Examensarbetet i Industriell Organisation och Ekonomi

Strategy 2 Performance
*Turing Strategy 2 Performance through Successful Implementation*

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Abstract
The purpose of this study was to understand key challenges in turning strategy to performance, and with that as a fundament suggest a model for the strategy implementation process. The work is based on a theoretical framework that brings together and merges different areas of science to create new synergies and leveraged results. In this case, the area of Strategic Implementation receives added value from mainly Innovation- and Knowledge Management, as aspects of the intersection between Industrial Dynamic and Organizational Behavior. Moreover, due to the strategic focus, additional theory regarding Technology Marketing is also included. Departing from the theoretical framework, an empirical study was conducted by qualitative interviews of two managerial levels at an international conglomerate.

The outcome of both theoretical and empirical findings is discussed and analyzed, and results in two main recommendations, addressing the question of how the challenges could be solved with innovation and knowledge management as a fundament for implementation. One of the main recommendations is cyclic implementation routines, advancing in a loop consistent of; Strategic selection; Enabling of effective knowledge acquisition; Implementation; and Learning. The other main recommendation is an Innovative and learning organization, involving Shared vision, leadership and the will to innovate; Appropriate structure; Effective Team Working; Continuing and stretching individual development; Extensive communication; High involvement in innovation; External focus; and a Creative climate.

Coherent with these recommendations, a model is presented where the cultural components could be regarded as the fundament of the organization, which is complemented with the learning cycle and regard to the organization’s holistic level of maturity. This model strives to inspire to “manage the flow of organizational culture to make the wheels of implementation routines spin”.

Key words: Strategy Implementation, Industrial Dynamics, Innovation Management, Knowledge Management, Industrial Marketing, Organizational Behavior.
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1. INTRODUCTION

In this chapter the background to the investigated problem will be presented.

1.1. BACKGROUND

Great strategies equal great results?

Having experienced the strive to implement strategies in numerous international enterprise groups, e.g. Sony, LG and Microsoft, first handedly I time after time saw what appeared to be great strategies fail somewhere along the way. Instead of being fully implemented and embraced by the local organization, something else happened. A curiosity aroused to find out if this was merely my personal and subjective view, or if there existed a somewhat general consensus in the industry, agreeing that strategy implementation was a critical and yet a rather neglected aspect of business strategies.

1.1.1. INDUSTRY RELEVANCE

How do you measure industry relevance of a topic today? Both in the theoretical and academic relevance below, as well as in the beginning of each section that follows, you will find a description of relevant scientific work conducted on the topic hitherto. This could of course be argued to demonstrate industry relevance, since a majority of them is written for scientific articles with management and business focus. However, if you want to complement that more recognized method with a slightly more innovative and contemporary approach, you might want to Google it. It won’t provide a solid truth or a unified overview picture, but it will tell you what the industry and market out there think is relevant within a fragment of a second. If something is relevant in the world of 2012 - it will be Googled. Thus, it will also generate hits.

“Strategy Implementation Challenges” generates “About 13,100,000 results (0.30 seconds)”. To put this in some kind of relation, by very simple means, to illustrate the width of it, one could of course Google another concept. Keeping in mind that fewer words usually increases the number of hits rather radically, the search “Strategy Formulation” – which is what the majority of research conducted and presented concerns – receives merely “About 4,620,000 results (0.44 seconds)”. And “Strategy Implementation” generates “About 51,400,000 results (0.31 seconds)”.

So, what conclusions could one draw from this? No purely scientific conclusion, but surely one can reflect upon it. One obvious argument and scenario could be that the lack of research on strategy implementation, in relation to the need of it – simple supply and demand logistic – drives the number of hits put in perspective to the better-explored area of strategy formulation.
Not a scientifically approved method, but a simple research exercise that provides a hint – and a hint that is in line with the scientific background presented from different angles throughout the thesis. With this said about industry relevance, addressed in a somewhat unconventional manner, we will now turn to the scientifically more acknowledged theoretical and academic background.

1.1.2. Theoretical & Academic Relevance

Research conducted in the area of market strategy implementation is, to begin with, not too elaborated. The process of implementation in itself is actually many times left out, and has generally suffered from a lack of conceptual and empirical grounding. Furthermore, implementation research often ignores the different levels of management, and thus lack nuances of perspectives. Mokwa (1999) and Noble (1999) also stresses the lack of research in the area; “Strategy implementation, an area that, despite its importance for the success of any organization, has received relatively little focused research attention” – This is the academic gap that is the main background and reason for the theme and starting point of this thesis.

The approach to investigate the implementation process from an innovation management and knowledge management perspective is applied to create even further value, since these are seldom academically chosen viewpoints in the context of market strategy implementation. Moreover, these viewpoints add yet value since, when studying the area of market strategy implementation, the aspects of e.g. technological character is often left out. This despite the fact that the area of industrial dynamic, and more specifically innovation and knowledge management, has proven highly important for the outcome of the strategy implementation. Examples of research emphasizing this shortcoming; “Mismatches between a firm’s strategic style and its core technology will inevitably cause instability. The majority of failures are due to some weakness in the way that process is managed.” (Bessant J. T., 2009)

The importance of learning abilities, as an aspect of knowledge management, is also highlighted as a critical role for strategic management, and thus strategy implementation, by e.g. Hayes, (1988) Leonard-Barton D. H. (1995) Gann (1998). Continuing, recent surveys of strategy implementation identified the opportunity for learning and personal development was ranked higher than financial motivators, as a reward and motivation mechanism. (Readman, 2004). Additional theoretical and academic background literature is presented beneath each respective section.
1.2. Problem Presentation

As background to the problem presentation one could develop what is illustrated in figure one below. It pictures three different areas of research; Industrial Marketing, Industrial Dynamics and what could be referred to as research regarding Organizational behavior. Between these areas there are some overlaps, such as the areas of Innovation Management and Knowledge Management that occurs within some aspects of both Industrial Dynamics and Organizational studies. Furthermore, one could consider Innovation- and Knowledge Management as the foundation where strategies are formatted and arise. (Bessant J. T., 2009)

To be able to measure the impact and outcome of the strategy, one ought to choose a context and limited area of strategy performance to review. To enable crispness in the study, the scope of this thesis is narrowed down to Industrial Marketing, in accordance to above background section. In coherence with this line of arguing, one could state that successful Strategy Implementation would thus generate successful Industrial Marketing Performance. (Kotler, 2009)

Moreover, as motivated in the background, the actual performance of Industrial Marketing – and the area of strategy implementation as they way to achieve this performance – is little explored. (Noble, 1999) Also, when looking at earlier conducted research, where Industrial Market Strategy Implementation has its shortcomings, there are interesting progress being made in the areas of Innovation- and Knowledge Management. Hence, this thesis strives to map out the gap between the foundations for strategy, in this case i.e. the Innovation- and Knowledge Management – and the outcome of the strategy, i.e. the Industrial Marketing. That gap by definition – between strategy formulation and outcome – is strategy implementation.

Endeavoring to better understand and map out this gap, key aspects and parameters from the three different areas are brought together, to integrate the areas and accomplish synergies between them. Lastly, one could add that a management perspective is applied throughout the thesis as yet a way to create both further crispness and leverages, but also to enable a more practical use of the results. The management parameter and viewpoint is also one of the aspects of Industrial Marketing Strategy and its Implementation process that is least explored – simultaneously as the Management aspect is one of the greatest explored variables of Innovation- and Knowledge Management. (Bessant J. T., 2009) Consequently, this means that the value contributed by adding these areas of research leverages the results additionally.

