategic Alignment \ Tools and methods for alignment
Interview No. 4, Position: 100 – 100.

[...] You reach your goals faster than you think you can achieve them yourself [...]

Code: ● Strategic Alignment \ Tools and methods for alignment
Interview No. 4, Position: 100 – 100.

[...] Supervisory board or something else, a parent company on top, an owner. And apart from that, they are relatively free in their target orientation [...]

Code: ● Strategic Alignment \ Tools and methods for alignment
Interview No. 4, Position: 100 – 100.

[...] I have a (break) document here for each day, so to speak, sometimes even two.
[...]

Code: ● Strategic Alignment \ Tools and methods for alignment
Interview No. 4, Position: 150 – 150.

[...] To-do lists, and these are different categories etc. and different areas [...]

Code: ● Strategic Alignment \ Tools and methods for alignment
Interview No. 4, Position: 152 – 152.

[...] But of course, more turnover alone is not enough to drive a company forward,
[...]

Code: ● Market and competition
Interview No. 4, Position: 16 – 16.

[...] Orders are not placed every second, but are long-term contracts [...]

Code: ● Market and competition
Interview No. 4, Position: 16 – 16.

[...] I can think of a case about eight years ago where I joined a company as its sole managing director, which had been in a precarious situation for a very long time, to try and get it back into the black. And that was the case: because the company and the workforce were already very badly shaken, (pause) it was a particular challenge because they had already seen a lot of managing directors come and go. [...]

Code: ● Corporate restructuring strategy

Interview No. 4, Position: 6 – 6.

[...] The parent company was successful and had bought this company ten years earlier, I think that's right, or 15 years earlier. Yes, it was in dire straits [...]

Code: • Corporate restructuring strategy

Interview No. 4, Position: 10 – 10.

[...] The implementation of the strategy. In the end, it was not successful, but there are other reasons. But the strategy that we developed together [...]

Code: • Corporate restructuring strategy

Interview No. 4, Position: 18 – 18.

[...] You couldn't close the thing, you should have closed it much earlier, but you couldn't because you would have had to pay it all back, [...]

Code: • Corporate restructuring strategy

Interview No. 4, Position: 30 – 30.

[...] If I could have turned the place around, we would certainly have refrained from doing so [...]

Code: • Corporate restructuring strategy

Interview No. 4, Position: 34 – 34.

[...] in my view, the company has made a mistake and lost touch with the customer [...]

Code: • Corporate restructuring strategy

Interview No. 4, Position: 34 – 34.

[...] developed around 150 individual measures, 150 individual measures: How can we manage that? [...]

Code: • Strategy process\Strategy implementation

Interview No. 4, Position: 10 – 10.

[...] We found a room where we were really isolated, we completely rebuilt everything with things that were available in order to make the switch to a different environment, so that we were really in a mentally different environment. I think we went

through that for half a year and after half a year we ... (pause) Yes, after half a year we had completed all the points except for one. [...]

Code: • Strategy process\Strategy implementation
Interview No. 4, Position: 12 – 12.

[...] There had already been some renovations before, [...]

Code: • Strategy process\Strategy implementation
Interview No. 4, Position: 36 – 36.

[...] So they have to be able to work in a team and you have to inspire them. They have to be enthusiastic about fighting an enemy, an imaginary enemy or even a real enemy. You always need an enemy, always. I always have to work against something, otherwise it won't work. [...]

Code: • Strategy process\Strategy implementation
Interview No. 4, Position: 86 – 86.

[...] Then something happens in the body. I'm not a doctor, but I've noticed it (laughs), something happens, yes. You look forward to it. So, and that's something where you can manage this spiral quite well - it's an upward spiral, not a downward spiral - that you always move towards bigger goals, steps, so to speak, more important or yes, that have a greater impact on you, on the team, then you manage to maintain motivation quite well. [...]

Code: • Strategy process\Strategy implementation
Interview No. 4, Position: 124 – 124.

[...] You have to write down your strategy and perhaps simulate conversations with important people. [...]

Code: • Strategy process\Strategy implementation
Interview No. 4, Position: 139 – 139.

[...] I took a vacation apartment and rearranged the whole place and stuck these self-adhesive whiteboards all over the walls and then I had, I don't know how many, different topics. [...]

Code: • Strategy process\Strategy implementation

Interview No. 4, Position: 140 – 140.

[...] A strategy is a life concept, so to speak [...]

Code: ● Strategy process\Strategy implementation

Interview No. 4, Position: 200 – 200.

[...] organizational changes in addition to personnel adjustments [...]

Code: ● Personnel measures

Interview No. 4, Position: 16 – 16.

[...] These companies had several thousand employees. You can imagine if that was then reduced to 200 if you like, or 150 later on, [...]

Code: ● Personnel measures

Interview No. 4, Position: 36 – 36.

[...] Low performers and those who can just, oh, see the end back there, yes, they stay, which is right on the one hand, because they have no chance on the labor market. [...]

Code: ● Personnel measures

Interview No. 4, Position: 36 – 36.

[...] Bonuses are the last resort, the very last resort. When nothing else works, you have to pay bonuses [...]

Code: ● Personnel measures

Interview No. 4, Position: 128 – 128.

[...] so that you can inform both the parent company and the employees - i.e. in both directions. [...]

Code: ● Strategy communication\Communication Group

Interview No. 4, Position: 20 – 20.

[...] Until the very end, there was one hundred percent backing there. Or let's say 98 percent backing [...]

Code: ● Strategy communication\Communication Group

Interview No. 4, Position: 26 – 26.

[...] So first of all, it wasn't played openly, [...]

Code: ● Strategy communication\Communication Group
Interview No. 4, Position: 28 – 28.

[...] The strategy that was to be implemented was then, of course, discussed in the ...
Yes, first in the advisory board, where it was discussed again and then adopted, [...]

Code: ● Strategy communication\Communication Group
Interview No. 4, Position: 40 – 40.

[...] Until the very end, there was one hundred percent backing there. Or let's say 98
percent backing [...]

Code: ● Strategy communication\Communication Owner / Shareholder
Interview No. 4, Position: 26 – 26.

[...] I only found that out afterwards [...]

Code: ● Strategy communication\Communication Owner / Shareholder
Interview No. 4, Position: 28 – 28.

[...] the entrepreneur himself or the managing director usually does not manage to
have a personal connection to all 200, that is not possible. [...]

Code: ● Strategy communication\Communication Owner / Shareholder
Interview No. 4, Position: 100 – 100.

[...] Distrust. You first have to counteract this, which can only be done through con-
tinuous communication, always explaining exactly what you intend to do when you
implement a strategy [...]

Code: ● Strategy process\Change Management
Interview No. 4, Position: 24 – 24.

[...] End-time mood. [...]

Code: ● Strategy process\Change Management
Interview No. 4, Position: 37 – 37.

[...] I first said: Hey, great, full steam ahead and we'll get it done [...]

Code: ● Strategy process\Change Management
Interview No. 4, Position: 38 – 38.

[...] I think I got people behind me relatively quickly, [...]

Code: • Strategy process\Change Management
Interview No. 4, Position: 38 – 38.

[...] So money is the worst motivator, you need it to survive, but you can't win the war with it [...]

Code: • Strategy process\Change Management
Interview No. 4, Position: 86 – 86.

[...] So if you are on fire for one thing, you can also light the fire in others. [...]

Code: • Strategy process\Change Management
Interview No. 4, Position: 88 – 88.

[...] Show visibility, [...]

Code: • Strategy process\Change Management
Interview No. 4, Position: 105 – 105.

[...] The predecessors I had there, (pause) they had a completely different management style, yes, everything was always decided at the desk, everything was decided there [...]

Code: • Strategy process\Change Management
Interview No. 4, Position: 106 – 106.

[...] I never went to production alone. [...] Always with the production manager. [...]

Code: • Strategy process\Change Management
Interview No. 4, Position: 108 – 110.

[...] I've also (pause) had a conversation with my board members in the forest, but they weren't there. I simply had the conversation I wanted to have with them myself. I played myself and the other two. [...]

Code: • Strategy process\Change Management
Interview No. 4, Position: 116 – 116.

[...] Self-discipline, the self-organization that is required?

Interviewee: Exactly, yes, be consistent, yes, in your own life. I've always said that we need a driver's license for everything in Germany, for everything really. But I don't need a driver's license to drive people [...]

Code: • Strategy process\Change Management
Interview No. 4, Position: 131 – 132.

[...] Trust. If there is no trust in the person who has to or wants to implement something, or in the people who want to implement something, all the writing down doesn't help, all the visualizing doesn't help. I have to convince them first. [...]

Code: • Strategy process\Change Management
Interview No. 4, Position: 148 – 148.

[...] Communication theory, in change management: So who do I have to ... Well, you can't gain everyone's trust within a day (.....) (01:23:18). That means you have to locate the right people, and that can only be done through conversations. Talking, talking, talking, always just talking, talking, talking, talking with people. [...]

Code: • Strategy process\Change Management
Interview No. 4, Position: 150 – 150.

[...] Trust, authenticity is important, very important [...]

Code: • Strategy process\Change Management
Interview No. 4, Position: 152 – 152.

[...] Please don't make mistakes that ruin the company if it's somehow avoidable, and don't make extra mistakes, but make mistakes. Just to tell them: Hey, that's not a problem [...]

Code: • Strategy process\Change Management
Interview No. 4, Position: 158 – 158.

[...] Error culture, [...]

Code: • Strategy process\Change Management
Interview No. 4, Position: 158 – 158.

[...] address the topic of "change management" and organizational learning, because for me they were very closely linked [...]

Code: • Strategy process\Change Management
Interview No. 4, Position: 165 – 165.

[...] Stagnation is decline. So, if you say: "Stagnation is decline", that means nobody wants decline, which means that I always have to change something somehow in order to avoid decline. [...]

Code: ● Strategy process\Change Management
Interview No. 4, Position: 166 – 166.

[...] The entire professional life is a change process [...]

Code: ● Strategy process\Change Management
Interview No. 4, Position: 168 – 168.

[...] when you get a real headwind. If you don't get a headwind, you don't need change. So just consensus on everything and everyone applauds, that's not change. Of course, if you've managed to negotiate well etc., yes, but to stay in the picture: A change that doesn't create a headwind isn't a change. [...]

Code: ● Strategy process\Change Management
Interview No. 4, Position: 168 – 168.

[...] Some members of the works council ... We have a fairly large works council, if you have over 200, you have a permanent employee or a works council that is 100% exempt. The one we had was good, the chairman of the works council, he was trustworthy and you could discuss things with him that didn't immediately end up in the workforce. But then he had to be replaced later on for health reasons. And yes, it always depends on the person, sometimes it works, (laughs) sometimes it doesn't work [...]

Code: ● Strategy communication\Communication Staff representation / Works council
Interview No. 4, Position: 26 – 26.

[...] If you only talk about it, then you only do it once or twice a year at a works meeting, where you talk about where you want to go. [...]

Code: ● Strategy communication\Communication Staff representation / Works council
Interview No. 4, Position: 40 – 40.

[...] There was a grant from the EU, which was somehow eight years, ten years earlier in the large double-digit million range. And this funding said that a certain performance had to be demonstrated, so to speak, yes. The company was not allowed to be sold, it was not allowed to be closed down [...]

Code: • Strategic goals

Interview No. 4, Position: 30 – 30.

[...] He personally even said: Only one goal. [...]

Code: • Strategic goals

Interview No. 4, Position: 68 – 68.

[...] Malik says, I mean five - five plus minus two, so you can't have more than seven goals. So that's actually what you can deduce from it: Five, five is actually ideal. Five is also here. More is not possible [...]

Code: • Strategic goals

Interview No. 4, Position: 68 – 68.

[...] If I'm constantly questioning my goals, that's not something that's permanent ... So they have to have a holding period of at least half a year, more likely longer, but after half a year I can perhaps think about it too [...]

Code: • Strategic goals

Interview No. 4, Position: 116 – 116.

5. Coded Segments Interview No. 5

[...] local strategies yes, and for group strategies [...]

Code: • Strategy as input for the alignment process

Interview No. 5, Position: 177 – 177

[...] The grand strategy is already pretty much set. [...]

Code: • Strategy as input for the alignment process

Interview No. 5, Position: 222 – 222.

[...] The challenge of preparing this company for the challenges of digitalization, automation and all things like that [...]

Code: ● Strategy as input for the alignment process

Interview No. 5, Position: 222 – 222.

[...] If the strategy (pause) may have been insufficiently communicated (hesitates) [...]

Code: ● Strategy communication

Interview No. 5, Position: 12 – 12.

[...] No, but I am responsible for the Finance division here, and in this respect it is also my responsibility to support the Accounting division accordingly, simply as a supervisor. [...]

Code: ● Strategy communication

Interview No. 5, Position: 66 – 66.

[...] I had a controlling influence here in that I tried to motivate my own employees accordingly, to influence them as far as possible in a project like this, to create transparency and dialog, etc., and otherwise tried to get it over the line as objectively as possible. [...]

Code: ● Strategy communication

Interview No. 5, Position: 70 – 70.

[...] This was propagated by one board member, but there was no discussion at board level. [...]

Code: ● Strategy communication

Interview No. 5, Position: 94 – 94.

[...] The Group is very different, even if things are set there at some point, the way of dealing with people is much more communicative. [...]

Code: ● Strategy communication

Interview No. 5, Position: 186 – 186.

[...] Yes, in my experience it becomes difficult when the strategy has been developed at a higher level and then not coordinated with the individual units or not implemented together with them, [...]

Code: • Incorrect strategy

Interview No. 5, Position: 12 – 12.

[...] also makes sense for the group as a whole, but then makes no sense for individual units, then in my view there is clear resistance [...]

Code: • Incorrect strategy

Interview No. 5, Position: 12 – 12.

[...] The bad thing was that the order of the companies to be included was determined centrally from the top down and was itself wrong. [...]

Code: • Incorrect strategy

Interview No. 5, Position: 32 – 32.

[...] I pointed out very clearly what might be involved, very clearly, and once the decision was irrevocably made, I tried to implement it in the best possible way. [...]

Code: • Incorrect strategy

Interview No. 5, Position: 62 – 62.

[...] It's just in the nature of things that you might not think about so many things in a corporate group [...]

Code: • Incorrect strategy

Interview No. 5, Position: 180 – 180.

[...] We now pay more money and have become slower and of poorer quality, so to briefly describe the (laughs) interim result. [...]

Code: • Incorrect strategy

Interview No. 5, Position: 196 – 196.

[...] And the great strength of the accounting division was absolute reliability. [...]

Code: • Incorrect strategy

Interview No. 5, Position: 196 – 196.

[...] Group is considering completely standardizing its financial processes, which is a very understandable goal. [...]

Code: • Organizational strategy
Interview No. 5, Position: 14 – 14.

[...] Shared Service Center or a Center of Excellence [...]

Code: • Organizational strategy
Interview No. 5, Position: 14 – 14.

[...] bundled processing in one center, but also by being able to apply multiple competencies to one process, which further streamlines the processes themselves, [...]

Code: • Organizational strategy
Interview No. 5, Position: 28 – 28.

[...] So the aim was to cut jobs here and build them up in Poland in this case. [...]

Code: • Organizational strategy
Interview No. 5, Position: 80 – 80.

[...] to somehow fill the strategy for such a service center in Poland with meaning, [...]

Code: • Organizational strategy
Interview No. 5, Position: 87 – 87.

[...] have reliable processes and no uncertainties when they go to work in the morning. So their well-being increases when they go to work in the morning and know exactly what tasks they have to do, and when they have completed them, they can go home again. [...]

Code: • Organizational strategy
Interview No. 5, Position: 154 – 154.

[...] something like a complaint management system or a kind of sensor unit for other problems in the customer relationship [...]

Code: • Organizational strategy
Interview No. 5, Position: 205 – 205.

[...] But the main work of innovation does not lie with us. We are responsible for sales here. [...]

Code: ● Organizational strategy
Interview No. 5, Position: 260 – 260.

[...] No, they didn't want to, for reasons of corporate policy it was not desirable to take countermeasures there [...]

Code: ● Strategic Alignment
Interview No. 5, Position: 38 – 38.

[...] I now imagine that an IT organizational strategy has been put on like a baking tin [...]

Code: ● Strategic Alignment
Interview No. 5, Position: 39 – 39.

[...] baking mold principle all had to be implemented from top to bottom. [...]

Code: ● Strategic Alignment
Interview No. 5, Position: 41 – 41.

[...] sensible strategy [...]

Code: ● Strategic Alignment
Interview No. 5, Position: 92 – 92.

[...] also more likely to contribute to the success of the Group as a whole [...]

Code: ● Strategic Alignment
Interview No. 5, Position: 96 – 96.

[...] I say, yes exactly, they have to manage the change part on site. [...]

Code: ● Strategic Alignment
Interview No. 5, Position: 148 – 148.

[...] In strategic alignment, I think it is particularly advantageous because the implementation of a strategy (pause) always has a change management component, [...]

Code: ● Strategic Alignment
Interview No. 5, Position: 214 – 214.

[...] No strategy development and communication now [...]

Code: ● Strategic Alignment

Interview No. 5, Position: 214 – 214.

[...] what I mean by that, not that we are talking about different things. As I understand it, strategic alignment is about having a strategy that is known, communicated and comprehensible in writing - "documented" is the word - and the extent to which the actions of a unit, a team or individuals are actually aligned with this strategy and do not run counter to it or, on the other hand, support it. And the more aligned you are, so to speak, the more you move in line with the ideas of these strategies. And if you're not aligned, then you're a long way off. [...]

Code: ● Strategic Alignment \Definition Strategic Alignment

Interview No. 5, Position: 4 – 4.

[...] Let's call it "diligence" or whatever - checking the respective units to see where they are right now and how to get this individual unit there, and not simply making hard decisions for reasons of speed, [...]

Code: ● Strategy process \Strategic analysis / diagnosis

Interview No. 5, Position: 18 – 18.

[...] actually an examination of the initial situation. [...]

Code: ● Strategy process \Strategic analysis / diagnosis

Interview No. 5, Position: 126 – 126.

[...] As-is analysis [...]

Code: ● Strategy process \Strategic analysis / diagnosis

Interview No. 5, Position: 127 – 127.

[...] work out the critical, how shall we say, critical points for the strategy, [...]

Code: ● Strategy process \Strategic analysis / diagnosis

Interview No. 5, Position: 130 – 130.

[...] And the overall readiness for the change process is not so pronounced in the accounting sector, which is why people go into accounting (laughs) [...]

Code: ● Strategy process \Strategic analysis / diagnosis

Interview No. 5, Position: 154 – 154.

[...] A week, if it comes up. [...]

Code: ● Strategy process \ Strategic analysis / diagnosis
Interview No. 5, Position: 170 – 170.

[...] Overall, from a Group perspective, you might have lost a month, I would think [...]

Code: ● Strategy process \ Strategic analysis / diagnosis
Interview No. 5, Position: 172 – 172.

[...] Different ERP systems. So, the one: SAP [...]

Code: ● IT Strategic Alignment
Interview No. 5, Position: 20 – 20.

[...] It is generally known that SAP can usually only be implemented with customizing, even with external consulting. Is this something that should perhaps have been recognized from the outside? [...]

Code: ● IT Strategic Alignment
Interview No. 5, Position: 49 – 49.

[...] So it was documented, communicated, clearly presented, yes. [...]

Code: ● Implementation quality of the strategy
Interview No. 5, Position: 30 – 30.

[...] The big advantage is that the goal was clearly presented and the path was comprehensible, [...]

Code: ● Implementation quality of the strategy
Interview No. 5, Position: 32 – 32.

[...] should employees be able to recognize this? [...]

Interviewee: (hesitates) Yes, all of them. All of them

Code: ● Implementation quality of the strategy
Interview No. 5, Position: 33 – 34.

[...] a lot for the strategic process. The best strategy is useless if it is simply poorly or badly implemented. [...]

Code: ● Implementation quality of the strategy

Interview No. 5, Position: 92 – 92.

[...] This results in a certain feeling of powerlessness because you have no direct influence on it. [...]

Code: ● Implementation quality of the strategy

Interview No. 5, Position: 98 – 98.

[...] But you get your own powerlessness - powerlessness is without power, so to speak, and your own powerlessness is simply very clear there. And before, it was always possible to shape your own work through dialog, now at employee level [...]

Code: ● Implementation quality of the strategy

Interview No. 5, Position: 108 – 108.

[...] without really losing speed and, on the other hand, minimizing collateral damage. From my point of view, that would have been worthwhile. [...]

Code: ● Implementation quality of the strategy

Interview No. 5, Position: 166 – 166.

[...] The customer simply feels unreflected inquiries from the center or unreflected reminders or whatever, which did not take place before. [...]

Code: ● Implementation quality of the strategy

Interview No. 5, Position: 204 – 204.

[...] how employees react (laughs) when they have to teach other people to do their own job, only to then no longer have the job [...]

Code: ● Strategy communication \ Management discussion with employees

Interview No. 5, Position: 74 – 74.

[...] although one is not convinced by the way it is implemented [...]

Code: ● Strategy communication \ Management discussion with employees

Interview No. 5, Position: 98 – 98.

[...] That is very difficult and is already a major motivator in our daily professional activities. [...]

Code: ● Strategy communication \ Management discussion with employees

Interview No. 5, Position: 98 – 98.

[...] But you get your own powerlessness - powerlessness is without power, so to speak, and your own powerlessness is simply very clear there. And before, it was always possible to shape your own work through dialog, now at employee level [...]

Code: ● Strategy communication \ Management discussion with employees
Interview No. 5, Position: 108 – 108.

[...] also to get a commitment that we will do this well, that we will go through it with a straight back, so to speak, and come out of the whole transfer with our heads held high, [...]

Code: ● Strategy communication \ Management discussion with employees
Interview No. 5, Position: 110 – 110.

[...] Team meetings, i.e. virtual meetings [...]

Code: ● Strategy communication \ Management discussion with employees
Interview No. 5, Position: 114 – 114.

[...] is today, weekly exchanges implemented, [...]

Code: ● Strategy communication \ Management discussion with employees
Interview No. 5, Position: 114 – 114.

[...] create a positive motivational situation, which in my view could not be created anyway [...]

Code: ● Strategy communication \ Management discussion with employees
Interview No. 5, Position: 148 – 148.

[...] what the supervisor wants, regardless of whether it makes sense or not. In my opinion, there are quite a lot of pointless orders or things that are implemented. [...]

Code: ● Strategy communication \ Management discussion with employees
Interview No. 5, Position: 186 – 186.

[...] consisted solely of excluding any contradiction and shaping the mentality of the soldiers so that they would simply refrain from contradiction. [...]

Code: ● Strategy communication \ Management discussion with employees
Interview No. 5, Position: 186 – 186.

[...] I find it much more effective to focus on your own strengths and simply try to be the best possible contact for the customer [...]

Code: ● Strategy communication \ Management discussion with employees
Interview No. 5, Position: 192 – 192.

[...] You don't need an enemy [...]

Code: ● Strategy communication \ Management discussion with employees
Interview No. 5, Position: 192 – 192.

[...] Similar to building a house [...]

Code: ● Strategy communication \ Management discussion with employees
Interview No. 5, Position: 192 – 192.

[...] You can't just start building a house without having laid the foundations. [...]

Code: ● Strategy process
Interview No. 5, Position: 134 – 134.

[...] They are written down in so far as it is set out in writing what they are for, i.e. that a mission statement is developed for everyone, which sounds bigger than it is, but it was defined in small workshops or in workshops what the individual areas stand for, what their main mission is, and based on this it was also set out how we want to implement the whole thing. [...]

Code: ● Strategy process
Interview No. 5, Position: 234 – 234.

[...] Owner-driven overall objectives [...]

Code: ● Strategy process
Interview No. 5, Position: 249 – 249.

[...] So the overall objective is to find the best solutions for our customers. [...]

Code: ● Strategy process
Interview No. 5, Position: 250 – 250.

[...] no events were possible to generate additional team spirit, but this was limited to team meetings, i.e. virtual meetings [...]

Code: ● Disruption and pandemic

Interview No. 5, Position: 114 – 114.

[...] The pandemic has made things even more difficult. [...]

Code: ● Disruption and pandemic

Interview No. 5, Position: 115 – 115.

[...] you can study the gestures and facial expressions of each individual and catch every movement, so to speak. That just falls to the back. [...]

Code: ● Disruption and pandemic

Interview No. 5, Position: 116 – 116.

[...] There is a lack of these usual contacts, these informal contacts, in the corridor, in the kitchenette, in the canteen. [...]

Code: ● Strategy communication \ Informal communication

Interview No. 5, Position: 117 – 117.

[...] Yes, that's then shifted to WhatsApp and the like. So it works, but of course it's not as balanced, let's say. Communication via WhatsApp short messages [...]

Code: ● Strategy communication \ Informal communication

Interview No. 5, Position: 118 – 118.

[...] in a relatively calm conversation, because things may be misinterpreted, and then one or two emotions may be stirred up [...]

Code: ● Strategy communication \ Strategic understanding

Interview No. 5, Position: 118 – 118.

[...] Yes, you can either rely on your own strength (pause) and simply, how shall we put it, take a positive approach to the market and simply want to gain market share or win customers in the first place, or you can also look for an enemy on the outside and create a certain wagon-castle mentality against it in order to draw motivation from it. [...]

Code: ● Strategy communication \ Strategic understanding

Interview No. 5, Position: 192 – 192.

[...] to look at indicators, [...]

Code: ● Strategic Alignment \ Indicator for alignment

Interview No. 5, Position: 214 – 214.

[...] Ultimately, we use what is available. So we keep records, set milestones, etc. But we don't have any real tools to implement strategies in that sense. [...]

Code: ● Strategic Alignment \Tools and methods for alignment

Interview No. 5, Position: 216 – 216.

[...] I'm currently experiencing no shortage of tools [...]

Code: ● Strategic Alignment \Tools and methods for alignment

Interview No. 5, Position: 244 – 244.

[...] So there is one competitor that is also very strong, and then there are two others that are half as strong [...]

Code: ● Market and competition

Interview No. 5, Position: 254 – 254.

6. Coded Segments Interview No. 6

[...] then a lot is done by e-mail and telephone and now, of course, now and again via video conference [...]

Code: ● Strategy communication

Interview No. 6, Position: 6 – 6.

[...] Yes, there was no direction [...]

Code: ● Incorrect strategy

Interview No. 6, Position: 44 – 44.

[...] Any behaviors that are perhaps unfavorable, you just try to give feedback. Yes, and then of course it's important to identify processes and optimize processes [...]

Code: ● Organizational strategy

Interview No. 6, Position: 4 – 4.

[...] Is the equipment we have available, i.e. the apparatus, too old? Is it capable of doing this in terms of quality? [...]

Code: • Organizational strategy

Interview No. 6, Position: 4 – 4.

[...] Standard Operations Procedures, the SOPs in quality management, [...]

Code: • Organizational strategy

Interview No. 6, Position: 6 – 6.

[...] It was just a situation in which the employees felt comfortable, so I later found my concept for it, but the company didn't feel comfortable with it. In other words, at some point you have to come to the conclusion from my point of view that it can't primarily be about making employees feel good [...]

Code: • Organizational strategy

Interview No. 6, Position: 8 – 8.

[...] Attitudes that have become ingrained over the years. And if you try to change anything [...]

Code: • Organizational strategy

Interview No. 6, Position: 10 – 10.

[...] That was absolute uncontrolled growth. They came and went as they pleased. As I said, the operational processes had collapsed anyway and there was absolutely no interest in rebuilding a regulated operation now [...]

Code: • Organizational strategy

Interview No. 6, Position: 22 – 22.

[...] People who have no intrinsic interest in their work are not helped by any performance incentives [...]

Code: • Organizational strategy

Interview No. 6, Position: 22 – 22.

[...] was a limited company with a few employees. That's all. Yes, and that you can say it's a laboratory. [...]

Code: • Organizational strategy

Interview No. 6, Position: 54 – 54.

[...] this Alignment Corporation, because this is a dynamic fluid process. [...]

Code: ● Strategic Alignment \Definition Strategic Alignment
Interview No. 6, Position: 54 – 54.

[...] And the captain of a ship knows which port he has to head for [...]

Code: ● Strategic Alignment \Definition Strategic Alignment
Interview No. 6, Position: 57 – 57.

[...] The moment I let go of the steering wheel in the car, the car goes somewhere.
[...]

Code: ● Strategic Alignment \Definition Strategic Alignment
Interview No. 6, Position: 84 – 84.

[...] And then I end up in the next tree. So I can't fall asleep. And it's exactly the same. I have to be awake all the time, even on a daily basis. [...]

Code: ● Strategic Alignment \Definition Strategic Alignment
Interview No. 6, Position: 86 – 86.

[...] so that we maximize the synergies in a certain area. [...]

Code: ● Strategic Alignment \Definition Strategic Alignment
Interview No. 6, Position: 100 – 100.

[...] you are in constant contact with your employees and you have to communicate a lot. You have to communicate about what you envision for yourself. The bigger picture, the bigger overview that you perhaps have yourself in relation to [...]

Code: ● Strategy communication \Management discussion with employees
Interview No. 6, Position: 4 – 4.

[...] It was simply the case that many of the problems simply depended on the employees. [...]

Code: ● Strategy communication \Management discussion with employees
Interview No. 6, Position: 16 – 16.

[...] Skilled worker shortage, they all know that they'll get a new job straight away. And if they had found something that interested them more, they would have left immediately. [...]

Code: ● Strategy communication \Management discussion with employees

Interview No. 6, Position: 18 – 18.

[...] During working hours, they did their driving school there and said: So, I'm going to driving school now. [...]

Code: ● Strategy communication \ Management discussion with employees
Interview No. 6, Position: 22 – 22.

[...] Yes, I did that all the time. I was constantly ... I was constantly talking to the employees. [...]

Code: ● Strategy communication \ Management discussion with employees
Interview No. 6, Position: 26 – 26.

[...] Hold annual meetings when everything is more or less established [...]

Code: ● Strategy communication \ Management discussion with employees
Interview No. 6, Position: 30 – 30.

[...] And the discussions with employees, yes, that is an energy-intensive process [...]

Code: ● Strategy communication \ Management discussion with employees
Interview No. 6, Position: 82 – 82.

[...] We ate together, drank coffee together. Of course, we also had our formal meetings, our formalized meetings. And you could talk there formally, informally at any time. And we also got a relatively good overview. [...]

Code: ● Strategy communication \ Informal communication
Interview No. 6, Position: 6 – 6.

[...] I just walked through the lab and, as I said, when I had the opportunity to have a one-to-one conversation, i.e. without an appointment, I just had an informal chat and then talked about the matter. [...]

Code: ● Strategy communication \ Informal communication
Interview No. 6, Position: 28 – 28.

[...] You are now drawing four arrows here and you don't even know at the beginning, let's say, in which direction people are thinking. [...]

Code: ● Strategy communication \ Strategic understanding
Interview No. 6, Position: 50 – 50.

[...] Alignment with law and order. [...]

Code: ● Strategic Alignment \Indicator for alignment
Interview No. 6, Position: 39 – 39.

[...] the most direct route between two points is a straight line. But if a storm intervenes, it may no longer be the most optimal course. [...]

Code: ● Strategic Alignment \Indicator for alignment
Interview No. 6, Position: 62 – 62.

[...] These are abstract goals, they are not a directional vector in the sense in which it is now presented. You more or less have to transfer this to an abstract task. [...]

Code: ● Strategic Alignment \Indicator for alignment
Interview No. 6, Position: 96 – 96.

[...] the red arrows, these are precisely the cross-drivers. [...]

Code: ● Strategic Alignment \Tools and methods for alignment
Interview No. 6, Position: 41 – 41.

[...] Just the blue arrow, the blue arrow in that sense is of course ... it didn't exist [...]

Code: ● Strategic Alignment \Tools and methods for alignment
Interview No. 6, Position: 42 – 42.

[...] strategic autopilot [...]

Code: ● Strategic Alignment \Tools and methods for alignment
Interview No. 6, Position: 87 – 87.

[...] that would certainly have been helpful. Strategic autopilot, [...]

Code: ● Strategic Alignment \Tools and methods for alignment
Interview No. 6, Position: 88 – 88.

[...] The company can go down the drain and the employees feel perfectly and wonderfully satisfied. So as long as the cash somehow comes from the head office and makes up for the deficits, it's no problem at all. [...]

Code: ● Corporate restructuring strategy
Interview No. 6, Position: 8 – 8.

[...] a reorganization, a complete reorganization with all organizational and super-structure structures and process restructuring, restructuring [...]

Code: • Corporate restructuring strategy

Interview No. 6, Position: 12 – 12.

[...] No, they didn't get along with the corporate headquarters at all [...]

Code: • Strategy communication \ Communication Group

Interview No. 6, Position: 38 – 38.

[...] In the end, the corporate headquarters no longer cared about them at all. Yes. So that was neglect from the head office. They simply said ... they simply said: Yes, it doesn't cost me much to keep the company and we want to keep it, but I don't feel like investing time and work in it [...]

Code: • Strategy communication \ Communication Group

Interview No. 6, Position: 38 – 38.

[...] When you criticize, people criticize, they don't accept that. It's all criticism, everything should stay as it is. It's just this inert mass, [...]

Code: • Strategy process \ Change Management

Interview No. 6, Position: 10 – 10.

[...] No, from their point of view, nothing had to change [...]

Code: • Strategy process \ Change Management

Interview No. 6, Position: 18 – 18.

[...] Yes, that's probably public enemy number one [...]

Code: • Strategy process \ Change Management

Interview No. 6, Position: 20 – 20.

[...] some advice would have been helpful, of course. So, as I said, I was just prepared for it [...]

Code: • Strategy process \ Change Management

Interview No. 6, Position: 76 – 76.

[...] Procrastination in the sense that I set the wrong priorities. Procrastination is in the sense that, what do I know, what would be important to me ... what would be important tomorrow, but I don't do today because something else is important to me today. So the problem is that the things I don't tackle today don't get better, they get worse. And at some point, they get so bad that they could potentially cause a catastrophe. So if that's what you mean by procrastination, then yes, definitely. [...]

Code: • Strategy process \ Change Management

Interview No. 6, Position: 84 – 84.

[...] In the end, you still want to arrive at the port. You want to ... you have a certain strategic goal. [...]

Code: • Strategic goals

Interview No. 6, Position: 62 – 62.

[...] From my point of view, the most important thing is to have an overarching objective that fits in with the strategy that everyone is aware of. [...]

Code: • Strategic goals

Interview No. 6, Position: 92 – 92.

[...] What strategic goals am I working towards so that people can find their own tasks, which they can certainly do. Yes, because, I mean, it's not just top management, there's also middle or lower management, who can actually, let's say, think within a certain framework. Then that might work. But if I don't do either, i.e. if I don't set specific tasks and don't define an overarching goal, then of course everything gets out of hand from my point of view. [...]

Code: • Strategic goals

Interview No. 6, Position: 106 – 106.

[...] the cash flow from the head office, which is constantly being injected to pay wages and salaries [...]

Code: • Incorrect alignment / misalignment

Interview No. 6, Position: 38 – 38.

7. Coded Segments Interview No. 7

[...] Three-year strategic plans [...]

Code: • Strategy as input for the alignment process

Interview No. 7, Position: 16 – 16.

[...] There are also very specific guidelines that show the direction in which future activities should be carried out. [...]

Code: • Strategy as input for the alignment process

Interview No. 7, Position: 52 – 52.

[...] essentially this PowerPoint presentation [...]

Code: • Strategy as input for the alignment process

Interview No. 7, Position: 54 – 54.

[...] Of course, slides have the advantage that they are easy to understand, but the disadvantage that they can also be misunderstood without a detailed explanation. It can also lead to misalignment and misinterpretation. [...]

Code: • Strategy as input for the alignment process

Interview No. 7, Position: 57 – 57.

[...] Yes, of course it was a big change that you had to completely change your daily work from one day to the next. Previously, working in the office and direct customer contact, visits, communication with the customer, which was suddenly no longer possible and everything had to be switched to digital formats. [...]

Code: • Organizational strategy

Interview No. 7, Position: 70 – 70.

[...] Our company was relatively well prepared. There had always been exercises and tests for this case, not with regard to the pandemic of course, but rather other scenarios in mind, such as the office burning down or something like that happening. [...]

Code: • Organizational strategy

Interview No. 7, Position: 72 – 72.

[...] So this scenario was included in the risk strategy and it really helped, so that after a few teething problems with IT, it actually worked without any difficulties. [...]

Code: • Organizational strategy

Interview No. 7, Position: 72 – 72.

[...] Where we really had to find new ways was in acquisition and in the whole marketing area, because the established methods were no longer possible. [...]

Code: • Organizational strategy

Interview No. 7, Position: 72 – 72.

[...] You have no control over who actually joins in and you have no access to the customers or potential customers who are listening - no direct access - and you don't know at all what effect this will have. And it is therefore difficult to carry out such virtual marketing measures in this area. [...]

Code: ● Organizational strategy

Interview No. 7, Position: 78 – 78.

[...] A very concrete example. There were campaigns where - I can't remember the exact percentage - 20 percent of all employees worldwide had to work from home at the same time. They were selected beforehand and asked to take part. And there was a trial home office day once a year. Of course, 20 percent is not 100 percent, but this scenario has been practiced live before. [...]

Code: ● Organizational strategy

Interview No. 7, Position: 82 – 82.

[...] An implementation is certainly a term that occurs. Yes. And there are a few key performance indicators, KPIs, that are also defined in the strategy, and these are of course reviewed on a quarterly basis. These are performance indicators, but also capitalization. [...]

Code: ● Strategic Alignment

Interview No. 7, Position: 124 – 124.

[...] The idea of strategic alignment plays a subordinate role in day-to-day work. You are so involved in your day-to-day business that you don't constantly think about the strategic guidelines. That happens more in, yes, workshops, where we reflect and plan what we are going to do in the future. [...]

Code: ● Strategic Alignment \Definition Strategic Alignment

Interview No. 7, Position: 2 – 2.

[...] How do you deal with the topic of strategy in your daily work environment and how do you ensure that your own work fits into the strategic framework? The connection between objectives, strategy and measures - I think that's the main perspective in this question. [...]

Code: ● Strategic Alignment \Definition Strategic Alignment

Interview No. 7, Position: 130 – 130.

[...] classic triad of goals, strategy and measures [...]

Code: ● Strategic Alignment \Definition Strategic Alignment

Interview No. 7, Position: 131 – 131.

[...] to take stock of the current situation and carry out a bottom-up analysis and then bring this together to see how it fits in with the corporate strategy. And then, of course, there are the external requirements. In the risk strategy, the regulatory aspects play an important role. [...]

Code: • Strategy process \ Strategic analysis / diagnosis

Interview No. 7, Position: 106 – 106.

[...] three-year strategic plans are drawn up. This is a very broad-based exercise that also takes a relatively long time. And it initially includes a bottom-up approach. And this strategy is then condensed and presented to investors, the public and employees. And then, yes, the strategic guidelines are broken down again from the top and the individual departments look at what results from this and how implementation can be tackled. [...]

Code: • Strategy process

Interview No. 7, Position: 16 – 16.

[...] I am not aware of a special tool, [...]

Code: • Strategy process

Interview No. 7, Position: 48 – 48.

[...] The risk strategy is perhaps not being changed as frequently as is necessary with the corporate strategy, especially in the times we are experiencing with the many upheavals. [...]

Code: • Strategy process

Interview No. 7, Position: 66 – 66.

[...] Ongoing partial adjustments are made quite frequently. So, as I said, there is always a need to make corrections, but the very rough cornerstones have not been touched. [...]

Code: • Strategy process

Interview No. 7, Position: 68 – 68.

[...] Ultimately, the Management Board must also decide on the risk strategy, and the Supervisory Board also has a committee that deals with risk issues, and this must also be presented and approved. And of course, it is also their task to keep an eye on the overall strategy [...]

Code: • Strategy process

Interview No. 7, Position: 114 – 114.

[...] Where we really had to find new ways was in acquisition and in the whole marketing area, because the established methods were no longer possible. [...]

Code: • Disruption and pandemic

Interview No. 7, Position: 72 – 72.

[...] Yes, that is difficult to measure. As I have already explained, the strategy naturally has an impact on the work. And care is taken to ensure that the business you approach and select is in line with these strategic guidelines. But in detail, when I evaluate a potential insurance contract, the (.....) (00:36:09) (.....) (00:36:14) guidelines are the main focus. [...]

Code: ● Strategic Alignment \Indicator for alignment

Interview No. 7, Position: 104 – 104.

[...] Strategic briefings on a monthly/quarterly basis, a kind of update [...]

Code: ● Strategic Alignment \Tools and methods for alignment

Interview No. 7, Position: 61 – 61.

[...] There is a regular town hall format every six weeks, I would say, where the Management Board reports on current developments and also provides strategic advice. [...]

Code: ● Strategic Alignment \Tools and methods for alignment

Interview No. 7, Position: 62 – 62.

[...] The communication of the strategy is already very transparent and how you break it down further. And yes, whether you can always understand this or sometimes think that some things are perhaps not conducive to the overall objective of the strategy, that of course also happens. And then, of course, there are also external influences, from analysts and rating agencies, some of which contradict the initially selected strategy path or even require a correction. [...]

Code: ● Strategic Alignment \Tools and methods for alignment

Interview No. 7, Position: 88 – 88.

[...] The variable components yes, both bonus payments and shareholdings and so on, that depends on it. Yes. Not the fixed income, [...]

Code: ● Strategic Alignment \Tools and methods for alignment

Interview No. 7, Position: 128 – 128.

[...] Normally, you meet in a pleasant atmosphere outside the daily office environment. There are perhaps five to ten participants with a manager leading the meeting. And various topics are then dealt with. And one of them is certainly the strategy and implementation of the strategy. [...]

Code: ● Strategy communication \Communication Group

Interview No. 7, Position: 6 – 6.

[...] once a year [...]

Code: ● Strategy communication \Communication Group

Interview No. 7, Position: 8 – 8.

[...] five to ten. There shouldn't be too many to enable a discussion. There are also larger events, but they don't go as deeply into the discussion, there are more presentations than in-depth discussions [...]

Code: ● Strategy communication \ Communication Group

Interview No. 7, Position: 10 – 10.

[...] An external moderator is not usually present. This is not usual in our company. In the run-up to the event, all participants are asked to submit their questions and topic requests. A program is then drawn up from this, which we then try to work through in a reasonably stringent manner. And within the workshop, it is often the case that a short introduction is given by a participant and then a discussion ensues in which everyone can participate and contribute. As these are usually people you already know quite well, there is also a relationship of trust. [...]

Code: ● Strategy communication \ Communication Group

Interview No. 7, Position: 12 – 12.

[...] Invitation to a video meeting sent around. That is, yes, one to two hours and any employee can join in. But it's optional, there's no check on whether you actually do it. [...]

Code: ● Strategy communication \ Communication Group

Interview No. 7, Position: 28 – 28.

[...] There is always a Q & A session at the end, where you can formulate your questions in the chat. And it can be self-moderated and then the system looks at which questions have received the most likes and then sends them to the relevant board members in that order. [...]

Code: ● Strategy communication \ Communication Group

Interview No. 7, Position: 32 – 32.

[...] Everything is held in English only. [...]

Code: ● Strategy communication \ Communication Group

Interview No. 7, Position: 34 – 34.

[...] There are various events. So this is directed externally, it's called an Investors' Day, where the Management Board really does provide complete information about the individual, yes, sub-strategies that affect the respective Management Board department. Internally at employee level, this now takes place virtually via a town hall format, where the entire Management Board is also present and essentially at least the slides are the same basis as for the Investors Day. There is perhaps a slightly different focus in the presentation. And these presentations are also publicly accessible on the homepage. [...]

Code: ● Strategy communication \ Communication Owner / Shareholder

Interview No. 7, Position: 20 – 20.

[...] In the past, this Investors Day was always held in September, I believe. Due to all the upheavals in recent years, both the pandemic and now the war in Ukraine, it has been postponed a little because people have said that in these very difficult circumstances, where everything is very uncertain, you need a little more time or you have to try to wait for a time when you can look a little more clearly into the future, [...]

Code: ● Strategy communication \ Communication Owner / Shareholder

Interview No. 7, Position: 26 – 26.

[...] The main event will take place in the building of the (.....) (00:13:40), in a large event room where investors are invited and can participate on site. And then it will be broadcast simultaneously and anyone who can't be there in person can dial in and follow it online. [...]

Code: ● Strategy communication \ Communication Owner / Shareholder

Interview No. 7, Position: 38 – 38.

[...] There are always separate discussions where the analysts from the rating agencies then ask much more in-depth questions [...]

Code: ● Strategy communication \ Communication Owner / Shareholder

Interview No. 7, Position: 40 – 40.

[...] There is a whole team that deals with ensuring and managing this communication with the rating agencies. And this is also an ongoing process, so there is a regular exchange. [...]

Code: ● Strategy communication \ Communication Owner / Shareholder

Interview No. 7, Position: 40 – 40.

[...] This means that it is very important for the management to ensure that the rating agencies have a positive attitude towards the company. [...]

Code: ● Strategy communication \ Communication Owner / Shareholder

Interview No. 7, Position: 94 – 94.

[...] Corporate Development department in cooperation with the Management Board. [...]

Code: ● Strategic goals

Interview No. 7, Position: 44 – 44.

[...] Yes, of course it was a big change that you had to completely change your daily work from one day to the next. Previously, working in the office and direct customer contact, visits, communication with the customer, which was suddenly no longer possible and everything had to be switched to digital formats. [...]

Code: • Strategic goals

Interview No. 7, Position: 70 – 70.

[...] Owner-driven overall objectives [...]

Code: • Strategic goals

Interview No. 7, Position: 87 – 87.

[...] The management team gets together, which has been somewhat difficult in the last two years, and discusses the implementation of the strategic guidelines from top management and considers what conclusions can be drawn from them. [...]

Code: • Strategy process \ Strategic management

Interview No. 7, Position: 4 – 4.

[...] different sub-strategies and aspects of the strategy, so it is also clear that not everything can be covered with a mathematical approach. And yes, of course there are also some discussions when you apply different thought patterns and perhaps don't immediately arrive at a common view. [...]

Code: • Strategy process \ Strategic management

Interview No. 7, Position: 84 – 84.

[...] This is of course concealed in day-to-day business [...]

Code: • Incorrect alignment / misalignment

Interview No. 7, Position: 88 – 88.

[...] such as performance targets or capitalization targets and so on, they tend to be more robust against such influences. But of course, if you look at the growth paths derived from this, for example, where do you want to develop business, where do you want to grow, these things change, of course, because then suddenly some things break away and other opportunities arise [...]

Code: • Incorrect alignment / misalignment

Interview No. 7, Position: 140 – 140.

[...] Risk management is of course of central importance for an insurance company and is also monitored very closely, both by the insurance supervisory authority and by the rating agencies mentioned above. So, of course, great care must be taken to be able to present this accordingly. [...]

Code: • Regulation and law

Interview No. 7, Position: 64 – 64.

[...] We were invited to customer events on site, to specialist information events, that we visited customers directly in person, that we went to industry meetings to meet customers and make acquisitions - all these things have disappeared. [...]

Code: • Market and competition \ Market and customer strategy

Interview No. 7, Position: 74 – 74.

[...] because there are very close personal contacts with customers, and they won't be lost during a pandemic like this, so you can approach them virtually. Acquiring new business, on the other hand, is much more difficult. [...]

Code: ● Market and competition \Market and customer strategy

Interview No. 7, Position: 76 – 76.

[...] The trade fairs and similar events have all been canceled. And so we had to try to offer virtual formats as well, although that turned out to be difficult when holding a virtual event. [...]

Code: ● Market and competition \Market and customer strategy

Interview No. 7, Position: 78 – 78.

8. Coded Segments Interview No. 8

[...] But now I think they see that even where everybody is fully remote or exclusively remote, that the work still gets done [...]

Code: ● Organizational strategy

Interview No. 8, Position: 80 – 80.

[...] But I think the model of working from home is very big. Not just with my company, but industry-wide. [...]

Code: ● Organizational strategy

Interview No. 8, Position: 83 – 83.

[...] strategic alignment is an important initiative, so that the business can meet its goals and also be profitable [...]

Code: ● Strategic Alignment \Definition Strategic Alignment

Interview No. 8, Position: 2 – 2.

[...] That can increase the profitability of the company. So it's important for the corporate senior management to convey to me and others what the strategies are so that we can work together to make sure that they're aligned. [...]

Code: ● Strategic Alignment \Definition Strategic Alignment

Interview No. 8, Position: 2 – 2.

[...] At a very kind of holistic level it brings on the point that alignment means togetherness. [...]

Code: ● Strategic Alignment \Definition Strategic Alignment
Interview No. 8, Position: 153 – 153.

[...] short surveys that are just for the department. [...]

Code: ● Strategy process \Strategic analysis / diagnosis
Interview No. 8, Position: 59 – 59.

[...] like a company survey that usually happens once a year. And then they would survey you about your satisfaction for working with the company. Your satisfaction with the equipment, with the communication, with your salary, and so forth. [...]

Code: ● Strategy process \Strategic analysis / diagnosis
Interview No. 8, Position: 59 – 59.

[...] digital underwriting, trying to move away from paper where the applications are done electronically. And they might present on what projects they are working on and what success they have had [...]

Code: ● IT Strategic Alignment
Interview No. 8, Position: 21 – 21.

[...] meetings that I would have with my manager, [...]

Code: ● Strategy communication \Management discussion with employees
Interview No. 8, Position: 5 – 5.

[...] Correct. So the boss of my boss would communicate with me directly and put like a meeting on my calendar for like a quarterly meeting [...]

Code: ● Strategy communication \Management discussion with employees
Interview No. 8, Position: 9 – 9.

[...] can she, do to help me perform and do my job better? [...]

Code: ● Strategy communication \Management discussion with employees
Interview No. 8, Position: 36 – 36.

[...] The flow, and this could be her managerial style [...]

Code: ● Strategy communication \Management discussion with employees
Interview No. 8, Position: 42 – 42.

[...] she would usually want me to do most of the talking. She wants me to sort of say what's on my mind, basically [...]

Code: ● Strategy communication \Management discussion with employees
Interview No. 8, Position: 42 – 42.

[...] it's kind of like a very casual meeting. It's not stressful. You don't even think of any authority breaks between us or anything like that. It's very free-flowing. It's comfortable [...]

Code: ● Strategy communication \Management discussion with employees
Interview No. 8, Position: 42 – 42.

[...] You can speak freely, I would say. And that's important. [...]

Code: ● Strategy communication \Management discussion with employees
Interview No. 8, Position: 42 – 42.

[...] about 30 minutes [...]

Code: ● Strategy communication \Management discussion with employees
Interview No. 8, Position: 44 – 44.

[...] many levels below me, I think the communication gets lesser and lesser. Because I am close to the top I am situated where I can know a lot of what's going on and can provide a lot of information. Now there are meetings too for the many rungs below me, but I know just from experience and even from coming up in the company that at the lower levels I think the information gets lesser. [...]

Code: ● Strategy communication \Management discussion with employees
Interview No. 8, Position: 51 – 51.

[...] at the beginning of the year, or in the first quarter. Basically the company has decided what the strategies are, and then we do what is called goal setting. We have to set our individual goals. But it has to align with that corporate strategy. [...]

Code: ● Strategy process
Interview No. 8, Position: 87 – 87.

[...] senior level team meetings [...]

Code: • Strategy process

Interview No. 8, Position: 99 – 99.

[...] there is a department. And it's not specifically to underwriting, but it's more towards sales and marketing and enterprise kind of wide. So it's almost more global, in a sense, than where we are. From time to time there may be interaction with them, but there is a special strategic planning unit. [...]

Code: • Strategy process

Interview No. 8, Position: 110 – 110.

[...] I had some insight into the European point of view as well as the American point of view. I think, as far as the strategy, the European might ... And this is just from my experience, so just narrow to that, I think they were more risk averse than we were. They were more intolerant of taking a lot of risks than Americans were. So there is that. I also think that they were ... And maybe it could be because they were remote, you know, from a distance. They were ... More aspects of micromanaging, from their point of view. [...]

Code: • Strategy process

Interview No. 8, Position: 140 – 140.

[...] you know the goal, that's usually it. You are sort of sent out to just do your work, as we would say. But with them there are a lot of reports, and there are a lot of meetings and there are a lot of checking, and there are a lot of governance processes, [...]

Code: • Strategy process

Interview No. 8, Position: 143 – 143.

[...] A certain way of bureaucracy [...]

Code: • Strategy process

Interview No. 8, Position: 145 – 145.

[...] In the past you could have people that are just, you know, diametrically opposed in their views as to where the company should go, or how we want to present ourselves externally, and so forth. And that sometimes can cause certain friction. [...]

Code: ● Strategy communication \ Strategic understanding

Interview No. 8, Position: 115 – 115.

[...] I know the strategy that directly involves me [...]

Code: ● Strategy communication \ Strategic understanding

Interview No. 8, Position: 120 – 120.

[...] if I know the strategy and how it impacts what I'm doing, then I think that's good enough for me. [...]

Code: ● Strategy communication \ Strategic understanding

Interview No. 8, Position: 120 – 120.

[...] So there's that kind of synergy between departments and synergy between the different levels of management. And again, all in effort to make sure that we are working to reach our objectives and that everything is aligned. [...]

Code: ● Strategic Alignment \ Indicator for alignment

Interview No. 8, Position: 9 – 9.

[...] look at certain legislation and how it would affect long-term care insurance and long-term care underwriting [...]

Code: ● Strategic Alignment \ Indicator for alignment

Interview No. 8, Position: 33 – 33.

[...] The way you could measure that is through the company-wide survey. [...]

Code: ● Strategic Alignment \ Indicator for alignment

Interview No. 8, Position: 67 – 67.

[...] But I think for a better sense of everybody's commitment and where they align would be through a survey. [...]

Code: ● Strategic Alignment \ Indicator for alignment

Interview No. 8, Position: 67 – 67.

[...] they may bring an outside consultant that may come in to check this commitment or this strategic alignment, our commitments. And that has happened in the past. [...]

Code: ● Strategic Alignment \ Indicator for alignment

Interview No. 8, Position: 72 – 72.

[...] We have sort of a purpose, and the purpose is that to provide insurance when someone is in need. But in order to get there you have to make sure you're insuring the risks appropriately. Meaning that if you take a certain risk, the premium has to commensurate with that risk. So that's sort of my general philosophy. And then, depending on where the company wants to go, I have to make sure that the underwriting, and the procedures and guidelines that I set and manage align with that. So I think if I can do that, then I would achieve what the company wants, strategically. [...]

Code: ● Strategic Alignment \Indicator for alignment
Interview No. 8, Position: 125 – 125.

[...] the risk comes in is to make sure that, by making the right risk selection, it's aligning with the profits of the company. So if you're doing a bad job at risk selection that affects profitability. That would affect the business value. And that can cause a problem. [...]

Code: ● Strategic Alignment \Indicator for alignment
Interview No. 8, Position: 130 – 130.

[...] Because I think ... It capsulizes the idea that to be aligned you have to be going in the same direction. And you have to be working, as we say, in tandem. You know, together. [...]

Code: ● Strategic Alignment \Indicator for alignment
Interview No. 8, Position: 153 – 153.

[...] called skip level meetings where I would have a meeting, maybe on a quarterly basis, with a very senior level manager. [...]

Code: ● Strategic Alignment \Tools and methods for alignment
Interview No. 8, Position: 5 – 5.

[...] And part of that has to do with the different department heads taking the directive from the top and then working within that department, each within their own department, to make sure that everybody is committed, [...]

Code: ● Strategic Alignment \ Tools and methods for alignment
Interview No. 8, Position: 65 – 65.

[...] they may ask you: number one, do you know what the corporate strategy is? Do you know what the corporate objective is? As a question of the survey, yes or no. Have that been communicated to you by your immediate manager? [...]

Code: ● Strategic Alignment \ Tools and methods for alignment
Interview No. 8, Position: 70 – 70.

[...] alignment audit [...]

Code: ● Strategic Alignment \ Tools and methods for alignment
Interview No. 8, Position: 71 – 71.

[...] at mid-year, and also at year end, you have to evaluate your achievement towards this goal. And you have to, again through that template [...]

Code: ● Strategic Alignment \ Tools and methods for alignment
Interview No. 8, Position: 95 – 95.

[...] it has to be constant monitoring or an analysis, and usually you know there is interaction we have with the actuaries. [...]

Code: ● Strategic Alignment \ Tools and methods for alignment
Interview No. 8, Position: 123 – 123.

[...] I think communication [...]

Code: ● Strategic Alignment \ Tools and methods for alignment
Interview No. 8, Position: 150 – 150.

[...] I would say the strongest way to assure alignment is communication. Communication, communication. [...]

Code: ● Strategic Alignment \ Tools and methods for alignment
Interview No. 8, Position: 150 – 150.

[...] there is that flood of information. And it makes sure that everybody stays connected and everybody is working towards a particular goal. [...]

Code: ● Strategy communication \ Communication Group
Interview No. 8, Position: 5 – 5.

[...] based on something I'm working on she may invite me to a very senior level management where I may have to present to them [...]

Code: ● Strategy communication\Communication Group
Interview No. 8, Position: 9 – 9.

[...] companywide meeting, and you would have senior people sometimes. The CEO and others and people of his team will present and say what the goals are and also give a report on our performance for a certain period. And basically from that it trickles down to my boss and to smaller meetings [...]

Code: ● Strategy communication\Communication Group
Interview No. 8, Position: 12 – 12.

[...] really for all employees. Well, there are two levels. There are times when it's a general meeting for all employees of the whole enterprise. And then there are meetings where it's for all employees of a certain division. [...]

Code: ● Strategy communication\Communication Group
Interview No. 8, Position: 14 – 14.

[...] And when we were in the office there are times we all would gather in one hall and have the meeting [...]

Code: ● Strategy communication\Communication Group
Interview No. 8, Position: 19 – 19.

[...] with the pandemic we have had some sessions via Zoom, where it's sort of a virtual meeting. And you know it goes pretty well, there are different speakers and so forth. And what they are trying to do now, which is something new, rather than it being top-down they're also trying to get individuals from the different departments, so various managerial levels, to present in those meetings. So it shows that ... It's more collaborative, and it shows that it's not just from the top coming dictated down. It shows that it's all well-rounded. [...]

Code: ● Strategy communication\Communication Group
Interview No. 8, Position: 19 – 19.

[...] breakout sessions. But generally they don't go very well. [...]

Code: ● Strategy communication\Communication Group
Interview No. 8, Position: 24 – 24.

[...] about an hour [...]

Code: ● Strategy communication\Communication Group
Interview No. 8, Position: 26 – 26.

[...] company has roundabout 40,000 employees, and all of them are gathered during this hour [...]

Code: ● Strategy communication\Communication Group
Interview No. 8, Position: 27 – 27.

[...] during the pandemic, maybe about 90% are working from home. So it's all virtually connected. [...]

Code: ● Strategy communication\Communication Group
Interview No. 8, Position: 29 – 29.

[...] town hall meetings, we probably have about three to four a year. And meetings, for example, with my immediate manager would be bi-weekly. And meetings with the skip level manager, that's quarterly. [...]

Code: ● Strategy communication\Communication Group
Interview No. 8, Position: 31 – 31.

[...] it will also ensure that whatever information I'm communicating to my manager is going upwards [...]

Code: ● Strategy communication\Communication Group
Interview No. 8, Position: 36 – 36.

[...] So it's a form of control, but it's also a means of ensuring that everyone is prepared, and everyone is able to function in the best way. [...]

Code: ● Strategy communication\Communication Group
Interview No. 8, Position: 36 – 36.

[...] procedural documents that are sent, [...]

Code: ● Strategy communication\Communication Group
Interview No. 8, Position: 54 – 54.

[...] like a manual [...]

Code: ● Strategy communication \ Communication Group
Interview No. 8, Position: 56 – 56.

[...] When we met in person there used to be like a big TV screen and you would see the CEO in the room with other speakers usually. These are people that are part of his team, and they would speak and then ... It's a big hall [...]

Code: ● Strategy communication \ Communication Group
Interview No. 8, Position: 62 – 62.

[...] The benefit of the virtual is that you can get everybody at one time. [...]

Code: ● Strategy communication \ Communication Group
Interview No. 8, Position: 62 – 62.

[...] Or the president. Either one, it depends [...]

Code: ● Strategy communication \ Communication Group
Interview No. 8, Position: 108 – 108.

[...] I think it's different. But different in terms of how much information is shared. So for them I think it may be more general [...]

Code: ● Strategy communication \ Communication Owner / Shareholder
Interview No. 8, Position: 118 – 118.

[...] employees we would say it's more granular, meaning it's getting into a lot of the details [...]

Code: ● Strategy communication \ Communication Staff representation / Works council
Interview No. 8, Position: 118 – 118.

[...] That can increase the profitability of the company. So it's important for the corporate senior management to convey to me and others what the strategies are so that we can work together to make sure that they're aligned. [...]

Code: ● Strategic goals
Interview No. 8, Position: 2 – 2.

[...] I think the company has decided to shift from selling cheaper forms of insurance to insurance that are tailored for more affluent individuals. So these would be like

bearable type insurance and insurance that have more options to it than your basic term insurance. So that's a strategic change, [...]

Code: • Strategic goals

Interview No. 8, Position: 77 – 77.

[...] as the work that you're doing for the company, it usually in some way should mirror, or align, with that corporate philosophy. [...]

Code: • Strategic goals

Interview No. 8, Position: 90 – 90.

[...] a template [...]

Code: • Strategic goals

Interview No. 8, Position: 92 – 92.

[...] corporate strategy, since it's a life insurance company, they are also working towards insuring a certain block of insureds, and again providing insurance in time of need. But since it's a business, you have to look at the profit margins. You have to make sure that you're making a profit. [...]

Code: • Strategic goals

Interview No. 8, Position: 130 – 130.

[...] responding to one of the states' audits of us. We passed the audit, meaning that we did well, everything is ok. But there were some findings from that audit which I think ... Things we could do better. [...]

Code: • Regulation and law

Interview No. 8, Position: 39 – 39.

[...] That may be put into a procedural manual. And then the underwriters who are working on this program, this would be their guidebook. You know, to guide them as to what the rules are for that program. [...]

Code: • Regulation and law

Interview No. 8, Position: 56 – 56.

[...] basic premise of the laws is that there should not be unfair discrimination. In other words, people that are exactly situated should not be treated differently. [...]

Code: • Regulation and law

Interview No. 8, Position: 135 – 135.

9. Coded Segments Interview No. 9

[...] In my opinion, you should basically work with systems so that you basically get the key components in the business strategy, what the Supervisory Board gets, and then in detail in the business strategy. But then you have a real connection and consistency. Present the business strategy in detail and then basically incorporate it into the risk strategy. [...]

Code: • Strategy as input for the alignment process

Interview No. 9, Position: 2 – 2.

[...] You have the budget for the next year. And then I take the budget as a basis and overlay the risk strategy on top of it. What did you see? Yes, the budget had to be adjusted because it didn't fit. Yes? So that really is an example from practice. And then, as I said, we make sure that there is consistency in accordance with MaRisk. The business strategy is not audited by the auditor. They also refused to do that back then with MaRisk. At first I didn't understand that either, but they don't want to take responsibility, which is right. (00:07:35) In contrast, the risk strategy is audited. [...]

Code: • Strategy as input for the alignment process

Interview No. 9, Position: 2 – 2.

[...] How do I record these in the risk strategy? [...]

Code: • Strategy as input for the alignment process

Interview No. 9, Position: 8 – 8.

[...] Because I think one of the most important things is the new product process, because that's where I take the new risks. [...]

Code: • Incorrect strategy

Interview No. 9, Position: 8 – 8.

[...] I go into the cellar and tell the risk controller: Here, there, the risk is too great. Then he says: Okay, I'll go down to the cellar once. Like this. Then ... like this. They get inventive. [...]

Code: • Incorrect strategy

Interview No. 9, Position: 10 – 10.

[...] that one person is responsible for all strategies, including the risk strategy - the controller usually has no idea about the risk strategy, but he should at least have an idea of the global strategy. [...]

Code: • Strategic Alignment

Interview No. 9, Position: 54 – 54.

[...] But this real inhalation and interlocking, [...]

Code: • Strategic Alignment

Interview No. 9, Position: 86 – 86.

[...] That someone has all the strategies on the table and can see to what extent these dependencies exist. If there are any, that was my example with the IT strategy. IT risks play a very big role now. [...]

Code: • Strategic Alignment \Definition Strategic Alignment

Interview No. 9, Position: 54 – 54.

[...] that I don't go into the process, too much data at once, I have to process it too. I'd rather sit back and say: Where do I want to go? What do I want? Do I want to get into new ratings? [...]

Code: • Strategy process \Strategic analysis / diagnosis

Interview No. 9, Position: 62 – 62.

[...] The data itself, the inventory data, I now have better and better, even if I don't yet have, let's say, a data warehouse, yes, or if I do. And then I would simply have to have the experience of the risk, behind the decimal point, it is usually the case that I have the data for supervision, so that I can add a bit of a buffer. [...]

Code: • Strategy process \Strategic analysis / diagnosis

Interview No. 9, Position:

[...] in the IT strategy ... the risks are also listed there [...]

Code: • IT Strategic Alignment

Interview No. 9, Position: 62 – 62.

[...] The sales department decides, then it goes to controlling, but in some cases it doesn't even go to the departments, which ultimately have to say: I can't do that. I can't do that. Or: I'll do it, use external people, but you pay for it [...]

Code: • Implementation quality of the strategy

Interview No. 9, Position: 6 – 6.

[...] Secondly, the other strategies that have gradually been added, at least according to MaRisk, whether it's the IT strategy in particular, credit strategy and other strategies, sustainability strategy, which is the new topic these days, or digitalization strategy [...]

Code: • Strategy process

Interview No. 9, Position: 2 – 2.

[...] The strategy process is at least declared in the MaRisk that I have to have it, and it is also basically audited by the auditor. But in practice, it's an interactive process. I have to have something first somehow. And that is first of all the business strategy and then I see how I can transfer that into the risk strategy. Of course, it can happen that this falls apart. Then, of course, I have to go back to the business strategy, have the discussion and then go back again. (00:04:28) And that doesn't actually happen. That's why, in practice, the business strategy is sometimes very restrained. [...]

Code: • Strategy process

Interview No. 9, Position: 2 – 2.

[...] But the volumes and so on are first defined in the risk strategy. [...]

Code: • Strategy process

Interview No. 9, Position: 2 – 2.

[...] The back office runs it through, yes, that's ... Now I'm not coming back to the risk strategy, but the strategy process is already part of the business strategy. [...]

Code: • Strategy process

Interview No. 9, Position: 4 – 4.

[...] the parameters of what I am doing are also documented. [...]

Code: • Strategy process

Interview No. 9, Position: 10 – 10.

[...] The process has been consolidated, yes, by making more strategies, i.e. also these sub-strategies in the banking environment, but not yet, as I said, to see this connection more together, but to make a credit strategy [...]

Code: • Strategy process

Interview No. 9, Position: 36 – 36.

[...] In the case of banks, i.e. large banks, it is the controlling department, not the CEO. [...]

Code: • Strategy process

Interview No. 9, Position: 50 – 50.

[...] Yes, this is usually done in controlling. [...]

Code: • Strategy process

Interview No. 9, Position: 52 – 52.

[...] I always do three to five years, the last three to five years, so of course I'll be a lot rougher than basically next year, because that's when I have to do my budget, [...]

Code: • Strategy process

Interview No. 9, Position: 60 – 60.

[...] The process that begins, I'll say now, in September or October, September/October. Of course, the sales people have to think about this beforehand: Where is the market going for me? What do I do? And then the people have to be available. Like this. Now in the operational business, it is of course clear that if the same people always do it, yes, they can only do one job. [...]

Code: • Strategy process

Interview No. 9, Position: 60 – 60.

[...] The strategy, which usually goes to the Supervisory Board, has to be presented in the first quarter, at the latest in the first quarter. But that's not possible in the first quarter, because then I also have the annual financial statements, which is too much. So of course I have to present the strategy at the end of the year, at the beginning of January, because that's also when I start working on the budget. So I would actually have to do this process in September, October, November, [...]

Code: • Strategy process

Interview No. 9, Position: 60 – 60.

[...] What is being reduced, what are my risk transactions, what is my business model? That's what the Management Board says, that's what it determines. And then comes the next stage, where I really say: My new products, what do I have in particular? Which people do I need? What are the ... (00:54:41) Then, of course, I have the new product process, [...]

Code: • Strategy process

Interview No. 9, Position: 62 – 62.

[...] Then I can say on the spot: What impact does this have on accounting, on certain risks? [...]

Code: • Strategy process

Interview No. 9, Position: 62 – 62.

[...] Chief strategist [...]

Code: • Strategy process

Interview No. 9, Position: 68 – 68.

[...] Strategy consultants are, after all, like strategy, that is: business models. Where do I want to go? Do I need to change them? That is the main task. They are not usually there to manage the strategy process operationally, yes. [...]

Code: • Strategy process

Interview No. 9, Position: 72 – 72.

[...] In my opinion, this is more effective than the company itself actually sets up. It takes far too long, that's my experience. If an external party sets it up, it goes faster

because they have the concept, they have the experience, they basically know this interactive process, how it works. [...]

Code: ● Strategy process

Interview No. 9, Position: 72 – 72.

[...] the division manager said: (connection error) (01:01:17) was written by the board. I didn't work on it at all. Yes, that's the ... That doesn't mean that he only says the key data: Where do we want to go? How do we want to ...? But what volumes the sales department creates and in what orders of magnitude, yes, he has to present that. [...]

Code: ● Strategy process

Interview No. 9, Position: 72 – 72.

[...] Business strategy, risk, is done annually, at least annually. [...]

Code: ● Strategy process

Interview No. 9, Position: 92 – 92.

[...] big issues, business models and changes as part of the strategy process. [...]

Code: ● Strategy process

Interview No. 9, Position: 92 – 92.

[...] This is because the financial market crisis and the processes are making business and risk strategy more and more important in the minds of board members. [...]

Code: ● Strategy communication \ Strategic understanding

Interview No. 9, Position: 80 – 80.

[...] The prerequisite, what the Board of Directors, the management has defined, is the business strategy and then I check, I can also quite simply, that is with the methods, measurement procedures, I can then check the risk strategy. (Pause) [...]

Code: ● Strategic Alignment \ Indicator for alignment

Interview No. 9, Position: 2 – 2.

[...] Value at risk [...]

Code: ● Strategic Alignment \ Indicator for alignment

Interview No. 9, Position: 48 – 48.

[...] Market price risk, credit risk and operational risk were measured. But the liquidity risk could not be measured at all at the beginning, as it was ultimately ... as the request was to present the overall risk in accordance with MaRisk [...]

Code: ● Strategic Alignment \Indicator for alignment

Interview No. 9, Position: 54 – 54.

[...] Yes, I don't have a business strategy, so I don't have a risk strategy. (00:06:21) He didn't understand that at all. I said: No. Like that. And then he came back after another 14 days and said: I don't have something. I said: Yes, you don't have the business strategy. And that's my basis, otherwise I won't do anything. - I see. Like that. Now there's always the problem: you're in front of ... You have the supervisory board meeting, [...]

Code: ● Strategic Alignment \Tools and methods for alignment

Interview No. 9, Position: 2 – 2.

[...] Strategy Committee [...]

Code: ● Strategic Alignment \Tools and methods for alignment

Interview No. 9, Position: 15 – 15.

[...] We still have our own strategy committee, where they can work on such things in detail. [...]

Code: ● Strategic Alignment \Tools and methods for alignment

Interview No. 9, Position: 17 – 17.

[...] The people in risk controlling, they are already ... They are in all ... So I would say that these experts are ... [...]

Code: ● Strategic Alignment \Tools and methods for alignment

Interview No. 9, Position: 48 – 48.

[...] that the Management Board and then the Supervisory Board are informed separately. This means that the business strategy is presented and sometimes the risk strategy is presented a week or three weeks later. [...]

Code: ● Strategy communication \Communication Owner / Shareholder

Interview No. 9, Position: 2 – 2.

[...] So at least if you proceed in such a way that they are not basically coordinated with each other, both would have to be presented together, which is not the case at all. In the case of the Supervisory Board, it is usually done in such a way that the business strategy is presented to the plenary meeting, i.e. the Supervisory Board, and the risk strategy is presented to the Risk Committee, i.e. not together in that sense either. So in conclusion, I would say that the connection is recognized, but not yet made [...]

Code: ● Strategy communication \ Communication Owner / Shareholder
Interview No. 9, Position: 2 – 2.

[...] And I believe that we need to be more detailed in our business strategy. You don't do that. I can only ever say partially, because then of course the business strategy is also presented to the Supervisory Board and you don't want to let that explode. [...]

Code: ● Strategy communication \ Communication Owner / Shareholder
Interview No. 9, Position: 2 – 2.

[...] In other words, the Management Board is now violating a strategy, I would say, in the sense that ... example: credit strategy. He said we only do investment grade, like this. And now he realizes in the course of time: But I also have to make sure that I don't just go into investment grade so that I can do business. Of course, that means I have the risks. If that is a significant change, a significant change for me, he would have to make this business strategy ... he would have to make this change and bring it to the Supervisory Board. I would say, yes, whether that ... Of course, you then hold back and say: Ah, do I have to go to the Supervisory Board and then have another discussion? [...]

Code: ● Strategy communication \ Communication Owner / Shareholder
Interview No. 9, Position: 42 – 42.

[...] Yes, not all supervisory boards can do that. [...]

Code: ● Strategy communication \ Communication Owner / Shareholder
Interview No. 9, Position: 46 – 46.

[...] If I am an international company or have an international portfolio, then in my opinion I must also have international supervisory boards. [...]

Code: ● Strategy communication \ Communication Owner / Shareholder
Interview No. 9, Position: 46 – 46.

[...] She is on the supervisory board of a bank, the board meeting is on Wednesday and the documents weren't there on Monday or Tuesday. (Pause) So. And there must actually be enough time, that is also quite clear from the German Stock Corporation Act, that the documents are there on time ... But in practice this is not yet done. So. Now nobody says anything. (pause) But ... [...]

Code: ● Strategy communication \ Communication Owner / Shareholder
Interview No. 9, Position: 54 – 54.

[...] The Supervisory Board doesn't want to hurt the Management Board and if the Chairman of the Supervisory Board doesn't want to hurt the Chairman of the Management Board, then he'll keep quiet. So now my friend is a bit critical. So I said: You write an e-mail at 10 p.m. saying that the documents haven't arrived yet. And what he thinks he can do. [...]

Code: ● Strategy communication \ Communication Owner / Shareholder
Interview No. 9, Position: 56 – 56.

[...] Although I am critical, which is good for the company, my contract will not be extended. [...]

Code: ● Strategy communication \ Communication Owner / Shareholder
Interview No. 9, Position: 56 – 56.

[...] the Chairman of the Supervisory Board, the chemistry has to be right. And the Management Board, of course, must also be open enough to say where it has problems on the other side so that the Supervisory Board doesn't ultimately get nervous and vice versa. [...]

Code: ● Strategy communication \ Communication Owner / Shareholder
Interview No. 9, Position: 58 – 58.

[...] Usually the legal department writes the minutes, yes, that's where the ... So. And then basically two months later, no one knows what happened unless someone has made notes of what they said. [...]

Code: ● Strategy communication \ Communication Owner / Shareholder
Interview No. 9, Position: 58 – 58.

[...] Extra office outside [...]

Code: ● Strategy communication \ Communication Owner / Shareholder
Interview No. 9, Position: 58 – 58.

[...] I do this in the Supervisory Board office, externally. It's managed very differently there. (00:48:34) That goes in the direction of "professional supervisory board work". A few companies do that, [...]

Code: ● Strategy communication \ Communication Owner / Shareholder
Interview No. 9, Position: 58 – 58.

[...] The auditing companies, they also have financial services and they also carry out such strategic audits [...]

Code: ● Strategy process \ Strategic controlling
Interview No. 9, Position: 98 – 98.

[...] there is no link at all between the various strategies, i.e. starting with the business strategy and risk strategy. [...]

Code: ● Incorrect alignment / misalignment
Interview No. 9, Position: 2 – 2.

[...] But that's why I'm saying once again, formally, formally it's in there, but it's not yet being implemented in practice. This means that new components are listed in the risk strategy that were not even defined in the business strategy. [...]

Code: ● Incorrect alignment / misalignment
Interview No. 9, Position: 2 – 2.

[...] In industry and in medium-sized companies, this is still a long way off anyway. [...]

Code: ● Incorrect alignment / misalignment

Interview No. 9, Position: 2 – 2.

[...] Some, well not the big banks, but there are banks that say: "It only says that the Management Board must take note of the business strategy. Yes, I say that if I disclose something and I receive something for my information, then I also have to look into it. [...]"

Code: • Incorrect alignment / misalignment

Interview No. 9, Position: 42 – 42.

[...] That's just for your information, I'll let them know. Like this. And then at some point in the MaRisk it was said, for information and, which is nonsense, for information and discussion. Or, I don't know what the exact wording is, and to be discussed. [...]"

Code: • Incorrect alignment / misalignment

Interview No. 9, Position: 44 – 44.

[...] Although, not so much in front of the auditor, because he also wants his mandate again. [...]"

Code: • Incorrect alignment / misalignment

Interview No. 9, Position: 56 – 56.

[...] As of today, I can actually only say that the links are being implemented more formally for banks. This means that the business strategy states that it is constant with the risk strategy. The risk strategy states that it is constant with the business strategy. The other strategies are not referred to as much. [...]"

Code: • Regulation and law

Interview No. 9, Position: 2 – 2.

[...] It is a great step forward, I would say, that for five years or ten years now, MaRisk has already been a requirement, at least for banks. [...]"

Code: • Regulation and law

Interview No. 9, Position: 2 – 2.

[...] Risk people don't have that in them, exactly. And on the other hand, the planning people from Controlling don't have it in them either [...]"

Code: • Regulation and law

Interview No. 9, Position: 4 – 4.

[...] New product processes are a typical example. Nowadays, new products are largely defined in detail during the planning process. [...]

Code: • Regulation and law

Interview No. 9, Position: 6 – 6.

[...] You have to go through the new product process, you can ... It's not so bad if you say that out of 10 or 15 new products, I can only manage 10. Or it's basically 20, that's not a problem. But you just say how many I need. Like this. And now this is happening, especially in the new product process, the back office doesn't say anything about it. But now the new products are coming in the course of the year. Yes. They can't manage that at all or it's too slow or too fast. And then it doesn't really fit in with the strategies that I really say, that I'm already dealing with the strategy: I can't do that, I can't do that with my people. Instead, they accept it. Like this. And then I don't get any further in my planning process, not even in sales. The sales department doesn't think about that, yes, [...]

Code: • Regulation and law

Interview No. 9, Position: 8 – 8.

[...] Basically, you have to underpin the foundation, because that's the only way I can do what is required under MaRisk, but also under the German Stock Corporation Act, of course. [...]

Code: • Regulation and law

Interview No. 9, Position: 10 – 10.

[...] 91⁷¹². Paragraph one states: "The Management Board shall ensure ..." and so on. Two: "The management board shall establish appropriate measures, in particular monitoring, and ensure the continued existence." [...]

Code: • Regulation and law

Interview No. 9, Position: 26 – 26.

⁷¹² This quote from the legal text of the German Stock Corporation Act refers to Section 91 AktG.

[...] German corporate governance is a little more specific than that [...]

Code: • Regulation and law

Interview No. 9, Position: 26 – 26.

[...] MaRisk, I believe, is AT 355: "Management responsibilities also include the development of a common risk culture that ensures consistent and effective risk management in all areas of the company. This also includes developing a business strategy..." [...]

Code: • Regulation and law

Interview No. 9, Position: 26 – 26.

[...] "The risk strategy presents the risks arising from the business strategy." [...]

Code: • Regulation and law

Interview No. 9, Position: 26 – 26.

[...] "The risk strategy is based on the risks arising from the business strategy." However, if I first set out the risks in the risk strategy, then I would not ultimately collect this sentence. [...]

Code: • Regulation and law

Interview No. 9, Position: 26 – 26.

[...] whether the legislator does this in the German Stock Corporation Act or not. Because integrating a single topic like this into the law is not an option, but it is possible within the framework of, I mean, we are already one step further in the German Corporate Governance Act, if you take a look at it. [...]

Code: • Regulation and law

Interview No. 9, Position: 30 – 30.

[...] German corporate governance, which must also be implemented for listed companies, and for capital market-oriented companies it is a recommendation, but of course there is also the question: if someone does not do it, capital-oriented companies, then the big investors would have to ask themselves what is going on. [...]

Code: • Regulation and law

Interview No. 9, Position: 34 – 34.

[...] I don't think the legislator would, because that would be a matter for the German Stock Corporation Act, so you'd have to ask: What else is there? (00:24:50) That's why it's not included in the KWG, yes. In the KWG, there are probably two or three formulations, KWG 25a, that go further than the German Stock Corporation Act 91, but ultimately the concretization takes place in the MaRisk. [...]

Code: • Regulation and law

Interview No. 9, Position: 34 – 34.

[...] that the audit committee must be composed of at least two experts [...]

Code: • Regulation and law

Interview No. 9, Position: 46 – 46.

[...] Why only for the Audit Committee, not for strategies or risk strategy? [...]

Code: • Regulation and law

Interview No. 9, Position: 46 – 46.

[...] We have new product ideas and so on, and we're working on them. Something could come your way in six months. So they don't even think about it. But usually it's not so many new products, it's new combinations, new curls that are added to them [...]

Code: • Market and competition \ Market and customer strategy

Interview No. 9, Position: 10 – 10.

[...] The sales department has to take that into account in its planning. [...]

Code: • Market and competition \ Market and customer strategy

Interview No. 9, Position: 10 – 10.

[...] Here, I need these people on ... And so on. And the sales people, of course they think about it beforehand: Where do I want to go? [...]

Code: • Market and competition \ Market and customer strategy

Interview No. 9, Position: 60 – 60.

[...] in sales. But there are some companies that now also have a separate product development idea and new product process. [...]

Code: ● Market and competition \ Market and customer strategy
Interview No. 9, Position: 62 – 62.

10. Coded Segments Interview No. 10

[...] cultural element. Every two years, they held [...]

Code: ● Strategy communication
Interview No. 10, Position: 102 – 102.

[...] as a purpose or to give meaning to the outside world [...]

Code: ● Strategy communication
Interview No. 10, Position: 170 – 170.

[...] Grow or go [...]

Code: ● Organizational strategy
Interview No. 10, Position: 79 – 79.

[...] LinkedIn is also such a headhunting platform [...]

Code: ● Organizational strategy
Interview No. 10, Position: 95 – 95.

[...] Which consultant is still on the road as much as before? Hardly any. [...]

Code: ● Organizational strategy
Interview No. 10, Position: 214 – 214.

[...] That means you immediately had a justification for doing it one way or another [...]

Code: ● Strategic Alignment
Interview No. 10, Position: 8 – 8.

[...] all happens in the background, of course, which then leads to a strategy, in this case a merger strategy and how do I reposition myself? [...]

Code: ● Strategic Alignment

Interview No. 10, Position: 40 – 40.

[...] Yes, and that's always a bit of a question for me, is it actually a strategy or is it just a reflection of resources, [...]

Code: ● Strategic Alignment \Definition Strategic Alignment

Interview No. 10, Position: 6 – 6.

[...] For me, strategy is a word that is insanely inflated. Insanely inflated, [...]

Code: ● Strategic Alignment \Definition Strategic Alignment

Interview No. 10, Position: 44 – 44.

[...] Strategy is more global, long-term and comprehensive. Tactics, on the other hand, are more detailed and short-term [...]

Code: ● Strategic Alignment \Definition Strategic Alignment

Interview No. 10, Position: 44 – 44.

[...] Carl Clausewitz. Clausewitz defined these two terms in one sentence. He said: "Strategy is how I lead my army into the field. [...]"

Code: ● Strategic Alignment \Definition Strategic Alignment

Interview No. 10, Position: 46 – 46.

[...] But alignment is also very much about how I implement this. How does it all fit together? How do I get the employees to think along with me, yes, and lead this strategy to success, and, and, and. But, well. Do you have an idea where you can say that this is something completely new? [...]

Code: ● Strategic Alignment \Definition Strategic Alignment

Interview No. 10, Position: 170 – 170.

[...] A consultant does not seek advice. [...]

Code: ● Implementation quality of the strategy

Interview No. 10, Position: 112 – 112.

[...] And this consulting firm did two things. It provided advice and it built software. So, one objective was consulting and the other was standard software. These are two

completely separate pairs of boots, but the standard software emerged from the consulting activities. Just like the SAP products were created. They were created in Oestrich-W... not in Oestrich-Winkel, they were created in Östringen, because Hopp, Hector, Wellenreuther, Schirrer ... I think one is still missing ... Plattner. So then we have them all, yes. These gentlemen worked in Östringen at the time. [...]

Code: ● Implementation quality of the strategy

Interview No. 10, Position: 170 – 170.

[...] in a large company. In this case, the strategy is usually set centrally somewhere. If you are not sitting in the meeting where this strategy is being developed [...]

Code: ● Strategy process

Interview No. 10, Position: 6 – 6.

[...] medium-sized companies ... maybe companies with, I don't know, up to 1,000 employees. And then you yourself are part of the management team, so you have meetings, brainstorming sessions and so on, where you try to develop a strategy [...]

Code: ● Strategy process

Interview No. 10, Position: 6 – 6.

[...] So the strategy is always nothing other than: Where do we stand? Where do we want to go? And how do we get there? These are the three classic steps for any strategy. [...]

Code: ● Strategy process

Interview No. 10, Position: 6 – 6.

[...] But in this case, it didn't even lead to a strategy being formulated because it was said in advance: No, no, the process can't work like this [...]

Code: ● Strategy process

Interview No. 10, Position: 24 – 24.

[...] For me, strategy is a word that is insanely exaggerated. Insanely inflated, [...]

Code: ● Strategy process

Interview No. 10, Position: 44 – 44.

[...] The difference between strategy and tactics ... The clearest way to work out what a strategy is is to contrast it with tactics. [...]

Code: ● Strategy process

Interview No. 10, Position: 44 – 44.

[...] Becker recognized this very quickly ... And he always works with the levels of strategy, tactics and implementation [...]

Code: ● Strategy process

Interview No. 10, Position: 50 – 50.

[...] who very quickly realized that strategy and tactics are constantly intermingled in practice [...]

Code: ● Strategy process

Interview No. 10, Position: 50 – 50.

[...] still sub-strategies [...]

Code: ● Strategy process

Interview No. 10, Position: 170 – 170.

[...] By and large, you have a little, yes, rendezvous afterwards. I don't want to call it a "drinking binge", but you get together again and drink it all in and consolidate it and so on. Just the way it is. [...]

Code: ● Strategy communication\Informal communication

Interview No. 10, Position: 10 – 10.

[...] I was actually, well, how can I put it, overwhelmed by the way the French approached the subject. The food alone with the French, [...]

Code: ● Strategy communication\Informal communication

Interview No. 10, Position: 102 – 102.

[...] where they then do the whole thing in old castles [...]

Code: ● Strategy communication\Informal communication

Interview No. 10, Position: 102 – 102.

[...] then this strategy was practically explained to them. And everything that fitted somewhere, yes, with the strategy, was of course taken up again at every opportunity [...]

Code: ● Strategy communication \Strategic understanding
Interview No. 10, Position: 8 – 8.

[...] Understanding was never the problem. Because you come across with sophisticated slides. [...]

Code: ● Strategy communication \Strategic understanding
Interview No. 10, Position: 10 – 10.

[...] But at the moment when the employees are the decisive factor, it depends very, very much on where their skills lie. [...]

Code: ● Strategic Alignment \Indicator for alignment
Interview No. 10, Position: 6 – 6.

[...] No matter how good the strategic fit is [...]

Code: ● Strategic Alignment \Indicator for alignment
Interview No. 10, Position: 22 – 22.

[...] on the part of Capgemini. You get a large block of shares. We were all multiple millionaires on paper at the time. Then, of course, it was made very easy for us, you understand. And that went well for a while. But since we weren't allowed to realize the shares. Yes, there are still lock-up periods and so on. By the time we were allowed to realize them, the share price was only worth a tenth as much. [...]

Code: ● Strategic Alignment \Tools and methods for alignment
Interview No. 10, Position: 42 – 42.

[...] cultural element. They held a Rencontre every two years. Like this. And now we have this Rencontre to go with it [...]

Code: ● Strategic Alignment \Tools and methods for alignment
Interview No. 10, Position: 102 – 102.

[...] Three dimensions were built up. One dimension was the service lines, i.e. what you offer in terms of content. The second dimension was the customers, i.e. the industry. The third dimension was the profession, the profession [...]

Code: ● Strategic Alignment \ Tools and methods for alignment

Interview No. 10, Position: 110 – 110.

[...] Where do we want to go? Is this actually very much derived from the market or is it more dependent on our own personnel? [...]

Code: ● Market and competition

Interview No. 10, Position: 6 – 6.

[...] marketing equation. And then I said: It consists of six, six steps [...]

Code: ● Market and competition

Interview No. 10, Position: 172 – 172.

[...] But some did not. And the whole thing, mapping all six steps, was too much for every company. And that's why it doesn't work well. SAP did it right. They didn't clog up their sales channels because they didn't consult. [...]

Code: ● Market and competition

Interview No. 10, Position: 172 – 172.

Leimbach. L-e-i-m and then Bach, Leimbach. He wrote about SAP, the whole SAP development [...]

Code: ● Market and competition

Interview No. 10, Position: 180 – 180.

[...] In my day, there were about 200 companies that all did their own financial accounting, i.e. IT-wise [...]

Code: ● Market and competition

Interview No. 10, Position: 184 – 184.