Collectively, the general idea behind this thesis is that crossing and merging different areas of science can create new synergies. In this case, the area of Strategic Implementation receives added value from mainly Innovation- and Knowledge Management. However, due to the
strategic focus, some additional theory regarding Technology Marketing is also included. The overall question formulation thus becomes **How can one work with strategy implementation in order to turn strategy to improved performance?**

To see how the different areas are correlated and contribute to the thesis question formulation and focus, with e.g. Innovation- and Knowledge Management as the intersection between Industrial Dynamics and Organizational Behavior (e.g. Schumpeter, 1975; Tidd, 2000; Utterback, 1996; Huges, 1989; Cooperrider, 2003), please review figure 1 below. More specific sub-question is presented under *Purpose*.

![Figure 1: The correlation between the scientific areas applied in this thesis, as well as their relation to the identified academic gap and the thesis focus of strategy implementation.](image)

### 1.3. **Purpose**

The aim and purpose, brought forward by the background above, is to be able to find synergies as well as leverages between the presented areas and thus provide a more holistic and dynamic answer to the following sub-questions:

- WHAT kind of challenges could be faced in turning market strategy to successful performance?
- WHY did these challenges appear?
- HOW could the challenges be solved with innovation- and knowledge management as a fundament for implementation?

Collectively, the aspiration is to, by these means, contribute with both new academic value and inspiration for practical use in how strategy implementation could be made more successful. This will be materialized by the presentation of a model.

### 1.4. **Delimitations**
The delimitations applied to this work are chosen with purpose to deliver crisper and thus more industry relevant and valuable recommendations. On a high level these delimitations regard the active choice of focusing on the implementation phase, instead of the entire strategy process. The same accounts for the focus areas of management; with specific parts of knowledge- and innovation management, instead of management as a whole and in a broader context. Going more in depth on the delimitations, the same chain of thought is applied in the selection of studying two levels of management, the strategic focus area of market, etc.
2. **Methodology**

2.1. **Approach**

There exist various forms of approaches that connect empirical material and theory, and from which a conclusion could be attained. Two of the most common approaches are deductive and inductive. A deductive approach departs from already existing theoretical frameworks to explain experienced reality. The approach is based on that the general can be applied to the specific, e.g. by conducting a literature study and thereafter apply it to a specific workplace. In an inductive approach, on the other hand, the conclusions are instead derived from empirical findings and usually strived to be applicable in a broader context. (Hussey, 2009)

The methodology approach in this thesis is initially of inductive character, as the conclusions will be derived with support in empirical data. These conclusions can then, with caution, hopefully be applied in a broader context than solely the studied company. The study departs from a combination of industry relevance, as well as an identified theoretical and academic gap. With fundament in this, a literature study is conducted within relevant fields. Based on the theoretical background a set of interview questions is developed, to bridge over to and found the empiric section. The key findings from the empiric study are clustered into sub-areas, which the discussion and analysis then departs from in light theory. Lastly, with a standpoint in this, the final and main question is answered in the result section, and a model is presented. Everything is then summarized in a conclusion, followed by recommendations for further studies.

In other words: The study departs from observations of the reality that later are turned into focus areas. The focus areas are then investigated in light of the literature study regarding market strategy implementation, innovation management and knowledge management - which is a deductive approach. Thereafter, recommendations are made based on the merging discussion and analysis. The different approaches means that this work is conducted by a combination of inductive and deductive approach. (Hussey, 2009)

2.2. **Research Method and Paradigm**

There exist multiple versions of scientific approaches, frameworks and paradigms. These describe which questions that are to be investigated, which answers that are relevant and how eventual empirical material should be gathered. The paradigm also decides how the research question should be formulated, depending on what shall be investigated and how the results ought to be presented. A scientific paradigm could be regarded as a philosophic framework based on the humans’ assumptions on current knowledge. These provides the guidelines an
investigation follows; what it is expected to focus on, which questions that it shall investigate and what methodology that is considered relevant to use during the study. Historically the approaches and paradigms has changed, and today mainly two fundamental paradigms is used; positivism and interpretivism. (Hussey, 2009)

With positivism one usually refers to a philosophy based on the belief that natural as well as social data and science could be obtained and verified by the senses; empirical evidence. To argue that the physical world operates accordingly to the laws of nature, based on our senses – like the sight of an apple falling – could be an example of positivism. More concrete, one could formulate positivism as a couple of principles, where some of the most acknowledged are:

1. That the logic of inquiry is applicable on all sciences (e.g. both natural and social).
2. The purpose of inquiry is to predict and explain.
3. Scientific knowledge is testable.
4. Science should be as value neutral as possible. (Schienke, 2012)

On the other hand, interpretivism is instead in general when mental content is judgement-dependent; the facts about what propositional attitudes someone has are exactly captured. (Byrne, 1998)

2.3. Positivism and Interpretivism in Combination

Positivism and interpretivism can be regarded as two extremes of a spectrum. Only a few researchers today depart from solely one of them. More commonly is instead to apply some form of combination. As the paradigms are extremes, their respective sets of methodology are rarely – and not in this work either – applied straightforward. E.g. the interpretivism is strongly connected to an inductive approach (Hussey, 2009).

During the work with this thesis, an empirical study – in the shape of qualitative interviews – will be conducted. It is strived to be as objective as possible, e.g. by not “becoming a part of” the company’s work, but instead conducting interviews that tries to map out as a holistic picture as possible. Here, one could also point out that objectivism is an aspect of positivism, and that it is strived for in this thesis. The same line of arguing pervades the analysis, discussion, results and conclusion. If the study had been conducted by participating hands-on in the field, it would have been more difficult to separate objective observations, as one could have influence the results by own presence and participation. The results from the qualitative study are then brought back to theoretical findings and models to, in that way, analyze and better understand it. Collectively and clarifying, the objectivity and aim to illustrate a holistic picture and framework could be regarded as bias to positivism.
2.4. INFORMATION GATHERING

The gathering of data is an important aspect of the study, as the later sections will be based on it. To exemplify; data can be primary data, which often is attained by tailored interviews or question formulary. Or, it can be secondary data, which is information that weren’t primary gathered with purpose for the study in question. (Tufte, 2003) Information gathered from the literature study can be classified as secondary data as it is compiled by another author for another purpose – and is now used in a different context to be applicable to the new purpose (Christensen G., 2004).

Regarding gathering of primary data, it can mainly be done in two ways; by quantitative or qualitative methods. Both methods have pros and cons, which makes it important to carefully evaluate which options suits which situation and context most appropriate. At these trade-offs parameters such as time, quality and accessibility plays an important role. The studies purpose and character are also important aspects to consider.

This study is, to begin with, of explorative character, as the intention is to divide an observed reality into a framework. Such nature of a study makes a quantitative method inappropriate, as quantitative methods better answers more narrowly and pre-determined questions that only requires short answers. The purpose with this thesis is instead to find challenges and critical success factors for marketing strategy implementation, which by being investigated and analyzed could result in recommendation that strives to improve the implementation process and make it more efficient. This requires a more detailed investigation and a better understanding of context as well as a more holistic view, wherefore qualitative interviews are conducted. The method also enables the interviewer to in a better way grasp the entire picture and “read between the lines”, than what would have been the case with surveys. Continuing, the data to this study is primarily gathered from qualitative interviews from different managerial levels of the same company. Scientific literature, articles and publications are secondary data that have been gathered from the E-databases and library of KTH to complemented the primary data.

Moreover, the choice of quantitative or qualitative methods also departs from chosen paradigm. However, quantitative and qualitative studies are considered to have complementing capacities. (Hussey, 2009) For that reason, the qualitative primary data have been complemented by secondary data that contains quantitative properties.

2.5. VALIDITY & RELIABILITY

Validity is an assessment of how correct results illustrate what has been studied. Correlations should be reproduced correctly and theory should not have any consequent errors. (Hussey, 2009) In this thesis, theory has been studied to understand the market strategy
implementation process at the company, as well as which changes and improvements that could lead to a more efficient and successful implementation process. This creates a solid theoretical foundation fore the empirical study to depart from. The choice of object for study – the market strategy implementation process – and the background research behind choosing it, based on theoretical and academic gap as well as industry relevance, could also be argued to underbuild the validity and legitimacy.