[...] In terms of brains and skills, SAP was better positioned than ADV-Orga. [...]

Code: ● Market and competition

Interview No. 10, Position: 190 – 190.

[...] ADV-Orga all came from the Olympia-Werke, which is also based in Wilhelms-haven. [...]

Code: • Market and competition
Interview No. 10, Position: 190 – 190.

[...] All the waste collection services in Germany, with the separation and so on, were based on this model. Because that was ... They all had to go free, yes. Back then, they wanted regulation and so on, they no longer wanted to do everything semi-officially. [...]

Code: • Market and competition
Interview No. 10, Position: 198 – 198.

[...] larger companies, i.e. with the Group. This was then carried out in a really professional manner, where we explained these strategies in large sessions, rencontres or something like that [...]

Code: • Strategy process\Strategy implementation
Interview No. 10, Position: 8 – 8.

[...] are the distinction between strategy and tactics and therefore also between strategy and implementation... But of course a strategy has to be implemented. Just having it in your head is not enough. [...]

Code: • Strategy process\Strategy implementation
Interview No. 10, Position: 52 – 52.

[...] Of course, you can only do it from a certain position of strength, yes. Otherwise it won't work. So people have to have an alternative in mind as to how they can do this. That you don't go along with it and walk out of the event. So from this whole strategic plan. And as I said, the employees, there were almost ... 9,000 of them. [...]

Code: • Personnel measures
Interview No. 10, Position: 16 – 16.

[...] brought the topic of "personal branding" into play, "personal branding" [...]

Code: • Personnel measures
Interview No. 10, Position: 80 – 80.

[...] Personnel marketing equation [...]

Code: • Personnel measures

Interview No. 10, Position: 136 – 136.

[...] In consulting, at McKinsey, the fluctuation is between 20 and 25 percent, the up-and-out principle. But they need it too [...]

Code: • Personnel measures

Interview No. 10, Position: 140 – 140.

[...] A new employee, especially in the consulting sector, costs around 50,000 euros to recruit [...]

Code: • Personnel measures

Interview No. 10, Position: 146 – 146.

[...] And the consultant also learns a lot very quickly here [...]

Code: • Personnel measures

Interview No. 10, Position: 206 – 206.

[...] You used to wear a smart suit, pinstripes, and then you went to the customer.

[...]

Code: • Personnel measures

Interview No. 10, Position: 214 – 214.

[...] then try to spread the word, then of course you have to make sure that appropriate meetings take place and that this is then carried into the team. [...]

Code: • Strategy communication \ Communication Group

Interview No. 10, Position:

[...] That means you immediately had a justification as to why you were doing it one way or another [...]

Code: • Strategy communication \ Communication Group

Interview No. 10, Position: 8 – 8.

[...] You can implement this much more easily if you make it widespread and don't just keep it in a few people's heads [...]

Code: ● Strategy communication\Communication Group
Interview No. 10, Position: 8 – 8.

[...] The whole thing took place in several stages. This merger took place during a rencontre, yes, that's what it's called. Rencontre⁷¹³, a meeting [...]

Code: ● Strategy communication\Communication Group
Interview No. 10, Position: 102 – 102.

[...] Nevertheless, the entire American unit of Ernst & Young was lost very, very quickly because the Americans said: We're not going to let the French tell us anything [...]

Code: ● Strategy process\Change Management
Interview No. 10, Position: 12 – 12.

[...] whole topic of change management. How do these processes work? There are all kinds of different considerations, whether they are mentors or opponents [...]

Code: ● Strategy process\Change Management
Interview No. 10, Position: 22 – 22.

[...] That's my strategy. I want to get into the field, but how do I set myself up for it? [...]

Code: ● Strategic goals
Interview No. 10, Position: 170 – 170.

[...] The future will be very much influenced by digitalization. And digitalization is another term that I find a little overused. [...]

Code: ● Strategic goals
Interview No. 10, Position: 210 – 210.

[...] Failed due to the corporate culture [...]

Code: ● Strategy process\Strategic management
Interview No. 10, Position: 26 – 26.

⁷¹³ French: meeting.

[...] Nevertheless, the entire American unit of Ernst & Young was lost very, very quickly because the Americans said: We're not going to let the French tell us anything [...]

Code: • Incorrect alignment / misalignment

Interview No. 10, Position: 12 – 12.

[...] Then the whole venture collapsed. Simply because of this irritation: We weren't taken seriously. We weren't asked, we weren't involved. [...]

Code: • Incorrect alignment / misalignment

Interview No. 10, Position: 24 – 24.

[...] He does it himself. A consultant can do everything. They don't seek advice. [...]

Code: • Incorrect alignment / misalignment

Interview No. 10, Position: 114 – 114.

[...] ADV-Orga was in Wilhelmshaven. [...]

Code: • Incorrect alignment / misalignment

Interview No. 10, Position: 170 – 170.

[...] Yes, Porter. Porter has this consideration, this U, yes. Either I only do Standard or I only do Individual. But neither works, [...]

Code: • Incorrect alignment / misalignment

Interview No. 10, Position: 170 – 170.

[...] Stuck in the middle [...]

Code: • Incorrect alignment / misalignment

Interview No. 10, Position: 170 – 170.

[...] all waste collection services in Germany were set up according to this pattern, with separation and so on. Because that was ... They all had to go free, yes. Back then, they wanted regulation and so on, they no longer wanted to do everything semi-officially. [...]

Code: • Regulation and law

Interview No. 10, Position: 198 – 198.

[...] Sales in consulting is usually a bit different. It's not so ... it's mostly ... sales are made from the service area. [...]

Code: ● Market and competition \ Market and customer strategy
Interview No. 10, Position: 132 – 132.

[...] You focus very, very strongly on what you have as a human resource, and I have already briefly explained this to you. That sounds a bit silly, but it's all very personalized. This means that people who can work in this or that area and have excelled in it so far also ensure that their areas are reflected accordingly in the strategy. [...]

Code: ● Strategy process \ Strategy development
Interview No. 10, Position: 6 – 6.

[...] Yes, if everyone continues to work with the old strategy, then you won't benefit. Synergies have to be cultivated, [...]

Code: ● Strategy process \ Strategy development
Interview No. 10, Position: 12 – 12.

[...] Bremer Vulkan, where I then really developed a strategy on a small scale. And I was supported by Mercer back then. [...]

Code: ● Strategy process \ Strategy development
Interview No. 10, Position: 64 – 64.

[...] With a merger like this, it's the other way around. First of all, the people are determined. You need them. They are the beacons. Everything is based on them. In other words, the first thing that is determined is who is the CEO? Who is the COO and so on and so forth. All the CXs are determined first, yes, the country managers and so on [...]

Code: ● Strategic Alignment \ Responsibility for Alignment
Interview No. 10, Position: 124 – 124.

[...] merging two companies, i.e. a merger [...]

Code: ● M&A
Interview No. 10, Position: 12 – 12.

[...] When Deloitte tried to get together with Roland Berger, it was actually a wonderfully sophisticated strategic fit. Yes, it was a wonderful fit. Deloitte was more IT-oriented, more ... Yes, I would say much more down-to-earth, application-oriented, SAP-oriented and so on. Roland Berger, on the other hand, was much more strategic, but not as international as Deloitte. [...]

Code: • M&A

Interview No. 10, Position: 22 – 22.

[...] Arthur Andersen. Then everyone came out of the house, out of the big building, and had their suitcases with them [...]

Code: • M&A

Interview No. 10, Position: 36 – 36.

[...] PwC sold its consulting unit to IBM. However, it then largely disappeared there. [...]

Code: • M&A

Interview No. 10, Position: 36 – 36.

[...] Ernst & Young just sold, or merged, or sold ... that's the right expression ... to Capgemini, but only ever the consulting division [...]

Code: • M&A

Interview No. 10, Position: 36 – 36.

[...] it all happens in the background, of course, which then leads to a strategy, in this case a merger strategy and how do I reposition myself? [...]

Code: • M&A

Interview No. 10, Position: 40 – 40.

[...] Ernst & Young's American consulting division was enormously successful. It was enormously successful. And they then set themselves up again very, very quickly. [...]

Code: • M&A

Interview No. 10, Position: 42 – 42.

[...] Capgemini, which we took over and to whom we offered shares and so on, to do this Rencontre together with them. [...]

Code: • M&A

Interview No. 10, Position: 102 - 102

[...] the French approach was very deductive. [...]

Code: • M&A

Interview No. 10, Position: 110 – 110.

[...] In a merger like this, are you in or out? [...]

Code: • M&A

Interview No. 10, Position: 122 – 122.

[...] With a merger like this, it's the other way around. First of all, the people are determined. You need them. They are the beacons. Everything is based on them. In other words, the first thing that is determined is who is the CEO? Who is the COO and so on and so forth. All the CXs are determined first, yes, the country managers and so on [...]

Code: • M&A

Interview No. 10, Position: 124 – 124.

[...] M&A always has two faces. I want to buy or I get bought out. Or I want to be bought out because I don't have the money or whatever. For me, M&A is one of the most exciting fields in consulting. Because it's always about mergers. So M&A is incredibly exciting. The field of M&A is exciting. [...]

Code: • M&A

Interview No. 10, Position: 202 – 202.

11. Coded Segments Interview No. 11

[...] DNA of Landesbanken and savings banks [...]

Code: • Strategy as input for the alignment process

Interview No. 11, Position: 30 – 30.

[...] If I buy LBBW Czech Republic, I want it to act, let's say, in line with the overall strategy in its market. [...]

Code: ● Strategy as input for the alignment process

Interview No. 11, Position: 38 – 38.

[...] And then you also had to follow this very closely in terms of communication in order to see when what actually comes out where. Where is what communicated? When is it clear what is being done? [...]

Code: ● Strategy communication

Interview No. 11, Position: 18 – 18.

[...] have to negotiate with an EU authority [...]

Code: ● Strategy communication

Interview No. 11, Position: 18 – 18.

[...] We had a strategy, so to speak, as to which business areas we wanted to operate, i.e. corporate customer business and private customer business. And based on this, we then considered where there were market opportunities for us. [...]

Code: ● Incorrect strategy

Interview No. 11, Position: 4 – 4.

[...] And the topic of "growth" was simply not possible. [...]

Code: ● Incorrect strategy

Interview No. 11, Position: 10 – 10.

[...] as a subsidiary. And in this respect, there are of course completely different organizational challenges, i.e. you have a management team there [...]

Code: ● Strategic Alignment

Interview No. 11, Position: 18 – 18.

[...] As a group that, yes, takes over the entire shares, they naturally have the right to say: Hey, watch out. I want to do certain business areas. I have certain ideas about risks. [...]

Code: ● Strategic Alignment

Interview No. 11, Position: 18 – 18.

[...] Create business cases, analyze portfolios, [...]

Code: ● Strategy process \ Strategic analysis / diagnosis
Interview No. 11, Position: 40 – 40.

[...] that the bank is viable again without Stuttgart. But that also means saying: Hey, watch out. We have a trading system there. And our trading system is multi-client capable, but is more advanced [...]

Code: ● IT Strategic Alignment
Interview No. 11, Position: 40 – 40.

[...] IT, i.e. the system, the computer system [...]

Code: ● IT Strategic Alignment
Interview No. 11, Position: 41 – 41.

[...] greenfield approach with our locations in Erfurt, Magdeburg and Chemnitz. [...]

Code: ● Implementation quality of the strategy
Interview No. 11, Position: 24 – 24.

[...] We realize that societies are quite sluggish [...]

Code: ● Disruption and pandemic
Interview No. 11, Position: 61 – 61.

[...] But once a company like this gets going, the demands are there relatively quickly, in the sense of: Hey, I want to see other topics here [...]

Code: ● Disruption and pandemic
Interview No. 11, Position: 61 – 61.

[...] VUCA world, agility, not where I think it ultimately comes down to, [...]

Code: ● Disruption and pandemic
Interview No. 11, Position: 63 – 63.

[...] Stick loyally to the new owner. If the owner is afraid to say: Oh no, maybe that won't happen at all [...]

Code: ● Strategic Alignment \ Indicator for alignment
Interview No. 11, Position: 38 – 38.

[...] Could one say that Sachsen Bank and the Czech Republic had developed a kind of synchronization, or was it ... did it actually remain very independent? [...]

Code: ● Strategic Alignment \Indicator for alignment

Interview No. 11, Position: 54 – 54.

[...] We have never reached a point in the integration process where we would have said: We are already breathing in a certain lockstep. We haven't actually got that far. So in this respect, we came to a stop, so to speak, in the context of connection, integration, portfolio review, connection to risk systems, setting up a new business case, because then came the EU procedure, so to speak. [...]

Code: ● Strategic Alignment \Indicator for alignment

Interview No. 11, Position: 55 – 55.

[...] Business case created [...]

Code: ● Strategic Alignment \Tools and methods for alignment

Interview No. 11, Position: 4 – 4.

[...] The topic of IT then supports this, so to speak. But that was, so to speak, for the topic of integrating [...]

Code: ● Strategic Alignment \Tools and methods for alignment

Interview No. 11, Position: 42 – 42.

[...] The former Sachsen LB fell victim to the subprime crisis and was then taken over by Landesbank Baden-Württemberg. [...]

Code: ● Corporate restructuring strategy

Interview No. 11, Position: 6 – 6.

[...] a big bang in the sense of: Hey, we're now developing a case that should last for the next three or five years [...]

Code: ● Corporate restructuring strategy

Interview No. 11, Position: 10 – 10.

[...] LBBW had had an impact. Then there was also a restructuring [...]

Code: ● Corporate restructuring strategy

Interview No. 11, Position: 10 – 10.

[...] Cooperation with the local savings banks [...]

Code: • Strategy process\Strategy implementation

Interview No. 11, Position: 31 – 31.

[...] So to a certain extent it's competition, because there are fluid transitions, so to speak. And to a certain extent it is cooperation. So if you take the topic of "corporate customer business", there are loans, they are such major customers, they are so big, they want solutions that the savings banks can no longer offer. You can do that together. [...]

Code: • Strategy process\Strategy implementation

Interview No. 11, Position: 32 – 32.

[...] organization in such a way that they say: O.K., I now have a ... let's take a practical example. You have a back office employee who evaluates traditional corporate loans and can analyze balance sheets. And then say: OK, it would actually be good if you could evaluate other types of loans in addition to this one. And it may be that we don't do traditional corporate loans, but photovoltaic plants a lot now. Or we are now doing a lot of biomass power plants or other topics. [...]

Code: • Personnel measures

Interview No. 11, Position: 63 – 63.

[...] not just start an integration and achieve synergies [...]

Code: • Strategic goals

Interview No. 11, Position: 6 – 6.

[...] Occupy new markets [...]

Code: • Strategic goals

Interview No. 11, Position: 6 – 6.

[...] So that was the strategic order from Stuttgart [...]

Code: • Strategic goals

Interview No. 11, Position: 6 – 6.

[...] And the topic of "growth" was simply not possible. [...]

Code: • Strategic goals

Interview No. 11, Position: 10 – 10.

[...] So it was a test balloon to see to what extent LBBW could expand further in Eastern Europe, so to speak. [...]

Code: • Strategic goals

Interview No. 11, Position: 20 – 20.

[...] So in the Asian market, you were also a bank that accompanied you. [...]

Code: • Strategic goals

Interview No. 11, Position: 20 – 20.

[...] So I think it was a fundamental strategy of LBBW to say: We are not going into foreign markets because foreign markets are interesting per se, but we are going with our customers. [...]

Code: • Strategic goals

Interview No. 11, Position: 20 – 20.

[...] The driver, so to speak, was of course our own business strategy. Phase 1, so to speak, was about buying a Czech bank. [...]

Code: • Strategic goals

Interview No. 11, Position: 40 – 40.

[...] If I buy LBBW Czech Republic, I want it to act, let's say, in line with the overall strategy in its market. [...]

Code: • Strategy process \ Strategic management

Interview No. 11, Position: 38 – 38.

[...] stick loyally to the new owner. If the owner is afraid to say: Oh no, maybe that won't happen at all [...]

Code: • Incorrect alignment / misalignment

Interview No. 11, Position: 38 – 38.

[...] We have never reached a point in the integration process where we would have said: We are already breathing in a certain lockstep. We haven't actually got that far.

So in this respect, we came to a stop, so to speak, in the context of connection, integration, portfolio review, connection to risk systems, setting up a new business case, because then came the EU procedure, so to speak. [...]

Code: • Incorrect alignment / misalignment

Interview No. 11, Position: 55 – 55.

[...] And the topic of "growth" was simply not possible. [...]

Code: • Disruptive strategy

Interview No. 11, Position: 10 – 10.

[...] We must not forget that we virtually replaced the entire economic system in 1990. And many companies did not survive, so to speak, were not competitive, we have many subsidiaries of corporations in Central Germany. And a lot of things have grown again since 1990, so to speak. (00:06:24) In other words, a complete transformation of the economy and then a reconstruction and similar things there [...]

Code: • Disruptive strategy

Interview No. 11, Position: 55 – 55.

[...] the EU procedure, which in this respect has set a completely new context in the sense of: Ah, okay. If I don't sell them again now, then of course a connection and a complete alignment, et cetera, no longer make sense. [...]

Code: • Regulation and law

Interview No. 11, Position: 40 – 40.

[...] Corporate customers from ten, 25 million euros turnover [...]

Code: • Market and competition \ Market and customer strategy

Interview No. 11, Position: 4 – 4.

[...] new federal states, there was still the question: What is the situation with the neighboring countries of the Czech Republic and Poland? [...]

Code: • Market and competition \ Market and customer strategy

Interview No. 11, Position: 4 – 4.

[...] that the topic of "acquiring new customers" is not that easy, [...]

Code: • Market and competition \ Market and customer strategy

Interview No. 11, Position: 10 – 10.

[...] Where do I see my opportunities? Where do I see markets? [...]

Code: • Market and competition \ Market and customer strategy

Interview No. 11, Position: 12 – 12.

[...] "LBBW Czech Republic" [...]

Code: • Market and competition \ Market and customer strategy

Interview No. 11, Position: 12 – 12.

[...] Because, of course, the systems for virtual working and virtual meetings with customers were simply not widely represented in 2008. [...]

Code: • Market and competition \ Market and customer strategy

Interview No. 11, Position: 30 – 30.

[...] A look at market data [...]

Code: • Strategy process \ Strategy development

Interview No. 11, Position: 4 – 4.

[...] Market sounding, because how ... the first strategy was to say: I want to take a look at Poland and the Czech Republic. [...]

Code: • M&A

Interview No. 11, Position: 22 – 22.

[...] The driver, so to speak, was of course our own business strategy. Phase 1, so to speak, was about buying a Czech bank. [...]

Code: • M&A

Interview No. 11, Position: 40 – 40.

[...] One was a bank that seemed to be tradable in terms of size and regional distribution [...]

Code: • M&A

Interview No. 11, Position: 47 – 47.

[...] i.e. every three to five years [...]

Code: • M&A

Interview No. 11, Position: 51 – 51.

12. Coded Segments Interview No. 12

[...] As a pharmacist, you always need a pharmacist on site. This means that if you are a pharmacist yourself, you need a second licensed pharmacist to cover for you if you are on vacation or something else. [...]

Code: • Organizational strategy

Interview No. 12, Position: 12 – 12.

[...] At the point where the companies find themselves, I think, yes, a strategy or the implementation of a strategy has already failed. So I don't think it's about implementing any strategies any more, it's really hit the wall, so to speak. [...]

Code: • Corporate restructuring strategy

Interview No. 12, Position: 6 – 6.

[...] had fire damage or water damage or something like that. And that the machines that they should have been producing with simply broke down. And they simply didn't have the liquid funds together so quickly to repair the machines. As a result, of course, they don't have the turnover, which means they don't have the liquid funds. (00:02:30) So then ... that's ... it becomes a cycle that then builds up [...]

Code: • Corporate restructuring strategy

Interview No. 12, Position: 8 – 8.

[...] Of course they had insurance, but insurance takes time to pay out. And you have to bridge this time and then you just don't have the liquid funds [...]

Code: • Corporate restructuring strategy

Interview No. 12, Position: 8 – 8.

[...] The health insurance company only pays up to two and a half months later. So it actually takes an incredibly long time to pay in advance. That's inherent in the system. If you don't have enough reserves, then yes, that's the way it is. And if, depending on what medicines they sell [...]

Code: • Corporate restructuring strategy
Interview No. 12, Position: 8 – 8.

[...] So ultimately accounting errors [...]

Code: • Corporate restructuring strategy
Interview No. 12, Position: 9 – 9.

[...] But I think the problem is simply that a lot of people are not business people. Yes, so a pharmacist studies pharmacy, [...]

Code: • Corporate restructuring strategy
Interview No. 12, Position: 12 – 12.

[...] the court then appoints a provisional insolvency administrator or an expert who first looks at it. And then, if necessary, i.e. if they only appoint an expert at first, they may appoint a provisional insolvency administrator later. [...]

Code: • Corporate restructuring strategy
Interview No. 12, Position: 16 – 16.

[...] Can we continue business operations at all or do we have to shut down? [...]

Code: • Corporate restructuring strategy
Interview No. 12, Position: 18 – 18.

[...] In other words, you look: Do I have any money at all or can I get money in the short term to continue? [...]

Code: • Corporate restructuring strategy
Interview No. 12, Position: 18 – 18.

[...] once you have (laughs), I say, got it up and running, once the biggest construction sites have been eliminated, the business is working, the people are working, everything can be paid for, then perhaps you can really think about a strategy. [...]

Code: • Corporate restructuring strategy

Interview No. 12, Position: 18 – 18.

[...] Insolvency administrator of Märklin [...]

Code: • Corporate restructuring strategy

Interview No. 12, Position: 22 – 22.

[...] He said he came in, he hadn't seen a number yet and he had to make a gut decision. And because he used to love playing with trains, he said: We're going to continue here. (00:11:43) Then everyone in the background said, sucked in the air and said: You can't say it like that. We don't even know how to do it [...]

Code: • Corporate restructuring strategy

Interview No. 12, Position: 22 – 22.

[...] From the creditors [...]

Code: • Corporate restructuring strategy

Interview No. 12, Position: 24 – 24.

[...] The first pressure naturally comes from the employees. Because insolvency applications are usually filed at the end of the month when people realize that they have to pay social security contributions three days before the end of the month, which is no longer possible. And wages are no longer possible either. [...]

Code: • Corporate restructuring strategy

Interview No. 12, Position: 24 – 24.

[...] Insolvency law has already created many, many regulations. But some things can really only be achieved by getting on the phone and talking to people and building trust [...]

Code: • Corporate restructuring strategy

Interview No. 12, Position: 28 – 28.

[...] So the provisional administrator generates a lot of liquidity by not paying wages and social security contributions because he makes use of the so-called insolvency money pre-financing. [...]

Code: • Corporate restructuring strategy

Interview No. 12, Position: 34 – 34.

[...] And then there are those ominous three months that you always have in the preliminary proceedings, [...]

Code: • Corporate restructuring strategy

Interview No. 12, Position: 36 – 36.

[...] The insolvency administrator is the enforcement body for all creditors, for the body of creditors. And that is why the creditors as a whole must also decide, [...]

Code: • Corporate restructuring strategy

Interview No. 12, Position: 44 – 44.

[...] The be-all and end-all is to keep an eye on your figures [...]

Code: • Corporate restructuring strategy

Interview No. 12, Position: 48 – 48.

[...] This is particularly the case for craft businesses, which calculate their orders once. [...]

Code: • Corporate restructuring strategy

Interview No. 12, Position: 48 – 48.

[...] But I think the problem is simply that a lot of people are not business people. Yes, so a pharmacist studies pharmacy, [...]

Code: • Strategy process\Strategic management

Interview No. 12, Position: 12 – 12.

[...] These were self-applications, but of course they also came under massive pressure from the banks. When the bank rejects the third, fourth, fifth financing and then says: "Guys, you're broke, in other words, please submit an application. That's what happens. Of course, it can also be that health insurance companies, tax offices or something like that make the applications [...]

Code: • Incorrect alignment / misalignment

Interview No. 12, Position: 14 – 14.

13. Coded Segments Interview No. 13

[...] Strategy document [...]

Code: ● Strategy as input for the alignment process

Interview No. 13, Position: 52 – 52.

[...] a Word document, [...]

Code: ● Strategy as input for the alignment process

Interview No. 13, Position: 53 – 53.

[...] The main aspect is simply the issue of communication [...]

Code: ● Strategy communication

Interview No. 13, Position: 47 – 47.

[...] Before Corona, communication was very analog, meaning that we really met face to face. [...]

Code: ● Strategy communication

Interview No. 13, Position: 49 – 49.

[...] And Corona has basically digitized these savings bank associations in my eyes, so it probably felt like they were ten years ahead, [...]

Code: ● Strategy communication

Interview No. 13, Position: 49 – 49.

[...] Strategy also discussed down to the employees [...]

Code: ● Strategy communication

Interview No. 13, Position: 54 – 54.

[...] In the meantime, yes. In the beginning, ten or 15 years ago, I think it was different. In other words, only the figures reached the employees: What is necessary to achieve the strategy? [...]

Code: ● Strategy communication

Interview No. 13, Position: 55 – 55.

[...] typical rolling planning. In other words, you basically take a very close look at the first year, plan for the next few years, but basically adjust the strategy every year,

because we naturally try things out and also encourage investments so that we don't have a different plan every year. It should have a solid foundation. [...]

Code: ● Incorrect strategy

Interview No. 13, Position: 26 – 26.

[...] It was already clear in 2011 that we did not want to be involved on a permanent basis [...]

Code: ● Organizational strategy

Interview No. 13, Position: 6 – 6.

[...] Then there are these quarterly meetings to discuss the achievement of targets and medium-term planning. And the whole thing is then simply a dynamic process, [...]

Code: ● Strategic Alignment

Interview No. 13, Position: 28 – 28.

[...] that I then push this misalignment back into the right direction, so that my strategy itself comes back into the fulfillment area. [...]

Code: ● Strategic Alignment \Definition Strategic Alignment

Interview No. 13, Position: 63 – 63.

[...] Does this fit in with our strategy? [...]

Code: ● Strategy process \Strategic analysis / diagnosis

Interview No. 13, Position: 24 – 24.

[...] strategically planned from the outset, so that we can ultimately really sell this investment without having to maintain countless connections to our company and the other companies in the background. [...]

Code: ● IT Strategic Alignment

Interview No. 13, Position: 6 – 6.

[...] we have a standardized IT provider in the savings banks association, Finanzinformatik, which can provide these IT systems for all savings banks and also Landesbanken, if they so wish [...]

Code: ● IT Strategic Alignment

Interview No. 13, Position: 8 – 8.

[...] As a credit institution, we first have the standard strategy process. This is the classic textbook way of creating a strategy. [...]

Code: ● Strategy process

Interview No. 13, Position: 2 – 2.

[...] Main strategy or business strategy [...]

Code: ● Strategy process

Interview No. 13, Position: 2 – 2.

[...] We always develop a five-year strategic planning process [...]

Code: ● Strategy process

Interview No. 13, Position: 2 – 2.

[...] that the bank first develops its own strategy [...]

Code: ● Strategy process

Interview No. 13, Position: 24 – 24.

[...] The participation basically makes suggestions: What does the strategic and medium-term planning look like? [...]

Code: ● Strategy process

Interview No. 13, Position: 26 – 26.

[...] These strategy processes are already very dynamic and we have to provide a lot of information quickly, [...]

Code: ● Strategy process

Interview No. 13, Position: 47 – 47.

[...] We do not plan sales initiatives ourselves in our strategic planning [...]

Code: ● Strategy process

Interview No. 13, Position: 61 – 61.

[...] which is the main lesson, things always turn out differently than you plan [...]

Code: ● Strategic Alignment \Indicator for alignment

Interview No. 13, Position: 47 – 47.

[...] banking. And in the meantime, they are already trying to keep the strategy itself simple [...]

Code: ● Strategic Alignment \Indicator for alignment
Interview No. 13, Position: 55 – 55.

[...] that it is understandable, not too complex, but also in such a way that we can measure it, yes, in numbers, in variables, in events [...]

Code: ● Strategic Alignment \Indicator for alignment
Interview No. 13, Position: 55 – 55.

[...] Basically, it's the order of the day that certain strategic things don't always go the way you want them to. It's simply very important to look at this first: What happened and why did it happen? I think these are the two important factors, [...]

Code: ● Strategic Alignment \Indicator for alignment
Interview No. 13, Position: 63 – 63.

[...] A strategy process simply has to be set up very dynamically so that it can be adapted whenever possible, [...]

Code: ● Strategic Alignment \Tools and methods for alignment
Interview No. 13, Position: 47 – 47.

[...] Strategy database [...]

Code: ● Strategic Alignment \Tools and methods for alignment
Interview No. 13, Position: 50 – 50.

[...] And once that had been overcome and this approach had basically become established - other corporate associations in the banking sector have also been doing this for many, many years, as far as I know, the cooperatives do it, Commerzbank too. [...]

Code: ● Market and competition
Interview No. 13, Position: 16 – 16.

[...] this main strategy or business strategy ultimately develops into medium-term planning, i.e. operational planning [...]

Code: ● Strategy process \Strategy implementation

Interview No. 13, Position: 2 – 2.

[...] Medium-term planning is actually also an instrument for strategy implementation? [...]

Code: ● Strategy process\Strategy implementation

Interview No. 13, Position: 56 – 56.

[...] Exactly, that's how it is. Exactly. Basically, this is the operationalization of the strategy. You can imagine it like this [...]

Code: ● Strategy process\Strategy implementation

Interview No. 13, Position: 57 – 57.

[...] Of course, project planning is also an issue in this strategy, [...]

Code: ● Strategy process\Strategy implementation

Interview No. 13, Position: 59 – 59.

[...] You simply have to talk, not only within the company, but also, for example, with those involved, [...]

Code: ● Strategy communication\Communication Group

Interview No. 13, Position: 47 – 47.

[...] to speak more often after all. [...]

Code: ● Strategy communication\Communication Group

Interview No. 13, Position: 47 – 47.

[...] The strategy from the outset was to build a service provider for consumer loans. [...]

Code: ● Strategic goals

Interview No. 13, Position: 11 – 11.

[...] So perhaps our advantage was that we had enough capital available at the time and our owners were behind us [...]

Code: ● Strategic goals

Interview No. 13, Position: 16 – 16.

[...] majority owner of the company, that we have to integrate the whole thing into our own strategy [...]

Code: • Strategic goals

Interview No. 13, Position: 24 – 24.

[...] Even if (.....) (00:19:24) we have to make sure that the strategies of the association and the company are consistent with ours. [...]

Code: • Strategy process\Strategic controlling

Interview No. 13, Position: 26 – 26.

[...] That is the one testing mechanism we have. [...]

Code: • Strategy process\Strategic controlling

Interview No. 13, Position: 26 – 26.

[...] basically look at the medium-term planning every month: where does the investment currently stand? [...]

Code: • Strategy process\Strategic controlling

Interview No. 13, Position: 26 – 26.

[...] The target/actual comparison also compares whether or not the whole is fulfilled, [...]

Code: • Strategy process\Strategic controlling

Interview No. 13, Position: 59 – 59.

[...] Of course, you always try to keep such a management circle as stable as possible, to bring in as little change as possible, although it has to be said that many people have been on board with us for many years, are very well established and have a great deal of knowledge. That works very well for us. In other words, we try to have few changes. Which doesn't mean that it makes sense to rotate people, [...]

Code: • Strategy process\Strategic management

Interview No. 13, Position: 65 – 65.

[...] due to miscommunication or whatever [...]

Code: • Incorrect alignment / misalignment

Interview No. 13, Position: 63 – 63.

[...] And external factors in particular, such as coronavirus since 2020, can of course torpedo such a strategy. [...]

Code: • Disruptive strategy

Interview No. 13, Position: 2 – 2.

[...] Corona has basically torpedoed this disposal process a little, [...]

Code: • Disruptive strategy

Interview No. 13, Position: 2 – 2.

[...] because we have noticed that the consumer finance business has suddenly declined as a result of coronavirus - not necessarily collapsed - but it has decreased significantly, [...]

Code: • Disruptive strategy

Interview No. 13, Position: 2 – 2.

[...] Our strategic assessment is that this consumer financing has not been canceled, but only postponed, because this customer need is of course still there at the end of the day, but has been pushed back because there were more important things for the customers. [...]

Code: • Disruptive strategy

Interview No. 13, Position: 2 – 2.

[...] "Wait and see and drink tea". That was our initial thought. You're naturally put off when things suddenly happen that you didn't really foresee, that you can't assess. [...]

Code: • Disruptive strategy

Interview No. 13, Position: 28 – 28.

[...] We have set up something like a crisis team, [...]

Code: • Disruptive strategy

Interview No. 13, Position: 28 – 28.

[...] With regard to the investments we have just discussed, we have tried to keep the projects running because they were mostly projects that really had a deeper benefit, [...]

Code: • Disruptive strategy

Interview No. 13, Position: 35 – 35.

[...] At one point or another, it might have been possible to react more quickly, [...]

Code: • Disruptive strategy

Interview No. 13, Position: 37 – 37.

[...] on the other hand may react more calmly. [...]

Code: • Disruptive strategy

Interview No. 13, Position: 37 – 37.

[...] The Ukraine crisis has a greater impact [...]

Code: • Disruptive strategy

Interview No. 13, Position: 37 – 37.

[...] But what we completely underestimated at the beginning was that the whole thing would take so long. We assumed that we would be dealing with the issue in 2020, perhaps until the middle or end of 2021. Then we strategically assumed that the pandemic would be over by then. And now it's mid-2022 and the pandemic is basically still here. [...]

Code: • Disruptive strategy

Interview No. 13, Position: 37 – 37.

[...] In times of crisis, it is important to switch quickly and into crisis mode, [...]

Code: • Disruptive strategy

Interview No. 13, Position: 47 – 47.

[...] On the other hand, we know that our investment naturally needs a lot of capital in order to continue to grow, which we ultimately have to make available, which in turn places a burden on us as a bank [...]

Code: • Regulation and law

Interview No. 13, Position: 2 – 2.

[...] not a universal banking license that they can do all business, but it is a banking license just for issuing loans. [...]

Code: • Regulation and law

Interview No. 13, Position: 18 – 18.

[...] We are a credit institution is of course always closely linked to the supervisory authority, which in Germany can be BaFin or the ECB. [...]

Code: • Regulation and law

Interview No. 13, Position: 47 – 47.

[...] For example, we have an investment in our investment management whose main purpose is to provide consumer financing for the Group, [...]

Code: • Market and competition\Market and customer strategy

Interview No. 13, Position: 2 – 2.

[...] This means that around fifty or sixty percent of the savings banks are connected to it [...]

Code: • Market and competition\Market and customer strategy

Interview No. 13, Position: 2 – 2.

[...] Functional strategies [...]

Code: • Strategy process\Strategy development

Interview No. 13, Position: 2 – 2.

[...] IT strategy, a compliance strategy [...]

Code: • Strategy process\Strategy development

Interview No. 13, Position: 2 – 2.

[...] But of course we look at the strategy every year to see: Is this still realistic? [...]

Code: • Strategy process\Strategy development

Interview No. 13, Position: 2 – 2.

[...] Where do we want the bank to be in five years' time? [...]

Code: • Strategy process\Strategy development

Interview No. 13, Position: 24 – 24.

[...] carry out our planning in various scenarios. [...]

Code: • Strategy process\Strategy development

Interview No. 13, Position: 47 – 47.

[...] This feel-good scenario, how do you think it will turn out, but the supervisory authority clearly also allows credit institutions to calculate adverse scenarios [...]

Code: • Strategy process\Strategy development

Interview No. 13, Position: 47 -47.

[...] because ultimately this only works if everything is well and closely interlinked. And then this draft is basically coordinated with our Executive Board. As a rule, if there are changes, a second round is convened so that we can then go round again and make the adjustments that are desired or perhaps necessary [...]

Code: • Strategy process\Strategy development

Interview No. 13, Position: 53 – 53.

[...] Ultimately, our strategy was to say that we would like to keep the whole thing going for as long as it makes sense. Basically, before corona, the idea came up that now is the point where we could slowly separate. On the one hand, to get money for the investment, [...]

Code: • M&A

Interview No. 13, Position: 2 – 2.

[...] Basically, it will come down to a sale within the group, [...]

Code: • M&A

Interview No. 13, Position: 4 – 4.

[...] start a normal bidding process outside the association. However, we are not entirely comfortable with this, because we know that we are selling internal credit potential, perhaps to a competitor. In the end, it was decided that the whole thing should be sold within the association [...]

Code: • M&A

Interview No. 13, Position: 4 – 4.

[...] strategically planned from the outset, so that we can ultimately really sell this investment without having to maintain countless connections to our company and the other companies in the background. [...]

Code: • M&A

Interview No. 13, Position: 4 – 4.

[...] at the beginning, it was basically a spin-off. In other words, a department from our company and from another company were transferred to this subsidiary. We're perhaps talking about, yes, I think there were around fifty people who then transferred to this subsidiary. At that time, there were two locations, Berlin and Homburg, near Frankfurt am Main. [...]

Code: • M&A

Interview No. 13, Position: 39 – 39.

[...] And in the meantime, fifty employees have become over 550. [...]

Code: • M&A

Interview No. 13, Position: 39 – 39.

[...] seven locations [...]

Code: • M&A

Interview No. 13, Position: 41 – 41.

14. Coded Segments Interview No. 14

[...] to convey this multidimensionality of business objectives, that basically several objectives are important in parallel. The difficulty is, of course, to do this in the right proportions. [...]

Code: • Strategy as input for the alignment process

Interview No. 14, Position: 72 – 72.

[...] that the strategic goals that a supervisory board or a management board sets top-down are then implemented accordingly within the organization, [...]

Code: • Strategic Alignment \Definition Strategic Alignment

Interview No. 14, Position: 3 – 3.

[...] And they talk about line of sight, i.e. consistency. So they ask very specifically, from what the Supervisory Board actually wants, what comes to the external Siemens employee who is responsible for our respective infrastructures? [...]

Code: • Strategic Alignment \Definition Strategic Alignment

Interview No. 14, Position: 3 – 3.

[...] "Strategic Alignment", the connection between strategy and action [...]

Code: • Strategic Alignment \Definition Strategic Alignment

Interview No. 14, Position: 61 – 61.

[...] which sub-areas I invest in so that they are optimally defined, so to speak - that's where the art lies in the infrastructure companies. (00:06:15) And there are things that somehow don't have a particularly big influence on quality targets. And there are other things where the levers lie. [...]

Code: ● Strategy process \ Strategic analysis / diagnosis

Interview No. 14, Position: 22 – 22.

[...] The corporate strategy that is specified is even considered to be good. It is considered logical and comprehensible. But basically, of course, there is also competition between the hierarchy levels. And if the hierarchy level above has actually developed a good strategy and you support it, then they get credit for implementing it, so to speak. If he doesn't get it implemented and it seeps away somewhere, [...]

Code: ● Implementation quality of the strategy

Interview No. 14, Position: 62 – 62.

[...] Over the last 20 years, the fulfillment of key financial figures has become much more important in relation to other business objectives. Until 1998, for example, we had a monopoly in the energy industry. That didn't really play a role at all, because money was allocated. If any of the financial indicators were not met, the construction was somehow more expensive and more was done. Then you ended up with more money. In other words, there was no pressure at all to meet the financial ratios. So, and that has been professionalized throughout the industry. That's the one trend, so to speak [...]

Code: ● Implementation quality of the strategy

Interview No. 14, Position: 72 – 72.

[...] Incidentally, this is particularly strong in technical companies because specialists are often promoted to management positions there because they were the best specialists, but not necessarily good managers at the same time. [...]

Code: ● Strategy communication \ Management discussion with employees

Interview No. 14, Position: 50 – 50.

[...] the infrastructure business in technology, we talk about useful lives of 30, 40, 50 and even 80 years. That's not really compatible with, yes, quarterly reports every quarter for a public limited company. But beyond that, I think there is a general lack of understanding for each other. In the traditional energy industry, or in infrastructure in general, we have a lot of past experience: there was a technical area and there was a commercial area. And traditionally, they didn't talk to each other very much and didn't engage in much dialog. [...]

Code: ● Strategy process

Interview No. 14, Position: 74 – 74.

[...] Of course, it helps if you don't just turn it into a top-down process. That may be right in some places. Conversely, it also does no harm if there is basically a bottom-up process there, which is based on the necessities that are then to be formulated on the technology side, for example, to ensure that they also arrive. Basically, you can't define a long-term corporate strategy without taking the needs of technology into account. [...]

Code: ● Strategy process

Interview No. 14, Position: 78 – 78.

[...] In the top-down part, there are basically two tasks, the first of which is to ensure that the company can survive on the financial side. You need cash for that. And you also have to somehow achieve a certain minimum return. And that is actually the point that cannot be discussed, because if you neglect these points, then a company will go bankrupt relatively quickly. Beyond that, however, there are many things where you have options. So perhaps we can pick out the issue of "supply quality" again. In Germany, the electricity grids are down for around ten to 15 minutes per customer per year. So a customer has an average of ten or 15 minutes of power outage per year. That's it. And that is the key figure by which the quality of the electricity and gas grids is measured. So. And now comes what I said at the beginning. You have a choice there. [...]

Code: ● Strategy process

Interview No. 14, Position: 80 – 80.

[...] Then you also arrive at a balanced overall strategy that works. [...]

Code: ● Strategic Alignment \Indicator for alignment

Interview No. 14, Position: 32 – 32.

[...] Sometimes the arrows even run against each other. Then, of course, the effect in the right direction is even smaller. And that is of course a kind of alarm signal if the arrows are basically not pointing in the same direction, but are diverging, no matter how large, to the point that they are running against each other. This is the most blatant example of misalignment. [...]

Code: ● Strategic Alignment \Indicator for alignment

Interview No. 14, Position: 36 – 36.

[...] I believe that there are a whole range of parameters that are decisive in determining whether the whole thing works as you imagine or not. [...]

Code: ● Strategic Alignment \Indicator for alignment

Interview No. 14, Position: 62 – 62.

[...] Asset Management [...]

Code: ● Strategic Alignment \Tools and methods for alignment

Interview No. 14, Position: 13 – 13.

[...] This asset management function as an intermediary has only existed in infrastructure companies for 15 years. And they have various options at different points as to how to implement a goal. They can invest in the equipment group or in the other equipment group. If you ask the employees there who are responsible for transformers, they will solve the problem with the tools they know for transformers. It's the same with those who deal with cables. They solve their problem with cables, like this. And then they don't get the (considered), so to speak, the over-all optimum, but everyone tries to implement it with their tool in their silo, so to speak. But that's not the overall optimum. [...]

Code: ● Strategic Alignment \Tools and methods for alignment

Interview No. 14, Position: 38 – 38.

[...] Tools and tools is figuratively speaking [...]

Code: ● Strategic Alignment \Tools and methods for alignment

Interview No. 14, Position: 40 – 40.

[...] But it can also simply be different groups and teams in the companies. [...]

Code: ● Strategic Alignment \Tools and methods for alignment

Interview No. 14, Position: 40 – 40.

[...] roles have been created to mediate between these two faculties, which basically have a very high level of basic knowledge in both technology and finance. This increases mutual understanding and, in my opinion, also makes it much easier to achieve the corresponding business objectives. [...]

Code: ● Strategic Alignment \Tools and methods for alignment

Interview No. 14, Position: 74 – 74.

[...] They are, so to speak, part of the strategy of the entire Group. Basically, infrastructure companies have been dividing the entire company into three roles for some years now. One is an asset ownership role, one is an asset management role and one is an asset service role. To put it simply, you could say that Asset Service is there to carry out all the operational activities. Asset Management is there to implement the business objectives, the strategy that the asset owner has specified after consultation, and to translate them in such a way that Asset Service can work with them directly in order to translate them into its own language. So basically, there is a translation from the goals that the asset owner has to the needs, to translate that into a language that the technically oriented areas in the, yes, infrastructures then somehow understand, so to speak. (00:01:49) And the better they succeed in communicating this, the better the consistency of the entire strategy. [...]

Code: ● Strategy process \Strategy implementation

Interview No. 14, Position: 14 – 14.

[...] strategy be somehow detailed or specified by asset management?

Interviewee: Yes. We can perhaps break that down again using an example. If a company, an electricity grid says: O.K. we want to achieve a supply quality of twelve minutes of interruption per year and customer, then asset management has to break it down: O.K. how much do I invest in cables now? How much do I invest in transformers, how much in switchgear to achieve these twelve minutes, so to speak? You have an infinite number of options as to where to invest in such networks. [...]

Code: • Strategy process\Strategy implementation

Interview No. 14, Position: 17 – 18.

[...] The quality goal is to achieve this with as little money as possible, i.e. to achieve this goal with the minimum of effort. So it's like the min-max principle in all business management [...]

Code: • Strategy process\Strategy implementation

Interview No. 14, Position: 22 – 22.

[...] It's about identifying the big levers and prioritizing the funds and the use of resources accordingly compared to the levers where only a few levers are involved. [...]

Code: • Strategy process\Strategy implementation

Interview No. 14, Position: 22 – 22.

[...] Then you replace the top manager and the next one moves up. [...]

Code: • Personnel measures

Interview No. 14, Position: 68 – 68.

[...] Example with foreign/domestic countries: the cultural differences, that an owner located far away geographically may look more at the financials than the technical details [...]

Code: • Strategy communication\Communication Group

Interview No. 14, Position: 55 – 55.

[...] The shareholders, the owners, need to be much more involved in the strategy process, and basically need to get involved in the content, and not just take note of the strategy, or perhaps vote on it, or even advise on it. [...]

Code: • Strategy communication\Communication Owner / Shareholder

Interview No. 14, Position: 55 – 55.

[...] And this management issue starts at the very top level with the shareholders, with the supervisory boards, who basically have to communicate these goals holistically to the next level. In my opinion, this is not happening sufficiently. [...]

Code: • Strategy communication\Communication Owner / Shareholder

Interview No. 14, Position: 92 – 92.

[...] For these dialogs to work well, the shareholders must of course understand the business well on all six dimensions, on all six levels. And that's where it's good for them to get advice, so to speak: What options do you have? [...]

Code: ● Strategy communication \ Communication Owner / Shareholder

Interview No. 14, Position: 100 – 100.

[...] I would like to see again the network of these communicating tubes and the many conflicting goals. [...]

Code: ● Strategic goals

Interview No. 14, Position: 25 – 25.

[...] But in principle, you are right that this is a small group of people, because they basically need a certain breadth and a certain depth. They need a certain depth so that they understand, so to speak: What are the actual connections? But at the same time, they also need the breadth of knowledge that they understand, so to speak: What are ... So where are the ... Where are the communicating tubes? So where are the dependencies? If I turn one screw, what effect does that have on the other screw? The number of people with these skills is limited in principle. You need a good methodology for this. But you also need a lot of specialist knowledge and, above all, a lot of methodological knowledge, i.e. an understanding of systems. [...]

Code: ● Strategic goals

Interview No. 14, Position: 26 – 26.

[...] The options that are possible, the combinations that can be worked out, and perhaps even approach the decision-makers with recommendations. But it is definitely a relatively limited group of people. These are things that do not affect the broad masses in companies, so to speak. [...]

Code: ● Strategic goals

Interview No. 14, Position: 28 – 28.

[...] Colleagues from Corporate Controlling then say: Yes, of course the commercial targets take precedence, because basically they don't have to take responsibility for the failure to meet the technical targets. [...]

Code: ● Strategic goals

Interview No. 14, Position: 62 – 62.

[...] partial sabotage in the companies. [...]

Code: ● Strategic goals

Interview No. 14, Position: 62 – 62.

[...] Better supply quality, which means fewer failures. [...]

Code: • Strategic goals

Interview No. 14, Position: 82 – 82.

[...] Basically, there are many communicating pipes in many places that I can't turn in isolation. So if you want to save money in the short term, you don't invest. So, it goes well for two, three, four, five years, so to speak, but then it catches up with you in a long-term infrastructure business. [...]

Code: • Strategic goals

Interview No. 14, Position: 84 – 84.

[...] I can't tweak one target in isolation without affecting the neighboring business objectives. I think we still have a very large gap in understanding there. [...]

Code: • Strategic goals

Interview No. 14, Position: 88 – 88.

[...] Occupational safety" as the third objective, image as the fourth pillar, environmental protection as the fifth pillar and compliance as the sixth pillar. [...]

Code: • Strategic goals

Interview No. 14, Position: 98 – 98.

[...] Competition, i.e. occupational safety, environmental protection, supply quality, that costs more money, so to speak [...]

Code: • Strategic goals

Interview No. 14, Position: 100 – 100.

[...] But in principle, you are right that this is a small group of people, because they basically need a certain breadth and a certain depth. They need a certain depth so that they understand, so to speak: What are the actual connections? But at the same time, they also need the breadth of knowledge that they understand, so to speak: What are ... So where are the ... Where are the communicating tubes? So where are the dependencies? If I turn one screw, what effect does that have on the other screw? The number of people with these skills is limited in principle. You need a good methodology for this. But you also need a lot of specialist knowledge and, above all, a lot of methodological knowledge, i.e. an understanding of systems. [...]

Code: • Strategy process \ Strategic controlling

Interview No. 14, Position: 26 – 26.

[...] Sometimes the arrows even run against each other. Then, of course, the effect in the right direction is even smaller. And that is of course a kind of alarm signal if the arrows are basically not pointing in the same direction, but are diverging, no matter how large, to the point that they are running against each other. This is the most blatant example of misalignment. [...]

Code: • Incorrect alignment / misalignment

Interview No. 14, Position: 36 – 36.

[...] This asset management function as an intermediary has only existed in infrastructure companies for 15 years. And they have various options at different points as to how to implement a goal. They can invest in the equipment group or in the other equipment group. If you ask the employees there who are responsible for transformers, they will solve the problem with the tools they know for transformers. It's the same with those who deal with cables. They solve their problem with cables, like this. And then they don't get the (considered), so to speak, the over-all optimum, but everyone tries to implement it with their tool in their silo, so to speak. But that's not the overall optimum. [...]

Code: • Incorrect alignment / misalignment

Interview No. 14, Position: 38 – 38.

[...] Because there too, yes, it's very common to say, okay, you try to solve it yourself, in your own group, and don't say: actually, this is a problem now, others can do it much better. That's actually only done when you somehow don't want to do the work yourself and you push it away, so to speak. But that's a different motivation. What rarely happens is that, basically, you really, okay, can't someone else solve this problem much more competently and holistically. [...]

Code: • Incorrect alignment / misalignment

Interview No. 14, Position: 42 – 42.

[...] a lot of area egoism [...]

Code: • Incorrect alignment / misalignment

Interview No. 14, Position: 44 – 44.

[...] that is a leadership problem [...]

Code: • Incorrect alignment / misalignment

Interview No. 14, Position: 44 – 44.

[...] Incidentally, this is particularly strong in technical companies because specialists are often promoted to management positions there because they were the best specialists, but not necessarily good managers at the same time. [...]

Code: • Incorrect alignment / misalignment

Interview No. 14, Position: 50 – 50.

[...] that basically in the entire chain in the implementation of all those involved in the realization/implementation of this strategy, that they do the same thing, so to speak, or that the same thing does not happen due to various factors. [...]

Code: • Incorrect alignment / misalignment

Interview No. 14, Position: 62 – 62.

[...] In my experience, one of the reasons why this doesn't work is that employees don't take the strategy seriously, [...]

Code: • Incorrect alignment / misalignment

Interview No. 14, Position: 62 – 62.

[...] that people then basically don't work consistently on this implementation because they actually say "Yes, that's actually nonsense" or "That goes like this or that" or "Those aren't actually our real goals, they're just the goals of those up there", [...]

Code: • Incorrect alignment / misalignment

Interview No. 14, Position: 62 – 62.

[...] And if these goals cannot logically be fulfilled at the same time, then this cannot be particularly good for the company. This is also a frequent source of error, so to speak, that a company's business objectives are not coordinated and balanced with one another. [...]

Code: • Incorrect alignment / misalignment

Interview No. 14, Position: 62 – 62.

[...] partial sabotage in the companies. [...]

Code: • Incorrect alignment / misalignment

Interview No. 14, Position: 62 – 62.

[...] The shareholders, the owners, need to be much more involved in the strategy process, and basically need to get involved in the content, and not just take note of the strategy, or perhaps vote on it, or advise on it, depending on the constitution of the company. [...]

Code: • Regulation and law

Interview No. 14, Position: 55 – 55.

[...] This means that asset management is involved in strategy development [...]

Code: • Strategy process\Strategy development

Interview No. 14, Position: 15 – 15.

[...] In the first instance, so to speak, they advise the asset owners to ensure that only combinations are selected that realistically work together. They then ensure implementation by commissioning the asset services and monitor and control this accordingly. [...]

Code: • Strategy process\Strategy development

Interview No. 14, Position: 16 – 16.

[...] Example with foreign/domestic countries: the cultural differences, that an owner located far away geographically may look more at the financials than the technical details [...]

Code: ● Strategic Alignment \Responsibility for Alignment

Interview No. 14, Position: 55 – 55.

[...] A strategy that a Supervisory Board or Management Board has chosen, developed and decided is the ideal strategy for the company, for the Group, so to speak. [...]

Code: ● Strategic Alignment \Responsibility for Alignment

Interview No. 14, Position: 62 – 62.

[...] The Supervisory Board, the Group Management Board, has certain targets. And these are also linked to incentives, in some cases also personal incentives, and these incentives are not consistently passed on throughout the line of those who then implement them [...]

Code: ● Strategic Alignment \Responsibility for Alignment

Interview No. 14, Position: 62 – 62.

15. Coded Segments Interview No. 15

[...] With armed forces, it's really more about checking in advance ... So, the good strategist, the good military strategist always checks beforehand how he can get his forces out of the room again if things go wrong. What escape options, what exit strategies do I have? [...]

Code: ● Incorrect strategy

Interview No. 15, Position: 12 – 12.

[...] had a completely indifferent, inadequate knowledge of the situation, and then they said: OK, we're going to go ahead anyway, so to speak, and we'll saddle up and move on. [...]

Code: ● Incorrect strategy

Interview No. 15, Position: 45 – 45.

[...] So even in physics, it's like this ... it's not possible from the principle of thermodynamics, so to speak. In other words, systems are always open and they are always structurally coupled in some way. [...]

Code: ● Organizational strategy

Interview No. 15, Position: 39 – 39.

[...] The two words Strategic Alignment in combination have not yet been confronted in this form, [...]

Code: ● Strategic Alignment \Definition Strategic Alignment
Interview No. 15, Position: 2 – 2.

[...] broke down the strategy operationally, so to speak, and then set these checkmarks, i.e. set the green checkmarks [...]

Code: ● Strategic Alignment \Definition Strategic Alignment
Interview No. 15, Position: 12 – 12.

[...] Anglicisms, i.e. not at all present in Germany. So strategic alignment was also, let's say, a bit unusual in terms of wording, even in the armed forces. In my own doctoral thesis on the armed forces, I wrote a dissertation on ... strategic issues, [...]

Code: ● Strategic Alignment \Definition Strategic Alignment
Interview No. 15, Position: 12 – 12.

[...] Armed forces always try to open up as many possibilities as possible in their environment as a system and to maintain as many possibilities as possible. [...]

Code: ● Strategic Alignment \Definition Strategic Alignment
Interview No. 15, Position: 12 – 12.

[...] There are always these side effects, where you say: Well, this strategy, I actually want to win the war, but the side effect is that you also gain an incredible amount of data about a country about the things that you want to conquer, so to speak, that you want to claim. And this data actually has to be fed back, it has to be processed and it has to be included in this strategy definition, in this cycle, in this perpetual cycle [...]

Code: ● Strategy process
Interview No. 15, Position: 45 – 45.

[...] As I said, they are very popular in the industry, they are very popular, the so-called Zwölfender, i.e. the people who have done SaZ 12 or who have not been in the armed forces for too long, so to speak [...]

Code: ● Strategy communication \Strategic understanding

Interview No. 15, Position: 45 – 45.

[...] Brain research has not yet been integrated at all. In other words, it is still so little used in management research. There are also no neurostrategies, no neurostrategic management, [...]

Code: ● Strategic Alignment \Tools and methods for alignment

Interview No. 15, Position: 48 – 48.

[...] Simulation of AI, AI-supported decision support [...]

Code: ● Strategic Alignment \Tools and methods for alignment

Interview No. 15, Position: 49 – 49.

[...] Sustainability strategy of large corporations [...]

Code: ● Market and competition

Interview No. 15, Position: 12 – 12.

[...] for example, purchasing behavior, i.e. predicting how purchasing behavior will change [...]

Code: ● Market and competition

Interview No. 15, Position: 37 – 37.

[...] Anyone who wants to make a career in a company or in politics today should read Macchiavelli and doesn't really need new findings from brain research or other unquestionable, i.e. also AI, recent research in this area, as beautiful as they may be and as important as they are. [...]

Code: ● Personnel measures

Interview No. 15, Position: 49 – 49.

[...] because there is also far too much unnecessary communication because you have this communication option. So. I don't know if that's the case. I believe that our economic traffic and movement of goods has accelerated massively, i.e. it has become much faster and our own workforce has become much denser in recent years. [...]

Code: ● Strategy communication \Communication Group

Interview No. 15, Position: 55 – 55.

[...] So, I've had the impression that the companies have actually incorporated this into their own genetics, [...]

Code: • Strategic goals

Interview No. 15, Position: 12 – 12.

[...] I can prohibit or penalize certain things in a social system, in whatever way or do both, prohibit and penalize, so that administrative offenses, criminal liability and so on arise, [...]

Code: • Incorrect alignment / misalignment

Interview No. 15, Position: 35 – 35.

[...] I have experienced both. In the cases where it has worked, systems are always very, as I said, immediately develop persistent forces. So, yes, we did ... we did a great job. It was totally successful, [...]

Code: • Incorrect alignment / misalignment

Interview No. 15, Position: 45 – 45.

[...] We have made a huge mistake here. We are running here ... have run in the wrong direction and strategy redefinition. So, we have to do everything now ... we need to come up with plan B, now. [...]

Code: • Incorrect alignment / misalignment

Interview No. 15, Position: 45 – 45.

[...] The strategy in this area should actually be diversified to a certain extent and both legal measures and legal stipulations should be implemented in the area of sustainability, i.e. it should actually be demanded. A classic example, because I'm in the car right now, is the introduction of seat belts [...]

Code: • Regulation and law

Interview No. 15, Position: 15 – 15.

[...] A product is used to create a parallel. A product is built and is then supposed to be launched and pushed onto the market, and if it doesn't exist, if it doesn't have an effect, this product doesn't catch on in the market, so to speak, if it isn't bought [...]

Code: • Strategy process\Strategy development

Interview No. 15, Position: 12 – 12.

[...] These procedures are very heavily software-supported, real data is tipped in, and attempts are made to simulate real life with AI and so-called software automata, i.e. small software codes, small software programs that basically try to simulate real life, [...]

Code: ● Strategy process \Strategy development

Interview No. 15, Position: 31 – 31.

[...] Simulation, software simulation and pattern recognition. [...]

Code: ● Strategy process \Strategy development

Interview No. 15, Position: 31 – 31.

[...] Research project was called A-Score, spelled A and then Score [...]

Code: ● Strategy process \Strategy development

Interview No. 15, Position: 35 – 35.

[...] actually attempts to predict this social behavior [...]

Code: ● Strategy process \Strategy development

Interview No. 15, Position: 35 – 35.

[...] a strategy-finding process, as I said, clearly Clausewitz again to a certain extent, of course rudimentary, goal, means, end. So, I have to define a goal, it can also be that, if I have different goals, I have to think about it: Damn, how can I reconcile all these goals? Then you have to think about it: Good, if they are perhaps indifferent or even conflicting, that you then split them up and also always get away from this claim that I must now have the world formula. So, I need a strategy that fits all, yes? [...]

Code: ● Strategy process \Strategy development

Interview No. 15, Position: 41 – 41.

[...] why people who have trained as officers, for example, are incredibly popular in the industry, [...]

Code: ● Strategic Alignment \Responsibility for Alignment

Interview No. 15, Position: 45 – 45.

[...] that the military is always about, I could say, according to Clausewitz, if you take this old formula, politics or war, military deployment, military conflict is always, so to speak, the continuation of politics by other means, in this case by force and coercion or even by psychological, very strong other coercion, almost coercion and blackmail, so to speak. [...]

Code: • Military strategy

Interview No. 15, Position: 25 – 25.

[...] in this area are, of course, in politics, because in war and military conflict and military strategies one always tends to start from horizons, incidentally always erroneously from horizons, from completely different, much shorter time horizons [...]

Code: • Military strategy

Interview No. 15, Position: 25 – 25.

[...] With military strategies, you say, well, we're going into action, and this action, let's think one, two or three years ahead [...]

Code: • Military strategy

Interview No. 15, Position: 25 – 25.

[...] Bertold Brecht used to say: make a plan, make a second plan, neither of them work. It's the same in military strategy. So, until the immediate deployment, you have a good plan in the drawer, you may still have a plan B, but when you are in the immediate combat situation, in the immediate confrontation and realize what the enemy is coming up with and how the enemy is reacting, then you often actually have it, then you can throw everything overboard, [...]

Code: • Military strategy

Interview No. 15, Position: 25 – 25.

[...] Auweiwei, it didn't work. So then, of course, you also have to rethink ad hoc, reformulate, perhaps even turn to other addressees. [...]

Code: • Military strategy

Interview No. 15, Position: 25 – 25.

[...] that the military actually has to constantly develop new concepts [...]

Code: • Military strategy

Interview No. 15, Position: 30 – 30.

[...] for example, from page 180 Concept Development & Experimentation CD&E [...]

Code: • Military strategy

Interview No. 15, Position: 30 – 30.

[...] Corona pandemic in the area of civil protection and health protection, where civil protection is also part of it. Such CD&E or CD&I procedures, I'm calling them procedures now because that's what they are, also exist. They are also carried out by the Robert Koch Institute, for example. So that's ... it may always be called something different, it may always have a different, perhaps Anglo-American name, but in principle, in terms of basic principles, it is always the same. [...]

Code: • Military strategy

Interview No. 15, Position: 31 – 31.

[...] artificial intelligence, [...]

Code: • Military strategy

Interview No. 15, Position: 38 – 38.

[...] Leadership theory in the military, for example, is that there are two important principles. The first is that if you're in a fog and don't know the way, then any direction is right. Any direction is right, no matter what. The second is movement. Don't stand still. So, don't just stand there and say: Yes, I don't know what to do [...]

Code: • Military strategy

Interview No. 15, Position: 45 – 45.

[...] Just movement, movement, movement. [...]

Code: • Military strategy

Interview No. 15, Position: 45 – 45.

[...] In the political environment, such changes in strategy or such abrupt, leadership-bound, time-bound changes in strategy often occur in political parties or political groups. [...]

Code: • Political / Diplomatic Strategy

Interview No. 15, Position: 29 – 29.

[...] So, strategic alignment from a political point of view really has something to do not only with acceptance or acquiescence, but also with saying, "No, I don't want to follow your strategy anymore: No, I refuse, I don't just no longer want to follow your strategy, I also no longer like the party. [...]

Code: • Political / Diplomatic Strategy

Interview No. 15, Position: 29 – 29.

Findings from working with the segments. Short and concise statements can be easily coded and further processed as a text segment. It is difficult with very figurative language with lots of metaphors because it is often not expressed in concrete terms what is actually meant and intended.

Many of the segments can only be understood in the context of the entire interview and the preliminary interview or several preliminary interviews. It was noticeable that at the beginning of the interview, most of the interviewees wanted to report their knowledge or experience on the topic of the interview. The topic and the purpose of the research were known to all interviewees beforehand and some interviewees prepared themselves for the interview.

Redundancies in the segments, for example because they were assigned to two or more codes, have been removed from this compilation.

II. Coded Segments by topic (filtered)

In this appendix, the coded segments are organized by topic. A selection is made, such as for the subcode “Definition Strategic Alignment” and “Tools and methods for Strategic Alignment” (→ 4.5 Evaluation Primary Research , cf. page 314), which is helpful for further work.

1. Code: Strategic Alignment \ Definition Strategic Alignment

Alignment topics are now translated as "voting topics".

Code: ● Strategic Alignment \ Definition Strategic Alignment
Interview No. 1, Position: 3 – 3.

[...] voting in the classic sense, we are often not operating in grassroots democracies, but there are levels that have to be brought together, processed and decided in some form or other, at various levels. [...]

Code: ● Strategic Alignment \ Definition Strategic Alignment
Interview No. 1, Position: 5 – 5.

[...] I have a lot of businesses that think about actions or initiatives, programs, projects - it's all the same to me. Let's call it activities! And many people think about the goals we should achieve. Then, in these complicated matrix structures, we have the task of somehow bringing things together [...]

Code: ● Strategic Alignment \ Definition Strategic Alignment
Interview No. 1, Position: 5 – 5.

[...] For me, alignment involves several things. One is, of course, the question of resources. [...]

Code: ● Strategic Alignment \ Definition Strategic Alignment
Interview No. 1, Position: 7 – 7.

[...] The second element of alignment is this ongoing coordination of the content of the key tasks, the priorities, and the clarification of interfaces. Another alignment, I would say, is the clarity of objectives. [...]

Code: ● Strategic Alignment \Definition Strategic Alignment
Interview No. 1, Position: 7 – 7.

[...] For me, there are only three ways. One is consistency: do the goals I have on the different levels fit together and do they fit into the overall picture? The second, and this will become even more important, is for me comprehensibility for people. So if I have a goal for a sub-area, can I understand where this goal contributes? The chain, this consistency, as well as possible. (reflects) And the third thing is the impact of what we do: So: with the things we are pushing forward, are we getting closer to this goal or not? [...]

Code: ● Strategic Alignment \Definition Strategic Alignment
Interview No. 1, Position: 9 – 9.

[...] Impact controlling

Code: ● Strategic Alignment \Definition Strategic Alignment
Interview No. 1, Position: 11 – 11.

[...] Consistency: Is the overall picture right? [...]

Code: ● Strategic Alignment \Definition Strategic Alignment
Interview No. 1, Position: 11 – 11.

[...] For me, the topic of "alignment" is a big part of not only impact controlling, but also **assumptions controlling**, i.e. the assumptions that I made at the beginning, are they actually still correct? [...]

Code: ● Strategic Alignment \Definition Strategic Alignment
Interview No. 1, Position: 15 – 15.

[...] A classic alignment issue: integration and coordination. [...]

Code: ● Strategic Alignment \Definition Strategic Alignment
Interview No. 1, Position: 87 – 87.

[...] And for me, that is implicit alignment. In other words, a shared understanding of very few key moments in the implementation, and there shouldn't be many, because we won't get many right, only a few. [...]

Code: ● Strategic Alignment \Definition Strategic Alignment

Interview No. 1, Position: 99 – 99.

[...] We do not view strategic alignment or even strategy alone (.....) (00:00:57), but always as a whole. [...]

Code: ● Strategic Alignment \Definition Strategic Alignment

Interview No. 2, Position: 2 – 2.

[...] The alignment topic must be part of an overall concept of a dynamic, continuous strategy process and strategy implementation. [...]

Code: ● Strategic Alignment \Definition Strategic Alignment

Interview No. 2, Position: 4 – 4.

[...] Can this - the term "strategic alignment" - also be (extended?) to this picture? [...]

Code: ● Strategic Alignment \Definition Strategic Alignment

Interview No. 2, Position: 6 – 6.

[...] This means that the actual implementation and the constant updating of the measures being implemented are aligned with the input parameters. That is a different term than the one that is commonly used for this. It's usually a question of: Do people understand our strategy? Does the organization understand it and are they all working in the same direction? But it would be an equally legitimate term for strategic alignment, because then you are aligning your activities with the current input parameters. [...]

Code: ● Strategic Alignment \Definition Strategic Alignment

Interview No. 2, Position: 6 – 6.

The term "strategy" covers everything relating to the transformation of the company.

Code: ● Strategic Alignment \Definition Strategic Alignment

Interview No. 2, Position: 22 – 22.

[...] Everything that is corporate change, everything that is not the operational processing of today's order, but the improvement of what we do, in the product, in the provision of services, whatever, that is all part of the context of strategy for us. [...]

Code: ● Strategic Alignment \Definition Strategic Alignment

Interview No. 2, Position: 22 – 22.

[...] In the past, strategy was always about optimizing the company's profit, not its value, because companies used to be much more [...]

Code: ● Strategic Alignment \Definition Strategic Alignment
Interview No. 2, Position: 34 – 34.

[...] With alignment, you can make sure that people don't necessarily work against each other because they don't understand what the overall goal is. With alignment you get people motivated, you get them to contribute all these positive parts. But you can align as much as you want, an organization cannot act against its own interest. [...]

Code: ● Strategic Alignment \Definition Strategic Alignment
Interview No. 2, Position: 48 – 48.

[...] But the topic of "strategy and strategic alignment" - strategic alignment is a sub-part of what constitutes strategy as a whole. Strategy is a (.....) (00:07:10), I can't say otherwise. The strategy has to happen in-house, at least the decision to do so. The preparatory work can be discussed, analyses and the like, [...]

Code: ● Strategic Alignment \Definition Strategic Alignment
Interview No. 2, Position: 80 – 80.

[...] Align, i.e. align, so that it's like a parabolic mirror, they all pull in the same direction, they all have to pull in the same ... and the same end of the rope, otherwise, yes, you lose a lot. [...]

Code: ● Strategic Alignment \Definition Strategic Alignment
Interview No. 3, Position: 20 – 20.

[...] what I mean by that, not that we are talking about different things. As I understand it, strategic alignment is about having a strategy that is known, communicated and comprehensible in writing - "documented" is the word - and the extent to which the actions of a unit, a team or individuals are actually aligned with this strategy and

do not run counter to it or, on the other hand, support it. And the more aligned you are, so to speak, the more you move in line with the ideas of these strategies. And if you're not aligned, then you're a long way off. [...]

Code: ● Strategic Alignment \Definition Strategic Alignment

Interview No. 5, Position: 4 – 4.

[...] this Alignment Corporation, because this is a dynamic fluid process. [...]

Code: ● Strategic Alignment \Definition Strategic Alignment

Interview No. 6, Position: 54 – 54.

[...] And the captain of a ship knows which port he has to head for [...]

Code: ● Strategic Alignment \Definition Strategic Alignment

Interview No. 6, Position: 57 – 57.

[...] The moment I let go of the steering wheel in the car, the car goes somewhere.

[...]

Code: ● Strategic Alignment \Definition Strategic Alignment

Interview No. 6, Position: 84 – 84.

[...] And then I end up in the next tree. So I can't fall asleep. And it's exactly the same. I have to be awake all the time, even on a daily basis. [...]

Code: ● Strategic Alignment \Definition Strategic Alignment

Interview No. 6, Position: 86 – 86.

[...] so that we maximize the synergies in a certain area. [...]

Code: ● Strategic Alignment \Definition Strategic Alignment

Interview No. 6, Position: 100 – 100.

[...] The idea of strategic alignment plays a subordinate role in day-to-day work. You are so involved in your day-to-day business that you don't constantly think about the strategic guidelines. That happens more in, yes, workshops, where we reflect and plan what we are going to do in the future. [...]

Code: ● Strategic Alignment \Definition Strategic Alignment

Interview No. 7, Position: 2 – 2.

[...] How do you deal with the topic of strategy in your daily work environment and how do you ensure that your own work fits into the strategic framework? The connection between objectives, strategy and measures - I think that's the main perspective in this question. [...]

Code: ● Strategic Alignment \Definition Strategic Alignment

Interview No. 7, Position: 130 – 130.

[...] classic triad of goals, strategy and measures [...]

Code: ● Strategic Alignment \Definition Strategic Alignment

Interview No. 7, Position: 131 – 131.

[...] strategic alignment is an important initiative, so that the business can meet its goals and also be profitable [...]

Code: ● Strategic Alignment \Definition Strategic Alignment

Interview No. 8, Position: 2 – 2.

[...] That can increase the profitability of the company. So it's important for the corporate senior management to convey to me and others what the strategies are so that we can work together to make sure that they're aligned. [...]

Code: ● Strategic Alignment \Definition Strategic Alignment

Interview No. 8, Position: 2 – 2.

[...] At a very kind of holistic level it brings on the point that alignment means togetherness. [...]

Code: ● Strategic Alignment \Definition Strategic Alignment

Interview No. 8, Position: 153 – 153.

[...] That someone has all the strategies on the table and can see to what extent these dependencies exist. If there are any, that was my example with the IT strategy. IT risks play a very big role now. [...]

Code: ● Strategic Alignment \Definition Strategic Alignment

Interview No. 9, Position: 54 – 54.

[...] Yes, and that's always a bit of a question for me, is it actually a strategy or is it just a reflection of resources, [...]

Code: ● Strategic Alignment \Definition Strategic Alignment

Interview No. 10, Position: 6 – 6.

[...] For me, strategy is a word that is insanely inflated. Insanely inflated, [...]

Code: ● Strategic Alignment \Definition Strategic Alignment

Interview No. 10, Position: 44 – 44.

[...] Strategy is more global, long-term and comprehensive. Tactics, on the other hand, are more detailed and short-term [...]

Code: ● Strategic Alignment \Definition Strategic Alignment
Interview No. 10, Position: 44 – 44.

[...] Carl Clausewitz. Clausewitz defined these two terms in one sentence. He said: "Strategy is how I lead my army into the field. [...]"

Code: ● Strategic Alignment \Definition Strategic Alignment
Interview No. 10, Position: 46 – 46.

[...] But alignment is also very much about how I implement this. How does it all fit together? How do I get the employees to think along with me, yes, and lead this strategy to success, and, and, and. But, well. Do you have an idea where you can say that this is something completely new? [...]

Code: ● Strategic Alignment \Definition Strategic Alignment
Interview No. 10, Position: 170 – 170.

[...] that the strategic goals that a supervisory board or a management board sets top-down are then implemented accordingly within the organization, [...]

Code: ● Strategic Alignment \Definition Strategic Alignment
Interview No. 14, Position: 3 – 3.

[...] And they talk about line of sight, i.e. consistency. So they ask very specifically, from what the Supervisory Board actually wants, what comes to the external Siemens employee who is responsible for our respective infrastructures? [...]

Code: ● Strategic Alignment \Definition Strategic Alignment
Interview No. 14, Position: 3 – 3.

[...] "Strategic Alignment", the connection between strategy and action [...]

Code: ● Strategic Alignment \Definition Strategic Alignment
Interview No. 14, Position: 61 – 61.

[...] The two words Strategic Alignment in combination have not yet been confronted in this form, [...]

Code: ● Strategic Alignment \Definition Strategic Alignment
Interview No. 15, Position: 2 – 2.

[...] broke down the strategy operationally, so to speak, and then set these checkmarks, i.e. set the green checkmarks [...]

Code: ● Strategic Alignment \Definition Strategic Alignment
Interview No. 15, Position: 12 – 12.

[...] Anglicisms, i.e. not at all present in Germany. So strategic alignment was also, let's say, a bit unusual in terms of wording, even in the armed forces. In my own doctoral thesis on the armed forces, I wrote a dissertation on ... strategic issues, [...]

Code: ● Strategic Alignment \Definition Strategic Alignment
Interview No. 15, Position: 12 – 12.

[...] Armed forces always try to open up as many possibilities as possible in their environment as a system and to maintain as many possibilities as possible. [...]

Code: ● Strategic Alignment \Definition Strategic Alignment
Interview No. 15, Position: 12 – 12.

2. Code: Strategic Alignment \ Tools and methods for alignment

[...] OKR is very old. Not as old as the Balanced Scorecard, but Objectives & Key Results as an implementation tool. [...]

Code: ● Strategic Alignment \ Tools and methods for alignment

Interview No. 1, Position: 33 – 33.

[...] The implementation tool is always the balanced scorecard [...]

Interview No. 1, Position: 35 – 35.

[...] frequencies of the target control are much higher, you just think of sprints or impulses, six weeks, or even the sprint planning [...]

Interview No. 1, Position: 37 – 37.

[...] find a practicable way of going over it every month, at least roughly, and saying: Am I on track here? [...]

Interview No. 1, Position: 47 – 47.

[...] Minimal methodology, [...]

Interview No. 1, Position: 47 – 47.

[...] whether this refers to this Enterprise Cloud for Strategy tool [...]

Interview No. 1, Position: 62 – 62.

[...] I come from the St. Gallen school of thought and this school of thought has four components that are closely interlinked: These are strategy, structure, culture and leadership. [...]

Interview No. 1, Position: 81 – 81.

[...] Weekly stand-up of half an hour on a project, with a template. Then everyone can have their say and report back. [...]

Interview No. 1, Position: 89 – 89.

[...] Strategic Challenges is a tool, a methodology, I call it a method, a form, when you formulate questions here, and these questions are evaluated according to strategic importance and need for action and they are categorized. Everyone has the same thing. And if I know that everyone has the same method, that's great, because then I can say as a father: Give me all the market-related challenges that are rated five or four from all the stores, from all the regions. [...]

Interview No. 1, Position: 95 – 95.

[...] then you speak the same language at key points [...]

Interview No. 1, Position: 95 – 95.

[...] Gaming, simulation, I'm a friend of that [...]

Interview No. 1, Position: 103 – 103.

[...] of possible implementation scenarios, I think that's great [...]

Code: ● Strategic Alignment \ Tools and methods for alignment

Interview No. 1, Position: 103 – 103.

[...] For me, strategy is a very practical craft. [...]

Interview No. 1, Position: 111 – 111.

[...] There are now relatively good methods for strategic alignment, whether that is objectives management or communication, [...]

Interview No. 2, Position: 4 – 4.

[...] Many people talk about agile strategy. And agile, as you may know, is a method of project management that comes from product development, where you try to draw on past experience using waterfall principles... So I define one hundred percent of what I want beforehand and then build it all the way through, and afterwards I may end up with a product that is not well received on the market. There is the agile method. But agile is explicitly not really suitable for strategy, in our opinion, because then in case of doubt ... you have to plan strategies five or ten years into the future if you have topics that require large investments. [...]

Interview No. 2, Position: 6 – 6.

[...] So the balanced scorecard is basically a matrix for your strategy so that you don't overemphasize a certain strategic aspect, unless you do it specifically and say: I only want to be this and this is how I differentiate myself from the market. That's what the balanced scorecard is for. It doesn't have that much to do with OKR. OKR is more of an operational system according to the motto: How do I use the capacity of the organization, the creativity and intelligence of the organization and the knowledge of the organization so that it can take the right measures itself, at least within the framework of what it can invent itself. [...]

Interview No. 2, Position: 58 – 58.

[...] Harzburg model. In principle, the whole thing is based on older management principles. There were some very, very clever thinkers back in the 40s, 50s, 60s, 70s on the subject: What does management actually mean? [...]

Interview No. 2, Position: 58 – 58.

[...] And what is often forgotten or ignored are incentive systems. So when we talk about alignment, you always have to think about incentive systems. Nothing has more long-term power than whether you give someone more or less money if they do or don't do the following, mainly on the disruptive side, which most people don't see. If you have wrong incentivization systems, you can have the most awesome strategy, it will never be executed. I'll give you an example: these are the silo effects in companies. [...]

Interview No. 2, Position: 58 – 58.

[...] Strategy does not work like a road map, where you map out a route. [...]

Interview No. 2, Position: 98 – 98.

[...] to professionalize the topic of "strategy" as a whole and, in our case, to contribute to this professionalization with digital data. [...]

Interview No. 2, Position: 114 – 114.

[...] that strategy is an overall construct, an end-to-end construct. Most people start with the pain points of: I have a problem with strategy implementation. So, and then they look for the sources of error in there, then they look for work-breakdown structure and all sorts of others or objectives management etc. Our USP is that we don't see it that way at all, yes, but that we see it as an overall topic, from the consideration of instabilities to the identification of opportunities to modeling and evaluation for communication, which we map holistically on a platform [...]

Interview No. 2, Position: 118 – 118.

[...] Bringing in external parties, because they also have a higher pressure and in many cases the project does not simply peter out. [...]

Interview No. 3, Position: 10 – 10.

[...] change management, we have found that it is very important not to simply proclaim an idea and say: Hey, everyone run to the right! But the payment and the metric at the end of the year in the annual review is rewarded in such a way that everyone runs to the left. Yes, so all the incentives, all the incentives, especially for what is ... What are you measured on and paid for? [...]

Interview No. 3, Position: 18 – 18.

[...] Power map, i.e. a list of the people in the company and how powerful they are. This is often not the same as the organization chart. So there are people you can't tell by looking at them, but they have a lot of influence. These are the people who ... it's worth getting on your side or getting them to support you and not torpedo the project [...]

Interview No. 3, Position: 73 – 73.

[...] What should this person do as part of this new strategy, or the existing strategy for that matter? What contribution should this person make and how can they go about doing it? Then there will always be difficulties and then you'll be glad to have a sympathetic ear from a coach. [...]

Interview No. 3, Position: 75 – 75.

[...] Thanks also to the fact that the entire remuneration system, the entire incentive system, has been adapted to this [...]

Interview No. 3, Position: 83 – 83.

[...] have enough resources available to do this. It takes time to populate these information channels [...]

Interview No. 3, Position: 85 – 85.

[...] When she arrived, we then developed a strategy, together with the workforce of course, [...]

Interview No. 4, Position: 10 – 10.

[...] by Warren Bennis: "Ingenious teams". [...]

Interview No. 4, Position: 10 – 10.

[...] put together a team now. To put together a team to implement these measures. Because I can't do it alone, it's pointless, it's not possible, you have to do it as part of a team [...]

Interview No. 4, Position: 12 – 12.

[...] We found a room where we were really isolated, we completely rebuilt everything with things that were available in order to make the switch to a different environment, so that we were really in a mentally different environment. I think we went through that for half a year and after half a year we ... (pause) Yes, after half a year we had completed all the points except for one. [...]

Interview No. 4, Position: 12 – 12.

[...] When you talk about visualizing goals, I have also had another experience, especially when it comes to personality and personal goals, where you start by saying: What are my goals anyway? Yes, at the beginning of the year, we've probably all done this somehow: What do we want to do this year? And what resolutions are we

going to make? (00:30:00) Usually you do that quarterly maybe (laughs), setting goals, personal goals. And now I have the goals. I now have five goals of my own that I want to achieve. What do I do then? And my experience is: I have my five goals, they're down there, so here they are. [...]

Interview No. 4, Position: 40 – 40.

[...] five golf balls. Nothing to do with golf, that's what it says. [...]

Code: ● Strategic Alignment \ Tools and methods for alignment

Interview No. 4, Position: 42 – 42.

[...] I imagine myself scoring a goal and then cheering in front of the South Curve or something like that, yes, as a footballer. That's also a visualization of goals in my mind's eye. [...]

Interview No. 4, Position: 46 – 46.

[...] I don't have to look at the pinboard on the right or left, they're always there and I know exactly where they are and how they're positioned. So they're just there, because they always stick in my mind. The images stay in my head, I can always pull them out. And it constantly reminds me of the goals I'm working towards, yes. And that's something that definitely helps, [...]

Interview No. 4, Position: 46 – 46.

[...] In other words, you worked with these balls in this refurbishment company?

Interviewee: Yes. [...]

Interview No. 4, Position: 65 – 66.

[...] Efficiency or effectiveness, i.e. working on the right things, is promoted by visualizing goals [...]

Interview No. 4, Position: 100 – 100.

[...] So if I want visualization, I first have to think about what goals I'm chasing after [...]

Interview No. 4, Position: 100 – 100.

[...] You reach your goals faster than you think you can achieve them yourself [...]

Interview No. 4, Position: 100 – 100.

[...] Supervisory board or something else, a parent company on top, an owner. And apart from that, they are relatively free in their target orientation [...]

Interview No. 4, Position: 100 – 100.

[...] I have a (break) document here for each day, so to speak, sometimes even two. [...]

Interview No. 4, Position: 150 – 150.

[...] To-do lists, and these are different categories etc. and different areas [...]

Interview No. 4, Position: 152 – 152.

[...] Ultimately, we use what is available. So we keep records, set milestones, etc. But we don't have any real tools to implement strategies in that sense. [...]

Interview No. 5, Position: 216 – 216.

[...] I'm currently experiencing no shortage of tools [...]

Interview No. 5, Position: 244 – 244.

[...] Strategic briefings on a monthly/quarterly basis, a kind of update [...]

Interview No. 7, Position: 61 – 61.

[...] There is a regular town hall format every six weeks, I would say, where the Management Board reports on current developments and also provides strategic advice. [...]

Interview No. 7, Position: 62 – 62.

[...] The communication of the strategy is already very transparent and how you break it down further. And yes, whether you can always understand this or sometimes think that some things are perhaps not conducive to the overall objective of the strategy, that of course also happens. And then, of course, there are also external influences, from analysts and rating agencies, some of which contradict the initially selected strategy path or even require a correction. [...]

Interview No. 7, Position: 88 – 88.

[...] The variable components yes, both bonus payments and shareholdings and so on, that depends on it. Yes. Not the fixed income, [...]

Interview No. 7, Position: 128 – 128.

[...] Yes, I don't have a business strategy, so I don't have a risk strategy. (00:06:21) He didn't understand that at all. I said: No. Like that. And then he came back after another 14 days and said: I don't have something. I said: Yes, you don't have the business strategy. And that's my basis, otherwise I won't do anything. - I see. Like that. Now there's always the problem: you're in front of ... You have the supervisory board meeting, [...]

Interview No. 9, Position: 2 – 2.

[...] Strategy Committee [...]

Interview No. 9, Position: 15 – 15.

[...] We still have our own strategy committee, where they can work on such things in detail. [...]

Interview No. 9, Position: 17 – 17.

[...] The people in risk controlling, they are already ... They are in all ... So I would say that these experts are ... [...]

Interview No. 9, Position: 48 – 48.

[...] on the part of Capgemini. You get a large block of shares. We were all multiple millionaires on paper at the time. Then, of course, it was made very easy for us, you understand. And that went well for a while. But since we weren't allowed to realize the shares. Yes, there are still lock-up periods and so on. By the time we were allowed to realize them, the share price was only worth a tenth as much. [...]

Interview No. 10, Position: 42 – 42.

[...] cultural element. They held a Rencontre every two years. Like this. And now we have this Rencontre to go with it [...]

Interview No. 10, Position: 102 – 102.

[...] Three dimensions were built up. One dimension was the service lines, i.e. what you offer in terms of content. The second dimension was the customers, i.e. the industry. The third dimension was the profession, the profession [...]

Interview No. 10, Position: 110 – 110.

[...] Business case created [...]

Interview No. 11, Position: 4 – 4.

[...] The topic of IT then supports this, so to speak. But that was, so to speak, for the topic of integrating [...]

Interview No. 11, Position: 42 – 42.

[...] A strategy process simply has to be set up very dynamically so that it can be adapted whenever possible, [...]

Interview No. 13, Position: 47 – 47.

[...] Strategy database [...]

Interview No. 13, Position: 50 – 50.

[...] Asset Management [...]

Code: ● Strategic Alignment \ Tools and methods for alignment

Interview No. 14, Position: 13 – 13.

[...] This asset management function as an intermediary has only existed in infrastructure companies for 15 years. And they have various options at different points as to how to implement a goal. They can invest in the equipment group or in the other equipment group. If you ask the employees there who are responsible for transformers, they will solve the problem with the tools they know for transformers. It's the same with those who deal with cables. They solve their problem with cables, like this. And then they don't get the (considered), so to speak, the over-all optimum, but everyone tries to implement it with their tool in their silo, so to speak. But that's not the overall optimum. [...]

Interview No. 14, Position: 38 – 38.

[...] Tools and tools is figuratively speaking [...]

Interview No. 14, Position: 40 – 40.

[...] But it can also simply be different groups and teams in the companies. [...]

Interview No. 14, Position: 40 – 40.

[...] roles have been created to mediate between these two faculties, which basically have a very high level of basic knowledge in both technology and finance. This increases mutual understanding and, in my opinion, also makes it much easier to achieve the corresponding business objectives. [...]

Interview No. 14, Position: 74 – 74.

[...] Brain research has not yet been integrated at all. In other words, it is still so little used in management research. There are also no neurostrategies, no neurostrategic management, [...]

Interview No. 15, Position: 48 – 48.

[...] Simulation of AI, AI-supported decision support [...]

Interview No. 15, Position: 49 – 49.

III. Hit list from EBSCOhost

A central source of information for printed and electronic journals, books and other publications is the EBSCO Information Service database (www.ebsco.com). It is very easy to search this database using keywords and summaries. For English-language publications in the field of business administration and management, it must be assumed that all relevant topics can be accessed here. The services provided by the EBSCO database are generally subject to a fee and vary depending on the institution's license. It should therefore be noted that access for this research project was provided by the university library of Humboldt University in Berlin. The three services 'EBSCOhost Web', 'Literary Reference Source' and 'EBSCO Discovery Service' were available for searching.

On **April 17, 2021**, a search was conducted for the research subject 'Strategic Alignment' in EBSCOhost. The results relevant to the research work documented here are listed below:

1. *Analysing and improving the strategic alignment of firms' resource dynamics* (2017).
 2. *Automatic and Strategic Alignment of Co-Verbal Gestures in Dialogue* (2013).
 3. *Belastbare und effiziente Wissenschaft. Strategische Ausrichtung von Forschungsprozessen als Weg aus der Replikationskrise* (2018).
 4. *Board-Level Information Technology Governance Effects on Organizational Performance: The Roles of Strategic Alignment and Authoritarian Governance Style* (2017).
 5. *Civil society activism, strategic alignment and international public policy making for spectrum* (2019).
 6. *Collaboration in demand-driven supply chain: Based on a perspective of governance and IT-business strategic alignment* (2020).
 7. *Construct validation of strategic alignment in learning and talent development* (2016).
 8. *E-Leadership through strategic alignment: an empirical study of small- and medium-sized enterprises in the digital age* (2016).
 9. *Examining green policy and sustainable development from the perspective of differentiation and strategic alignment* (2019).
 10. *Extending McKinsey's 7S model to understand strategic alignment in academic libraries* (2019).
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After completion of the dissertation draft, another literature review was conducted in **May 2025** for the most recent years, i.e., **for the period from April 2021 to May 2025**.