Concerning the relation between the procedures of data gathering, the characteristics of documentation congregated, and validity, the use of databases provided by KTH, and the scientific articles in them, constitutes a solid foundation for the literature study. Furthermore, presenting a more holistic and complex picture of the state of the research than merely status quo increases the validity yet. This is done by highlighting the most relevant background sources in the chosen contemporary research. The result is a depth that illustrates not just a static picture, but also a more dynamic development over time within the field. This kind of literature study methodology also increase validity as it is more transparent in indicating the least common denominator between more resent studies, that could otherwise look more discrepant than they actually are. Regarding the empiric study, the interview questions where formulated with background and foundation in the studied theory, to be able to create synergies between them and leverage the results. To derive the interview questions and structure from the literature study also contributes to the validity, since there is theory to use as reference point when reviewing the empirical findings. For a more detailed view of the interview script and process, please see attachment.

Lastly, as quantitative methods are not used, triangulation will not be applied. Instead, feedback has been provided from the investigated departments, and is applied and utilized to insure validity and trustworthiness, in accordance with Denzin (1978). The procedure can also reduce prejudices towards used sources. (Jick, 1979) Additionally, feedback from the studied company is used to improve the quality of the discussion, conclusion and recommendation for the future.

To validate the results, and to leverage the quality in the concluding parts, the thesis received feedback from the units of the company that have been investigated. This enlightens and reinforces the results. The results are presented in the thesis rapport and in one or several presentation on the company as well as at the campus of Linnaeus University.

2.6. Research Design

A scientific thesis ought to follow a predetermined methodology. For this, there are a number of theories to derive from. The choice and definition of choice of methodology ought to derive from what the thesis aims to accomplish as well as its purpose. Hussey (2009) mentions four
main categories for execution; explorative, descriptive, analytic and predictive. The explorative approach helps identify and define a question or problem formulation. The descriptive research instead describes data and appearances regarding the phenomenon or population studied. This type of method answers questions such as what, when, how, who, etc. Analytic execution includes breaking down portions of data in order to draw conclusions from it. Lastly, predictive research includes the forecasting of the probability of an event; it strives to map out what will happen, based on what is known today.

This study utilizes a mixture of the different execution methods, and begins by exploring the chosen company and its challenges within the focused field. This is the practical part, which answers:

**WHAT kind of challenges have the Company faced in turning market strategy to successful performance?**

As the practical question is answered, the methodology shifts towards an analytic way of working in order to map out the more theoretical question formulation:

**WHY did these challenges appear?**

The gathered results of the practical and theoretical question formulation will then be merged in a coherent matter to conclude in a recommendation of a new model – describing a suggested solution in ways of working;

**HOW could the challenges be solved with innovation and knowledge management as a fundament for implementation?**

The answers to these questions will likely be available to generalize, not unlimited, but with respect to culture and industry, to similar companies in comparable contexts. In that perspective, this study could also be regarded as predictive, though the purpose in a more generalized manner is rather to highlight the challenges and inspire to seeking a cross-scientific solution that takes a more holistic and thus dynamic and sustainable approach. The outline of the thesis is illustrated in below figure 2. To clarify the research design, to better understand the bridging and development between the sections, one could specify the content and chain of thought between and throughout the boxes:

# Theory to Empirical Findings: Questions are based on the literature study, and then used as fundament for the interview series that gathers the empirical findings.

# Empirical Findings to Discussion and Analysis: The result from the interview sessions is clustered based on the least common denominators that emerge throughout the interviews. These clusters answer the first sub question of WHAT, and are then reflected upon in light of theory during discussion and analysis.
# Discussion and Analysis to Results: Based on the discussion and analysis, recommendations is created and presented in the results.

# Results to Conclusion: With background in the results, an overview summary is presented in the conclusion, together with a model and recommendations for further studies are offered.

Figure 2: The Outline of the Thesis

A closer and more detailed view of the thesis framework could be illustrated by a study framework, which begins with Part I about Market Strategy, and Part II containing one section each on Innovation Management and Knowledge Management. These are then merged in Part III, to start identifying synergies and potential leverages between them. These three sections together establish the thesis theoretical basis found relevant to support the answering of the question formulation. The empirical content constitutes of qualitative studies of two managerial levels; a global level represented by a Head Quarter (HQ) manager viewpoint – and a regional level represented by a Nordic manager viewpoint. Collectively, these answers the first research question “What kind of challenges have the Company faced in turning market strategy to successful performance?” The second research question “Why did these challenges appear?” is then answered by a merge of the empirical findings and theoretic bases, which are analyzed and discussed. With fundament in a better understanding of why the challenges appeared, a conclusion is drawn and recommendations of how to handle them in the future is presented – thus answering the third research question “How could the challenges be solved with innovation and knowledge management as a fundament for implementation?” The correlation between the different parts is illustrated by figure 3.
2.7. Data Gathering Procedure

The qualitative study is founded on two series of interviews, with the purpose to cover two different viewpoints – both with regard to the already discussed management perspective of different levels, as well as cultural dimensions and coverage. The choice of company is furthermore based on e.g. sufficient size, enabling the presence of a well developed marketing strategy; spanning global activities as well as regional and local. The fact that both managerial levels have a market focus also enables a higher quality of the comparison and analysis of the data. Furthermore, the approach of explorative nature also motivates the qualitative interviews as method.

To more effectively identify the challenges and critical success factors the study primarily uses theory from three fields (1.) Market Strategy Implementation; (2.) Innovation Management; and (3.) Knowledge Management. A background and mapping of each areas compilation of theories and earlier research will be presented more in detail in connection to each section. Nevertheless, briefly one could say that, concerning marketing strategy, Kotler’s (2009) rather
broad approach where he describes marketing implementation as the process that turns plans into action, is used as a point of departure, with more in-depth contributions from other researchers such as Noble (1999). Regarding Innovation management much inspiration is gathered from numerous of sources, but some of the large names in the field that constitutes a basis is e.g. Uterback (1996) with his theories of organizational phases, Schumpeter (1975) and his work on disruptive technology and creative destruction, Huges (1989) and his view of innovations in a system perspective, Arthur (1994) with phenomenon such as path dependence and lock-in, and Bessant (2009) for his gathered and more recent work on innovation management as a hole. As regards to knowledge management Wei Zheng (2010) et al.’s work on linking organizational culture, structure, strategy and organizational effectiveness by using knowledge management is imperative in combination with several further researchers in the field. Other studies then complement the theory in these three basic areas, both in each section as well as to support the merge in-between the areas.

The choice of strategy implementation as point of derivation was brought forward both by my personal interest in strategy implementation challenges, the industry relevance, as well as the strive to begin covering the academic gap displayed in the literature research. The cross-functional twist with innovation management and knowledge management is primarily added to be able to provide a more nuanced, dynamic and holistic picture – and thus hopefully more useful recommendations than if narrow predefined frameworks and fields where to be applied.

With basis in this, the thesis work is focused around how market strategy implementation could be made more effective by contributions from the areas of innovation- and knowledge management. To support this an extensive literature review was conducted within the mentioned fields (see the sections on “background and earlier research” for further details).

### 2.7.1. Delimitations in relation to methodology

This thesis has many limitations. The most profound are presented here. The use of retrospective perceptual measures by managers represents one of them. Though the outline of the work is appropriate given the strive to explore the minds of market managers with implementation responsibilities – and the gap between them - any perceptual measures are subject to various forms of response bias.