Full text search on May 26, 2025.

Search word	Inclusion criteria, exclusion criteria	Number of results	Comments
Strategic Alignment	In the last five years	441	
	Scientific journals	145	
	Dissertation	42	Dissertation abstracts
Strategy execution	In the last five years	1.823	
	Scientific journals	93	
	Dissertation	23	Dissertation abstracts
Strategic Planning	In the last five years	18.118	
	Scientific journals	9.517	
	Full text available	2.120	
	Dissertation	222	
Strategy Implementation	In the last five years	12.489	

Scientific journals	10.399
Dissertation	505

The titles and accompanying abstracts were reviewed by the researcher.

There were 5 hits in peer-reviewed publications and 10 hits without this selection filter (full-text search). Search all 25 assigned databases. These hits are listed here in the order of the results for '**Strategic Alignment model**':

1. *Rapid innovation management capability, and crisis-driven business model innovation performance: Roles of strategic-IT-alignment, and operational-IT-effectiveness.* (April 2025). → Refers to IT alignment. Not relevant to this research.
2. *Transforming Strategy and Value Creation Through Digitalization?* (2025). → Refers to IT alignment. Not relevant to this research.
3. *3D printing driven business model innovation and supply chain operations: a perspective of strategic alignment.* (2025). → Refers to IT alignment. Not relevant to this research.
4. *Strategic Guideline: Leveraging Scalable AI Solutions for Competitive Business Models.* (2024). → Text is checked thoroughly; in some cases, it may only be IT alignment. Conference paper not available via online resources.
5. *The Impact of IT-Business Strategic Alignment on The Transformation and Operations of Pre-Digital Businesses.* (July 2024). → Refers to IT alignment. Not relevant to this research.
6. *Mutual Adoption of Soft Systems Methodology, Co-Creation, Enterprise Architecture, and Balanced Scorecard for Continuous Assessment and Improvement of Programs on Integrated Care for Multimorbid Patients.* (August 2024). → Refers to a treatment method in healthcare. Not relevant to this research.
7. *Review of the Adoption of TQM Models and the Achieved Sustainable Business Results in the MENA Telecommunication Industry.* (2024). → Text is being evaluated. The topic is Total Quality Management. Published in this journal: *European Journal of Business & Strategic Management*. 2024, Vol. 9 Issue 2, pp. 55-65. Full text not available online. The authors did not use 'Strategic Alignment' in their own keywords.
8. *BMC Enterprises affords U.K. suitor Breedon a U.S. market gateway.* (May 2024). → Full text is evaluated. This is a case study on an M&A transaction. Published in the journal: *Concrete Products*. May 2024, Vol. 77 Issue 5, pp. 20-21. 2 pages. ISSN 0010-5368.

Information on a company takeover in the building materials market (cement industry). No apparent connection to current research work.

9. *6 Reasons Why Higher Education Marketers Should Use a Marketing Maturity Model*. (Fall 2023). → Not relevant. This is about a marketing model for higher education institutions.
10. *Modernizing Higher Education: Info-Tech Research Group Identifies Four Exponential IT Priorities to Improving Academic Delivery*. (April 2024). → Full text is evaluated. Magazine article in: PR Newswire US. 06/04/2024. Not relevant for this research.

A full-text search for the keyword 'Strategic Alignment' in publications from the last five years yielded 441 hits. Based on the title and abstract, the following publications were selected for further evaluation. Publications with no relation to business administration were excluded, as were articles focusing on IT alignment. After the preliminary selection, a metadata file was created by EBSCOhost containing the complete abstract. Here are the relevant results.

1. *Strategic Alignment, Performance, and the Moderating Effect of Regulatory Fit*. (2025). Journal of Management Accounting Research. → Full text downloaded for evaluation.
2. *Strategic Alignment in Times of Crisis: Voting at the Dawn of a Global Pandemic*. (2024). Political Science Complete by publisher Springer Nature. → Full text downloaded for evaluation.
3. *Heterogeneity in PhD entrepreneurship: strategic alignment of institutional, organizational, and individual factors*. (2025). Small Business Economics. → Published abstract evaluated. Not relevant for this research.
4. *Integrating Human Capital into Management Control Systems: Enhancing Strategic Alignment and Organizational Success*. (2024). Pakistan Journal of Life & Social Sciences. → Full text downloaded for evaluation.
5. *Factors Affecting Dynamic Strategic Alignment in a Changing Environment: A Case Study of a Chinese SOE*. (2022). Libri: International Journal of Libraries and Information Services published by De Gruyter. → It is about the connection between the organization and the information systems, which is primarily referred to as IS alignment. Example of a Chinese company in the real estate sector. Full text downloaded for evaluation.
6. *Rethinking strategic alignment: the great powers' wedging and Turkey's balancing strategies*. (2022). Turkish Studies (Oxon, UK). → A study by a historian on political strategy. The use of the term in relation to alliances is new. Full text downloaded for evaluation.

7. *An Institutional Perspective on Strategic Alignment of International Human Resource Management in Multinational Enterprises*. (2024). International Trade Journal. → Full text downloaded for evaluation.
 8. *Investigating top-down and bottom-up strategic alignment of event leveraging outcomes: the case of the 2021 UCI Road World Championships*. (2025). European Sport Management Quarterly. → Full text downloaded for evaluation.
 9. *The Impact of Storytelling on Innovation Success: Innovators can be more effective storytellers by using the strategies presented in this article and, in turn, achieve strategic alignment, team collaboration, and market success*. (2023). Research Technology Management. → Full text downloaded for evaluation.
 10. *Redefining Strategic Management: The Alignment and Implementation Perspective*. (2023). Journal of Accounting, Business and Management. → Full text downloaded for evaluation.
 11. *Are small and medium enterprises beneficial from the adoption of green market orientation under the intensity of market competition? A strategic alignment perspective*. (2022). Vol. 17, No.4, pp. 543-564, ISSN 2069-8887, Management and Marketing. Challenges for the Knowledge Society. → Full text downloaded for evaluation.
 12. *Alignment strategic in project-based businesses: A review of the literature*. (2021). Revista Ibero-Americana de Estratégia (RIAE). → Full text downloaded for evaluation.
 13. *A strategic alignment framework for the entrepreneurial university*. (2022). Industry & Innovation. → Full text downloaded for evaluation.
 14. *Gray Forms New Strategic Alignment to Better Serve Customers*. (2025). PR Newswire US. → Full text downloaded for evaluation.
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IV. Hit list from Researchgate

Another source for literature and also for enlarging one's own network is the internet platform Researchgate (www.researchgate.net). At the end of the work on the dissertation, this search function was used again to search for current content or also interesting contacts (search query on October 11, 2023). '**Strategic Alignment**' was entered as the search term and the criteria '**all types**' and '**any time**' were searched for.

The first 15 results of this search:

1. *Modeling and measuring strategic alignment*. Article. Jonathan Reed. Journal of Strategy and Management. May 2023. DOI: 10.1108/JSMA-11-2022-0212. Content: Analytical framework for modeling and measuring strategic alignment. → Must be evaluated.
Mr. Reed sent his release the following day.
 - a. **Further works of Jonathan Reed (Florida Institute of Technology, USA, ORCID ID: 0000-0003-2078-2700):** *Strategic agility in the SME: Use it before you lose it*. Article. Journal of Small Business Strategy. August 2021. DOI: 10.53703/001c.29734. Content: Empirical study about strategic agility. → Not a core topic but potentially interesting for modeling.
2. *Roadmapping for Strategic Alignment, Integration and Synchronization*. Chapter. Sukrit Vinayavekhin, Robert Phaal. in book: Next Generation Roadmapping. October 2023. DOI: 10.1007/978-3-031-38575-9_1. Content: Roadmapping as a tool for supporting strategic planning. → Must be evaluated.
3. *The role of strategic alignment in promoting strategic sustainability*. Conference paper. Ali Kazem, Hussein Al-Sharifi. April 2023. DOI: 10.1063/5.0136109. Content: The relationship between strategic alignment and sustainability. → Can be evaluated.
4. *Synergistic Alignment: Harmonizing Strategic Objectives, Strategies, and Initiatives for Optimal Organizational Success*. Article, Peter Agyekum Boateng, Patience, B. Yamoah. International Journal of Research and Scientific Innovation. August 2023. DOI: 10.51244/IJRSI.2023.10726. Content: Strategic alignment as a critical factor in archiving organizational success. → Must be evaluated.

5. *Antecedent Strategic Alignment and Its Effect on Business Resilience*. Article. Sabihaini Sabihaini, Sri Astuti, Rifki Indra Perwira, Marita Marita. Technium Social Sciences Journal. June 2023, DOI: 10.47577/tssj.v44i1.8918. Content: Disruption caused by Covid-19. → Must be evaluated.
 6. *Strategic management potential for process alignment in Cuban sports government organizations*. Article. Yenisey León and others. August 2023. DOI: not available. → not relevant.
 7. *Impacting The Core Competencies Of Human Resources On Strategic Alignment*. Article. Hassan Reda, Atheer Abdullah Mohammed. July 2023. DOI: not available. Content: Communication and Teamwork in relation to strategic alignment. → Can be evaluated.
 8. *Management Control Systems – Strategic Alignment Relations: A Study at Itaipu Binacional*. Article. Brazilian Business Review. Ronaldo Tavares and others. DOI: not available. Content: Study about the control framework by Simons (1995).
 9. *Practices of strategic alignment in and between innovation project portfolios*. Article. Miia Martinsuo, Roosa Anttila, Project Leadership and Society. November 2022. DOI: 10.1016/j.plas.2022.100066. Content: Alignment of project portfolios towards a common strategy. → of little relevance.
 10. *China-Russia Strategic Alignment in International Politics*. Book. Alexander Korolev. October 2022. Content: post-cold war cooperation between China and Russia. → not relevant.
 11. *Evaluating the Impact of the Covid-19 Pandemic on the Strategic Alignment Competences of Organizations: A Case Study in Logistics*. Chapter. Konstantinos Tsilionis, Yves Wautelet, Dorien Martinet. March 2023. DOI: 10.1007/978-3-031-19560-0_54. Content: Strategic Alignment Maturity Model (SAMM) by Luftman was used for the study. → the SAMM Model could be interesting.
 12. *Strategic alignment dimensions and structured practices of learning organizations: A case study of Wasit university*. Article. International Journal of Innovative Research and Scientific Studies. Joumana Younis and others. April 2023. DOI: 10.53894/ijirss.v6i2.1493. Content: Organizational learning and strategic alignment. → less relevant.
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13. *Strategic alignment maturity assessment on conventional bank's information technology*. Article. Nia Budi Puspitasari, Singgih Saptadi, Aditya Dwi Rahmadi, Journal of Engineering and Applied Technology. April 2022. DOI: 10.21831/jeatech.v3i2.48859. Content: Strategic alignment between IT and business strategy in a banking organization. The alignment model by Henderson and Vankatraman is used for the study and the Strategic alignment maturity model by Luftman. → can be relevant. Article was read and evaluated.
14. *IT Maturity and Strategic Alignment Perspectives Study based on Lanka Communication (PVT) Ltd*. Research Paper. Ramesha Srimali. June 2023. DOI: not available. Content: IT Alignment. → not relevant.
15. *Assessing the relationship of strategic alignment with strategic response: mediating role of strategic thinking – prospective analytical research*. Article. Ahmed Abdullah Amanah, Sahar Abbas Hussein, Alaa Hussein Fadhil. International Journal of eBusiness and eGovernment Studies. December 2022. DOI: 10.34109/ijebe (DOI is incorrect). Content: The role of strategic thinking as a mediating role between strategic alignment and strategic response. → can be of relevance.

Sort by citation count:

1. *Business Strategic Orientation, Information Systems Strategic Orientation, and Strategic Alignment*. Article. Yolande E. Chan, Sid L. Huff, Donald W. Barclay, Duncan G. Copeland. **1097 Citations**. Information Systems Research. June 1997. DOI: 10.1287/isre.8.2.125. Content: Alignment of IT systems and strategic concepts. → less relevant.
2. *Using and Validating the Strategic Alignment Model*. Article. David E. Avison, Jill Jones, Philip Powell, David Wilson. **594 Citations**. The Journal of Strategic Information Systems. September 2004. DOI: 10.1016/j.jsis.2004.08.002. Content: Alignment of IT and the business according to the Strategic alignment model (SAM). → less relevant.
3. *How Information Technology Governance Mechanisms and Strategic Alignment Influence Organizational Performance: Insights from a Matched Survey of Business and IT Managers*. Article. Ping-Ju Shelly, Wu, Detmar Straub, Ting-Peng Liang. **507 Citations**. MIS

- Quarterly. June 2015. DOI: 10.25300/MISQ/2015/39.2.10. Content: IT governance and strategic alignment. → less relevant.
4. *Antecedents and outcomes of strategic IS alignment: An empirical investigation*. Article. Yolande E. Chan, Rajiv Sabherwal, Rajiv Sabherwal, Jason Bennett Thatcher. **479 Citations**. IEEE Transactions on Engineering Management. March 2006. DOI: 10.1109/TEM.2005.861804. Content: Alignment between business and information systems. → less relevant.
 5. *Antecedents of IS Strategic Alignment: A Nomological Network*. Article. David S. Preston, Elena Karahanna. **336 Citations**. Information Systems Research. June 2009. DOI: 10.1287/isre.1070.0159. Content: the role of a chief information officer (CIO) in aligning information systems and business strategy. → less relevant.
 6. *The leveraging influence of strategic alignment on IT investment: An empirical examination*. Article. Terry Byrd, Bruce R. Lewis, Robert W. Bryan. **284 Citations**. Information & Management. April 2006. DOI: 10.1016/j.im.2005.07.002. Content: Optimization of the linkage of IT investments and business strategy. → less relevant.
 7. *IT-Business Strategic Alignment Maturity: A Case Study*. Article. Deb Sledgianowski, Jerry N. Luftman. **148 Citations**. Journal of Cases on Information Technology. April 2005. DOI: 10.4018/jcit.2005040107. Content: The Strategic Alignment Maturity model (SAM) is used for the survey in the international chemical industry.
 - a. **Further research on the page of Jerry N. Luftman:** 83 research items (focused on IT issues). USA. Global Institute for IT Management. Professor. → less relevant.
 8. *Strategic Alignment and New Product Development: Drivers and Performance Effects*. Article. Nuran Acur, Destan Kandemir, Harry Boer. **138 Citations**. Journal of Product Innovation Management. March 2012. DOI: 10.1111/j.1540-5885.2011.00897.x. Content: impact of strategic alignment on new product development process (NPD). → might be of relevance.
 9. *Conceptualizing the Dynamic Strategic Alignment Competency*. Article. Jeff Baker, Donald R. Jones, Ray Qing Cao, Jaeki Song. **137 Citations**. Journal of the Association for Information Systems. April 2011. DOI: 10.17705/1jais.00265. Content: a framework how
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to measure the alignment between IT strategy and business strategy. → the framework can be of relevance for future model or theory building.

10. *Strategic alignment and middle-level managers' motivation in a balanced scorecard setting.*

Article. Valerie Decoene, Werner Bruggeman. **131 Citations**. International Journal of Operations & Production Management. April 2006. DOI: 10.1108/01443570610650576. Content: a model of the components motivation, organizational performance in the context of a balanced scorecard (BSC) is evaluated. → can be of relevance.

Search for ‘Strategic Alignment Corporate strategy’ in all types, any time and sorted by relevance:

1. *Strategic Alignment vs. Opportunity Hopping - Disruptive Times Require a Firm Strategy*. Article. Thorsten Schmude. Scientia Moralitas International Journal of Multidisciplinary Research. December 2022. DOI: 10.5281/zenodo.7474494. Note: It can be assumed that little is published on the searched topic if the own publication is high on the result list.
 2. *The efficiency of strategic alignment: Determining the level of efficiency of the alignment of information systems with corporate strategy: Doctoral consortium paper*. Conference Paper. Laure Jeannerot. May 2013.
 3. *ESG for SMEs - Environment, Social & Governance for Small & Medium Sized Enterprises - Sustainable Development for SMEs: A Methodology for Cohesion of Corporate Value Addition and Overarching Sustainable Development Principles, for ESG Strategic planning, Framework Implementation & ESG Disclosure in Companies*. Book. Indika Edussuriya. September 2022. ISBN: 9798351853741.
 4. *Corporate real estate and corporate strategy alignment in South Africa*. Article. Tsoanelo Ntene, Samuel Azasu, Anthony Owusu-Ansah. Journal of Corporate Real Estate. January 2020. DOI: 10.1108/JCRE-05-2019-0025.
 5. *The Interplay between Human Resource Strategies and Strategic Alignment: A Comprehensive Review of Conceptual and Empirical Literature in the United States*. Article. Asahi Hiroto Aiko. Journal of Strategic Management (published by the Korean Society of Strategic Management). July 2023. DOI: 10.53819/81018102t4170. Content: strategic choices as a political process within the top management of a large organization.
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Search for authors and persons who have already been cited or mentioned in this paper:

1. **Henry Mintzberg**, Professor at Mc Gill University (Canada), 226 research items, including 20 books. Selected publications that may be pertinent to the Strategic Alignment research project.
 - a. *The Strategy Process: Concept, Context, Cases*. Book. Joseph Lampel, Henry Mintzberg, James Brian Quinn, Sumantra Ghoshal.
 - (1) Joseph Lampel, Professor at The University of Manchester (UK), 126 research items.
 - b. *The organization as political arena*. Article. Henry Mintzberg. *Journal of Management Studies*. May 2007. DOI: 10.1111/j.1467-6486.1985.tb00069.x.
 - c. *Of strategies, deliberate and emergent*. Article. Henry Mintzberg. January 2007. No journal given and no other reference options.
2. **N. Venkat Venkatraman**, Professor at Boston University, 2 books and 41 publications in journals. Details provided by the CV published on the university website⁷¹⁴. Relevant for Strategic Alignment:
 - a. *Advancing Strategic Management Insights: Why Attention to Methods and Measurement Matters*. Article. *Organizational Research Methods*, 2008, 11(4), 790-794.
 - b. *Strategic Alignment: Leveraging Information Technology for Transforming Organizations*. *IBM Systems Journal*, 32(1), Spring 1993.
 - c. *Beyond Business Process Redesign: Redefining Baxter's Business Network*. (with J.E. Short), Sloan. *Management Review*, (fall 1992).
 - d. *Performance Implications of Strategic Coalignment: A Methodological Perspective*. *Journal of Management Studies*, (March 1990).
 - e. *The Concept of Fit in Strategy Research: Toward Verbal and Statistical Correspondence*. *Academy of Management Review*, 1989 (July).
3. **Kurt Verweire**, Professor at Vlerick Business School (Belgium), 49 research items.

⁷¹⁴www.questromapps.bu.edu/faculty/uploadFiles/cvUploadsProfile/IS_Venkatraman_N_CV.pdf. Accessed March 8, 2024.

- a. *Implementing a winning strategy through strategic alignment*. Chapter in the book: *Strategy Implementation* (Routledge). June 2020.
 - b. *Book highlight — Setting a clear strategic direction*. Article. July 2019. *Global Business and Organizational Excellence*.
 - c. *Towards a More Integrated Approach to Strategic Alignment*. Chapter in the book: *Integrated Performance Management: A Guide to Strategy Implementation*. January 2004. DOI: 10.4135/9781446211618.n15.
 4. **Jerry N. Luftman**, Global Institute for IT Management (USA), 83 research items.
 - a. *Assessing Business-IT Alignment Maturity*. Article. January 2001. DOI: 10.4018/9781878289872.ch006. Content: First outline about Luftman's Strategic Alignment Maturity Model (SAMM) → additional reading. Receipt of an email response from Mr. Jerry Luftman on October 12, 2023: a text document on the research topic was submitted for evaluation and use. The overview of the different Alignment Maturity Criteria could be interesting. Result: No further mention in the text of the dissertation because the focus is exclusively on IT and is also considered from the perspective of IT (e.g. CIO).
 5. **Jonathan Trevor** → Not present in Researchgate.
 - a. Further information on his university website. www.sbs.ox.ac.uk/about-us/people/jonathan-trevor.
 - b. New book published on June 9, 2022: *"Re:Align. - A leadership blueprint for overcoming disruption"*, 240 pages. → Book is obtained and evaluated for this thesis.
 6. **Barry Varcoe** → Not present in Researchgate.
 7. **Michael L. Tushman** → Professor at Harvard University (qualitative social research and sociological theory), 196 research items.
 - a. Book 1997, 2nd edition 2002: *Winning through innovation: A practical guide to leading organizational change and renewal*. → Compare page 59, figure 4.1.
 8. **Charles O'Reilly** → Professor at Stanford University (organizational psychology, applied psychology), 87 research items.
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After completion of the dissertation draft, another literature review was conducted in May 2025 for the most recent years, i.e., for the period from **October 2023 to Mai 2025**: ‘**Strategic Alignment**’ was entered as the search term and the criteria ‘**all types**’ and ‘**any time**’ were searched for.

The first 10 selected results of this search:

1. *Strategic Alignment and its Impact on Organizational Prosperity*. Article. Maryam Qies, Ali Adnan. Journal of Economics and Administrative Sciences. December 2024. DOI: 10.33095/r280h752. Content: A study based on distributed questionnaires is presented. It addresses the question of the measurability of strategic alignment, which is defined using the following dimensions: communications, value, and efficiency of information technology (IT), governance, infrastructure, human resources skills. → Evaluate full text and integrate into research as appropriate.
2. *Strategic Alignment and Organizational Resilience of Manufacturing Companies in South West Nigeria*. Article. Joseph Emeka Okonkwo. Gulf Journal of Advance Business Research. May 2025. DOI: 10.51594/gjabr.v3i5.142. Content: Integrated business planning ensures better strategic alignment for manufacturing companies. → Evaluate the publication.
3. *The Effect of Strategic Change on Strategic Performance Mediated by Inter-Firm Network and Strategic Alignment*. Article. Muhammad Hayyin Avivi, Mohamad Rizan, Agung Wahyu Handaru. International Journal of Finance and Business Management (IJFBM). May 2024. DOI: 10.59890/ijfbm.v2i3.1883. Content: A study has shown that strategic alignment has a positive effect on a company's performance. → Evaluate the publication.
4. *The role of strategic alignment and resource availability in boosting the digital capabilities of Jordanian insurance companies*. Article. Azzam Abou-Moghli. Insurance Markets and Companies. May 2025. DOI: 10.21511/ins.16(1).2025.07. Content: A study based on questionnaires shows that there is a positive correlation between the relationships between strategic alignment, resource allocation, and digital capabilities. → Evaluate the publication.

5. *Perceptual mapping of the association between IT project success and factors promoting strategic alignment*. Article. Marcus Vinícius Medeiros Araújo, Jairo Simião Dornelas, Rodrigo Barbosa da Silva. International Journal of Information Systems and Project Management. April 2025. DOI: 10.12821/ijispm130203. Content: It is about the strategic alignment of information technology and, in particular, IT projects. → Not relevant for this research.
 6. *Transforming Talent Acquisition: An Empirical Study with a Tested Strategic Alignment Model*. Article. P Sangeetha. Journal of Information Systems Engineering & Management. May 2025. DOI: 10.52783/jisem.v10i41s.8007. Content: It's all about recruiting employees, especially new talent. If commitment to the strategy is evident, then better employee recruitment can also be expected. The SAM model is applied. This may result in an interesting solution. → Evaluate the publication.
 7. *The Stadial Model of Alignment Formation (SMAF): Conceptualizing Strategic Alignments Between States*. Article. Alexander Korolev. European Journal of International Security. October 2024. DOI: 10.1017/eis.2024.25. Content: A method is sought to measure strategic alignment. A model called the “stadial model of alignment formation” (SMAF) is used for this purpose. → Evaluate the publication.
 8. *Strategic Alignment of Risk Management and Corporate Governance: Boosting Manufacturing Performance*. Article. Hu Can, Ahmed Razman Abdul Latiff. Journal of Digitainability Realism & Mastery (DREAM). May 2024. DOI: 10.56982/dream.v3i05.242. Content: It's about the relationship between risk management and strategic alignment in companies in China. → Evaluate the publication.
 9. *Project Portfolio Management: Best Practices for Strategic Alignment*. Article. Sunil Kumar Suvvari. International Journal of Professional Business Review. December 2023. DOI: 10.26668/businessreview/2023.v8i12.4987%20. Content: It is about strategic alignment in the project portfolio management. → Evaluate the publication.
 10. *Strategic alignment in multispecialty hospitals: Implementing a balanced scorecard approach for optimal performance*. Shefali Bahadur and other authors. The scientific Temper. March 2024. DOI: 10.58414/SCIENTIFICTEMPER.2024.15.1.45. Content: The Balanced Scorecard as an instrument for strategic alignment is examined in the healthcare sector. → Evaluate the publication.
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Search for 'Strategic Alignment Corporate strategy' in all types, October 2023 up to now and sorted by relevance:

1. *Theoretical framework supporting IT and business strategy alignment for sustained competitive advantage*. Article. Henry Ejiga Adama, Oladapo Adeboye Popoola, Chukwuekem David Okeke, Abiodun Emmanuel Akinoso. International Journal of Management & Entrepreneurship Research. April 2024. DOI: 10.51594/ijmer.v6i4.1058. Content: Essentially, it is about connecting IT and business strategy. Following the resource-based approach to management and the effective use of existing resources and capabilities. → Evaluate the publication.
2. *The Impact of International Trade Laws on Corporate Strategy: Navigating Cross-Border Legal Challenges for Multinational Corporations*. Article. O. Kayode Akinsola, Beauden John. No journal and no publisher. January 2025. DOI: unknown. Content: It deals with the strategic influence that international trade law has on corporate strategy. Of fundamental interest. It primarily concerns standards and guidelines that form a framework and must be taken into account when developing strategy. The topic of strategy implementation is not addressed. → Not relevant.
3. *When ideologies align: Progressive corporate activism and within-firm ideological alignment*. Article. Anna E. McKean, Brayden G. King. Strategic Management Journal. July 2024. DOI: 10.1002/smj.3632. Content: It deals with the corporate policy perspective of top management and, in particular, the CEO. The study examines the impact of the ideology emanating from the CEO. Insights into the psychological and communicative effects of personal attitudes are examined. → The article is evaluated. The journal is widely recognized.

Google Scholar is referenced in the literature as an alternative search tool to Researchgate. For this reason, the term 'Strategic Alignment' will be searched for again on this search engine in May 2025 (www.scholar.google.com):

Search word	Inclusion criteria, exclusion criteria	Number of results	Comments
Strategic Alignment Model	Since 2024 (full text search)	17.400	
	In the title (any time)	165	
	In the title (since 2024)	10	

Selected publications for detailed analysis:

1. Avison, D., Jones, J., Powell, P., & Wilson, D. (2004). Using and validating the strategic alignment model. *The Journal of Strategic Information Systems*, 13(3), 223-246.
→ Refers to IT alignment. Article saved and evaluated anyway.
2. Sompolgrunk, A., Banihashemi, S., Golzad, H., & Le Nguyen, K. (2024). Strategic alignment of BIM and big data through systematic analysis and model development. *Automation in Construction*, 168, 105801. → Refers to IT alignment.
3. Theodorou, P., & Theodorou, T. (2024). Valuation of big data analytics quality and competitive advantage with strategic alignment model: from Greek philosophy to contemporary conceptualization. *Data Science in Finance and Economics*, 4(1), 53-64.
→ not relevant for this research.

V. Hit list from ECONBIZ

Research via ZBW Leibniz Information Center for Economics / Leibniz Information Center for Economics (www.zbw.eu). The search portal is called ECONBIZ (www.econbiz.de). Search keyword 'Strategic Alignment' in all available publication formats. Analysis on March 14, 2024.

All hits 3,224, of which in Strategic Management 710, Organizational Change 216, Theory 143, Strategic Alignment (as a separate category) 68, Corporate Governance 71. The publication period was not restricted.

Sorted by the latest publications, there are the following hits that could fit into the research field of this dissertation. Obviously other aspects, such as IT alignment, have already been eliminated from the list. The 10 most suitable results with references and links:

1. *The role of managerial perceptions and behaviors across hierarchical levels during lean implementation.* Januszek, Sven; Netland, Torbjørn H.; Furlan, Andrea; 2024. Persistenter Link: <https://www.econbiz.de/10014468344>.
2. *The alignment advantage: transform your strategy, culture and customers to succeed.* Nugent, Richard; 2023. Persistenter Link: <https://www.econbiz.de/10014280911>.
3. *Tackling organizational innovativeness through strategic orientation: strategic alignment and moderating role of strategic flexibility.* Nassani, Abdelmohsen A.; Aldakhil, Abdullah Mohammed; 2023. Persistenter Link: <https://www.econbiz.de/10014292977>.
4. *Next Generation Roadmapping: Establishing Technology and Innovation Pathways Towards Sustainable Value.* Daim, Tugrul U.; Phaal, Robert; Meissner, Dirk; Kerr, Clive; 2023. Persistenter Link: <https://www.econbiz.de/10014375088>.
5. *How Does Dynamic Capability Adjust Chinese Firms' Capabilities to Adapt to Environment Changes?* Zhang, Chunxia; Bang, Ho-Yeol; 2023. Persistenter Link: <https://www.econbiz.de/10014344951>.
6. *Strategic planning and budgeting: a single integrated process with ex ante and ex post alignments.* Spraakman, Gary; O'Grady, Winifred; 2023. Persistenter Link: <https://www.econbiz.de/10014426041>.

7. *Charting Change: A Visual Toolkit for Making Change Stick*. Kelley, Braden; Kelley, Kathy; Kelley, Gabriella; 2023. Persistenter Link: <https://www.econbiz.de/10014467023>.
8. *Risk management and strategy alignment: influence on new product development performance*. Peljhan, Darja; Marc, Mojca; 2023. Persistenter Link: <https://www.econbiz.de/10014450034>.
9. *Modeling and measuring strategic alignment*. Reed, Jonathan H.; 2023. Persistenter Link: <https://www.econbiz.de/10014433009>.
10. *Modeling strategic alignment in project networks*. Haniff, Amos P.; Galloway, Laura; 2022. Persistenter Link: <https://www.econbiz.de/10013383591>.

After completion of the dissertation draft, another literature review was conducted in May 2025 for the most recent years, i.e., for the period from April 2021 to May 2025:

Search word	Inclusion criteria, exclusion criteria	Number of results	Comments
Strategic Alignment	All years, all subjects	4.408	These results were analyzed in the data-base.
	Subject: Strategic Management	1.018	
	2023 to 2025	109	

Selection for further research:

1. *The effectiveness of strategic alignment between open innovation and generic strategies: empirical evidence from restaurant SMEs in Vietnam*. Quang-Huy Ngo. 2023. DOI: 10.1016/j.joitmc.2023.100016.

2. *The effects of strategic alignment and strategic clarity on multidimensional task performance*. Steven D. Smith, Tyler F. Thomas. 2024. Accounting, organizations and society. DOI: 10.1016/j.aos.2023.101524.
 3. *Modeling and measuring strategic alignment*. Jonathan H. Reed. 2023. Journal of strategy and management. ISSN: 1755-4268. → Previously published version already evaluated and incorporated into this dissertation.
 4. *Catalyzing strategy: guidelines for better strategy and strategic thinking*. Michael K. Allio. 2024. Strategy & Leadership. ISSN: 1087-8572.
 5. *Strategic planning and budgeting: a single integrated process with ex ante and ex post alignments*. Gary Spraakman, Winifred O'Grady. 2023. Advances in Management Accounting. DOI: 10.1108/S1474-787120230000035002.
 6. *On the alignment of competitive strategies for successful acquisitions: a two-decade longitudinal analysis*. Lucas López-Manuel, Antonio Sartal, Xosé H. Vázquez. 2024. Competitiveness Review. DOI: 10.1108/CR-10-2022-0156.
 7. *Aligning performance metrics with business strategy*. Ravi Kathuria, Lorenzo Lucianetti. 2024. Management decision. DOI: 10.1108/MD-02-2023-0184.
 8. *Effective Firm Alignment with SIGEL Crises: The Temporal Mindsets of Decision Makers*. Liliana Pérez-Nordtvedt, Kilho Shin, Joohan Lee. 2022. Journal of Management Studies. DOI: 10.1111/joms.12888.
 9. *Next Generation Roadmapping: Establishing Technology and Innovation Pathways Towards Sustainable Value*. Tugrul U. Daim, Robert Phaal, Dirk Meissner, Clive Kerr. 2023. Springer International Publishing. ISBN (Book): 978-3-031-38575-9. → See Chapter 1 on Roadmapping for Strategic Alignment, Integration, and Synchronization. Focus on IT and technology roadmaps.
 10. *Charting Change: A Visual Toolkit for Making Change Stick*. Braden Kelley. 2023. Springer International Publishing. ISBN: 978-3-031-36193-7.
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VI. Published Case Studies

The case studies published by Harvard Business School are a foundation for both teaching and research. On October 20, 2023, the site retrieved published and offered material related to the search term 'Strategic Alignment' and returned the following 14 hits:

1. *Are the Strategic Stars Aligned for Your Corporate Brand?*. Article. Hatch, Mary Jo; Schultz, Majken. 2001. Content: The question is whether the most promising products or services (= strategic stars) in the company's marketing are aligned and harmonized with the entire brand or its own brand world according to the well-known BCG portfolio. → Little relevance.
2. *Sodexo (A): Creating Strategic Alignment with the Balanced Scorecard*. Case Study. Beix, Olivier; Slagmulder, Regine; Pinto, Michael; van Wassenhove, Luk. October 2007. Source: INSEAD. 19 pages. Content: Case for students to create a balanced scorecard and a strategy map. Two authors of this case study present their own approach as used in their consulting company Nexance SARL (Paris), founded in 2003. The client company is the world's largest catering company Sodexo HC (France).⁷¹⁵ → Relevant. Read and worked through for thesis.
 - Document Summary: The primary issue is the different business objectives that need to be reconciled. The Sodexo company is undergoing an organizational transformation from a company characterized by a founding spirit to standardized processes and operations. Improving team spirit will be seen as a way to improve commitment to the strategy and the given growth target of +10% annually.
 - Benefits for this dissertation: Strategic Alignment is not automatically achieved by creating a Balanced Scorecard. It is a way to clarify contradictions and conflicting goals. The term strategic alignment is not discussed further in the case

⁷¹⁵ Michael Pinto and Olivier Beix, "Applied Strategy Consulting: Company Website," accessed October 23, 2023, www.nexance.com.

study. It is about a common transformation process from a founding company to a stable and durable corporation.⁷¹⁶

3. *A Simple Way to Test Your Company's Strategic Alignment*. HBR Digital Article. Trevor, Jonathan; Varcoe, Barry. 2016. Content: no abstract available. → Relevance remains unclear. Publications by these authors already evaluated for this research.
 - Document Summary: In the very first paragraph, the two authors emphasize that strategic alignment is more important today than ever before and must be at the top of the list of priorities for business leaders. Only two questions are asked to assess whether the company is good or bad at strategic alignment. The assessment is made on a scale of 1 to 100 and the results are entered into a four-field matrix. Internationally known companies are mentioned as examples for each of the four fields.
 - Benefits for this dissertation: This publication will be included in the work. If the entire assessment for Strategic Alignment can be reduced to just two questions, then the Strategic Alignment assessment can be done at any time without spending time. However, if this approach is too simplistic, it may be a starting point for an expanded model or improved presentation.
4. *Detours in the Path toward Strategic Information Systems Alignment*. Article. Hirschheim, Rudy; Sabherwal, Rajiv. 2001. Content: IT-Alignment. → Not relevant.
5. *Is Anyone In Your Company Paying Attention to Strategic Alignment?*. HBR Digital Article. Trevor, Jonathan. 2018. Content: The responsibility for Strategic Alignment lies not only with the CEO, but also with other people in the company. → Relevant. Known and already evaluated for this research in March 2021.
 - Document Summary: Emphasizes that today all executives should know that their company should be closely Strategic Aligned. Stated this as a general statement and requirement. The corporate goal, referred to as "Enterprise Purpose" is seen as the target point. A good Strategic Alignment is an advantage in competition. Four reasons for misalignment are given (cite and comment in the text of the dissertation). Furthermore, the high pressure to produce short term

⁷¹⁶ Olivier Beix et al., *Sodexo: Creating Strategic Alignment with the Balanced Scorecard* (Harvard Business Review Press, 2007), Case Study.

results is an obstacle for a good Strategic Alignment. No models or approaches known from the literature are mentioned or cited in the text.

- Benefits for this dissertation: The question of who is responsible for Strategic Alignment in a company is central to good Strategic Alignment. Is it just another task for every manager or should this responsibility be assigned to specific persons? The reasons for misalignment are probably not exhaustively enumerated and described, but offer a starting point for this work to think about the reasons and causes of Strategic Misalignment in more depth.
6. *Leader-as-Architect: Alignment*. Case Study. Bernstein, Ethan S.; Raffaelli, Ryan L.; Margolis, Joshua. 2014. 6 pages. Content: It is about the implementation of an effective organizational strategy and the alignment of four organizational components: 1. organizational structure, 2. culture, 3. people and 4. critical tasks. It is shown that organizationally well aligned companies are better able to achieve their strategic goals, are more efficient in the utilization of their resources and are better able to cope with unpredictable events in the future. → Relevant.
 - Document Summary:
 - Benefits for this dissertation:
 7. *Peak Experiences and Strategic IT Alignment At Vermont Teddy Bear*. Case Study. Gogan, Janis L.; Lewis, Mark. 2011. 10 pages. Content: The new CIO at the Vermont Teddy Bear company specifically wants to replace the printed catalog with a digital form of distribution. It's all about the IT-related decisions. → Less relevant.
 8. *Aligning the Organization for Its Digital Future*. Article. Kiron, David; Kane, Gerald C.; Palmer, Doug. 2016. Content: IT Alignment → Less relevant.
 9. *Organizational Alignment Exercise*. Case Study. Beer, Michael; Gabarro, John. 2003. 6 pages. Content: It is about an overview of the methods to develop the organization in such a way that the goals are achieved and the strategy is implemented. This is an exercise that is older and has only been updated here. → Could be relevant.
 - Document Summary:
 - Benefits for this dissertation:
 10. *Harvard Business Review on Aligning Technology with Strategy*. Book. By Harvard Business Review. 2011. 224 pages. Content: Unbelievable amounts of money are wasted in
-

companies because the technology is not in line with the strategy. The book reprints articles that have already been published. → Less relevant.

11. *Is Your Company as Strategically Aligned as You Think It Is?*. HBR Digital Article. Mittal, Vikas; Piazza, Alessandro; Malshe, Ashwin. 2023. Content: An employee-level study of 500 employees in 12 companies is presented. → Relevant.

- Document Summary:
- Benefits for this dissertation:

12. *Aligning Your Philanthropic Operating Model with Your Goals*. HBR Digital Article. Tarasov, Olga. 2023. Content: Corporate social commitment in connection with set goals. → Not relevant.

13. *Performance Appraisal at Telespazio: Aligning Strategic Goals to People Development*. Case Study. Profili, Silvia; Sammarra, Alessia; Innocenti, Laura; Gabrielli, Gabriele. 16 pages. 2013. Content: The primary issue is the introduction of a new appraisal system. Topics of personnel development and the commitment of employees to the company's goals are at the center of this case study. → Not relevant.

14. *Raise Your Glasses – The Water's Magic! Strategic IT At SA Water: A Case Study In Alignment, Outsourcing and Governance*. Case Study. Thorogood, Alan; Yetton, Phillip; Vlastic, Anthony; Spiller, Joan. 10 pages. 2004. Content: Case study in the utility industry (South Australian Water) involving the introduction of new technology, specifically IT. A new CIO is to clarify the question of outsourcing IT while taking corporate strategy into account. → Not relevant.

After completion of the dissertation draft, another literature review was conducted in May 2025 for the most recent years, i.e., for the period from April 2021 to May 2025. On the website (www.hbsp.harvard.edu), the term 'Strategic Alignment' is defined as a separate search term and assigned to the generic term 'strategic management'.

Search word	Inclusion criteria, exclusion criteria	Number of results	Comments
Strategic Alignment	All years	208	

	April 2021 to May 2025	32	

The term 'Strategic Alignment' was not explicitly mentioned in the title of any of these new case studies. None of the companies mentioned has a direct connection to the content of the dissertation, so an evaluation of these case studies is not necessary.

VII. Annotated Questionnaire

The questionnaire used for preselection from the ‘*Strategic Alignment Survey Fieldbook*’ is inserted here in its original language and also with the working notes provided in certain cases. The objective was to verify whether the potential interviewee is suitable and has sufficient experience in the field of strategy implementation. This avoided conducting a time-consuming open research interview with an unqualified or unsuitable person. Where this had already been clarified via preliminary personal discussions, the phase could be dispensed with.

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If the interviewee asks for a copy of the completed questionnaire after the interview and makes it themselves, they undertake not to pass this copy on to other persons or institutions.

Company	...	Interview partner	...
Branch	...	Function	e.g. Head of Corporate Development or Strategy; M&A or Planning Staff
Date and time of the interview	...		

	Opening monologue	Time

0:00

Hello, my name is XXX,

It is a pleasure for me to conduct the agreed interview with you today.

You already received the procedure and the background for the scientific research during our last telephone conversation, so I would like to jump straight into the interview and use the time of about 20 minutes with you for the survey.

Are you ready for our interview?

[switch off interference etc. if necessary].

I will first read the question to you and, as is customary in qualitative interviews, I will then allow you time to answer freely. If you can't think of an answer spontaneously, I'll read you sample answers to help us start up the conversation.

Is this okay for you?

0.	Company, industry and general information about the company	
	① Full name of interviewee, including phone number and direct extension. ② Secretary or assistant with contact details. In the event that the interviewee is in a home office: Clarify availability by telephone, cell phone number. If necessary, clarify basic readiness for interview by VC (zoom) → Only in case of changes to this note, fill in gaps if necessary or verify, e.g., extension number for queries. [Data is provided from address qualification and appointment setting as a record].	0:40
A.	General information on strategic planning in the company of the interview partner	
A1	Which of the following functions of your company are regularly involved in strategic planning? ☐ Strategy Department⁷¹⁷ ☐ Strategy Projects ☐ Strategic Controlling ☐ Strategy Risk Management ☐ _____ (what else?) ☐ _____ (is there more?)	2:50
A2	What materials do you use in strategy work?⁷¹⁸ ☐ Strategy document,⁷¹⁹ e.g., Business Plan ☐ Strategy book⁷²⁰	

⁷¹⁷ This also includes alternative formulations such as 'Global Strategy Center' or 'Strategy Office', which are merely another form of catchy designation.

⁷¹⁸ Strategic planning and implementation.

⁷¹⁹ Collective term for all conceivable strategy papers by different authors, usually not consistent in presentation and content.

⁷²⁰ A document that is adopted by the Board of Directors. Characteristics: an author or a team of authors with a systematic presentation as a coherent and complete strategy document.

- ☐ Board of Management letter on strategy implementation
- ☐ Communication material explaining the strategy
- ☐ Strategy presentation
- ☐ Strategy material for shareholders and investors
- ☐ Fieldbook strategy
- ☐ _____ (what else?)
- ☐ _____ (is there more?)

A3 Does your company have a formal strategy?⁷²¹

- ☐ Yes
- ☐ No

For supplementary information:⁷²²

Please note keywords and, if necessary, elaborate on them following the interview

A4 I understand the term strategy as:

a plan	Yes ☐	No ☐
the competitive position	Yes ☐	No ☐
a process	Yes ☐	No ☐
a decision	Yes ☐	No ☐
a script	Yes ☐	No ☐
other:	_____	

A5 Which organizational units are primarily involved in the strategic planning process?

- ☐ Corporate strategy
- ☐ Corporate Development
- ☐ M&A
- ☐ Controlling
- ☐ Finance
- ☐ HR
- ☐ _____

A6 How long have you personally been involved in strategic planning⁷²³ in the company?

⁷²¹ Do not provide an explanation here, the interviewee should complete this with content themselves. When asked: 'What is it exactly?' the answer is: 'What you understand by it?'

⁷²² Yes/no questions should lead to a clear statement, but often the interviewee will want to put this statement into perspective or state that it is not that simple.

⁷²³ The term strategic planning is defined differently in the literature and in practice. An interview partner from an organizational unit strategy will describe this term with content and this will possibly

- ☐ Since this year
- ☐ In the last three years
- ☐ 3 to 5 years
- ☐ More than 5 years

A7 Does your company have a strategic controlling unit?

- ☐ Yes → 7.1
- ☐ No → 7.2

How many employees work there?⁷²⁴

- A7.1
- ☐ Less than three
 - ☐ 3 to 6
 - ☐ More than 6

A7.2 Is the strategic controlling function integrated into another department?

- ☐ Yes → in which: _____
- ☐ No

deviate from doctrine or common ideas. So as not to require the definition of every term at the beginning of the interview, generic terms that are as generally understandable as possible are used so that the flow of communication in the interview is not interrupted, little reactance arises with the interviewee and a joint processing of the questions is established. Too many queries or even misunderstandings are to be avoided in the preliminary questions, because this could lead to a divergent technical discussion. Likewise, methodological discussions should be avoided, because then the content and professionalism recede into the background, and the results can be distorted.

⁷²⁴ The time periods are based on discussions with experts in the field.

B. Strategy implementation and execution

8:15

B1 How often are strategic reviews, or strategy reviews, conducted?

- ☐ Annually
- ☐ Every two years
- ☐ Every three years
- ☐ As required
- ☐ _____

B2 Do you use the following in your work?

Strategic Alignment	Yes ☐	No ☐
Strategic Assessment ⁷²⁵	Yes ☐	No ☐
Real options ⁷²⁶	Yes ☐	No ☐
Resource Allocation	Yes ☐	No ☐
Performance Hub	Yes ☐	No ☐
Strategic War Gaming	Yes ☐	No ☐

B3 Is there a strategy committee?⁷²⁷

- ☐ Yes → B3.1
- ☐ No → B2

B3.1 Is the strategy committee involved in strategy implementation?

- ☐ Yes
- ☐ No

B3.2 How many board members are permanently represented on the strategy committee?

- _____ (which ones, if any?)

B4 Which management group steers strategy implementation?

- _____

⁷²⁵ Or Strategic Audit.

⁷²⁶ Belderbos, Tong and Wu, "Multinational investment and the value of growth options: Alignment of incremental strategy to environmental uncertainty."

⁷²⁷ Standing committee or permanent working group consisting of experts (internal and external) that provides important impetus for strategy work or also makes recommendations. Meets, e.g., every six weeks.

B5 How is the strategy process anchored in the company?⁷²⁸

- ☐ In the organization manual
- ☐ As a stand-alone guide for strategy work
- ☐ Strategy workshops and training courses
- ☐ Through a strategic planning database
- ☐ Through written information/briefings to managers
- ☐ Strategy speech of the Board of Management
- ☐ Through Corporate TV
- ☐ Other: _____

B6 Which of the following tools and techniques do you use for strategy implementation?

- ☐ Strategy maps ⁷²⁹
- ☐ Measurements/Metrics, e.g., Key Performance Indicators (KPIs)
- ☐ Balanced scorecards (BSCs)
- ☐ Visualizations, e.g., Strategic Road Mapping
- ☐ Six Sigma ⁷³⁰
- ☐ Other: _____

B7 In your opinion, is there a role model for strategy work?

- ☐ Yes
- ☐ No

Can you please name an example?

- ☐ Model: _____

⁷²⁸ Or how the strategy process is presented and lived in the company. It is a question of both the more documentary side and the procedure in operational practice.

⁷²⁹ According to Kaplan/Norton.

⁷³⁰ Another notation is 6σ . Originally, this method was developed as a toolbox for process optimization. Sometimes the method, which is mainly based on workshop work, has also been used for strategic projects.

C.

Strategy alignment as a permanent task

(*Strategic Alignment = strategy alignment of the company; direct translation: strategic alignment, strategy commitment, strategy stability*)

12:30

C1

What do you mean by **strategic alignment**?

- ☐ Nomination: _____
- ☐ Nomination: _____
- ☐ Nomination: _____
- ☐ Nomination: _____
- ☐ Nomination: _____
- ☐ Nomination: _____
- ☐ no idea

Interviewer, if applicable:

*Strategic Alignment = strategic alignment of the company.*⁷³¹

C2

How useful is a strategic **balanced scorecard** from your point of view?Very useful ☐☐☐☐☐ not really useful☐ Why? _____

C3

What situation would you describe as '**misalignment**'?⁷³²

- ☐ A time delay in project management
- ☐ Declining sales
- ☐ Erosion of profitable segments
- ☐ Unclear strategic direction
- ☐ Different: _____

C4

How do you anticipate alternative paths in strategy implementation?

- ☐ Through strategic indicators
- ☐ From meetings in management
- ☐ Through a Business War Room Simulation (BWRS)⁷³³
- ☐ Discreate Event Simulation⁷³⁴ or other mathematical methods

⁷³¹ If there is no mention or the answers are so far outside the range of expectations, the short definition should be included for the moderation of the interview.

⁷³² The list of misalignment should be derived from the literature or, otherwise, expert interviews.

⁷³³ Testing of a selected and elaborated strategy.

⁷³⁴ Often abbreviated simply as 'DES'.

☐ In other ways: _____

C5 Do you use the concept of 'emergent strategy', i.e., strategy that emerges on its own, as opposed to intended/intentional strategy?⁷³⁵

☐ Yes

☐ No

☐ This is unknown to me

C6 Who in your company systematically identifies new potentials or opportunities?

☐ Each manager for himself

☐ The strategy team

☐ The Chief Strategy Officer (CSO)

☐ This is unknown to me

☐ In other ways: _____

⁷³⁵ Henry Mintzberg in "The Rise and Fall of Strategic Planning" (1994), p. 24. Other paraphrase: Evolving Corporate Strategies.

D.

Outlook: Trends, goals and discernible developments

15:32

- D1 Regarding the increasing speed in business: How fast should company-wide strategic planning be possible in your view?
- ☐ Less than six weeks
 - ☐ Within three months
 - ☐ Half a year
 - ☐ More than half a year
 - ☐ No opinion on this
- D2 Which **methods or tools would** facilitate **your work in the future to** better implement the strategy in the future?
- ☐ Strategy process
 - ☐ Planning tools and methods
 - ☐ Strategy workshops
 - ☐ External consultants
 - ☐ Management Information System (MIS)
 - ☐ Different: _____
- D3 Please complete the following sentence: **'Strategy in the future is...**
- ☐ unimportant'
 - ☐ a driver of corporate development'
 - ☐ an outdated way of thinking'
 - ☐ strategic controlling or risk management'
 - ☐ _____
- D4 What **do you** most closely **compare their work to?**⁷³⁶
- ☐ With the function of a captain on a large ship
 - ☐ With a researcher
 - ☐ With an athlete
 - ☐ With a member of the military
 - ☐ _____

⁷³⁶ Own role and self-image and external image. If necessary, the external image can be asked about in the in-depth interviews.

D5 What does the **current pandemic** mean for you in terms of your strategic work?

A completely new strategy is required	Yes ☐	No ☐
Now tactical maneuvers are needed	Yes ☐	No ☐
We suspend the basic strategy	Yes ☐	No ☐
We had already foreseen a pandemic scenario	Yes ☐	No ☐
Covid-19 will fundamentally change the business model	Yes ☐	No ☐

D6 What **book** or **literature** would you recommend to a new employee on your team?

- ☐ I have no recommendation
- ☐ I cannot think of the title right now
- ☐ _____

D7 How important are the following to you in **disruptive times**?

Business planning	Very ☐ ☐ ☐ ☐ ☐	Little
Strict project and task management	Very ☐ ☐ ☐ ☐ ☐	Little
Methodical aids, e.g., strategy tools	Very ☐ ☐ ☐ ☐ ☐	Little
Cost management	Very ☐ ☐ ☐ ☐ ☐	Little
We are using the current time as an accelerator for our business model	Yes ☐ ☐ ☐ ☐ ☐	No

D8 What do you think about the statement 'Companies are no longer competing for markets, but for future potential or opportunities?'⁷³⁷

- ☐ Fully applies
- ☐ Not true
- ☐ This must be seen differently: _____

⁷³⁷ The last question is intended to get the interviewee thinking and to elicit a comprehensive answer. Strategic Alignment can be tied to fixed variables, e.g., KPI or BSC, or also to conceivable future metrics such as the assessment of potential.

19:10

Thank you for participating in this interview!

Are you interested in a summary of the results? Then you will receive a publication that will soon appear in a scientific journal. [Pause]

Other activities		Interview notes and observations	
Mail/send report	Yes/No	Other potential interview partners	
Workshop or in-depth interview?	Yes/No		
Conclusion:			

Alle Rechte, einschließlich derjenigen des auszugsweisen Abdrucks sowie der fotomechanischen und elektronischen Wiedergabe, vorbehalten

Falls die befragte Person nach dem Interview eine Kopie des ausgefüllten Fragebogens verlangt und selbst anfertigt, verpflichten sie sich, diese Kopie nicht an andere Personen oder Institutionen weiterzugeben.

Unternehmen	...	Interview-partner	...
Branche	...	Funktion	z.B. Leiter Corporate Development oder Strategie; M&A oder Planungsstab
Datum und Uhrzeit des Interviews	...		

Eröffnungsmonolog	Zeit
	<u>0:00</u>
<i>Guten Tag, mein Name ist XXX,</i> <i>es freut mich heute mit Ihnen das vereinbarte Interview zu führen.</i> <i>Das Vorgehen und die Hintergründe für die wissenschaftliche Forschung hatten Sie bereits bei unserem letzten Telefonat erhalten, deshalb würde ich gerne direkt in das Interview einsteigen und die Zeit von rund 20 Minuten mit Ihnen für die Erhebung nutzen.</i> <i>Sind Sie bereit für unser Interview?</i> [ggf. Störungen etc. ausschalten] Ich lesen Ihnen zunächst die Frage vor und wie bei qualitativen Interviews üblich, lass ich Ihnen dann Zeit zur freien Beantwortung. Falls Ihnen spontan keine Antwort einfällt, lese ich Ihnen Beispielantworten vor, damit wir einen leichten Gesprächseinstieg finden. Ist dies so okay für Sie?	

0.	Unternehmen, Branche und allgemeine Informationen zum Unternehmen	
	① Vollständiger Name des Interviewpartners, einschließlich Telefonnummer und direkter Durchwahl. ② Sekretärin oder Assistent mit Kontaktdaten. Im Fall, dass sich der Interviewte im Home-Office befindet: Telefonische Erreichbarkeit klären, ggf. Handynummer Grundsätzliche Bereitschaft zum Interview per VC klären (zoom) → Nur im Fall von Änderungen dieses Vermerken, ggf. Lücken füllen oder z.B. Durchwahlnummer für Rückfragen verifizieren [Daten werden aus der Adressqualifizierung und der Terminvereinbarung als Datensatz bereitgestellt]	<u>0:40</u>
A.	Allgemeine Informationen zur strategischen Planung im Unternehmen des Interviewpartners	
A1	Welche der folgenden Funktionen Ihres Unternehmens sind regelmäßig in die strategische Planung eingebunden?	<u>2:50</u>

- ☐ Strategieabteilung⁷³⁸
- ☐ Strategieprojekte
- ☐ Strategisches Controlling
- ☐ Strategie-Risiko-Management
- ☐ _____ (was sonst noch?)
- ☐ _____ (gibt es weiteres?)

A2 Welche **Materialien** benutzen Sie in der Strategiearbeit⁷³⁹:

- ☐ Strategiedokument⁷⁴⁰, z.B. Business Plan
- ☐ Strategiebuch⁷⁴¹
- ☐ Vorstandsbrief zur Strategieimplementierung
- ☐ Kommunikationsmaterial zur Strategieerläuterung
- ☐ Strategiepräsentation
- ☐ Strategiematerial für Aktionäre und Investoren
- ☐ Fieldbook Strategie
- ☐ _____ (was sonst noch?)
- ☐ _____ (gibt es weiteres?)

A3 Hat Ihr Unternehmen eine formale Strategie?⁷⁴²

- ☐ Ja
- ☐ Nein

Bei ergänzenden Informationen⁷⁴³:

Bitte Stichworte notieren und ggf. im Anschluss an das Interview ausführen

A4 Ich verstehe unter dem Begriff Strategie ...

einen Plan	Ja ☐	Nein ☐
die Wettbewerbsposition	Ja ☐	Nein ☐

⁷³⁸ Auch alternative Formulierungen wie beispielsweise „**Global Strategy Center**“ oder „**Strategy Office**“, die nur eine andere Form der griffigen Bezeichnung darstellen, sind hiervon umfasst.

⁷³⁹ Strategische Planung und Umsetzung.

⁷⁴⁰ Sammelbegriff für alle denkbaren Strategiepapiere unterschiedlicher Autoren, i.d.R. nicht konsistent in Darstellung und Inhalt.

⁷⁴¹ Ein Dokument, das vom Vorstand beschlossen wird. Kennzeichen: ein Autor oder ein Autorenteam mit einer systematischen Darstellung als in sich schlüssiges und vollständiges Strategiedokument.

⁷⁴² Hier keine Erläuterung geben, der Interviewte soll diesen Begriff selbst mit Inhalt füllen. Bei der Frage: „Was ist das genau?“ wird Zur Antwort gegeben: „Was Sie darunter verstehen“.

⁷⁴³ Ja/Nein-Fragen sollen zu einer eindeutigen Aussage führen, oft wird aber der Interviewpartner diese Aussage relativieren wollen oder feststellen, so einfach kann man das nicht sehen.

einen Prozess Ja ☐ Nein ☐
 eine Entscheidung Ja ☐ Nein ☐
 ein Skript Ja ☐ Nein ☐
 Sonstiges: _____

A5 Welche Organisationseinheiten sind hauptsächlich in den strategischen Planungsprozess eingebunden?

- ☐ Unternehmensstrategie
- ☐ Unternehmensentwicklung
- ☐ M&A
- ☐ Controlling
- ☐ Finanzen
- ☐ HR
- ☐ _____

A6 Wie lange sind Sie selbst in die strategische Planung⁷⁴⁴ im Unternehmen eingebunden?

- ☐ seit diesem Jahr
- ☐ in den letzten drei Jahren
- ☐ 3 – 5 Jahre
- ☐ mehr als 5 Jahre

A7 Hat Ihr Unternehmen eine Einheit für strategisches Controlling?

- ☐ Ja → 7.1
- ☐ Nein → 7.2

Wieviel Mitarbeiter arbeiten dort⁷⁴⁵?

- A7.1
- ☐ weniger als drei
 - ☐ 3 – 6
 - ☐ mehr als 6

A7.2 Ist die Funktion strategisches Controlling in eine andere Abteilung integriert?

- ☐ Ja → in welche: _____

⁷⁴⁴ Der Begriff strategische Planung ist in Literatur und Praxis unterschiedliche definiert. Ein Interviewpartner aus einer Organisationseinheit Strategie wird diesen Begriff mit einem Inhalt füllen und diese wird unter Umständen von Lehrmeinung oder gängigen Vorstellungen abweichen. Um zu Beginn des Interviews nicht jeden Begriff definieren zu müssen, werden möglichst allgemeinverständliche Oberbegriffe verwendet, damit der Kommunikationsfluss in der Befragung nicht unterbrochen wird, wenig Reaktanz beim Befragten entsteht und ein gemeinsames Bearbeiten der Fragen etabliert wird. Zu viele Rückfragen oder gar Missverständnisse sind in den ersten Fragen zu vermeiden, weil dies zu einer abweichenden Fachdiskussion führen könnte. Ebenso sind Methodendiskussion zu vermeiden, weil dann die Inhalte und die Fachlichkeit in den Hintergrund treten und die Ergebnisse verfälscht werden können.

⁷⁴⁵ Die Zeiträume basieren aus Fachgesprächen mit Experten in diesem Bereich.

☐ Nein

B.**Strategieumsetzung und Implementierung der Strategie****8:15****B1** Wie häufig werden Strategic-Reviews, bzw. Strategieüberprüfungen durchgeführt?

- ☐ Jährlich
- ☐ Alle zwei Jahre
- ☐ Alle drei Jahre
- ☐ Wie erforderlich
- ☐ _____

B2 Benutzen Sie Folgendes in Ihrer Arbeit?

Strategic Alignment	Ja ☐	Nein ☐
Strategic Assessment ⁷⁴⁶	Ja ☐	Nein ☐
Real Optionen	Ja ☐	Nein ☐
Resource Allocation	Ja ☐	Nein ☐
Performance Hub	Ja ☐	Nein ☐
Strategic War Gaming	Ja ☐	Nein ☐

B3 Gibt es ein Strategie-Komitee⁷⁴⁷?

- ☐ Ja → B3.1
- ☐ Nein → B2

B3.1 Ist das Strategie-Komitee in die Strategieumsetzung eingebunden?

- ☐ Ja
- ☐ Nein

B3.2 Wie viele Vorstände sind ständig im Strategie-Komitee vertreten?

■ _____ (ggf. welche?)

B4 Welche Führungsgruppe steuert die Strategieumsetzung?

■ _____

B5 Wie ist der Strategieprozess im Unternehmen verankert⁷⁴⁸?

- ☐ im Organisationshandbuch

⁷⁴⁶ Oder Strategic Audit

⁷⁴⁷ Ständiger Ausschuss oder eine permanente Arbeitsgruppe, die aus Experten (intern und extern) besteht und für die Strategiearbeit wichtige Impulse gibt oder auch Empfehlungen ausspricht. Treffen z.B. alle sechs Wochen.

⁷⁴⁸ Oder wie wird der Strategieprozess im Unternehmen dargestellt und gelebt. Es geht sowohl um die eher dokumentatorische Seite wie auch um die Verfahrensweise in der betrieblichen Praxis.

- ☐ als eigenständiger Leitfaden für die Strategiearbeit
- ☐ Strategie Workshops und Trainings
- ☐ durch eine strategische Planungsdatenbank
- ☐ durch schriftliche Informationen / Briefings an Führungskräfte
- ☐ Strategierede des Vorstands
- ☐ durch Corporate TV
- ☐ andere: _____

B6 Welche der folgenden Werkzeuge und Techniken nutzen Sie für die Strategieimplementierung?

- ☐ Strategy maps⁷⁴⁹
- ☐ Messgrößen / Metrics, z.B. Key Performance Indicators, KPI's
- ☐ Balanced Scorecards (BSC)
- ☐ Visualisierungen, z.B. Strategic Road Mapping
- ☐ Six Sigma⁷⁵⁰
- ☐ Andere: _____

B7 Gibt es ein Vorbild für Strategiearbeit Ihrer Meinung nach?

- ☐ Ja
- ☐ Nein

Können Sie bitte das Vorbild benennen:

- ☐ Vorbild: _____

⁷⁴⁹ Gemäß Kaplan/Norton.

⁷⁵⁰ Eine andere Schreibweise ist 6σ. Ursprünglich wurde diese Methode als Werkzeugkiste für die Prozessoptimierung entwickelt. Manchmal ist die Methode, die überwiegend auf Workshoparbeit basiert, auch für strategische Projekte genutzt worden.

C.

Strategieausrichtung als permanente Aufgabe

(Strategic Alignment = Strategieausrichtung des Unternehmens; direkte Übersetzung: Strategische Angleichung, Strategiebindung, Strategiefestigkeit)

12:30

C1

Was verstehen Sie unter **Strategic Alignment**?

- ☐ Nennung: _____
- ☐ Nennung: _____
- ☐ Nennung: _____
- ☐ Nennung: _____
- ☐ Nennung: _____
- ☐ Nennung: _____
- ☐ keine Vorstellung

Ggf. Interviewer:

*Strategic Alignment = Strategieausrichtung des Unternehmens.*⁷⁵¹

C2

Wie nützlich ist eine strategische **Balanced Scorecard** aus Ihrer Sicht?Sehr nützlich ☐ ☐ ☐ ☐ ☐ nicht wirklich nutzbringend☐ Warum? _____

C3

Welche Situation würden Sie als „**misalignment**“⁷⁵² bezeichnen?

- ☐ Eine zeitliche Verzögerung im Projektmanagement
- ☐ Rückläufige Umsätze
- ☐ Erosion von profitablen Segmenten
- ☐ Unklare strategische Ausrichtung
- ☐ Anders: _____

C4

Wie antizipieren Sie alternative Wege in der Strategieumsetzung?

- ☐ durch strategische Indikatoren
- ☐ aus Meetings im Management
- ☐ durch eine Business War Room Simulation (BWRS)⁷⁵³
- ☐ Discreate Event Simulation⁷⁵⁴ oder andere mathematische Verfahren

⁷⁵¹ Wenn keine Nennung erfolgt oder die Antworten so weit außerhalb des Erwartungsspektrums liegen zur Moderation des Interviews die Kurzdefinition einfließen lassen.

⁷⁵² Die Liste des Misalignment sollte aus der Literatur oder aber Expertengesprächen abgeleitet werden.

⁷⁵³ Erprobung von einer ausgewählten und ausgearbeiteten Strategie.

⁷⁵⁴ Oft auch nur als „DES“ abgekürzt.

☐ Auf andere Weise: _____

C5 Verwenden Sie das Konzept von „emergenter Strategie“, also eine Strategie die aus sich heraus entsteht, im Gegensatz zur beabsichtigten / intendierten Strategie?⁷⁵⁵

- ☐ Ja
- ☐ Nein
- ☐ Ist mir unbekannt

C6 Wer identifiziert bei Ihnen im Unternehmen systematisch neue Potenziale oder Opportunities?

- ☐ Jeder Manager für sich
- ☐ das Strategieteam
- ☐ der Chief Strategy Officer (CSO)
- ☐ Ist mir unbekannt
- ☐ Auf andere Weise: _____

⁷⁵⁵ Henry Mintzberg in „The Rise and Fall of Strategic Planning“ (1994), p. 24. Andere Umschreibung: Evolving Corporate Strategies,

D.

Ausblick: Trends, Ziele und erkennbare Entwicklungen

15:32

D1 Bezüglich der zunehmenden Geschwindigkeit in der Wirtschaft: Wie schnell sollte eine unternehmensweite strategische Planung aus Ihrer Sicht möglich sein?

- ☐ weniger als sechs Wochen
- ☐ innerhalb von drei Monaten
- ☐ ein halbes Jahr
- ☐ mehr als ein halbes Jahr
- ☐ keine Meinung hierzu

D2 Welche **Methoden oder Tools würden Ihre Arbeit in der Zukunft** erleichtern um die Strategie zukünftig besser umzusetzen?

- ☐ Strategieprozess
- ☐ Planungstools und -methoden
- ☐ Strategieworkshops
- ☐ Externe Consultants
- ☐ Management Informations System (MIS)
- ☐ Anders: _____

D3 Ergänzen Sie bitte folgenden Satz: „**Strategie ist zukünftig ...**“

- ☐ unwichtig“
- ☐ Treiber der Unternehmensentwicklung“
- ☐ ein überholter Denkansatz“
- ☐ Strategisches Controlling oder Risiko-Management“
- ☐ _____

D4 Womit **vergleichen Sie ihre Arbeit** am ehesten?⁷⁵⁶

- ☐ mit der Funktion eines Kapitäns auf einem großen Schiff
- ☐ eines Forschers
- ☐ eines Sportlers
- ☐ eines Militärs
- ☐ _____

⁷⁵⁶ Eigene Rolle und Eigen- und Fremdbild. Das Fremdbild kann gegebenenfalls in den Tiefeninterviews erfragt werden.

D5 Was bedeutet für Sie die **aktuelle Pandemie** bezogen auf Ihre Strategiearbeit?

Eine vollständig neues Strategie ist erforderlich	Ja ☐	Nein ☐
Jetzt sind taktische Manöver gefragt	Ja ☐	Nein ☐
Wir setzen die grundsätzliche Strategie aus	Ja ☐	Nein ☐
Wir haben ein Pandemie-Szenario vorhergesehen	Ja ☐	Nein ☐
Covid-19 wird das Business Modell grundlegend verändern	Ja ☐	Nein ☐

D6 Welches **Buch** oder welche **Literatur** würden Sie einem neuen Mitarbeiter in Ihrem Team empfehlen?

- ☐ ich habe keine Empfehlung
- ☐ ich komme gerade nicht auf den Titel
- ☐ _____

D7 Wie wichtig ist Ihnen in **disruptiven Zeiten**?

Business Planung	Sehr ☐ ☐ ☐ ☐ ☐	Wenig
Striktes Projekt- und Aufgabenmanagement	Sehr ☐ ☐ ☐ ☐ ☐	Wenig
Methodische Hilfen, z.B. Strategie-Tools	Sehr ☐ ☐ ☐ ☐ ☐	Wenig
Kostenmanagement	Sehr ☐ ☐ ☐ ☐ ☐	Wenig
Wir nutzen die aktuelle Zeit als Beschleuniger für unser Geschäftsmodell	Ja ☐ ☐ ☐ ☐ ☐	Nein

D8 Wie stehen Sie zu der Feststellung „Unternehmen konkurrieren nicht mehr um Märkte, sondern um zukünftige Potenziale oder Möglichkeiten (Opportunities)⁷⁵⁷?

- ☐ trifft voll zu
- ☐ stimmt nicht
- ☐ dies muss man anders sehen: _____

⁷⁵⁷ Die letzte Frage soll den Interviewpartner zum Nachdenken anregen und eine umfassende Antwort ermöglichen. Das Strategic Alignment kann an festen Größen festgemacht werden, z.B. KPI oder BSC, oder auch an denkbaren zukünftigen Messgrößen wie der Bewertung von Potenzialen.

19:10

Vielen Dank für Ihre Teilnahme an diesem Interview!

Haben Sie Interesse an einer Zusammenfassung der Ergebnisse? – dann erhalten Sie eine Publikation, die in Kürze in einem Wissenschaftsmagazin erscheint. [Pause]

Weitere Aktivitäten		Notizen und Beobachtungen im Interview	
Bericht mailen / senden	Ja / Nein	Weitere potenzielle Interviewpartner	
Workshop oder Tiefeninterview?	Ja / Nein		
Fazit:			

VIII. Selected Findings from Questionnaires (Pre-survey)

The evaluation of the structured interviews was carried out as a summary conclusion at the end of the respective questionnaire. Some interview partners used the questions to answer more extensively and with much more detail than a standardized questionnaire can provide. Here it must be pointed out again that a questionnaire of about twenty minutes is perceived as a school-like questioning session despite accompanying moderation and permitted small talk. Especially highly educated and highly specialized interview partners often do not find themselves in standard questions. In order to obtain qualitative good results from the research this has to be taken into account and proceed with appropriate interpersonal sensitivity.

The answers in the questionnaire are shown **in blue** to facilitate a quick evaluation.

A. Selected findings from questionnaires 3rd Interview

Company	...	Interview partner	Interview # 3
Industry	Consulting, Strategic Communication	Function	Trainer, author
Date and time of the interview	January 29, 2022		

A.	General information on strategic planning in the company of the Interview partner	

A1 Which of the following **functions of your company** are regularly involved in strategic planning?

- ☒ Strategy Department
- ☒ Strategy projects
- ☒ Strategic controlling
- ☒ Strategy Risk Management
- ☒ CFO (*what else?*)
- ☐ _____ (*is there more?*)

A2 What **materials** do you use in strategy work:

- ☒ Strategy document, e.g., Business Plan
- ☒ Strategy book
- ☐ Board of Management letter on strategy implementation
- ☐ Communication material explaining the strategy
- ☒ Strategy presentation
- ☒ Strategy material for shareholders and investors
- ☐ Fieldbook strategy
- ☒ Flyer (*what else?*)
- ☐ _____ (*is there more?*)

A3 Does your company have a formal strategy?

- ☒ Yes
- ☐ No

For supplementary information:

Please note keywords and, if necessary, elaborate on them following the interview

A4 I understand the term strategy ...

a plan	Yes ☒	No ☐
the competitive position	Yes ☐	No ☒
a process	Yes ☐	No ☒
a decision	Yes ☒	No ☐
a script	Yes ☐	No ☒
other:		

A5 Which organizational units are primarily involved in the strategic planning process?

- ☒ Corporate strategy
- ☒ Corporate Development
- ☐ M&A
- ☒ Controlling
- ☒ Finance
- ☒ HR
- ☒ COO, IT Head, Marketing/Sales

A6 How long have you yourself been involved in strategic planning in the company?

- ☐ Since this year
- ☐ In the last three years
- ☐ 3 - 5 years
- ☒ More than 5 years

A7 Does your company have a strategic controlling unit?

- ☐ Yes → 7.1
- ☒ No → 7.2

How many employees work there ?

- A7.1
- ☐ Less than three
 - ☐ 3 - 6
 - ☐ More than 6

A7.2 Is the strategic controlling function integrated into another department?

- ☐ Yes → in which: _____
- ☐ No

B. Strategy implementation and execution

B1 How often are strategic reviews, or strategy reviews, conducted?

- ☐ Annual
- ☐ Every two years
- ☐ Every three years
- ☒ As required
- ☐ _____

B2 Do you use the following in your work?⁷⁵⁸

Strategic Alignment	Yes ☒	No ☐
Strategic Assessment	Yes ☒	No ☐
Real Options	Yes ☐	No ☒
Resource Allocation	Yes ☒	No ☐
Performance Hub	Yes ☐	No ☒
Strategic War Gaming	Yes ☐	No ☒

B3 Is there a strategy committee?

- ☒ Yes → B3.1
- ☐ No → B2

B3.1 Is the strategy committee involved in strategy implementation?

- ☒ Yes
- ☐ No

B3.2 How many board members are permanently represented on the strategy committee?

- ☒ 1 (which ones, if any?)

B4 Which management group steers strategy implementation?

- ☒ Management

B5 How is the strategy process anchored in the company?

- ☐ In the organization manual
- ☒ As a stand-alone guide for strategy work
- ☒ Strategy workshops and trainings
- ☐ Through a strategic planning database

⁷⁵⁸ Dashboard is used.

- ☐ Through written information / briefings to managers
- ☒ Strategy speech of the Board of Management
- ☐ Through Corporate TV
- ☐ Other: _____

B6 Which of the following tools and techniques do you use for strategy implementation?

- ☐ Strategy maps
- ☒ Measurements / Metrics, e.g. Key Performance Indicators, KPI's
- ☒ Balanced Scorecards (BSC)
- ☐ Visualizations, e.g. Strategic Road Mapping
- ☐ Six Sigma
- ☒ Other: Strategy projects

B7 In your opinion, is there a role model for strategy work?

- ☒ Yes
- ☐ No

Can you please name the example:

- ☐ Model: _____
-

C.

Strategy alignment as a permanent task

(Strategic Alignment = strategy alignment of the company; direct translation: strategic alignment, strategy commitment, strategy stability)

12:30

C1

What do you mean by **Strategic Alignment**?

☒ Nomination: Who should carry the strategy?

☒ Nomination: Reconciliation

☐ Nomination: _____

☐ Nomination: _____

☐ Nomination: _____

☐ Nomination: _____

☐ no idea

Interviewer, if applicable:

Strategic Alignment = strategic alignment of the company.

C2

How useful is a strategic **balanced scorecard** from your point of view?

Very useful ☒☐☐☐☐ not really useful

☒ Why? Measurement of target achievement.

C3

What situation would you describe as '**misalignment**' ?

☐ A time delay in project management

☐ Declining sales

☒ Erosion of profitable segments

☒ Unclear strategic direction

☐ Different: _____

C4

How do you anticipate alternative paths in strategy implementation?

☐ Through strategic indicators

☒ From meetings in management

☐ Through a Business War Room Simulation (BWRS)

☐ Discrete Event Simulation or other mathematical methods

☐ In other ways: _____

C5

Do you use the concept of 'emergent strategy,' i.e., strategy that emerges on its own, as opposed to intended/intentional strategy?

☐ Yes

- ☒ No
- ☐ Is unknown to me

C6 Who in your company systematically identifies new potentials or opportunities?

- ☐ Each manager for himself
 - ☐ The strategy team
 - ☐ The Chief Strategy Officer (CSO)
 - ☐ Is unknown to me
 - ☒ In other ways: Five Forces Model
-

D.

Outlook: Trends, goals and discernible developments

D1 Regarding the increasing speed in business: How fast should company-wide strategic planning be possible in your view?

- ☐ Less than six weeks
- ☐ Within three months
- ☐ Half a year
- ☒ More than half a year
- ☐ No opinion on this

D2 What **methods or tools would** facilitate **your work in the future to** better implement the strategy in the future?

- ☐ Strategy process
- ☐ Planning tools and methods
- ☐ Strategy workshops
- ☒ External consultants
- ☒ Management Information System (MIS)
- ☐ Different: _____

D3 Please complete the following sentence: '**Strategy in the future is ...**

- ☐ unimportant'
- ☐ Drivers of corporate development'
- ☐ an outdated way of thinking'
- ☐ Strategic controlling or risk management'
- ☒ Indispensable / essential.

D4 What **do you** most closely **compare their work to**?

- ☒ With the function of a captain on a large ship
 - ☐ With a researcher
 - ☐ With an athlete
 - ☐ With a member of a military
 - ☐ _____
-

D5 What does the **current pandemic** mean for you in terms of your strategic work?

A completely new strategy is required	Yes ☒	No ☐
Now tactical maneuvers are needed	Yes ☒	No ☐
We suspend the basic strategy	Yes ☒	No ☐
We have foreseen a pandemic scenario	Yes ☐	No ☒
Covid-19 will fundamentally change the business model	Yes ☒	No ☐

D6 What **book** or **literature** would you recommend to a new employee on your team?

☐ I have no recommendation

☒ I cannot find the title right now

☐ _____

D7 How important is it to you in **disruptive times**?

Business planning	Very ☒	☐	☐	☐	☐	Little
Strict project and task management	Very ☒	☐	☐	☐	☐	Little
Methodical aids, e.g. strategy tools	Very ☐	☒	☐	☐	☐	Little
Cost management	Very ☒	☐	☐	☐	☐	Little
We are using the current time as an accelerator for our business model	Yes ☐	☒	☐	☐	☐	No

D8 What do you think about the statement 'Companies are no longer competing for markets, but for future potential or opportunities'?

☐ Fully applies

☒ Not true

☒ This must be seen differently: the vast majority depend too much on the market.

Other activities	Interview	Interview notes and observations	Fieldnotes
Mail / send report	<u>Yes</u> / No	Other potential interview partners	
Workshop or in-depth interview?	<u>Yes</u> / No		

Conclusion:

Here, an external consultant from one of the large management consultancies is interviewed and his statements relate to one of the latest projects in this area. Hence, he is talking about his client.

There are separate organizational units for strategy work. The usual documents such as strategy presentations and also a strategy book (complete written presentation of the overall corporate strategy) are used. The corporate strategy is understood as a plan and as a fundamental decision. There is no unit for strategic controlling. As usual in the consultant language, more anglicisms are used and the terms Strategic Alingment and also Strategic Assessment are common. A strategy committee supports the development and implementation of the strategy. A described process for strategy work exists. The management in general is responsible for steering and controlling the strategy implementation, thus also for a Strategic Alignment.

A central function in strategy implementation is the speech of the management board. The consulting company has brought its own process model for strategy work into the project. The balanced scorecard is seen as very useful by this consultant and is also a popular consulting product in similar projects. Misalignment is understood to mean what is also seen as misalignment in research. This control question shows that there is a relatively similar understanding of this term. The idea that a strategy emerges is not shared and is also viewed somewhat skeptically. The implementation of the strategy could take more than half a year in the project in question. As expected, the relevance of external consultants was emphasized. The existence of a corporate strategy is seen as essential for the future. In relation to the pandemic, a completely new strategy was required and the old strategy had to be suspended. It is assumed that the pandemic will permanently and fundamentally change the business model.

B. Selected findings from questionnaires 5th Interview

Company	Listed Group, Listed group; DAX-40 company	Interview partner	Interview # 5
Industry	Chemical / other Industries / transport, logistics	Function	CFO
Date and time of the interview	January 25, 2022		

A.	General information on strategic planning in the company of the Interview partner

A1 Which of the following **functions of your company** are regularly involved in strategic planning?

- ☐ Strategy Department
- ☐ Strategy Projects
- ☒ Strategic Controlling
- ☐ Strategy Risk Management
- ☒ Chief Human Resources Officer (what else?)
- ☐ _____ (is there more?)

A2 What **materials** do you use in strategy work :

- ☒ Strategy document , e.g., Business Plan
- ☐ Strategy book
- ☐ Board of Management letter on strategy implementation
- ☐ Communication material explaining the strategy
- ☒ Strategy presentation
- ☒ Strategy material for shareholders and investors
- ☐ Fieldbook strategy
- ☐ _____ (what else?)
- ☐ _____ (is there more?)

A3 Does your company have a formal strategy?

- ☒ Yes
- ☐ No

For supplementary information :

Please note keywords and, if necessary, elaborate on them following the interview

A4 I understand the term strategy ...

A plan	Yes ☐	No ☒
the competitive position	Yes ☒	No ☐
A process	Yes ☐	No ☒
A decision	Yes ☒	No ☐
a script	Yes ☒	No ☐
Other:	<u>The way to achieve a long-term goal.</u>	

A5 Which organizational units are primarily involved in the strategic planning process?

☐	Corporate strategy
☐	Corporate Development
☐	M&A
☒	Controlling
☐	Finance
☒	HR
☒	<u>Sales, operating units</u>

A6 How long have you yourself been involved in strategic planning in the company?

☐	since this year
☐	in the last three years
☐	3 - 5 years
☒	more than 5 years

A7 Does your company have a strategic controlling unit?

☐	Yes → 7.1
☒	No → 7.2

How many employees work there ?

A7.1

☐	less than three
☐	3 - 6
☐	more than 6

A7.2 Is the strategic controlling function integrated into another department?

☐	Yes → in which: _____
☐	No

B. Strategy implementation and execution

B1 How often are strategic reviews, or strategy reviews, conducted?

- ☒ Annual
- ☐ Every two years
- ☐ Every three years
- ☐ As required
- ☐ _____

B2 Do you use the following in your work?

Strategic Alignment	Yes ☐	No ☒
Strategic Assessment	Yes ☐	No ☒
Real Options	Yes ☐	No ☒
Resource Allocation	Yes ☒	No ☐
Performance Hub	Yes ☒	No ☐
Strategic War Gaming	Yes ☐	No ☒

B3 Is there a strategy committee ?

- ☒ Yes → B3.1
- ☐ No → B2

B3.1 Is the strategy committee involved in strategy implementation?

- ☒ Yes
- ☐ No

B3.2 How many board members are permanently represented on the strategy committee?

- ☒ 1 (which ones, if any?)⁷⁵⁹

B4 Which management group steers strategy implementation?

- ☒ Division Manager (Level below Management Board)

B5 How is the strategy process anchored in the company ?

- ☐ In the organization manual
- ☐ As a stand-alone guide for strategy work
- ☒ Strategy workshops and trainings

⁷⁵⁹ Four other permanent members on the committee.

- ☒ Through a strategic planning database
- ☐ Through written information / briefings to managers
- ☐ Strategy speech of the Board of Management
- ☐ Through Corporate TV
- ☒ Other: [Intranet, Newsletter](#)

B6 Which of the following tools and techniques do you use for strategy implementation?

- ☐ Strategy maps
- ☒ Measurements / Metrics, e.g. Key Performance Indicators, KPI's
- ☐ Balanced Scorecards (BSC)
- ☐ Visualizations, e.g. Strategic Road Mapping
- ☐ Six Sigma
- ☐ Other: _____

B7 In your opinion, is there a role model for strategy work?

- ☐ Yes
- ☒ No

Can you please name the example:

- ☐ Model: _____

C.

Strategy alignment as a permanent task

(Strategic Alignment = strategy alignment of the company; direct translation: strategic alignment, strategy commitment, strategy stability)

12:30

C1

What do you mean by **Strategic Alignment**?

- ☒ Nomination: Commitment to strategic goals
- ☒ Nomination: Align communication with strategy
- ☐ Nomination: _____
- ☐ Nomination: _____
- ☐ Nomination: _____
- ☐ Nomination: _____
- ☐ no idea

Interviewer, if applicable:

Strategic Alignment = strategic alignment of the company.

C2

How useful is a strategic **balanced scorecard** from your point of view?Very useful ☐☐☐☒☐ not really useful

- ☒ Why? No experience

C3

What situation would you describe as '**misalignment**' ?

- ☐ A time delay in project management
- ☐ Declining sales
- ☒ Erosion of profitable segments
- ☒ Unclear strategic direction
- ☒ Different: Operational unit does not behave strategically.

C4

How do you anticipate alternative paths in strategy implementation?

- ☐ Through strategic indicators
- ☒ From meetings in management
- ☐ Through a Business War Room Simulation (BWRS)
- ☐ Discrete Event Simulation or other mathematical methods
- ☐ In other ways: Employee feedback through various reporting channels.

C5

Do you use the concept of "emergent strategy," i.e., strategy that emerges on its own, as opposed to intended/intentional strategy?

- ☐ Yes

- ☒ No
- ☐ Is unknown to me

C6 Who in your company systematically identifies new potentials or opportunities?

- ☐ Each manager for himself
 - ☐ The strategy team
 - ☐ The Chief Strategy Officer (CSO)
 - ☒ Is unknown to me
 - ☐ In other ways: _____
-

D.

Outlook: Trends, goals and discernible developments

D1 Regarding the increasing speed in business: How fast should company-wide strategic planning be possible in your view?

- ☐ Less than six weeks
- ☒ Within three months
- ☐ Half a year
- ☐ More than half a year
- ☐ No opinion on this

D2 What **methods or tools would** facilitate **your work in the future to** better implement the strategy in the future?

- ☐ Strategy process
- ☒ Planning tools and methods
- ☒ Strategy workshops
- ☐ External consultants
- ☒ Management Information System (MIS)
- ☐ Different: _____

D3 Please complete the following sentence: "**Strategy in the future is ...**

- ☐ unimportant'
- ☒ Drivers of corporate development'
- ☐ an outdated way of thinking'
- ☐ Strategic controlling or risk management'
- ☐ _____

D4 What **do you** most closely **compare their work to?**

- ☒ With the function of a captain on a large ship
 - ☐ Of a researcher
 - ☐ Of an athlete
 - ☐ Of a member of the military
 - ☐ _____
-

D5 What does the **current pandemic** mean for you in terms of your strategic work?

A completely new strategy is required	Yes ☐	No ☒
Now tactical maneuvers are needed	Yes ☒	No ☐
We suspend the basic strategy	Yes ☐	No ☒
We have foreseen a pandemic scenario	Yes ☐	No ☒
Covid-19 will fundamentally change the business model	Yes ☐	No ☒

D6 What **book** or **literature** would you recommend to a new employee on your team?

☐ I have no recommendation

☐ I cannot find the title right now

☒ Textbooks and method St. Gallen.

D7 How important is it to you in **disruptive times**?

Business planning	Very ☒ ☐ ☐ ☐ ☐	Little
Strict project and task management	Very ☐ ☒ ☐ ☐ ☐	Little
Methodical aids, e.g. strategy tools	Very ☐ ☒ ☐ ☐ ☐	Little
Cost management	Very ☒ ☐ ☐ ☐ ☐	Little
We are using the current time as an accelerator for our business model	Yes ☒ ☐ ☐ ☐ ☐	No

D8 What do you think about the statement 'Companies are no longer competing for markets, but for future potential or opportunities'?

☒ fully applies

☐ not true

☐ this must be seen differently: _____

Other activities	Qualitative interview	Interview notes and observations	
Mail / send report	Yes / No	Other potential interview partners	CEO (Ernstings Family)
Workshop or in-depth interview?	Yes / No		
Conclusion: It is noteworthy that the company has a Strategic Controlling function and also the strategy is perceived as a script (very modern view). There seems to be neither a Corporate Development nor a Strategy department in the company (part of a DAX group). The control question shows that there is no organizationally anchored function for Strategic Controlling. The review takes place annually. Strategic Alignment is not used in the company, but there is a resource allocation and—this is particularly noteworthy—a Performance Hub. KPIs are used. A very appropriate definition is given for Strategic Alignment, as well as for the opposite, misalignment. Strategy must be effective in three months. Data from the business is available via a management information system. References to the literature of HSG St. Gallen. The idea that companies are no longer fighting for markets, but competing for future opportunities. Behind this is the conviction that need and demand can be created and, given sufficient financial strength, markets can be changed according to the company's own ideas. The will of the consumer is malleable.			

C. Selected findings from questionnaires 6th Interview

Company	Private Group	Interview partner	Interview # 6
Industry	Laboratory Medicine	Function	COO
Date and time of the interview	January 16, 2022		

A.	General information on strategic planning in the company of the Interview partner

A1 Which of the following **functions of your company** are regularly involved in strategic planning?

- ☐ Strategy Department
- ☐ Strategy projects
- ☐ Strategic controlling
- ☐ Strategy Risk Management
- ☒ Owner and family (*what else?*)
- ☐ _____ (*is there more?*)

A2 What **materials** do you use in strategy work :

- ☐ Strategy document, e.g., Business Plan
- ☐ Strategy book
- ☐ Board of Management letter on strategy implementation
- ☐ Communication material explaining the strategy
- ☐ Strategy presentation
- ☐ Strategy material for shareholders and investors
- ☐ Fieldbook strategy
- ☒ Strategy talks (*what else?*)
- ☐ _____ (*is there more?*)

A3 Does your company have a formal strategy?