Furthermore, another perceptual issue is the attempt to gather “overall implementation success”, which requires a respondent to discriminate the effectiveness of the process from the effectiveness of the strategic idea behind the effort. This means that managers will be able
to identify a poorly conceived strategy that was well implemented and vice versa. This is a difficult hurdle to overcome in any field study of implementation. A more laboratory-based design could solve it, but is due to limited resources not applied here. The usage of single-source data at a single point in time is also a limitation. (Noble, 1999)

**Limitations with focus on generalization:** Generalizability must be considered cautiously. While there is much consistency and coherence in the results across the two studied manager levels, research in a wider range – both several levels, further managers on each level, additional firms and contexts are necessary to achieve a more generally applicable result. Furthermore, though the aim has been to apply a as holistic and dynamic approach as possible – by attempting to identify a wide range of variables that influences implementation success – there naturally exists more influential factors than are identified here. This e.g. includes a richer picture and investigation of the geographical and cultural aspects of the firm, more in-depth investigation of management style, resource issues, control systems, and personality traits. These aspects have deliberately not been further developed, in order to keep a higher quality in the parameters that are investigated, i.e. if a wider scope hade been applied - then the same depth wouldn’t have been reached. As often, the challenge lies in whether the results of the various studies can be compared at all. For example, there are often dissimilarities in the way the dependent parameters are operationalized, in the way the tools of analysis are applied, and in the way the components scrutinized are designated. (Brockhoff, 1999) (Maidique, 1985) Furthermore, one ought to regard that the dependent parameters chosen by the researchers are not equal in the studies, as the phenomenon of success in itself is operationalized in somewhat diverse ways. (Hauschildt, 1992)
3. Theory

The theory will, as motivated by above sections, firstly be presented in two main basic categories: (1.) Market strategy implementation; and (2) Innovation- and knowledge management. After a closer look into these areas, a section with merges between the areas and further development of synergies and leverages of the merges will be presented. Beneath each category, subthemes will be presented to add additional value to the presented question formulation.

3.1. Part I: Market Strategy Implementation

3.1.1. Definition of Market Strategy Implementation

There is no clear consensus within the area of market research on a definition of strategy implementation. However, striving to present an as whole picture as possible of the definitions, one could mention following: Wind (1983) illustrate the management of implementation as a final stage in the market strategy process. They mean that implementation is equal to control or monitoring. Day (1983) regard the application of resources to a strategy as corresponding to implementation. Bonoma (1984) and Crittenden (1988) instead attempt to focus more exclusively on implementation issues. Piercy (1994) also elaborates in the same direction. This work is significant as its dedicated attention to the marketing implementation process and for the prominence it places on managerial aspects. Cespedes (1991) contributes in a similar way, by e.g. defining implementation as the "how-to-do-it" features of marketing such as organizational questions, the development of marketing programs, as well as the execution of them. Moreover, he counters the idea that strategy formulation must precede implementation. Instead Cespedes proposes that the relationship between these two activities is reflexive and iterative. Returning to the focus of this thesis, this is also a chain of reasoning that one can find argued in a coherent matter within the area innovation- and knowledge management, discussed in later sections. Kotler (1997) takes a broader view by describing marketing implementation as the overall process that turns plans into action -this is the definition that will be used as point of reference for this thesis.

3.1.2. Background & Earlier Research – Market Strategy Implementation

Implementation pervades strategic performance since it is a crucial link between the formulation of market strategies and the achievement of superior organizational performance Noble (1999) – this is the theoretical departure and foundation for this thesis.

This first section presents a broad literature review, and some of the main factors that influence the implementation of marketing strategies from a managerial perspective. The
managerial perspective is also, as mentioned before, applied throughout the study. Implementation in itself has not been the direct focus of much research, neither within nor outside marketing. However, several areas offer some insights, wherefore some of the most valuable ones for the question formulation are presented here.

Much market strategy implementation studies has concentrated on an organizational or functional level, e.g. Anderson (1982) constituency-based theory of the company challenges that internal coalitions are continuous searching for the resources needed to satiate their external coalitions. Hutt (1988) and Thomas W (1984) argues likewise, and applies the phenomenon of the "marketing strategy center" to investigate the marketing function's interdisciplinary role in the progress and implementation of strategy. Walker (1987) recommends a framework that connects strategy implementation to contingent relationships between internal configurations. Supplementary approaches to the research of implementation have used more ethnographic field studies to reveal emergent views. Workman (1993) e.g. investigates the obstacles marketers face in implementing strategies in a high-tech environment. The regard of technological characteristics will also be applied in this study. Frankwiek et al. (1994) illustrates that formal firm structure as well as networks of informal communications both impacts managers' implementation work.

Although previous studies in marketing offers some insights into implementation processes, it – as mentioned above – suffers from some limitations. Three of them, relevant here, are: (1.) The overall amount of implementation study is relatively small. With few exceptions (e.g. the ones mentioned above), studies have viewed market strategy processes in a broad scope, with only vague reference to the implementation phase; (2.) Earlier studies have concentrated largely on implementation questions at the organizational or functional level, with little consideration to manager-level, and; (3.) The majority of the research is not based on a strong theoretical fundament. Whilst the work conducted enhance our knowledge, generalizability and the ability to extend the results is questionable. (Noble, 1999).

3.1.3. KEY FACTORS IN MARKET STRATEGY IMPLEMENTATION

Market strategies result in excellent outcomes only when an organization implements them successfully. (Bonoma, 1984) Yet, the characteristics of implementation and the motivations for its accomplishments or letdowns are inadequately comprehended. In difference to the widespread research of the formulation of strategies (e.g. conducted by Anderson (1982), Day (1983), Robertson (1986) and Wind (1983), relatively little devotion has been targeted towards implementation and the actual execution of strategy. Furthermore, little is known about the aspects affecting managers assigned with implementation responsibilities. As boundary spanners, internally between functional areas as well as externally with suppliers, customers, and organizational partners market managers are crucial facilitators of strategy implementation. (Webster, 1992)
An extensive variety of views and definitions of implementation have been presented. Several have portrayed implementation as a somewhat mechanistic performing of a marketing plan (e.g. Wind (1983), and Robertson (1986)) meanwhile others have accentuated interpersonal and behavioral aspects connected to the process (e.g. Frankwick (1994), and Workman (1993)). From a managerial and process viewpoint – as in this thesis – one can define market strategy implementation as the communication, interpretation, adoption, and enactment of a market strategy.

Noble (1999) states following regarding strategy implementation, which will be used as a part of the theoretical foundations for the empirical data gathering:

- Manager's implementation role performance will impact the overall success of the implementation. Managers distinctly associate their performance to the overall outcome of the implementation effort.

- Strategy commitment¹ and role commitment² affect role performance.

- Among the strategy factors, fit with vision³, perceived importance of the strategy⁴, and buy-in⁵ all impact strategy commitment significantly. Buy-in is also crucial for implementation success. Supplementary strategy factors, as the scope of the implementation effort⁶, "championing"⁷, and perceived support from senior management⁸, are not as influential as often presented.

- Managers value the understanding of how a separate strategy transmits to overall strategic direction to support the strategy completely. This stresses the importance of internal communications that tells the overall strategic vision throughout the

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¹ Higher levels of strategy commitment will be associated with better role performance by managers
² Higher levels of role commitment will be associated with better role performance by managers with implementation responsibilities
³ For a strategy being implemented, higher levels of perceived fit with an overall strategic vision will be associated with higher levels of strategy commitment among managers with implementation responsibilities
⁴ Marketing strategies that are perceived as having a higher level of importance will be associated with a higher level of strategy commitment among managers with implementation responsibilities.
⁵ Higher levels of organizational buy-in for a given marketing strategy will be associated with higher levels of strategy commitment among managers with implementation responsibilities.
⁶ Marketing strategies that are broader in scope will be associated with higher levels of strategy commitment among managers with implementation responsibilities.
⁷ Higher levels of perceived championing will be associated with higher levels of strategy commitment among managers with implementation responsibilities.
⁸ Higher levels of perceived senior management support will be associated with higher levels of strategy commitment among managers with implementation responsibilities.
organization, as well as establishes connections between vision and individual strategies. Moreover, it is crucial to highlight the necessity of any given strategy to the organization. In general, there is a great need for an ongoing strategy dialogue between different levels of management, not solely during the construction of strategies but more importantly throughout the implementation.

- Organizational buy-in to the implementation enhances managerial commitment to the strategy. Thus, there can be internal barriers to successful implementation, often concerned with cross-functional questions. This means that reducing those barriers and enhancing cross-functional support for a strategy increases managerial commitment and hence a more efficient implementation. (Anderson, 1982; Workman, 1993 in Noble 1999)

- Regarding scope, the broader the organizational engagement with a strategy is, the less a single person's efforts are visible in the implementation effort, and vice versa. This means that a more narrow scope can lead to greater commitment towards strategy implementation for concerned manager.

Concluding these above bullets, the phenomenon of market strategy implementation and its success factors, viewed from a manager perspective, could be better comprehended.

Additional coherent and complementing research, regarding market strategy implementation effectiveness, has e.g. developed the relationship between product-market strategies implementation and the market organization structure performance (Vorhies, 2003), (Olson E. M., 2005), and between market orientation and performance (Matsuno K. a., 2000) (Slater S. H., 2007). However, considering the importance of market strategy implementation effectiveness to performance, this is a filed that deserves further research.

Considering the restrictions confronting market managers, Olson E. M (2005) argues that it is crucial to analyze which of these vital actions to endow in, and acquiring supporting capabilities for. Thus, their research complement earlier work, contributing with insight regarding the overall characteristics of market strategy for different product-market strategy types. (Conant, 1990) (Matsuno K., 2000) (McKee, 1989) (Olson E. M., 2005) (Slater S. H., 2000) (Slater S. H., 2001) (Slater S. H., 2007)

Different market strategy types will also be addressed and further developed by input from the areas of innovation- and knowledge management in later sections.
3.2. PART II: INNOVATION & KNOWLEDGE MANAGEMENT

3.2.1. DEFINITION OF INNOVATION MANAGEMENT

When discussing innovation, it is crucial to clarify which type of innovation that is in focus. Generally, innovation is considered to contain four broad categories, the “4Ps” of innovation. (Francis, 2005) (Womack, 1996) (Hamel, 2000)

- Product innovation – changes in the things (products/services) that an organization offers
- Process innovation – changes in the ways in which they are created and delivered
- Position innovation – changes in the context in which the products/services are introduced
- Paradigm innovation – changes in the underlying mental model switch frame of what the organization does

In this thesis, when referring to innovation and innovation management it primarily concerns process and paradigm innovation. For example, starting to facilitate more effective knowledge attaining routines can be seen as a process innovation. When a total shift is discussed, as when an organization goes from “management by fear” to conducting a management style such as e.g. Appreciative Inquiry, also known as AI (Cooperrider, 2003), or Situational Leadership, aka SLII (Blanchard, 2009) then one can label it a paradigm innovation in management.

3.2.2. BACKGROUND & EARLIER RESEARCH – INNOVATION MANAGEMENT

Few deny the value of innovation management, as it is a crucial aspect of the organization’s work to defend and organize its competitiveness long-term – by improving its processes as well as by opening up new markets and producing new products and services. (Roberts, 1970) (Urban, 1986) Likewise, not many dispute the paradigm according to which innovations take place within a contextual frame. Innovation management enables adaption to contextual influences, as well as the shaping of them according to its own objectives. (Ackermann, 1985) Consequently, it is crucial that innovation management is aware of the context-related key factors, because only when these are acknowledged, management undertakings can be allocated and invested appropriately.

Continuing, related literature gives a rather complex picture of key factors for innovation management. Some of the work that deals with the influence of the organizational structure
was conducted by Zaltman (1973). These studies accentuate the requirement of a less bureaucratic and less formalized organization structure as the foundation for innovative behavior the organization. Additional studies, focusing on key persons of innovation management, was conducted by e.g. Chakrabarti (1989). These studies point out the significance of promoters to overcome opposition that might develop during the innovation process. However, the importance of promoters have also been questioned, e.g. by Rothwell R. F. (1974) who have shown that factors such as organization structure or the role of key persons cannot be considered as isolated affecting elements.

Shifting focus towards an empirical bias, some of the large-scale empirical studies that have been conducted have been executed by e.g. Cooper R. (1979). In these studies a congregation of variables have been analyzed in purpose to discover influence on innovation success and innovation management. Additionally, methodical classifications of influencing parameters have been established by e.g. (Utterback J. M., 1996). (Schewe, 1994)

3.2.3. Key Factors in Innovation Management

Looking further into the key factors of innovation management, one could e.g. say that if an innovator is able to transfer his idea from the development stage to the marketing stage, by e.g. efficient marketing systems and capacities, then this has a positive influence on innovation success. (Schewe, 1994)

- The contextual aspect of innovation experience is correspondingly important to success. Additionally, the regularity with which organizations execute innovative undertakings also has a positive impact on innovation success. Routinization of innovation processes has, up till now, only rarely been inspected with regard to its effect on success – therefore it will gain additional support from the section regarding knowledge management and the aspect of routines elaborated in later sections.

- Freeman (1974) has published results indicating the positive influence that familiarity with innovative projects has on innovation success. A progressive outcome can additionally be found if the organization regards innovative functions as a permanent task. Schewe (1994) means that successful innovations do not necessarily strive for accomplishing a great leap forward, but instead aims to advance existing processes by small and non-complex innovative steps (cf. Brockhoff, 1989). This is also the technological context and market situation that is relevant in the empirical part of this thesis.

- Schewe (1994) presents results that clarifies that a high degree of innovativeness does not automatically provide innovation success. Moreover, Ackermann (1985) regard the
technological aspect of innovation as one of the main encounters with regard to the development of new processes, products and services.

- Katz (1987) states that innovations characterized by a comparatively low degree of innovativeness can be more fruitfully introduced to the market. In numerous empirical studies the researchers emphasize the necessity of good understanding of demand trends for innovation accomplishment (e.g. Globe (1973) and Pinto (1989)).

- Dillon (1979) accentuates cost and price advantages as important aspects influencing success of the innovation. Cooper (1979) and Utterback (1996) reason similarly in their studies. Understanding the demand is a fundamental aspect of marketing, and something that is more elaborated on in later corresponding section.

To conclude this part, one can argue that innovation management cannot be seen as solely one function of the firm. This provides a fundament for the integration of innovation management, knowledge management and strategy implementation. Supporting this, Schewe (1994) argues that successful innovation management has to extend its activities to all functions of the firm and that prosperous innovation management is not achievable without it being strategically aligned and anchored.

3.2.1 Definition of Knowledge Management

Combining the explanations of the knowledge management term from the literature (e.g. Allee (2001), Bassi (1997), Beckman (1999), Gordon (2000), and Martin (2000)) knowledge management can be defined as the process of gathering and recognizing beneficial information i.e. knowledge acquisition, transferring tacit knowledge to explicit knowledge i.e. knowledge creation or transfer, storing the knowledge in the organizational memory, distributing it through the whole organization i.e. knowledge sharing, enabling employees to easily retrieve it i.e. knowledge retrieval, and exploiting and usefully applying knowledge i.e. knowledge leverage.

3.2.2 Background & Earlier Research – Knowledge Management

In the same way as innovation management has been argued as a important source of successful strategy implementation above, many also mean that knowledge management can be it as well. Barney (1991) e.g. means that internal characteristics of the organization constitute critical sources for success. Moreover, rising attentiveness has been targeted to identify characteristics vital to organizational prosper, and to investigate how the characteristics exert influence on organizational outcomes. In-house organizational context
Strategy 2 Performance

tends to concentrate on general and fairly stable categories of organizational characteristics such as structure, culture, power and political characteristics. Collectively, they compose an environment where organizational actions happen. Additionally, there has been much research exploring the fit between organizational context and organizational strategy and its relation to organizational performance. (Daft, 1995) (Robbins, 1990) The organizational context of knowledge management will contribute with value in the merge of theoretical areas later.