- ☐ Yes
- ☒ No

For supplementary information :

Please note keywords and, if necessary, elaborate on them following the interview

A4 I understand the term strategy as:...

a plan	Yes ☒	No ☐
the competitive position	Yes ☒	No ☐
a process	Yes ☒	No ☐
a decision	Yes ☒	No ☐
a script	Yes ☒	No ☐
other:	Everything needed to imple- ment the goals.	

A5 Which organizational units are primarily involved in the strategic planning process?

- ☐ Corporate strategy
- ☐ Corporate Development
- ☐ M&A
- ☐ Controlling
- ☒ Finance
- ☐ HR
- ☒ all areas

A6 How long have you personally been involved in strategic planning in the company?

- ☐ since this year
- ☐ in the last three years
- ☐ 3 - 5 years
- ☐ more than 5 years

A7 Does your company have a strategic controlling unit?

- ☐ Yes → 7.1
- ☒ No → 7.2

How many employees work there ?

- A7.1
- ☐ Less than three
 - ☐ 3 - 6
 - ☐ More than 6

A7.2 Is the strategic controlling function integrated into another department?

- ☐ Yes → in which: _____
- ☐ No

B. Strategy implementation and execution

B1 How often are strategic reviews, or strategy reviews, conducted?

- ☐ Annual
- ☐ Every two years
- ☐ Every three years
- ☒ As required
- ☐ _____

B2 Do you use the following in your work?

Strategic Alignment	Yes ☐	No ☒
Strategic Assessment	Yes ☐	No ☒
Real Options	Yes ☐	No ☒
Resource Allocation	Yes ☐	No ☒
Performance Hub	Yes ☐	No ☒
Strategic War Gaming	Yes ☐	No ☒

B3 Is there a strategy committee ?

- ☐ Yes → B3.1
- ☒ No → B2

B3.1 Is the strategy committee involved in strategy implementation?

- ☐ Yes
- ☐ No

B3.2 How many board members are permanently represented on the strategy committee?

- ☐ _____ (which ones, if any?)

B4 Which management group steers strategy implementation?

- ☒ Owner

B5 How is the strategy process anchored in the company ?

- ☐ In the organization manual
- ☐ As a stand-alone guide for strategy work
- ☐ Strategy workshops and trainings
- ☐ Through a strategic planning database

- ☐ Through written information / briefings to managers
- ☐ Strategy speech of the Board of Management
- ☐ Through Corporate TV
- ☐ Other: _____

B6 Which of the following tools and techniques do you use for strategy implementation?

- ☐ Strategy maps
- ☐ Measurements / Metrics, e.g. Key Performance Indicators, KPI's
- ☐ Balanced Scorecards (BSC)
- ☐ Visualizations, e.g. Strategic Road Mapping
- ☐ Six Sigma
- ☐ Other: _____

B7 In your opinion, is there a role model for strategy work?

- ☒ Yes
- ☐ No

Can you please name the example:

- ☒ Model: Tesla, Apple
-

C.

Strategy alignment as a permanent task

(Strategic Alignment = strategy alignment of the company; direct translation: strategic alignment, strategy commitment, strategy stability)

12:30

C1

What do you mean by **strategic alignment**?

- ☒ Nomination: Align all operational processes with strategy.
 - ☐ Nomination: _____
 - ☐ Nomination: _____
 - ☐ Nomination: _____
 - ☐ Nomination: _____
 - ☐ Nomination: _____
 - ☐ no idea
- Interviewer, if applicable:
Strategic Alignment = strategic alignment of the company.

C2

How useful is a strategic **balanced scorecard** from your point of view?

Very useful ☐☐☐☐☐ not really useful

☐ Why? _____

C3

What situation would you describe as '**misalignment**' ?

- ☐ A time delay in project management
- ☐ Declining sales
- ☐ Erosion of profitable segments
- ☒ Unclear strategic direction
- ☒ Different: antagonistic orientation

C4

How do you anticipate alternative paths in strategy implementation?

- ☐ Through strategic indicators
- ☐ From meetings in management
- ☐ Through a Business War Room Simulation (BWRS)
- ☐ Discrete Event Simulation or other mathematical methods
- ☐ In other ways: _____

C5

Do you use the concept of 'emergent strategy,' i.e., strategy that emerges on its own, as opposed to intended/intentional strategy?

☐ Yes

- ☐ No
- ☒ Is unknown to me

C6 Who in your company systematically identifies new potentials or opportunities?

- ☒ Each manager for himself
 - ☐ The strategy team
 - ☐ The Chief Strategy Officer (CSO)
 - ☐ Is unknown to me
 - ☒ In other ways: Owner
-

D.

Outlook: Trends, goals and discernible developments

D1 Regarding the increasing speed in business: How fast should company-wide strategic planning be possible in your view?

- ☐ Less than six weeks
- ☐ Within three months
- ☒ Half a year
- ☐ More than half a year
- ☐ No opinion on this

D2 What **methods or tools would** facilitate **your work in the future to** better implement the strategy in the future?

- ☐ Strategy process
- ☐ Planning tools and methods
- ☐ Strategy workshops
- ☐ External consultants
- ☐ Management Information System (MIS)
- ☐ Different: _____

D3 Please complete the following sentence: '**Strategy in the future is ...**

- ☐ unimportant'
- ☒ Drivers of corporate development'
- ☐ an outdated way of thinking'
- ☐ Strategic controlling or risk management'
- ☐ _____

D4 What **do you** most closely **compare their work to**?

- ☒ With the function of a captain on a large ship
 - ☐ With a researcher
 - ☐ With an athlete
 - ☐ With a member of the military
 - ☐ _____
-

D5 What does the **current pandemic** mean for you in terms of your strategic work?

A completely new strategy is required	Yes ☐	No ☒
Now tactical maneuvers are needed	Yes ☒	No ☐
We suspend the basic strategy	Yes ☐	No ☒
We have foreseen a pandemic scenario	Yes ☐	No ☒
Covid-19 will fundamentally change the business model	Yes ☐	No ☒

D6 What **book** or **literature** would you recommend to a new employee on your team?

☐ I have no recommendation

☒ I cannot find the title right now

☐ _____

D7 How important is it to you in **disruptive times**?

Business planning	Very ☐ ☒ ☐ ☐ ☐	Little
Strict project and task management	Very ☐ ☒ ☐ ☐ ☐	Little
Methodical aids, e.g. strategy tools	Very ☐ ☐ ☒ ☐ ☐	Little
Cost management	Very ☒ ☐ ☐ ☐ ☐	Little
We are using the current time as an accelerator for our business model	Yes ☒ ☐ ☐ ☐ ☐	No

D8 What do you think about the statement 'Companies are no longer competing for markets, but for future potential or opportunities?'

☐ Fully applies

☐ Not true

☒ This must be seen differently: _____

- Competition for future markets.
- A competitive advantage must be maintained.
- It is a matter of survival in the market.
- A strategy must encompass more than just markets.
- There is too little talk about strategic goals, rather tasks are assigned.

Other activities	Qualitative Interview	Interview notes and observations	See fieldnotes and mails
Mail / send report	<u>Yes</u> / No	Other potential interview partners	
Workshop or in-depth interview?	Yes / No		
Conclusion: A group that is owner-managed. The strategy originates with the owner, or rather within him. Even his immediate managers have no insight into the considerations that led to the strategy. There are no written strategy documents and no formalized strategy implementation. Discussions between the owner and his executives are supposed to help implement the strategy. There is no strategic controlling and no follow-up on the strategy. Only the owner can see whether he is on his self-chosen strategic development path. There is no advisory committee. The interviewee also sees the term Strategic Alignment as more of an operational alignment to the strategy. In other words, an alignment of business and management processes, which corresponds to an organizational alignment.			

D. Selected findings from questionnaires 8th Interview

Company	Global Reinsurance Company (France)	Interview partner	Interview # 8
Industry	Finance	Function	Global Head of strategic Risk Management; one level below general board
Date and time of the interview	February 7, 2021		

A.	General information on strategic planning in the company of the Interview partner

A1 Which of the following **functions of your company** are regularly involved in strategic planning?

- ☒ Strategy Department
- ☐ Strategy projects
- ☐ Strategic controlling
- ☐ Strategy Risk Management
- ☒ Heads of the departments (*what else?*)
- ☐ _____ (*is there more?*)

A2 What **materials** do you use in strategy work:

- ☒ Strategy document, e.g., Business Plan
- ☐ Strategy book
- ☐ Board of Management letter on strategy implementation
- ☐ Communication material explaining the strategy
- ☒ Strategy presentation
- ☐ Strategy material for shareholders and investors
- ☐ Fieldbook strategy
- ☒ Board template (*what else?*)
- ☐ _____ (*is there more?*)

A3 Does your company have a formal strategy?

- ☒ Yes
- ☐ No

For supplementary information:

Please note keywords and, if necessary, elaborate on them following the interview

A4 I understand the term strategy ...

a plan	Yes ☐	No ☒
the competitive position	Yes ☐	No ☒
a process	Yes ☒	No ☐
a decision	Yes ☒	No ☐
a script	Yes ☐	No ☒
other:	Roadmap how to proceed	

A5 Which organizational units are primarily involved in the strategic planning process?

- ☒ Corporate strategy
- ☒ Corporate Development⁷⁶⁰
- ☒ M&A
- ☒ Controlling
- ☒ Finance
- ☒ HR
- ☐ _____

A6 How long have you yourself been involved in strategic planning in the company?

- ☐ Since this year
- ☐ In the last three years
- ☒ 3 - 5 years
- ☐ More than 5 years

A7 Does your company have a strategic controlling unit?

- ☐ Yes → 7.1
- ☒ No → 7.2

How many employees work there?

- A7.1
- ☐ less than three
 - ☐ 3 - 6
 - ☐ more than 6

A7.2 Is the strategic controlling function integrated into another department?

- ☐ Yes → in which: _____
- ☐ No

⁷⁶⁰ M&A is part of corporate development.

B. Strategy implementation and execution

B1 How often are strategic reviews, or strategy reviews, conducted?

- ☒ Annual
- ☐ Every two years
- ☐ Every three years
- ☐ As required
- ☐ _____

B2 Do you use the following in your work?

Strategic Alignment	Yes ☐	No ☒
Strategic Assessment	Yes ☐	No ☒
Real Options	Yes ☐	No ☒
Resource Allocation	Yes ☐	No ☒
Performance Hub	Yes ☐	No ☒
Strategic War Gaming	Yes ☐	No ☒

B3 Is there a strategy committee ?

- ☒ Yes → B3.1
- ☐ No → B2

B3.1 Is the strategy committee involved in strategy implementation?

- ☒ Yes
- ☐ No

B3.2 How many board members are permanently represented on the strategy committee?

- ☒ _____ (which ones, if any?)

B4 Which management group steers strategy implementation?

- ☒ Leadership Team

B5 How is the strategy process anchored in the company?

- ☐ In the organization manual
- ☐ As a stand-alone guide for strategy work
- ☒ Strategy workshops and trainings
- ☐ Through a strategic planning database
- ☒ Through written information / briefings to managers

- ☒ Strategy speech of the Board of Management
- ☐ Through Corporate TV
- ☒ Other: Town Hall Meetings

B6 Which of the following tools and techniques do you use for strategy implementation?

- ☐ Strategy maps
- ☒ Measurements / Metrics, e.g. Key Performance Indicators, KPI's
- ☐ Balanced Scorecards (BSC)
- ☒ Visualizations, e.g. Strategic Road Mapping
- ☐ Six Sigma
- ☐ Other: _____

B7 In your opinion, is there a role model for strategy work?

- ☒ Yes
- ☐ No

Can you please name the example:

- ☒ Model: peer company

C.

Strategy alignment as a permanent task

(Strategic Alignment = strategy alignment of the company; direct translation: strategic alignment, strategy commitment, strategy stability)

12:30

C1

What do you mean by **Strategic Alignment**?

- ☐ Nomination: _____
- ☐ Nomination: _____
- ☐ Nomination: _____
- ☐ Nomination: _____
- ☐ Nomination: _____
- ☐ Nomination: _____

☒ no idea

Interviewer, if applicable:

Strategic Alignment = strategic alignment of the company.

C2

How useful is a strategic **balanced scorecard** from your point of view?

Very useful ☐☐☒☐☐ not really useful

☒ Why? simple possibility of representation

C3

What situation would you describe as '**misalignment**' ?

- ☐ A time delay in project management
- ☐ Declining sales
- ☒ Erosion of profitable segments
- ☒ Unclear strategic direction
- ☐ Different: _____

C4

How do you anticipate alternative paths in strategy implementation?

- ☒ Through strategic indicators
- ☒ From meetings in management
- ☐ Through a Business War Room Simulation (BWRS)
- ☒ Discrete Event Simulation or other mathematical methods
- ☒ In other ways: Simulation method, Monte carlo simulation

C5

Do you use the concept of 'emergent strategy,' i.e., strategy that emerges on its own, as opposed to intended/intentional strategy?

☐ Yes

- ☒ No
- ☐ Is unknown to me

C6 Who in your company systematically identifies new potentials or opportunities?

- ☐ Each manager for himself
- ☐ the strategy team
- ☐ The Chief Strategy Officer (CSO)
- ☐ Is unknown to me
- ☒ In other ways: Innovation Team

D.

Outlook: Trends, goals and discernible developments

D1 Regarding the increasing speed in business: How fast should company-wide strategic planning be possible in your view?

- ☐ Less than six weeks
- ☐ Within three months
- ☒ Half a year
- ☐ More than half a year
- ☐ No opinion on this

D2 What **methods or tools would** facilitate **your work in the future to** better implement the strategy in the future?

- ☐ Strategy process
- ☐ Planning tools and methods
- ☒ Strategy workshops
- ☐ External consultants
- ☒ Management Information System (MIS)
- ☐ Different: _____

D3 Please complete the following sentence: '**Strategy in the future is ...**

- ☐ unimportant'
- ☐ Drivers of corporate development'
- ☐ an outdated way of thinking'
- ☒ Strategic controlling or risk management'
- ☐ _____

D4 What **do you** most closely **compare their work to**?

- ☒ With the function of a captain on a large ship
 - ☒ With a researcher
 - ☐ With an athlete
 - ☐ With a member of a military
 - ☐ _____
-

D5 What does the **current pandemic** mean for you in terms of your strategic work?

A completely new strategy is required	Yes ☒	No ☐
Now tactical maneuvers are needed	Yes ☐	No ☒
We suspend the basic strategy	Yes ☐	No ☒
We have foreseen a pandemic scenario	Yes ☒	No ☐
Covid-19 will fundamentally change the business model	Yes ☐	No ☒

D6 What **book** or **literature** would you recommend to a new employee on your team?

☒ I have no recommendation

☐ I cannot find the title right now

☐ _____

D7 How important is it to you in **disruptive times**?

Business planning	Very ☐ ☒ ☐ ☐ ☐	Little
Strict project and task management	Very ☐ ☐ ☒ ☐ ☐	Little
Methodical aids, e.g. strategy tools	Very ☐ ☒ ☐ ☐ ☐	Little
Cost management	Very ☒ ☐ ☐ ☐ ☐	Little
We are using the current time as an accelerator for our business model	Yes ☒ ☐ ☐ ☐ ☐	No

D8 What do you think about the statement 'Companies are no longer competing for markets, but for future potential or opportunities?'

☐ fully applies

☐ not true

☒ this must be seen differently: Not specific enough.

Other activities	Interview	Interview notes and observations	
Mail / send report	<u>Yes</u> / No	Other potential interview partners	
Workshop or in-depth interview?	<u>Yes</u> / No		
Conclusion: As an internationally active company, there is both a dedicated strategy department and a chief strategist in charge. The strategy is recorded in the form of presentation slides and incorporated into a business plan. It is emphasized that there is a formal strategy with certain minimum contents. Strategy is understood as a business process as well as a decision. A strategic roadmap is also seen as a representation of the strategy. The strategic horizon is three to five years. All important areas are involved in the strategy process. On the negative side, there is no unit or function for strategic controlling. The strategy is reviewed annually. Strategic Alignment is not officially used as a term in the company. Strategy implementation takes place through workshops and training sessions as well as written information (briefings). A strategy speech by the Executive Board and regular town hall meetings are instruments of strategy communication. In addition to key figures, road mapping is used for visualization. The company bases its strategy work on comparable companies in its peer group. The balanced scorecard is known as an instrument, but is also regarded as backward-looking and cumbersome. The multitude of key figures can also obscure the view of what is essential. The view of misalignment with an unclear strategy and the erosion of profitable areas is accurate. Simulations are used extensively, as is thinking and planning in scenarios. An innovation team takes care of future opportunities and business potentials. Strategy must be effective six months after decision. It is a highly academic organization, and in addition to the idea of being a strategy officer, like a captain of a ship, the analogy of a researcher was deliberately named.			

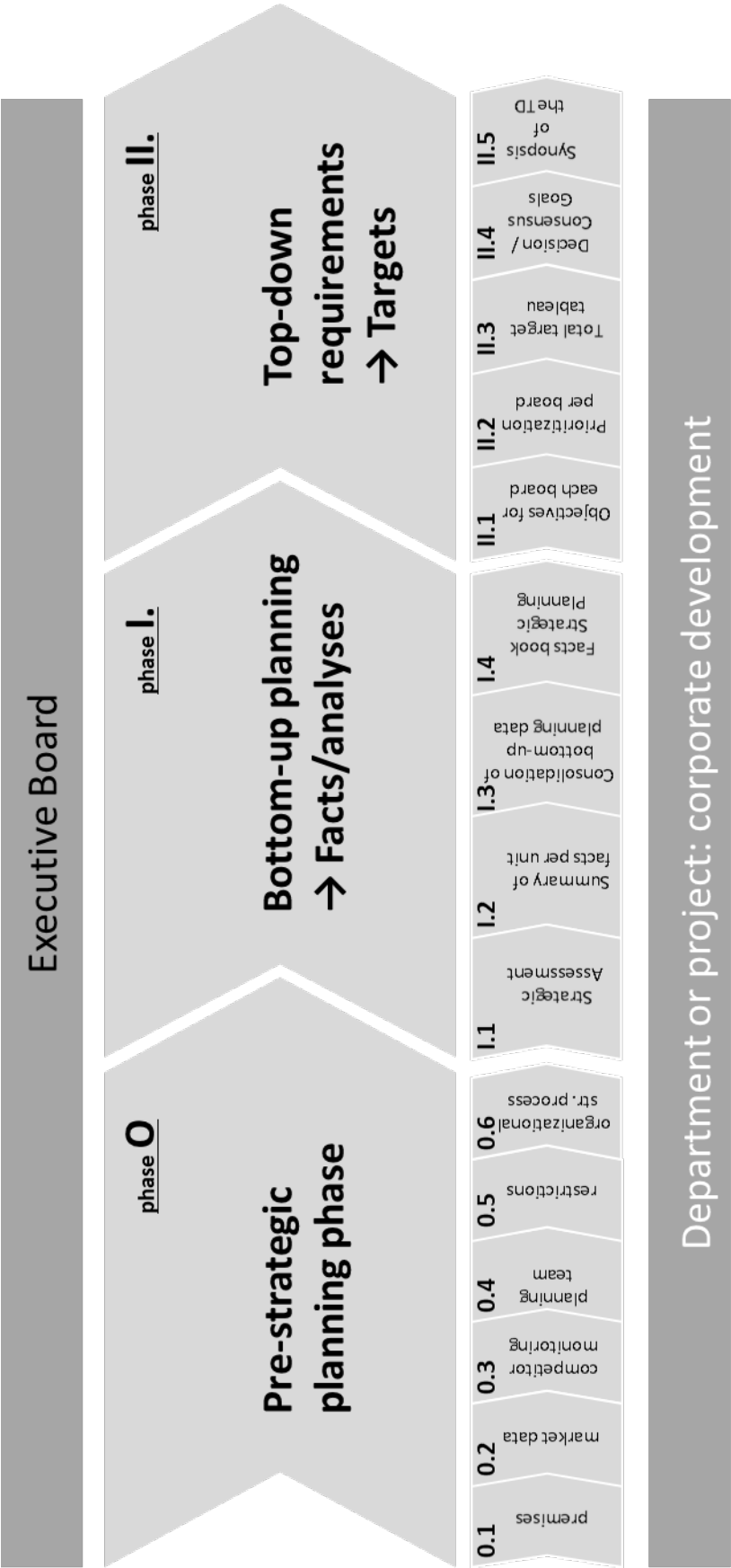
IX. Generic Strategy Process

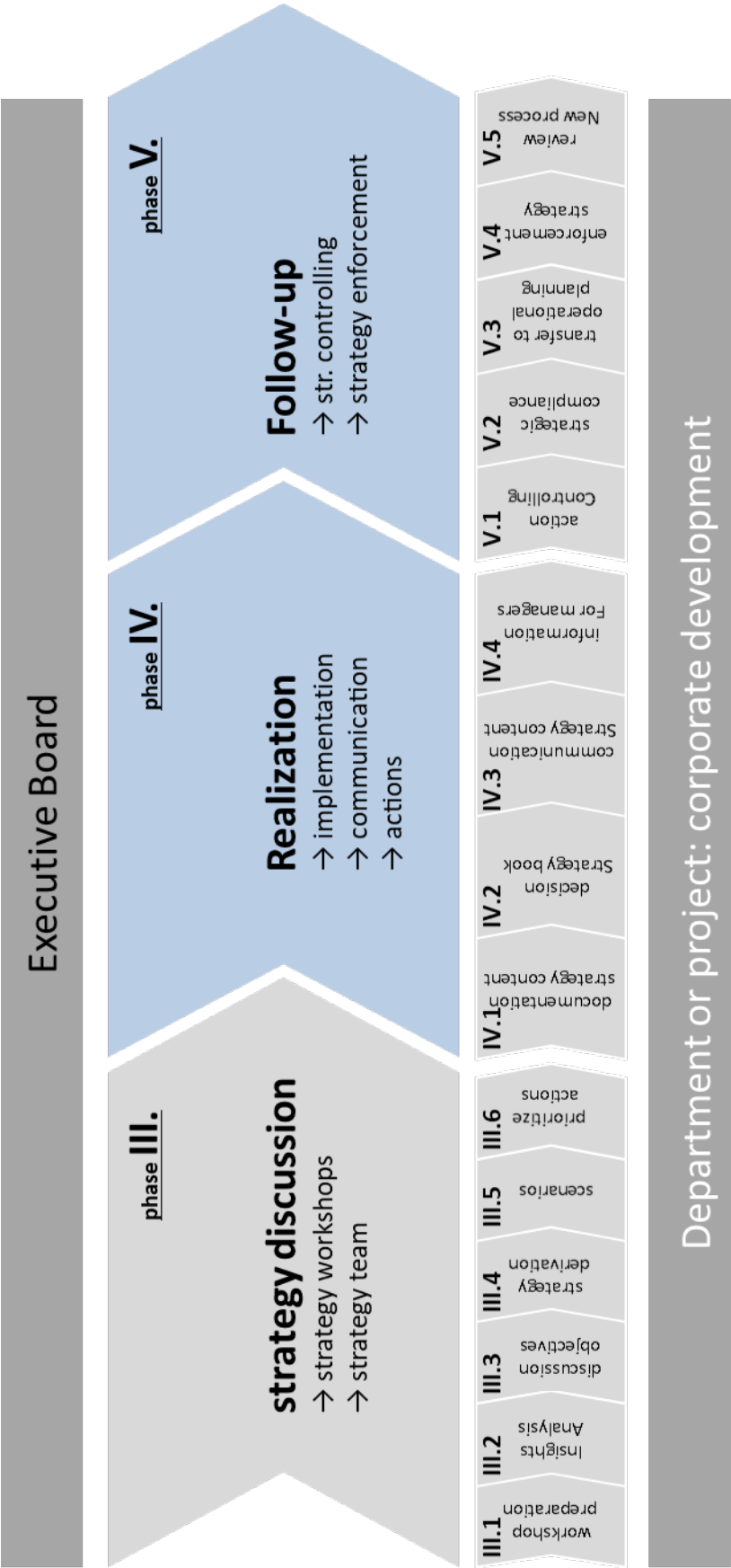
A. Strategy process: overview

Explanation of the strategy process. The strategy process presented here is divided into six phases and 30 individual process steps that lie beneath them. These process steps are presented sequentially, following an internal logic, although in practice some work can be done in parallel to save time. There are work packages and assigned responsibilities for each process step. Each process step is completed with a defined deliverable. Depending on the size and complexity of the company and the available human and organizational resources, the process must be adapted before the start of strategic planning. In particular, the integration of strategic investments, subsidiaries and cooperation partners requires special adjustments to the strategic planning process.

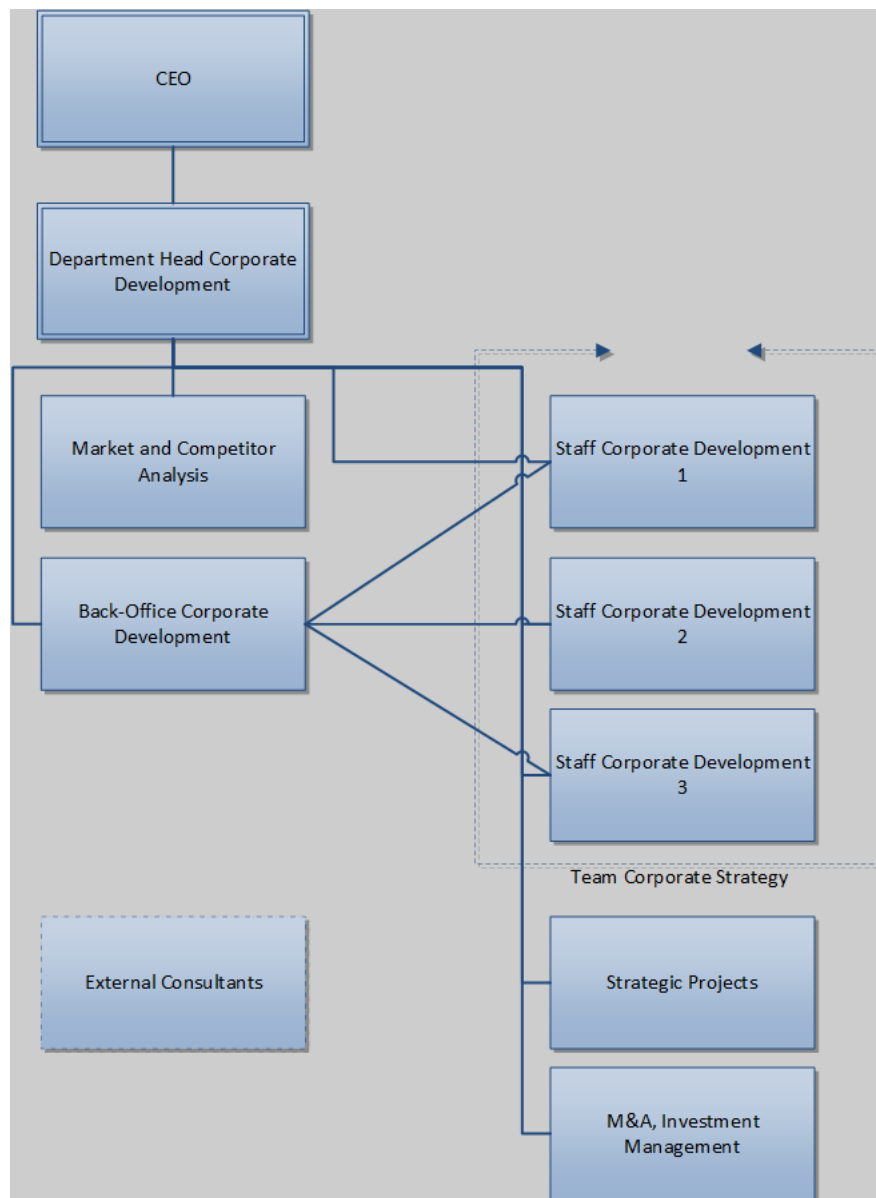
Integration of Strategic Alignment into the strategy process. Based on the descriptions of a generally valid strategy process, as can be found in all companies and non-profit organizations, the integration of Strategic Alignment is shown as an independent sub-business process. The new function of the Strategic Alignment Officer developed in this dissertation is a position to be filled and an important task force for the Strategic Alignment Process.

Areas of focus in the Strategic Alignment strategy process. Process steps IV and V, marked in blue, are relevant for the future function of a Strategic Alignment as an integral part of the corporate strategy process. Information and communication are already present in process steps IV.3 and IV.4. However, the monitoring of strategy implementation in process step V.1 is limited to pure measure controlling, i.e. to the follow-up of to-do lists. Process step V.2, with strategic compliance, is the one most strongly oriented towards Strategic Alignment.



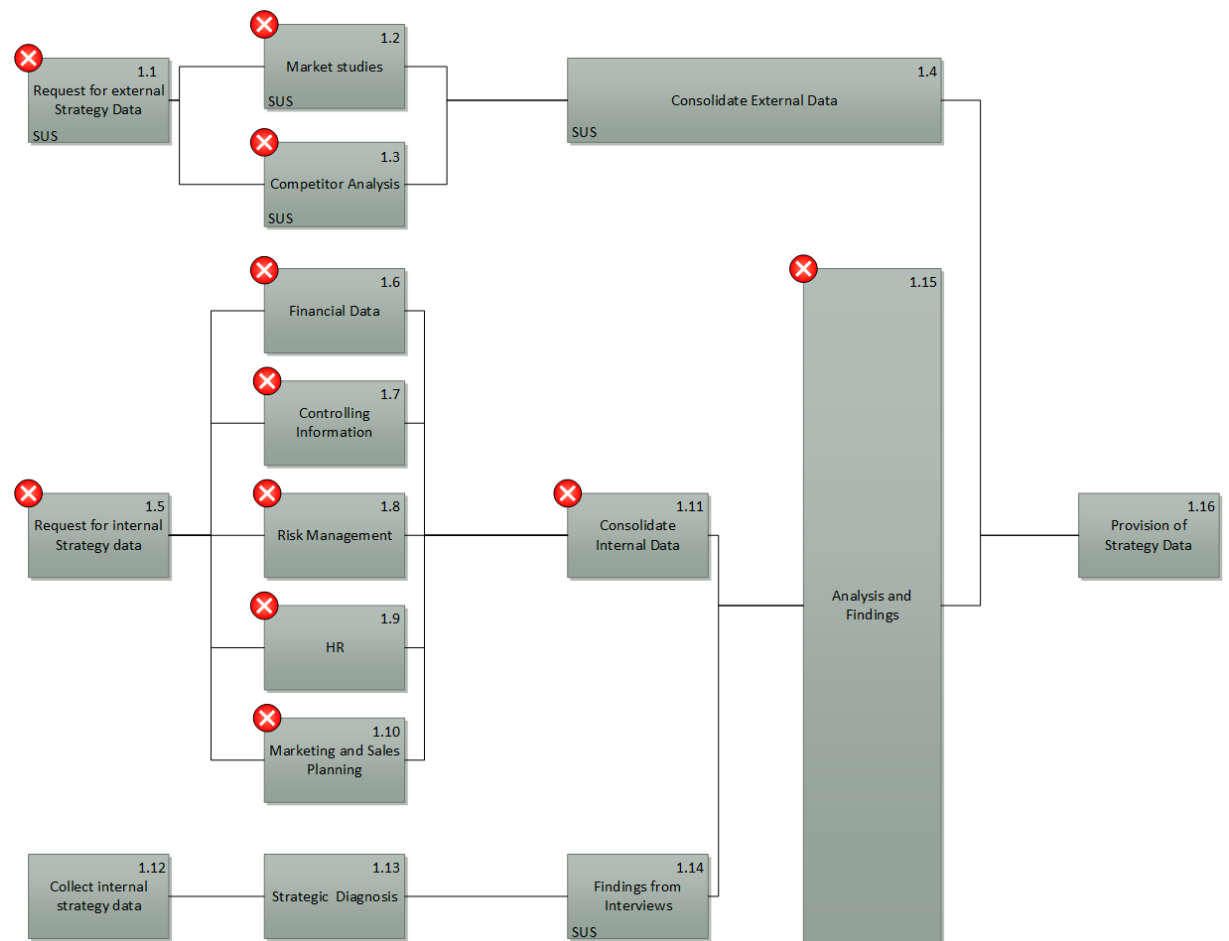


B. Strategy process: organization chart



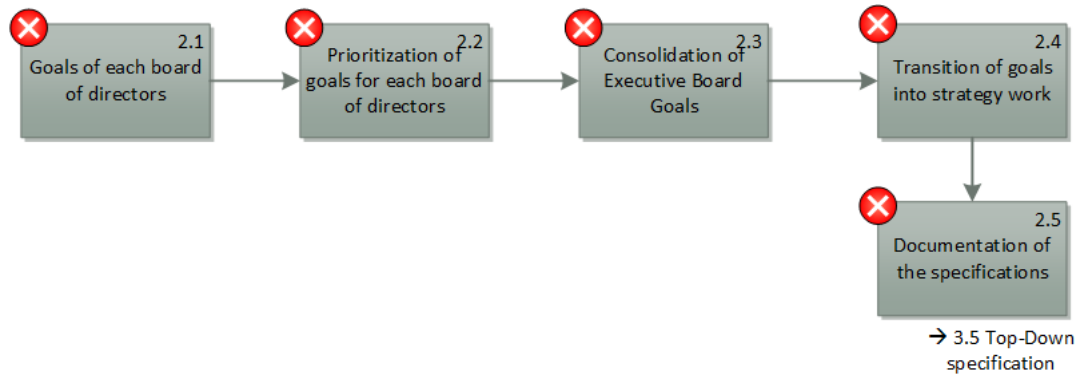
Structural Organization Strategy Department and Corporate Development (Financial Institution), 2012. The description of the following workflows is based on documents from TS Consulting GmbH (2011).

C. Strategy process: data gathering



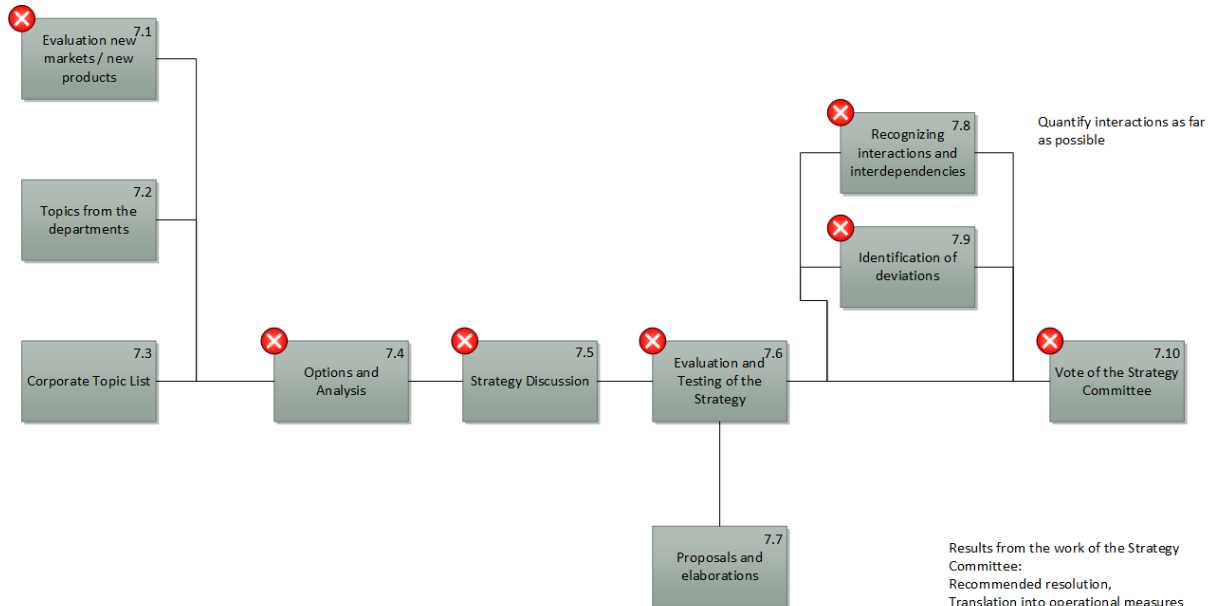
Data collection, processing of information and provision of results for strategy work.

D. Strategy process: goals and objectives management/owner



Derivation of targets at Management Board level on the basis of individual targets and a summarized overall result. In the case of a conflict, which regularly occurs when setting goals for the entire organization, binding and understandable **conflict of laws rules** must be applied, as they have been known from legal work since time immemorial.

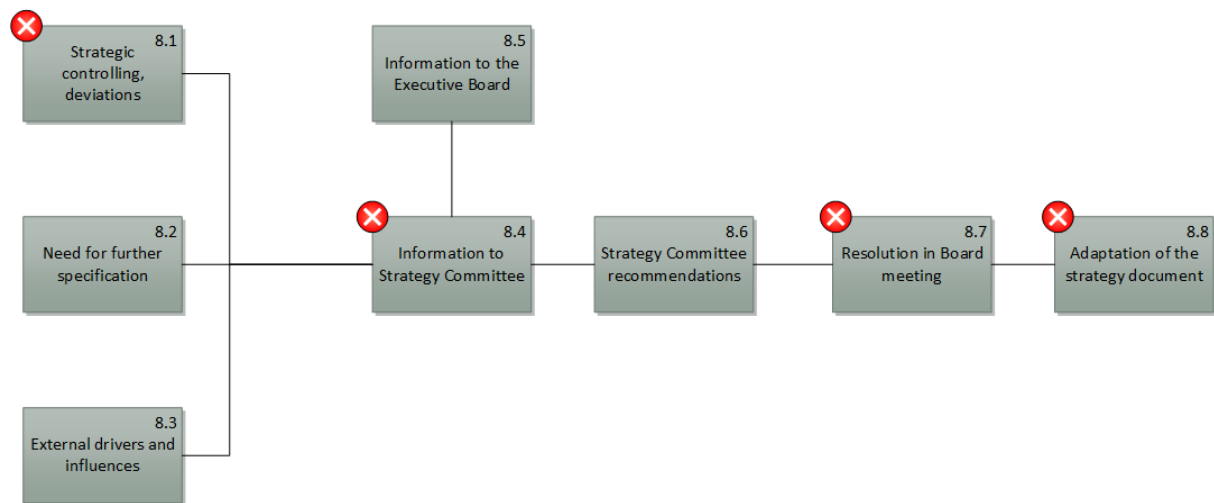
E. Strategy process: strategy development



Development of the corporate strategy in a process based on the division of labor.

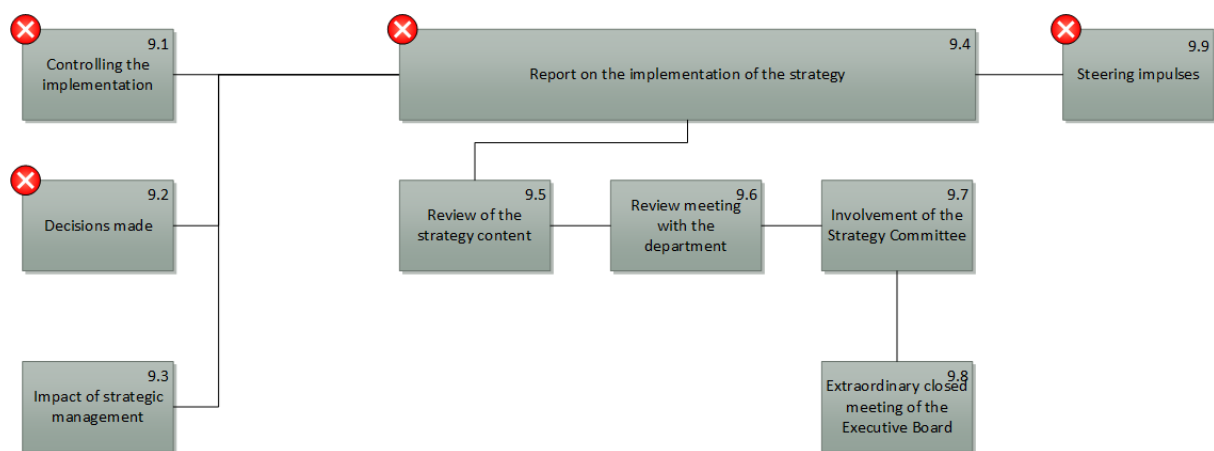
Note on the numbering in the work steps: for reasons of simplification, process steps 3 to 6 are not shown here.

F. Strategy process: strategy decision



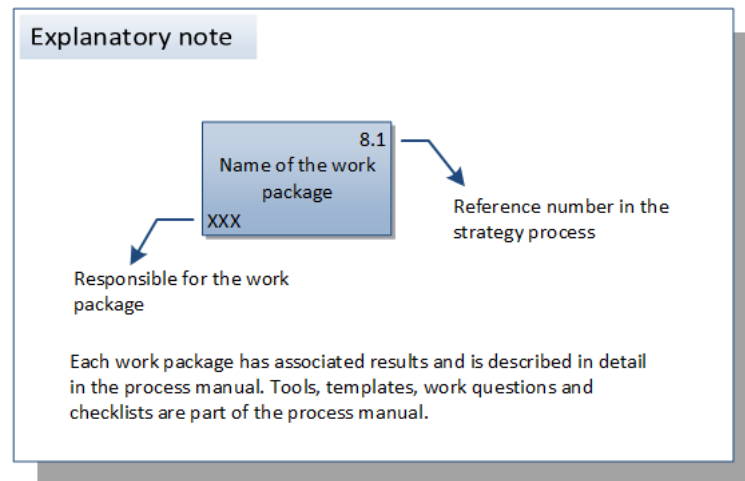
The decision on the strategy must be prepared and taken with the responsible persons and bodies.

G. Strategy process: implementation monitoring



Ongoing monitoring of strategy implementation and integration of decisions made during the year.

H. Strategy process: Explanation



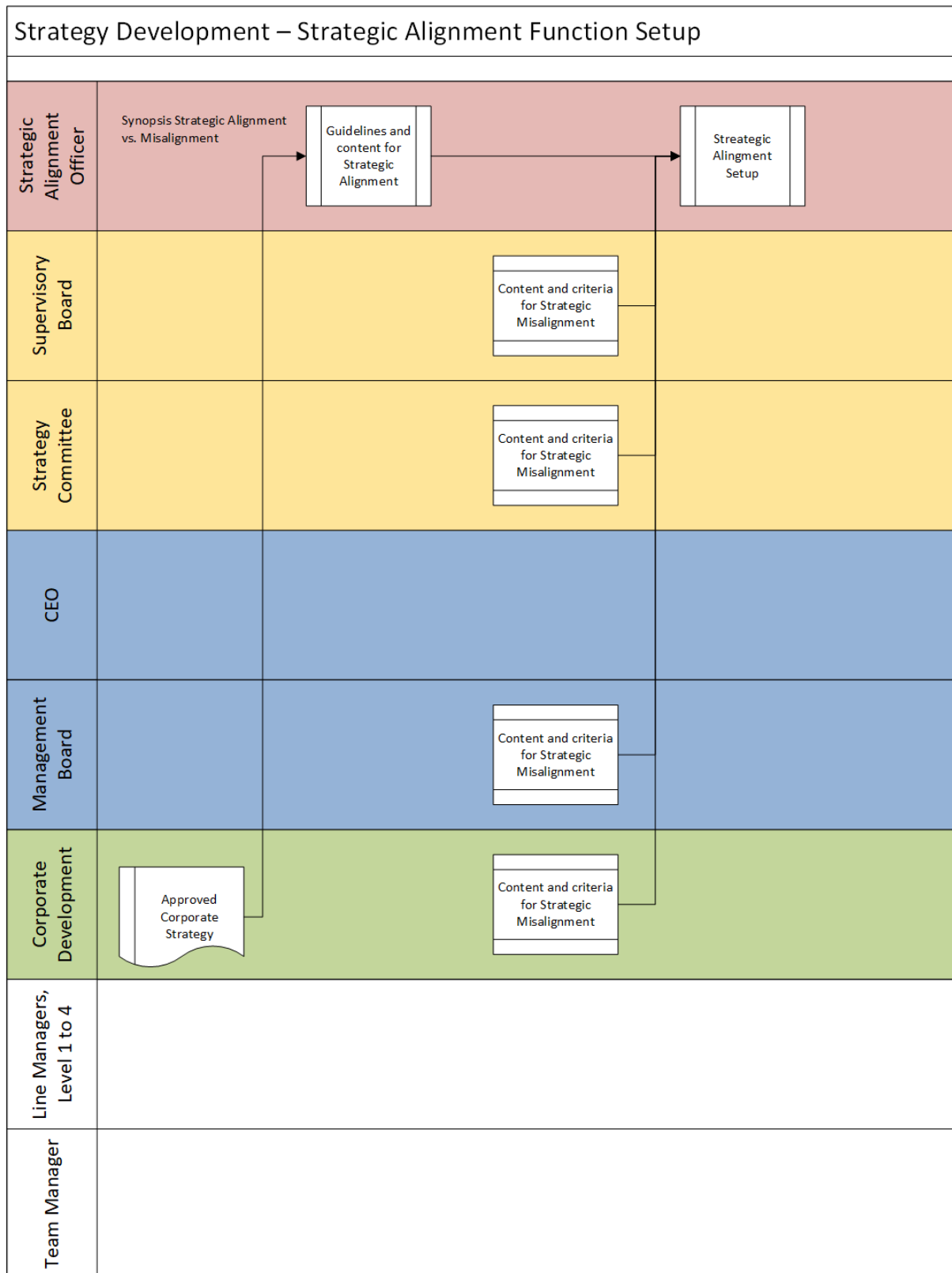
The strategy process is divided into required and non-mandatory work packages. A detailed description for the specific case in the company can be provided using the reference numbers. This information is presented in an organizational handbook or Reference Guide Strategy.