As within earlier theoretical fields described, there are some shortcomings in existing literature with regards to e.g. the understanding of intervening mechanisms explaining the impact from organizational context and strategy to organizational effectiveness. Here, knowledge management constitutes an imperative role. (Wei Zheng, 2010)

Successful knowledge management is thought to have the potential of enhancing an organization’s competitive advantage, customer focus, employee relations and development, innovation, and lower costs. (Skyrme D, 1997) Likewise, knowledge management is context-specific, since context decides who participate and how they participate in the knowledge management process. (Nonaka I, 2000)

Knowledge management is “a systematic and integrative process of coordinating organization-wide in pursuit of major organizational goals”. (Rastogi, 2000) Researchers commonly concur that knowledge management practices ought to fit with organizational context to create a competitive edge. (Davenport TH, 1998) Available research covers some of the contextual antecedents of knowledge management. (Gold AH, 2001) (Lee H, 2003) Both investigate aspects of organizational culture, structure, and technology that are connected to knowledge management. However, they do not investigate theses characteristics of the whole organization or between different levels of the organization, which might be regarded as a shortcoming as it risks underestimating the actual influence of knowledge management. In addition to earlier mentioned reason to why I have chosen to integrate knowledge management as a way of strategy implementation, the fact that organizational strategy generally has been left out in knowledge management studies means that my theoretical merge will contribute to filling that gap. The simplistic correlation demonstrated by earlier research between strategy and its implementation and knowledge management may be biased because some potential correlates of organizational strategy and those of knowledge management have not been taken into consideration, such as organizational structural and cultural factors. (Wei Zheng, 2010)

Sharing knowledge: Sharing knowledge transpires while an individual wants to assist as well as learn from others in the advance of new competencies. (Sawhney, 2000) Senge P. M. (1998) says that to “learn” means to “digest”, to “absorb”, and to “apply”. The optimal goal of sharing employees' knowledge is to transfer all individuals' experiences and knowledge to organizational assets and resources, thus advancing the overall organizational effectiveness.
Salopack (2000) states that “if we want people in our organizations to share what they have been learning, we would be wise to create the conditions in which sharing results is of personal benefit”. Such conditions could be created by e.g. motivation programs, including intrinsic, extrinsic and social rewards. Appropriately used these enable creating, sharing, transferring and applying knowledge. (Wickert, 2001) (Ingram, 2000) (Ruch, 2000)

**Organizational memory/knowledge storing:** As organizations themselves cannot remember, “organizational memory” is as a metaphor for the information and knowledge that are processed by an organization. It also states the process where knowledge can be acquired, resided and retained. (Walsh J. P., 1991) Organizational memory is an important factor and significant to knowledge management, since it stores past success and failures, thus enabling preventing them to be repeated. Moreover, it stocks a conglomeration of collective competencies, information, knowledge and experience, thus allowing organizational members to obtain relevant resources. Gupta et. al (2000) state that individual memory considerably contributes to organizational memory.

### 3.2.3. Key Factors in Knowledge Management

Wei Zheng et al. (2010) discusses the linking of organizational culture, structure, strategy, and organizational effectiveness from a knowledge management perspective. Some of the key findings that are applicable and relevant for this thesis are:

- **Knowledge management can be an intervening mechanism amongst organizational context and organizational effectiveness.** Knowledge management is not merely an autonomous managerial practice, but moreover a mechanism that leverages organizational cultural, structural, and strategic impact on organizational effectiveness. The usefulness of organizational resources fluctuates with changes in organizational knowledge. Collectively, knowledge management is a key leverage point in organizations.

- **Organizational strategy exercises a substantial impact on organizational effectiveness beyond an organizational context.** Further, it has an important mutual influence on knowledge management.

- **Knowledge management fully mediates organizational culture's impact on organizational effectiveness.** Thus, how well knowledge is managed is essentially connected with how well cultural values are transformed into value to the organization. One should focus on building an organizational culture that is advantageous to learning and knowledge management. (Davenport TH, 1998) (De Long DW, 2000)
From these key factors one could derive management implications, such as the necessity of creating a knowledge-friendly environment of suitable cultural, structural, and strategic features. The creation of this environment will be elaborated more extensively in later sections, in a merge with innovation management, as that area too stresses this kind of question and thus can contribute.

Returning to managerial implications, knowledge management practices, such as providing knowledge management tools, and encouraging knowledge management proposals, contribute to transfer the impact of organizational contextual resources to the bottom line. Moreover, amongst different organizational factors, culture is the most important influencer of knowledge management. Consequently, knowledge management performance ought to focus on integrating culture-building actions to promote an environment that is knowledge-friendly. In order to do this as holistically and thus sustainable as possible, all four dimensions of organizational culture — adaptability, consistency, involvement, and mission— should be considered and combined to optimally contribute to knowledge management. This too is developed in the merged section beneath, as it intersects with the innovation management’s aspect of appropriate routines. (Wei Zheng, 2010)

To achieve long-term, comprehensive prosper knowledge management for business advantage, alterations must take place in the core factors of the business, including strategy, process, culture, and behavior. (Grover V, 2001) Organizations that are adaptive, coherent in their values, committing towards employees, and embracing shared missions in their cultures have a greater tendency to investigate issues, to pursue methods to decrease costs, to predict future opportunities, and thus to act proactively in their strategies.

### 3.3. Part III: Connecting Innovation Management and Knowledge Management to Market Strategy — In a Technology and Market Context

To connect the area of industrial dynamics and innovation management as well as knowledge management, in a more explicitly manner than before, to market strategy — and simultaneously continuing to achieve added value through the synergies and leverages sprung from the merging of the different areas — one could evaluate the product offering in industrial dynamic terms (see matrix below) and from that depart and apply an appropriate market strategy. The reason for this is to limit the theoretical market strategy focus to only concern the kind of innovation and product character present at the company investigated in the empirical section. By doing so, there will be a more straight forward alignment between
strategy and empirical findings, and thus enable a more powerful analysis, discussion and conclusion.

The matrix illustrates how one can categorize technological products pending on their characteristics, with regard to the relation between the novelty of the technology and the novelty of the market. Briefly, low levels of novelty regarding both technology and market generally result in commodity conditions, where companies must strive to highlight and stress the unique selling points and points of differences optimally to create a perceived relevant value for the customer. (Aaker, 2004) Moving to the conditions of low novelty of technology in combination with high novelty of market, one can argue that an architectural change has taken place. This phenomenon is much elaborated on in classic industrial dynamics, by e.g. Henderson and Clark (1990). When both novelty of technology and novelty of market are high, a complex context usually exists, characterized by high levels of uncertainty and rapidly fluctuating dynamics. This has e.g. been thoroughly developed from a system perspective by Huges (1989). The combination of high novelty of technology and low novelty of market will be elaborated on more in depth below, as it is the quadrant represented by the empirical findings.

3.3.1. MARKETING OF TECHNOLOGICAL PRODUCTS

Moving from an overview perspective of the matrix, and taking the empirical findings into consideration, the studied unit of the company falls within the frames of the “Technological” quadrant. To leverage the usage of the matrix, and apply it in a more innovative matter, one could argue that based on which quadrant the company could be characterized by, different aspects and kind of innovation- and knowledge management should be applied.

To illustrate this, one could e.g. draw a parallel to the different types of Innovation earlier described. During the elaboration of “Definition of Innovation Management”, Process innovation and Paradigm innovation was pointed out as the aspects of innovation most valuable for the context of this thesis. Having presented the matrix in Figure 4, this could now be motivated in a deeper manner, as e.g. process innovation could be argued as necessary to manage the fast and changing dynamics of the technology, and paradigm innovation as crucial not just to create structures that enables and utilizes that dynamic, but also facilitates
innovativeness in how you create relevant points of difference to diverse from a rather mature market. In terms of knowledge management this also e.g. requires the ability to articulate tacit knowledge and creating routines that balance the act of stability and flexibility – in order to meet the specific demands generated from a merge of the variables technology and market maturity.

Technological products are illustrated by the application of new technologies in present products or somewhat mature markets. This presents the key issue to identify current applications where the technology has a performance or cost advantage. (Davidow, 1986) In the case of high-technology products, as is the case in the empirical section, it is inadequate to execute a simple technical assessment of the performance of technological options. Additionally, conventional market segmentation is improbable to uncover opportunities for substituting a new technology in existing applications. Thus, it is indispensable to distinguish why a latent customer may look for an alternative to the existing solution, e.g. lower costs, superior performance, or simply fashion. In these contexts, there are two phases to identify potential applications and target customers: technical and behavioral. (Millier, 1989) Several features are unique to the marketing of high-technology products, and affect buying behavior, some of the key for this thesis purpose is:

* Buyers’ views of dissimilarities in technology affect buying behavior - Commonly, when buyers find technologies to be alike, they tend to look for a longer time than when they think there is significant differences between technologies.

* Buyers’ awareness of the rate of change of the technology impacts buying behavior – Often when buyers consider the rate of technological change to be high, they put plenty of effort in the investigation of alternatives, but instead search for a shorter time. In non-critical cases, the buyer might postpone the procurement.

* Organizational buyers sometimes have strong relationships with their suppliers, hence increasing switching costs - Generally, the greater the supplier-related switching costs, the lower the search effort – and the higher the compatibility-related switching costs, the higher the search effort. (Weiss, 1993)

Coherent with the overall aim and purpose of this thesis, the empirical findings strive to operationalize the theoretical foundation in such a way that the results derived from the discussion can transform into an inspiring model for how strategies could be successfully implemented. The empirical findings also answer the first sub-question; *What kind of challenges have the company faced in turning market strategy to successful performance?*

An introduction to the procedures of gathering empirical data where presented in earlier Methodology sections. Additionally, one could add that the two in-focus managerial levels at the company where chosen to enable a benchmark between the hierarchical levels, and thus also a better and more holistically understand the implementation process. Further information regarding the company’s characteristics, the interview process etc. could be found in the appendix. To provide a brief background, the company studied is an Asian conglomerate with approximately 350 000 employees globally. To create crispness and focus, the empirical study is narrowed down to marketing strategies, and the gap between managerial levels, where the Asian HQ office enables absolute top management view, and the Nordic office represents a regional management level. This enables the comparison between levels, as well as cultures. Though the results will be culture specific, the outcome could still be utilized as an inspiration for enterprises that runs its operations in other cultural contexts.

Barnes (1999), Oliver (1996), and Rush (1993) explain that benchmarking can be used to compare how different companies, or levels within a company, manage processes. Where they differ, there are learning opportunities in trying to understand how positive deviations are achieved. Collectively, benchmarking works in two ways to facilitate learning; First, it provides a powerful motivator since comparison often highlights gaps which – if they are not closed – might lead to problems in e.g. competitiveness later. Benchmarking also offers a structured methodology for learning and is widely used as a lever to motivate learns and changes. (Zairi, 1996) In this study, the benchmark will be in the shape of a Gap-analysis of the results of the qualitative interviews.

The benchmark has been derived from a set of open interview questions. The interview questions where derived from the theoretical background, and the sub-headings below represent the areas in which the key findings could be clustered. If nothing else is stated, the two managerial levels agree on the topic. The results will be discussed and elaborated on under Discussion & Analysis in later sections, and presented as recommendations in the results.
Some general comments as background for interpreting the empirical findings: Generally, both manager levels agree in their perception of the company’s behind lying principals, values, and reasons for the challenges. What differs is instead which relation they have, due to their role, to the two examined levels and their respective work with creating and implementing strategies. To concretizes, the global manager level have, in addition to working on the current level, also experience from working on a regional level within the company, wherefore it is possible to look at that experience of the level, and compare it with the current regional manager level. Collectively, their views on the different levels and the challenges are coherent – i.e. both the regional and global manager level describes their experience of strategy implementation on each respective level similarly, thus they also agree that there are differences between the levels. More detailed interview material is available as attachment.

4.1. **A Managerial Perspective on the Strategy Implementation Process**

The marketing strategy implementation process differs depending on level of strategy, where in the organization it is implemented, and with what purpose it is implemented. When it regards overall strategies on a global level that concerns the entire organization, then the implementation process is very much top-down, with relatively little will to retain feedback from lower levels of the organization. Nonetheless, there is an increasing trend towards encouraging commitment from country manager level.

Turning to more a regional level, i.e. channel and product strategies, there exist a much larger freedom – as long as the country in question keeps to overall strategies and outlines (such as e.g. branding guidelines, that are mutual for the entire organization). At national level, managers also have more to say in terms of feedback to HQ, which is increasingly striving to utilize local market knowledge and insight.

4.2. **Key Insights of Successful Marketing Strategy Implementation**

Both managerial levels mean that when marketing strategy implementation is successful, then it does not only contribute largely to overall business achievements and prosper in a financial short-term view, but also builds commitment and trust across the organization in a more long-term perspective.
Moreover, they argue that for this to be possible it is tremendously crucial that the strategy is well anchored in real challenges. “As a strategy creator, without having done your ‘homework’ of studying the organizations actual operational ‘on the floor’ issues, there will be little value in the strategy you generate – and the implementation process is doomed to meet much opposition.” (HQ Manager) Both levels have faced this issue and pronounce that they strive to overcome the shortcoming as they articulate their own strategies. More concretely, they argue that one should, already in a strategy development phase, include the employees that will be concerned by the strategy change and implementation. By having a closer relationship and cooperation in this cross-level (and perhaps even cross-functional) way, knowledge and experience can be attained that doesn’t solely improve the strategy in itself, but also means immensely for the implementation process and its success. It also builds a sense of trust throughout the organization – instead of undermining it. In this view, the value of successful market strategy implementation could also be argued to be the capture and utilization of not just explicit but also tacit knowledge.

They mean that for the implementation process to gain maximum value, the maturity of the organization should also be regarded carefully. In large global companies like this, it is highly common that different parts of the company (if one segments the company by regions) are more mature than others. This might e.g. be due to a longer operating experience, more elaborated relationships with partners and customers, greater understanding of consumer behavior, grander dedicated resources, etc. They mean that a strategy, in an initial stage of implementing, could benefit from being arranged in different levels – where a much novice part of the organization may only work with implementing a very basic level of the strategy, and a more advanced part might go one or a couple of levels deeper, handling aspects of the implementation process that would only cause confusion and be of irrelevance to less mature organizations.

Additionally, in coherence with this line of arguing, they also emphasize that it is crucial to consider the local markets level of maturity, i.e. for instance how experienced the buyers are, how the market segmentation looks, etc. For example, one country might have a much higher share of small and medium sized business in relation to large business and enterprises, than another country. This must also be considered in the process of strategy implementation.

To conclude this question, both levels believe that the most important key in creating successful marketing strategy implementation, that can contribute to overall prosper, is to have appropriate levels of flexibility (in how the implementation process is executed, with regard to the areas discussed), frequent and structured feedback and governance between different levels of the organization. Together, these aspects contribute to commitment from managers on all levels concern. This commitment is considered the single most emphasized parameter. Lastly, re-connecting to earlier parts, there exist consensus regarding that the implementation process ought to begin before you create the strategy by being ”on the floor”
where the action happens and listen and learn from it – then include the learning captured into the strategy formulation – and hence the implementation.