X. Strategic Alignment Process Model (SAPM)

The following is a draft of a Strategic Alignment Process Model with various workflows below it. This draft does not yet exist and would have to be tested after this phase of business process modeling. These outlines and drafts relate to the chapter on theory development (→ Elements and Relationships for Theory Building, see page 448).

Strategic Alignment as a new corporate function. The so-called swimlane diagrams for the presentation of business processes are structured hierarchically. The new function of the Strategic Alignment Officer (SAO) is located at the top because this function does not yet exist and therefore the reader's attention is focused on this function.

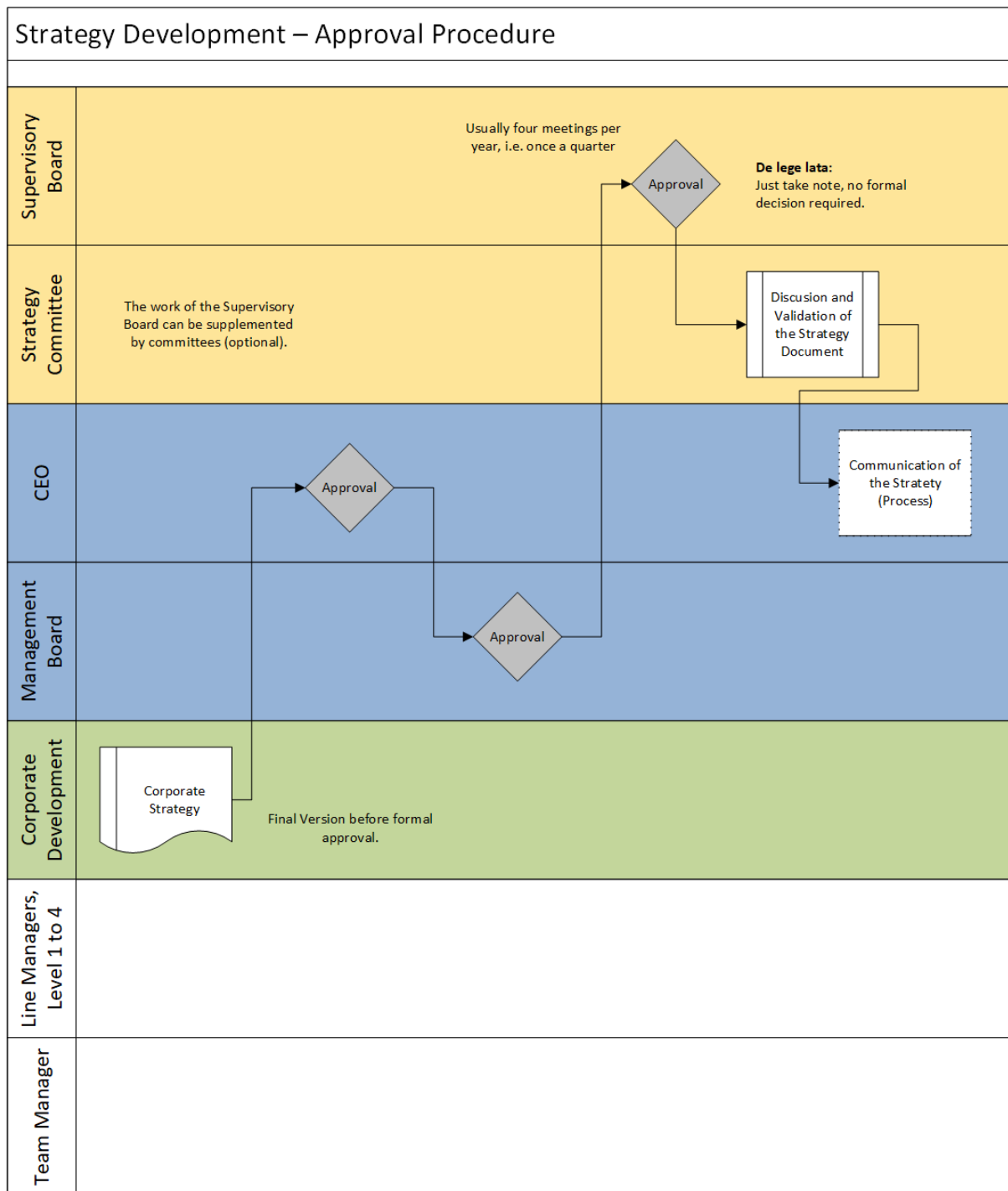
A. Strategy Alignment Process: function setup



Establishment of the new strategic function of the Strategic Alignment Officer. The starting point of the Strategic Alignment process is the agreed and valid corporate strategy. This is available as a collection of slides or, even better, as a carefully documented strategy book. A **Strategic Alignment Officer** (internal or external) must be appointed and implemented in the organization so that the function has access to all documents and people.

Tasks and role of the Strategic Alignment Officer. The SAO compiles the program and priorities for monitoring with regard to Strategic Alignment. Criteria are also supplied by the supervisory board, the management board and the corporate development organizational unit. On this basis, the SAO has an audit catalog for its work. The SAO should be appointed for a period of five years, analogous to auditors, and then also changed, in order to always have a fresh and unbiased view of the Strategic Alignment in the respective company.

B. Strategy Alignment Proces: approval procedure



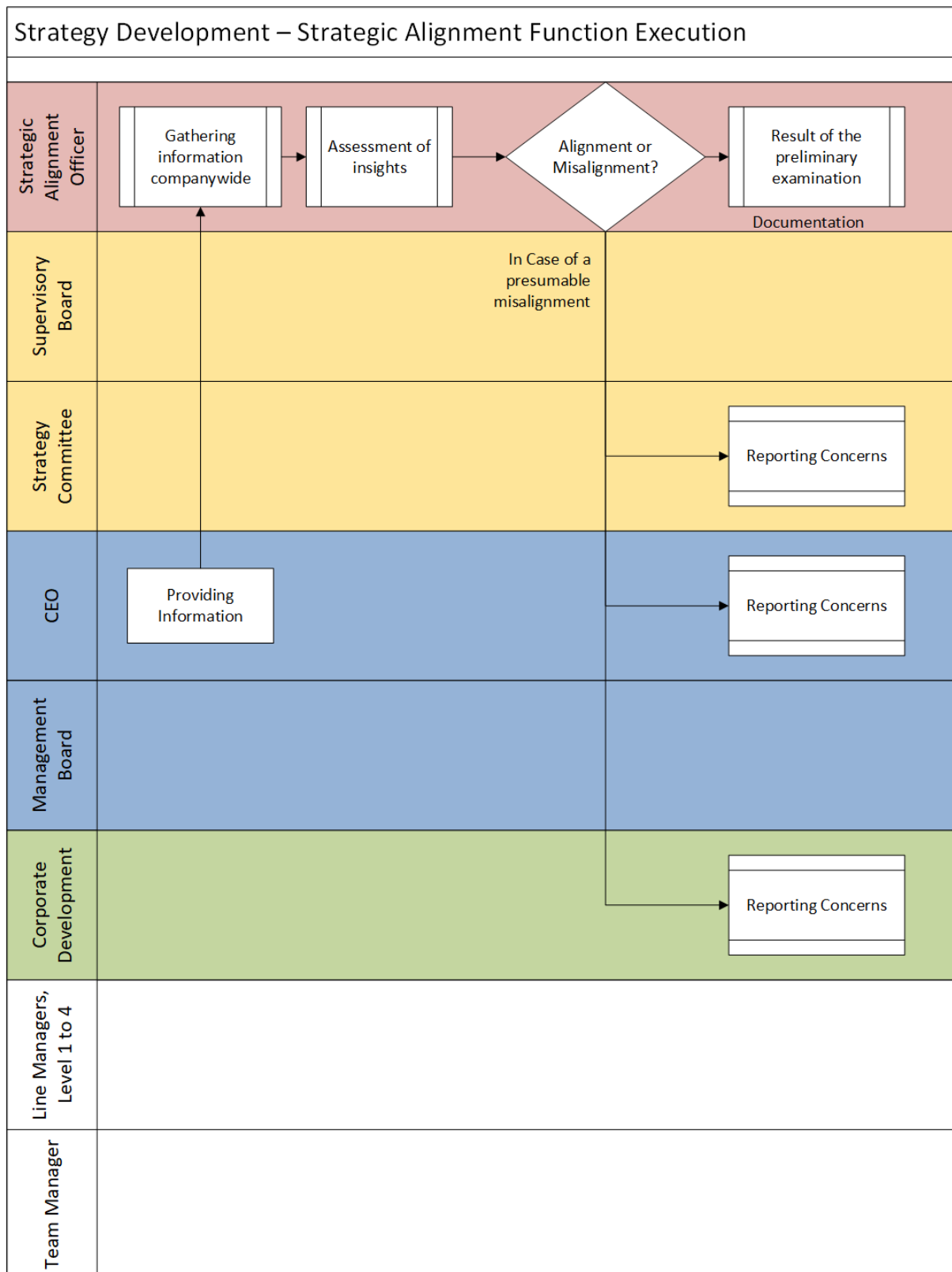
The corporate strategy has to be enforced. This workflow shows the adoption of the strategy and the obligations of the various bodies in a German corporation, e.g. a stock corporation.

Role of the supervisory board in the strategy process. What is special here is that the supervisory board only takes note of the strategy, but often does not even receive a detailed presentation of it or has the opportunity to discuss it. In practice, this depends very much on the balance of power within the supervisory board. When there are a large number of owners, the position of management and in particular of the CEO is very strong. If there is a dominant majority shareholder, the board can often be ruled by that shareholder, even sometimes against the law.

Strengthening the Strategic Alignment function. For Strategic Alignment, it is important whether the supervisory board is sufficiently informed and can form an opinion for itself about what good or bad Strategic Alignment in the future means in concrete terms for the company's practice.

The SAO has no role in the decision on corporate strategy. The SAO monitors the decision-making process and the formation of a consensus and may be able to identify possible future difficulties or areas of misalignment. It is only an observer here, with no active role.

C. Strategy Alignment Process: function execution

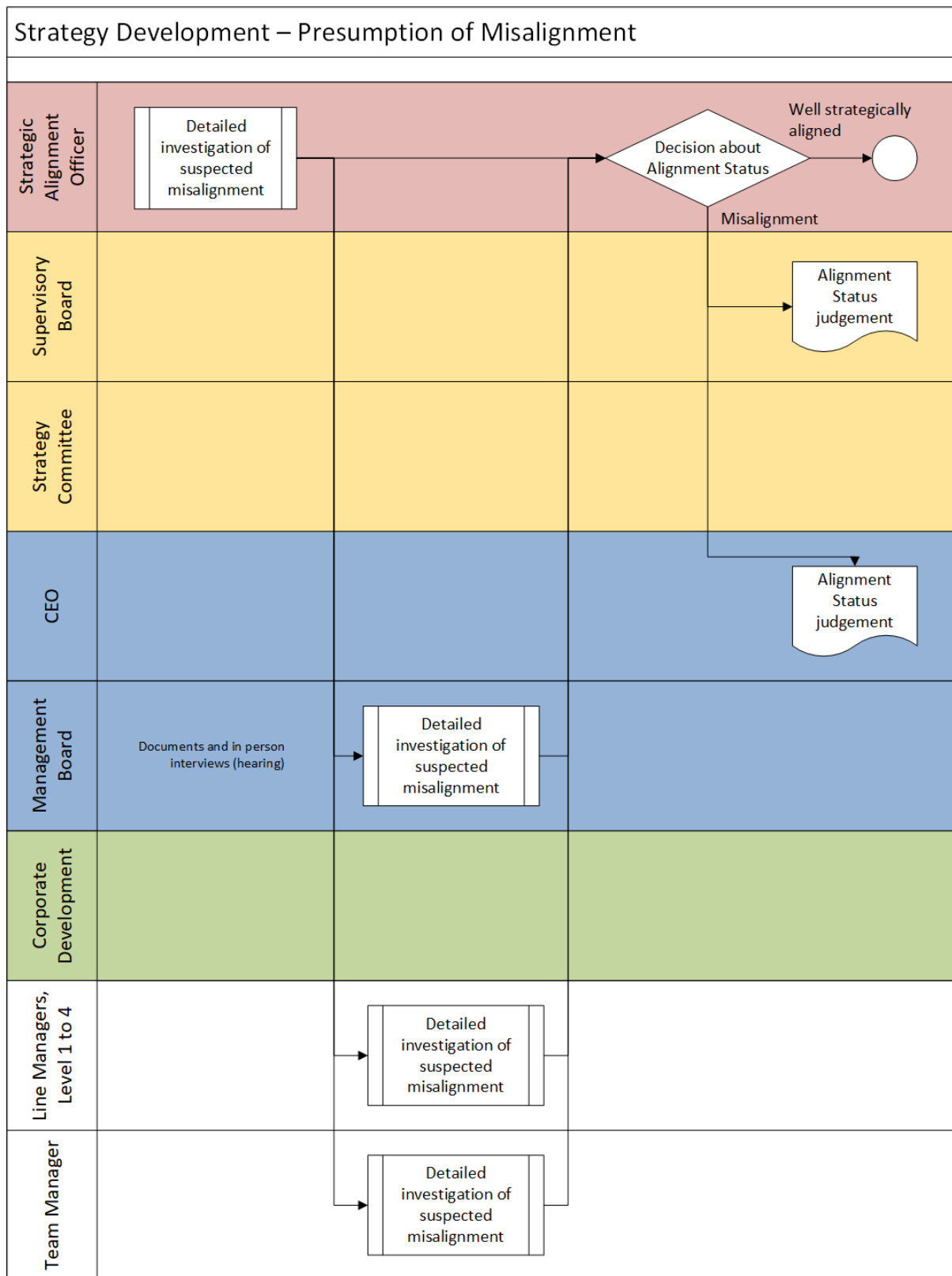


Competencies and responsibilities of the Strategic Alignment Officer. The Strategic Alignment Officer is responsible for exercising and fulfilling the function of assessing the status in the Strategic Alignment. In a manner equivalent to judicial independence, he can decide on this central issue of strategic control. In cases of doubt, he will obtain internal information or assessments, but ultimately the decision on alignment or misalignment must be made by the SAO.

Recognizing unstrategic action. If there are indications of a strategic misalignment, the SAO can approach the supervisory board, the management board as a whole, the CEO and the corporate development department and report this.

Corrective action to prevent and eliminate the misalignment. The SAO can initiate interventions and adjustments in strategy implementation and can then also monitor their effectiveness.

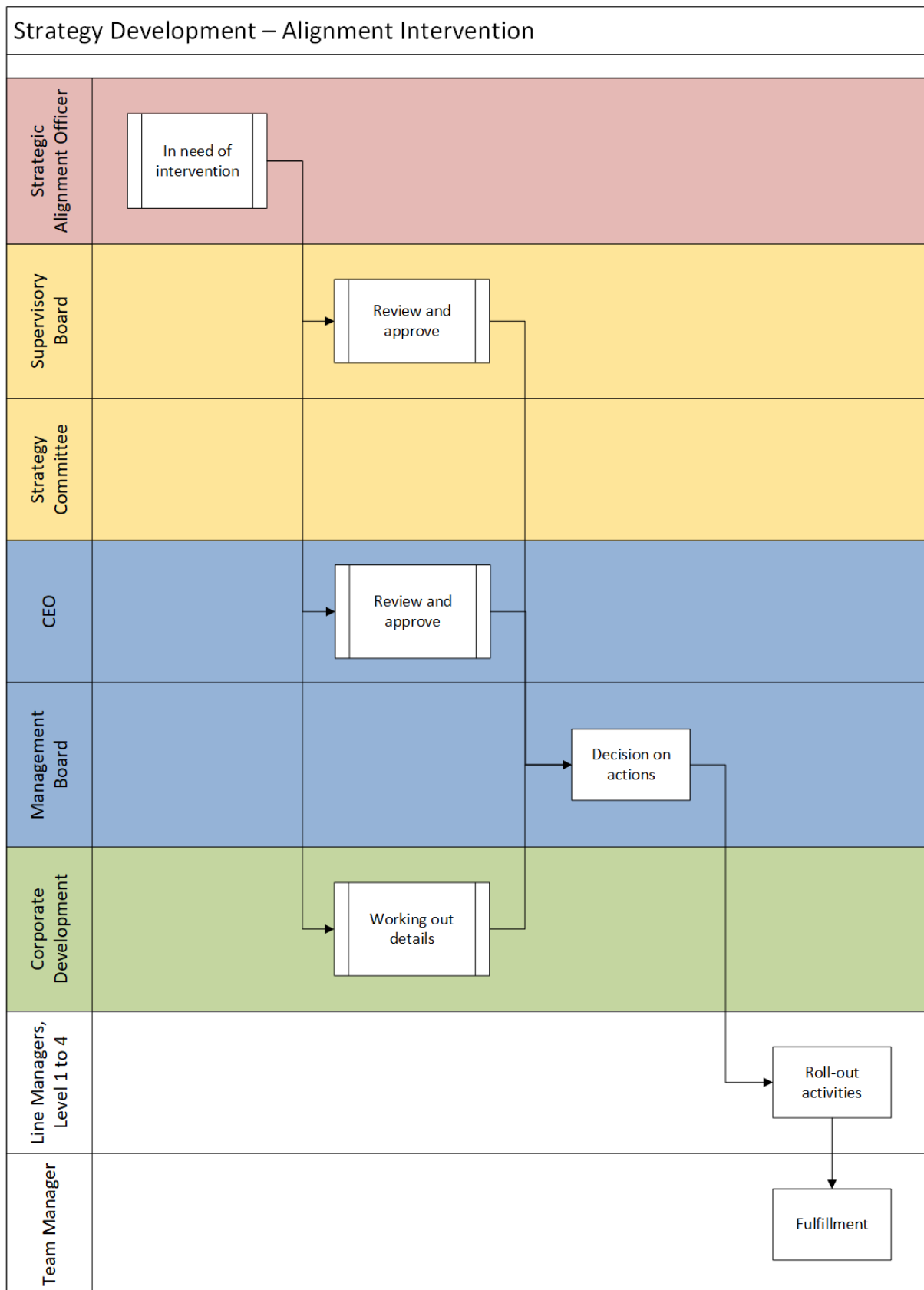
D. Strategy Alignment Process: misalignment



Removal of misalignment that has become apparent. SAO, Supervisory Board and CEO must find a solution. Since the misalignment may originate from the CEO or top management, the CEO can be outvoted in this three-member body. This is a clear corrective function built into the Strategic Alignment process.

Interpretation of the strategy. In the event of ambiguities in the text of the corporate strategy, the SAO has the central task of interpreting the content of the strategy. The SAO is above the individual interests of the various persons and groups of persons in the company. It can clarify questions of content and, if necessary, also identify and help close gaps in the strategy by applying the usual rules of interpretation and, in particular, by exploring the meaning and purpose of the strategic content.

E. Strategy Alignment Process: intervention



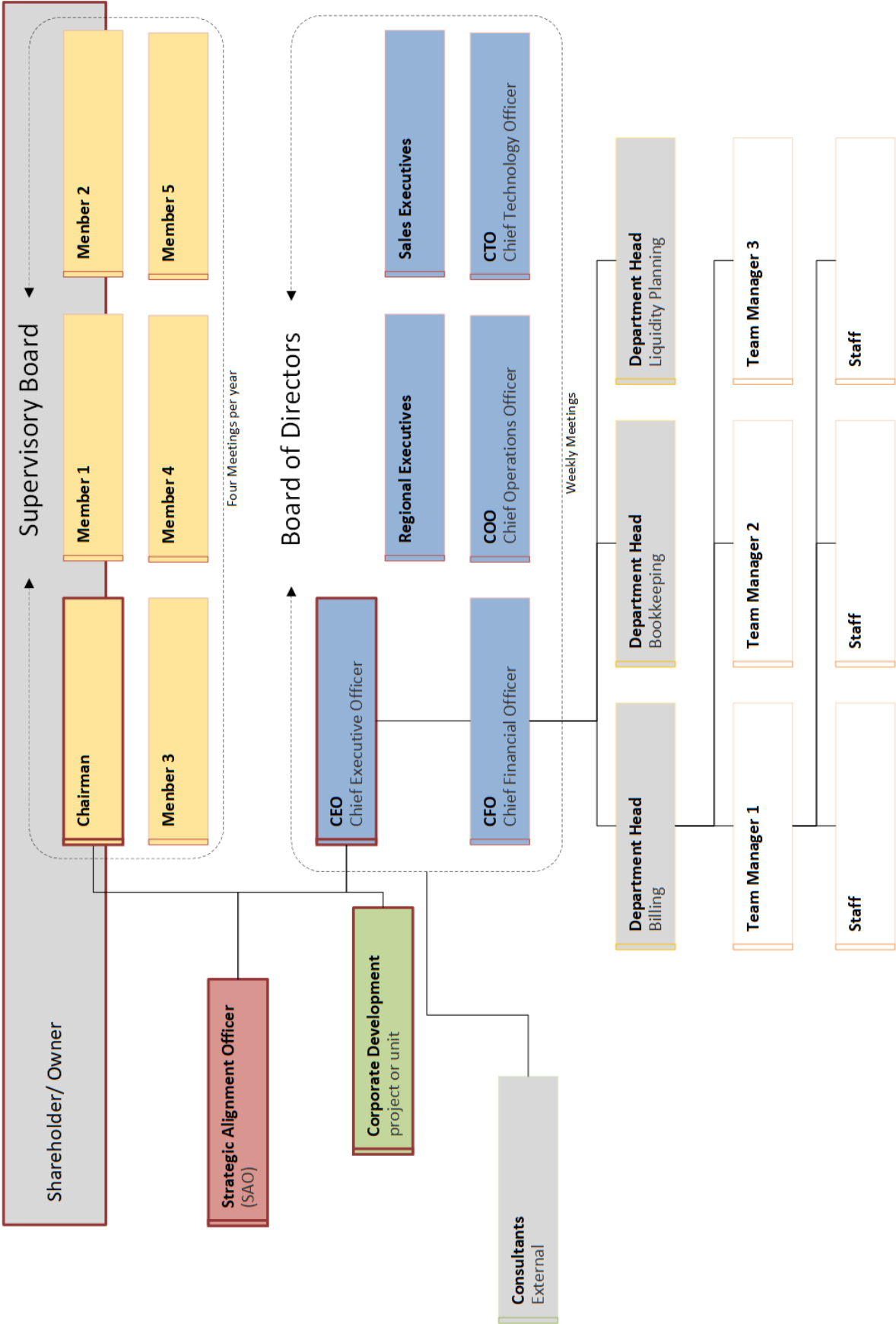
Back to the fulfilled Strategic Alignment. The SAO can propose actions for intervention and enforce them together with the supervisory board and the management board. The SAO is not a manager and has no management responsibility, so it only has the right to propose interventions.

XI. Sample Organizational Chart for Strategic Alignment

The function of Strategic Alignment must be anchored in the organizational structure of a typical corporation, e.g. an AG (joint-stock company) or GmbH (limited liability company). An organizational chart is shown here that includes the new function of the **Strategic Alignment Officer (SAO)**. This diagram can be used to show the formal communication channels (reporting and information lines). As an example, the hierarchy is shown up to the employee for a corporate function. The company's financial system was chosen for this because it must exist in every type of company, whether it is a production or service company.

One-tier or two-tier board system. When discussing the organizational structure, it must be borne in mind that there are two fundamentally different systems: **one-tier board (monistic board model)** and **two-tier board (dualistic board model)**. In the Anglo-Saxon countries, the one-tier board is the norm, but in Germany the two-tier board is the norm. In this case, there is a separation of the corporate bodies of the **executive board** and the **supervisory board**.

Relationship between organizational structure and strategic alignment process. The function of the Strategic Alignment Officer (SAO) must be placed in the hierarchy in such a way that his work is not impeded with regard to Strategic Alignment. Since this is a completely new function that does not directly correspond to that of an external auditor, an external consultant or a supervisory board. The SAO is jointly appointed by the CEO and the Chairman of the Supervisory Board. In the organization chart, colors are used for the individual functions, e.g. SAO in red, which are used in the same way in the swimline process diagram. This makes the connection between the organizational structure and the process organization visible to the reader at a glance.



XII. Excerpts from Laws

This dissertation only refers to legal issues in marginal areas. For this reason, the laws mentioned in the interviews and in the text of the thesis are excerpted here. Official translations of the respective organization or the Federal Ministry of Justice were used.

Stock Corporation Act (Aktiengesetz, AktG)

Full citation: Stock Corporation Act of 6 September 1965 (Federal Law Gazette I, p. 1089).⁷⁶¹

Section 84

Appointment of members of the management board and removal from office

(1) The supervisory board appoints members of the management board **for a maximum term of five years. A re-appointment or extension of the term of office, in each case for a maximum of five years, is permissible.** This will require a new resolution to be adopted by the supervisory board, which may be so adopted at the earliest one year prior to expiry of the current term of office. Solely for appointments for a term shorter than five years may an extension of the term of office be provided for without a new resolution being adopted by the supervisory board, the pre-requisite being that this does not result in a total term of office longer than five years. This applies accordingly to the employment agreement; however, the employment agreement may provide that it is to continue in force until the expiry of the term should the term of office be extended.

(2) Where several persons are appointed as members of the management board, the supervisory board may designate one member as chairperson of the management board. [...]

Section 91

Organization; accounting

(1) **The management board is to ensure that the required journal, required general ledger and other required records are kept.**

⁷⁶¹ www.gesetze-im-internet.de/englisch_aktg/englisch_aktg.html#p0526.

(2) The management board is to take **suitable measures**, and in particular is to **institute a monitoring system**, in order to allow developments jeopardising the company's continued existence to be identified at an early point in time.

(3) Moreover, the management board of a listed company is to put in place an **internal control system** and **risk management system** that is suitable and effective in light of the scope of the business activities pursued by the enterprise and in light of its risk situation.

MaRisk - Annotated text of the Minimum Requirements for Risk Management (MaRisk)
in the version of 16.08.2021.⁷⁶²

AT 4.2 Strategies

(1) The **management board shall define a sustainable business strategy outlining the institution's objectives** for each material business activity and **the measures to be taken to achieve these objectives**. When defining or adjusting the business strategy, the management board shall take account of both **external factors** (e.g. market developments, the competitive situation or the regulatory environment) and **internal factors** (e.g. internal capital adequacy, liquidity, profit situation, staffing level or technical and organizational resources). It shall **make assumptions** with regard to how the relevant factors will develop in future. **It shall review these assumptions at least annually** and on an ad hoc basis; it shall adjust the business strategy as and when necessary.

AT 5 Organizational guidelines

(1) The institution shall ensure that business activities are conducted on the basis of organizational guidelines (e.g. manuals, work instructions or workflow descriptions). The level of detail of the organizational guidelines depends on the nature, scale, complexity and riskiness of the business activities.

(2) The organizational guidelines shall be set down in writing and communicated to the staff members concerned in a suitable manner. It shall be ensured that the latest version of these guidelines is available to these staff members. The guidelines shall be swiftly amended in the event of changes to the activities and processes.

(3) In particular, the organizational guidelines shall contain the following:

⁷⁶² [www.bafin.de/SharedDocs/Down-](http://www.bafin.de/SharedDocs/Downloads/EN/Rundschreiben/rs_1021_marisk_ba_en.pdf?jsessionid=122BEC30511A20DE59753D1E772FA85.internet981?__blob=publicationFile&v=2)

[loads/EN/Rundschreiben/rs_1021_marisk_ba_en.pdf?jsessionid=122BEC30511A20DE59753D1E772FA85.internet981?__blob=publicationFile&v=2](http://www.bafin.de/SharedDocs/Downloads/EN/Rundschreiben/rs_1021_marisk_ba_en.pdf?jsessionid=122BEC30511A20DE59753D1E772FA85.internet981?__blob=publicationFile&v=2).

- (a) rules governing the organizational and operational structure as well as the allocation of tasks, the assignment of competencies, and responsibilities,
- (b) rules governing the organization of the risk management and risk control processes,
- (c) rules governing the procedures, methods and processes for risk data aggregation (in the case of significant institutions),
- (d) rules governing the internal audit function,
- (e) rules which ensure observation of legal rules and regulations (e.g. data protection, compliance),
- (f) rules governing procedures for outsourced activities and processes,
- (g) depending on the size of the institution and the nature, scale, complexity and riskiness of the business activities, a code of conduct for the staff.

AT 6 Documentation

- (1) Business, control and monitoring documentation shall be systematical and written in a manner that is readily comprehensible for expert third parties and shall generally be saved for five years. It shall be ensured that the documentation is up to date and complete.
- (2) The actions and provisions material to ensuring compliance with this Circular shall be comprehensibly documented. This shall include provisions governing the use of material opening clauses, which shall be substantiated where appropriate.

AT 8.3 Mergers and acquisitions

Prior to an acquisition of or a merger with other enterprises, the institution **shall draw up a strategic plan that sets out the material strategic objectives, the prospective main implications for risk management and the material impact on the overall risk profile of the institution or group.** This shall include the planned medium-term development of the financial position and financial performance (Vermögens-, Finanz- und Ertragslage), the prospective level of the risk positions, the necessary adjustments to the risk management and risk control processes and the IT systems (including the data aggregation capacities), and an outline of any material legal implications (in accounting law, tax law etc).

GERMAN CORPORATE GOVERNANCE CODE⁷⁶³

A. Management and supervision

I. Governance tasks of the Management Board

Principle 1 The Management Board is responsible for managing the enterprise in its own best interests. Its members are jointly accountable for managing the enterprise. The Chair or Spokesperson of the Management Board coordinates the work of the Management Board members.

Principle 2 The Management Board develops **the enterprise strategy, coordinates it with the Supervisory Board and ensures its implementation.**

Recommendation:

A.1 The Management Board shall systematically identify and assess the risks and opportunities associated with social and environmental factors, as well as the ecological and social impacts of the enterprise's activities. In addition to long-term economic objectives, the corporate strategy shall also give appropriate consideration to ecological and social objectives. Corporate planning shall include corresponding financial and sustainability-related objectives.

Principle 3 The Management Board stipulates target values for the share of women in the two management levels below the Board.

D. Supervisory Board procedures

I. Rules of Procedure**Recommendation:**

D.1 The Supervisory Board shall adopt its own rules of procedure and shall publish these on the company's website.

⁷⁶³ [dcgk.de/en/code//foreword.html](https://www.dcgk.de/en/code//foreword.html).

II. Cooperation within the Supervisory Board and with the Management Board

1. General requirements

Prin- The Management Board and the Supervisory Board cooperate on a trust basis to the
ciple benefit of the enterprise. Good corporate governance requires an open dialogue be-
13 tween the Management Board and Supervisory Board, as well as between the mem-
bers of these individual Boards. Comprehensive observance of confidentiality is of
paramount importance in this regard.

2. Supervisory Board committees

Prin- The establishment of committees generally supports the effectiveness of the Supervi-
ciple sory Board's work for larger companies. An audit committee is to be established.
14

Recommendations:

D.2 Depending on the specific circumstances of the enterprise and the number of Supervi-
sory Board members, the Supervisory Board shall form committees of members with
relevant specialist expertise. The respective committee members and the committee
chairs shall be provided in the Corporate Governance Statement.

Prin- At least one member of the Audit Committee must have expertise in the field of ac-
ciple counting and at least one other member of the audit committee must have expertise in
15 the field of auditing.

Recommendations:

D.3 The expertise in the field of accounting shall consist of special knowledge and experi-
ence in the application of accounting principles and internal control and risk manage-
ment systems, and the expertise in the field of auditing shall consist of special
knowledge and experience in the auditing of financial statements. Accounting and au-
diting also include sustainability reporting and its audit and assurance. The chairman
of the audit committee shall have appropriate expertise in at least one of the two ar-
eas. The corporate governance statement shall name the relevant members of the audit

committee and provide details of their expertise in the areas mentioned. The Chair of the Supervisory Board shall not chair the Audit Committee.

- D.4** The Supervisory Board shall form a Nomination Committee, composed exclusively of shareholder representatives, which names suitable candidates to the Supervisory Board for its proposals to the General Meeting.

3. Provision of information

Prin- The Management Board is responsible for keeping the Supervisory Board in-
ciple **formed.** Nevertheless, the Supervisory Board must itself ensure that it obtains suffi-
16 cient information. The Management Board informs the Supervisory Board regularly,
without delay and comprehensively about all issues that are relevant to the enter-
prise, **in particular regarding strategy, planning, business development, the risk sit-**
uation, risk management and compliance. The Management Board addresses depart-
tures in the current business development from its existing projections and agreed tar-
gets, indicating the reasons for any such departures. The Supervisory Board may at
any time require the Management Board to provide additional information.

Prin- The Management Board Chair or Spokesperson informs the Supervisory Board Chair
ciple without undue delay of major events that are of material importance for the assess-
17 ment of the enterprise's status and performance, and for the management of the enter-
prise. The Supervisory Board Chair subsequently has to inform the Supervisory Board
and, if required, convenes an extraordinary Supervisory Board meeting.

Recommendation:

- D.5** Between meetings, the Supervisory Board Chair shall be in regular contact with the Management Board – in particular, the Management Board Chair or Spokesperson, in order to discuss with them issues of strategy, business development, the risk situation, risk management and compliance of the enterprise.
-

4. Meetings and adoption of resolutions

Recommendations:

- D.6** The Supervisory Board shall also meet on a regular basis without the Management Board.
- D.7** It shall be noted in the report of the Supervisory Board how many meetings of the Supervisory Board, and of the committees were held in person or as video or telephone conferences and how many meetings of the Supervisory Board and the committees the individual members attended in each case.

III. Cooperation with the external auditors

Principle The external auditors support the Supervisory Board and – where applicable – the Audit Committee in monitoring the management, particularly in relation to the review of the accounting and the monitoring of the accounting-related control and risk management systems. The external auditors' audit opinion informs the capital market about the compliance of financial reporting with generally accepted accounting principles.

Recommendations:

- D.8** The Supervisory Board, or the Audit Committee, shall arrange for the external auditors to inform it, without undue delay, about all findings and issues of importance for its tasks which come to the knowledge of the external auditors during the performance of the audit.
- D.9** The Supervisory Board, or the Audit Committee, shall arrange for the external auditors to inform it and note in the audit report if, during the performance of the audit, the external auditors identify any facts that indicate an inaccuracy in the Declaration of Compliance regarding the recommendations of the Code issued by the Management Board and Supervisory Board.
- D.10** The Audit Committee shall discuss with the auditor the audit risk assessment, the audit strategy and audit planning, and the audit results. The chairman of the audit committee shall regularly discuss the progress of the audit with the auditor and report thereon to the committee. The Audit Committee shall consult with the external auditors on a regular basis without the Management Board.
-

IV. Training and professional development

Principle - The members of the Supervisory Board take responsibility for undertaking any training or professional development measures necessary to fulfil their duties.

19

Recommendation:

D.11 The company shall support Supervisory Board members sufficiently upon their appointment and during training and professional development measures, and shall disclose such measures in the report of the Supervisory Board.

V. Self-assessment

Recommendation:

D.12 The Supervisory Board shall assess, at regular intervals, how effective the Supervisory Board as a whole and its committees fulfil their tasks. The Supervisory Board shall report in the Corporate Governance Statement if (and how) the self-assessment was conducted.

Note: The appendix numbered XII. 'Excerpts from Law' is a selection of legal texts from German-speaking countries. As these texts are not available in other languages, the passages relevant to this dissertation have been reproduced here. These texts are direct quotes.

XIII. Glossary

This glossary focuses on the key terms relating to Strategic Alignment as used in this publication. These explanations and definitions of content were created after the research was completed. They reflect the understanding and the final state of knowledge.

Annual Planning Cycle. An annual planning process for the budgets and activities of the following financial year. It is a planning activity that is often the responsibility of the controlling department or the finance department and includes financial planning in particular. It is an operational planning activity that is linked to strategic planning in large companies.

Business Strategy. The business strategy comprises the actual business activities, such as sales, production or service provision and the associated content of the pure value chain. The business strategy is distinct from the larger and comprehensive corporate strategy. In some literature, the two terms 'business strategy' and 'corporate strategy' are used synonymously. According to this research paper, business strategy is subordinate to corporate strategy and is therefore a functional area strategy or a sub-strategy.

Bottom-up Planning. Bottom-up planning refers to planning from the lowest levels of the company hierarchy to the top management. Bottom-up planning involves collecting data such as available resources and potential, as well as background information required for strategy development. It is a broad-based and therefore time-consuming planning process which, if possible, includes a complete strategic inventory of the company. For reasons of time and cost, companies sometimes forgo bottom-up planning. Many facts and contents of bottom-up planning are also contained in a modern management information system.

Chief Strategy Officer (CSO). A person who is responsible for corporate strategy at C-level. In addition to drawing up the corporate strategy and associated sub-strategies, the Chief Strategy Officer is responsible for implementing the strategy. He or she should ensure Strategic Alignment within the company and counteract misalignment. The hierarchical problem is that the Chief Strategy Officer is below the CEO and does not report directly

to the Supervisory Board. Due to his involvement in strategy development, he is also not a neutral authority but is integrated into the political processes within the company. His role for Strategic Alignment is supportive, but without the authority to counteract a recognizable misalignment through, for example, a fundamental right of veto.

Corporate Development. Corporate Development is an organizational unit responsible for the strategic planning and implementation of this planning within the company. In practice, the focus is often on analytical work, particularly market analysis. This can mean that this department is hardly ever involved in the implementation of the strategy, simply because there is a lack of personnel resources. In principle, this unit is responsible for Strategic Alignment, but in practice it has too little time and often too little formal influence.

Corporate Strategy. The corporate strategy is the comprehensive strategic planning of a company. It usually covers a planning horizon of three to five years and an outlook of a further five to ten years. The strategic planning horizon depends on the industry and the business model. The corporate strategy should be based on binding assumptions that must be reviewed cyclically. Disruptive events or major changes in the market must lead to a revision and adjustment of the corporate strategy. The corporate strategy must be so specific that operational planning can be derived from it coherently and without error. The corporate strategy is documented by the Chief Strategy Officer or Corporate Development in a central strategy document, e.g. strategy book and associated presentation slides. A corporate strategy is generally confidential and is only communicated in part. The corporate strategy represents a value in its own right and bundles the entrepreneurial know-how for the development of the company in the coming years.

Disruption. The Covid-19 pandemic is such an unexpected, far-reaching event that it is affecting individual companies and the economy as a whole. The disruptive event has disrupted a trend that was thought to be safe and the future development is largely unclear and open. The scenarios on which the strategy is based must be revised and expanded to include the disruptive event. As with emergent events, the disruption is an unpredictable change of direction (tipping point).

Emergence. Emergent movements are unpredictable. They are sudden changes in the direction and speed of development. Abrupt changes of direction are characteristic. The word 'emergency' contains the meaning of emergence. It is a separate field of research in physics and philosophy.

Explicit Alignment. When managers or regulatory requirements (e.g. laws) demand compliance with the strategy. The term has arisen in the context of this research work and shows that there is both a self-commitment to the strategy, but on the other hand forces must also demand a commitment to the strategy. This term has been developed from the research described here.

Faulty Strategy. Is a well-developed and documented corporate strategy comprehensible, complete and coherent to a third party? If this is not the case, it may be due to an erroneous or incomplete corporate strategy. An erroneous strategy will inevitably lead to an erroneous and misguided implementation of the strategy. This term was conceptualized in the context of this research and explained and defined in the text of the dissertation.

Functional Strategy. A form of sub-strategy that is used as a building block for the overall strategy or corporate strategy. Strategies for functional areas are, for example, the personnel strategy, the organizational strategy and the IT strategy.

Horizontal Alignment. Horizontal Strategic Alignment is a term from the research of this thesis and was used in interviews. The commitment to the strategy at the respective hierarchy level, for example at the level of the legal entities or the divisions or departments. In the organization, the reporting path from the bottom up is often only practiced within the respective division and not across divisions.

Implicit Alignment. Counter term to explicit strategic alignment. A voluntary commitment to the strategy out of inner conviction or self-discipline. Adherence to the strategy that does not have to be monitored or demanded because the individual is convinced that the strategy is correct and takes it into account in all his work and decisions. A term that originated from the research for this publication.

Misalignment. Insufficient or poor Strategic Alignment. An implementation error in strategy realization, which is based on either an incomplete or incorrect strategy or a disregard

of the strategy when planning the implementation. A term that is also used in the evaluated literature, but cannot be clearly determined. It depends on the respective situation in the company, as well as the level of detail and topicality of the corporate strategy.

Organizational Alignment. Organizational alignment is the alignment and commitment of the organization to the strategy. The word "strategic" is missing from this term, so it remains unclear what the organization's commitment actually consists of. It can also refer to the commitment of employees and managers to the organization. Organizational alignment is also sometimes used synonymously with strategic alignment. If organizational alignment refers to the connection to the organizational strategy, the term makes sense because organizational alignment can then be understood as part of change management and OD&D. Organizational alignment can be seen as a sub-aspect of strategic alignment. The overarching term is then Strategic Alignment.

Organizational Strategy. The organizational structure and process organization of a company must be developed systematically and strategically in order for the company to be competitive. All strategic initiatives to improve management, communication and the integration of employees into the structures created are part of the organizational strategy. In M&A projects and mergers in particular, the target organization is a strategic target that must be achieved if the benefits of the transaction are to be realized.

Realign. A restoration of the Strategic Alignment. This means that the company's development has deviated from the corporate strategy and a need for correction has been identified. Realignment is the management response to a recognized misalignment.

Strategic Alignment. The term Strategic Alignment is not clearly defined in science and research and is used very differently in companies. The aim of this research is to define the term and clarify which methods and concepts can be used to achieve good strategic alignment and avoid misalignment. The aim of strategy implementation is to achieve strategic fulfillment that is as complete and on time as possible. The benefits of good strategic alignment are a competitive advantage, cost savings, time savings and greater profitability for the company.

Strategic Alignment Officer. The Strategic Alignment Officer (SAO) is a newly created role in the organization to ensure systematic Strategic Alignment. The result of the research presented here is the creation of a new function that is responsible for the business process Strategic Alignment. The SAO can be based either internally or externally. The SAO should have the greatest possible independence from day-to-day business. This function is less that of a consultant and more that of a judge of good or bad Strategic Alignment. The SAO works closely with the supervisory board and in particular with the chairman of the supervisory board.

Strategic Alignment Process Model (SAPM). One result of the research presented in this dissertation is the Strategic Alignment Process Model (SAPM), which was developed as a draft within the framework of the theory formation of this research. This business process, which is presented as a flowchart in the thesis, can be adapted and modified depending on the application. It is initially a generic process model that is intended to be integrated into existing business processes for corporate planning, in particular the strategy process.

Strategic Assessment. The analysis of the strategic status quo in a company. A survey in the form of questionnaires or interviews to obtain as many facts and background information on strategic work as possible. Another term is strategic audit. The strategic assessment is usually carried out by external consultants who are supposed to assess the state of the corporate strategy as objectively as possible.

Strategy Development. Developing the corporate strategy is a planning process in the company that is a prerequisite for a subsequent systematic Strategic Alignment, as proposed in this dissertation. Instead of strategy development, terms such as definition of corporate strategy or strategy setting are also used. The specific content of the strategy is determined in the strategy development. This regularly requires an analysis and evaluation of the economic environment of the company, as well as its internal potential and resources. Strategy development is one part of the overall strategy process.

Strategy Process. A systematic planning process based on a guideline or planning process. Assumptions and scenarios based on them are the content of this process. Responsibility

lies with the Chief Strategy Officer or Corporate Development. The CEO has overall responsibility for the corporate strategy and therefore the strategy process. The strategy process can be divided into two main sections: Strategy development and strategy implementation. Strategic Alignment is part of the strategy implementation process. An example of a generic strategy process is presented in the appendix of the dissertation, see page 783.

Unwritten Strategy. It is still common for parts of the strategy not to be documented, either because they are classified as secret or because the company management deliberately does not want to be bound by a written corporate strategy. In the interests of transparent corporate management and for the effective exercise of the control function by the owners (supervisory board), an undocumented corporate strategy in listed companies and large companies should be rejected. In owner-managed companies, this "head strategy" is widespread and leads to ambiguities in management and causes massive problems at the latest when the company is handed over, e.g. to a new generation or new owner.

Vertical Alignment. Opposite term to Horizontal Alignment. Strategic Alignment within a reporting path from the Executive Board to the Group heads. It is the classic reporting and command path in an organization. Differentiation from horizontal strategic alignment.

A
GOOD STRATEGY
anticipates
future management decisions and
provides reasonable solutions.