4.3. THE RISKS OF NON-SUCCESSFUL MARKETING STRATEGY IMPLEMENTATION

As touched upon before, there is a tendency, regardless level and business area, that those who create the strategies are located too far from reality and thus lack insight about what is actually “happening on the floor”. This risks leading to strategies that are inadequate, irrelevant, and hard to commit to and comprehend by lower lever employees. Collectively, strategies as such risks lacking value to start with, as well as simultaneously creating opposition and unproductive employees – an overall failure in the implementation process. Seen in a longer and more holistic perspective, as mentioned before, this undermines employees’ trust in senior management. Simplified, one could say that a non-successful implementation process lead to incredible amounts of unnecessary work and irritation from everyone involved. To avoid this the commitment from all levels of concerned management is fundamental and imperative. One concrete action the company undertakes to assure this is the gathering of all relevant managers once or twice a year to inspire and create engagement as well as commitment.

Nevertheless, there do appear conflicts regarding strategies being applied top-down. When this happens, lower level management usually ignores the conflict of opinion and carries on “as usual”. However, from time to time, more pronounced disagreements materialize, which leads to a re-settlement of the strategy and implementation. Regardless exact outcome, the least common denominator is remarkable spoils of resources both in time and energy. More concrete and common sources of non-successful implementation, is too centralized ways and structures of decision, leading to bottlenecks, preventing the implementation process to run smoothly. The bottlenecks in structure also prevent efficient flow of knowledge throughout the organization.

In connection to this, one could add that both levels regard the organizational structure in itself as an important contributor to which outcome the implementation will result in. In this thesis case, the studied company has relatively strong, fully owned daughter companies, which contribute to the greater freedom on regional level strategies (as discussed in above question). Without going further into the specific organizational structures of the studied company, as that would be a highly complex question in itself, considering the size of the company – one can establish that the organizational structure is an important aspect to consider when outlining the implementation process.
4.4. **The Correlation Between Management & Implementation**

Both manager levels agree on that their role performance influences the overall success of the implementation in a very high degree. Taking it one step deeper, they also – regarding the aspect of strategy and role commitment from manager in relation to role performance – find both kinds of commitment crucial for their role performance. “If you aren’t committed and motivated, then you will not accomplish any good results. I think it is incredibly important to find a value in your work – thus there must be a clear purpose with the strategy.” (HQ Manager) Collectively, they both emphasizes that understanding purpose is vital for implementation process success.

Continuing – viewing the strategy factors’ influence on strategy commitment – both managerial levels argue that the importance of strategy fit with vision depends on which level of the organization that are viewed; at a high, overall and global level is important – on a lower, national product level, it is less important. Regarding perceived importance of the strategy, as well as buy-in they coherently argue that it is crucial for all levels of the organization. As the case with scope of implementation effort they argue that the wider the scope, the harder it usually is to make employees comprehend. This increases the need for resources such as education and also requires more time to implement. A more narrow scope is easier in the sense that it concerns fewer people (who perhaps are already involved in the process in a more intimate way than they would be in a wider scope), and thus simply necessitates less resource and time than a wider scope. The aspect of championing has been much researched academically, but in the eyes of the managers investigated, it in general is redundant and superfluous. The important thing, they mean, is instead to gain commitment by managers. If this is achieved, they can in there turn extend and transmit engagement amongst their employees. If the focused is shifted to perceived support from senior management, this is yet a factors they mean vary significantly depending on which level of the organization that is used as viewpoint; Simplified, for high-level managers it is fundamental and essential to perceive support from top senior management. This is experienced less important further down in the organization. Nevertheless, regardless level in the organization, it is important for employees to find and understand a value behind the strategy – otherwise the trust and confidence in senior management is damaged.

4.5. **Innovation and Knowledge Management in a Strategy Implementation Context**

To begin with, the studied levels’ way of requiring knowledge is, as with several of the above areas, varying. At a global-level strategy, the acquiring of knowledge resources are most often done by compulsory educations, tailored for the respective strategy. More concretely, this
often means three whole days workshop at each daughter company. If the level instead is regional, then the formation of educational structures is freer for the regional office to decide upon itself. These educations tend to be more ad-hoc in their character. Furthermore, for a certain level of managers and upwards, there is also some eligible educational activities available to participate in, provided by Harvard. As for learning and re-innovation in a broader and more holistic context, viewed as a phenomenon more complex than education, the different levels both mean that developed procedures for fostering learning and re-innovation in itself, such as e.g. feedback loops, cross functional activities, etc. are seldom applied. Relating this more explicitly to the context of marketing strategy implementation, both levels comprehend and appreciate the value of structures and challenging reflection on the process; investigating what happened, what worked well, what went wrong, etc. They also see value in conceptualizing, i.e. capturing and codifying the lessons learned into frameworks and eventually procedures to build on lessons learned. The same is applicable on their view on experimentation, the willingness to try and manage things differently next time, to see if the lessons learned are valid, as well as honest capture of experience. Nevertheless, the studied managers agree, as stated before, that none of these occur on a continuous basis. The main reason for this, they believe, lies within the company culture, and especially the one communicated by HQ (more on this in below section on creative climate).

Taking this – their view on the aspects of innovation and knowledge management – and putting it in relation to the challenges they have met, and their believes regarding behind lying reasons, they e.g. mean that the innovation management described phenomenon of “not invented here” is a common cause for opposition. The “not invented here reaction” is exactly what it sounds like – resistance from the organization due to their comprehension that the strategy is being forced upon them, without any real value for their daily operations. Other reasons for challenges in the implementation process they present and agree upon are a cultural behavior of being afraid to say no. This characteristic together with earlier mentioned issue of strategy makers not being sufficiently well-grounded in the operations that the strategies aims to be implemented in, means that there is a foundation for mismatches between actual organizational needs and the strategy formulation and ways of implementation.

Yet issues brought up, relating more to the technological and marketing oriented perspective is the problem of trying to adopt new technology to follow technological fashions, rather than with an underlying strategic rationale. Concretely, they mean that this is why so few products are developed from market intelligence data, and instead derived from the earlier mentioned bottlenecks of ineffective decision making structures.

Taking a more cultural approach, focusing on a gap between the studied levels, there exist, at the Korean HQ, a sources of failure in the lack of codification of tacit knowledge. This they mean spring from a Korean company culture where you rarely share failure. This makes it
hard to capture learning lessons made. As a combination of innovation management and knowledge management learning organizations could be developed. To better grasp the company's current cultural components of relevance in the context of this thesis, the managers where asked to elaborate on the components of a learning organization as a way of facilitating improved marketing strategy implementation:

Regarding *Shared vision, leadership and the will to innovate* – having clearly articulated and shared sense of purpose as well as stretching strategic intent top management commitment - they mean that the vision is very clearly communicated throughout the entire organization. Looking at *Appropriate structure* – that the organization design enables creativity, learning and interaction, together with finding appropriate balance between organic and mechanistic options (Utterback J. M., 1996) – they describe the company structure as too complex to change in itself and with earlier mentioned shortcomings. Instead, they argue that it is more important to work with a change of company culture, than company structures. Moving to *key individuals* – such as champions and other roles that energize or facilitate innovation – they believe that this is of less important than the other components.

The component of *effective teamwork* – as the appropriate use of teams (at local, cross-functional and inter-organizational level) to solve problems – they argue that, generally, there is more effective team working within units, than between them, both on global and regional level. More in detail, they describe that the regional daughter companies are better at creating effective team working across the organization, than on global level. Regardless level, there is a clear tendency to have very powerful project leaders, in comparison to the rest of the team. This, as a structural expression of the organizational culture, results in very tight cohesiveness within the team – however, much weaker between the teams. This, the managers themselves, believe could be regarded as the background reason to why the entities that form strategies has such poor insight into the operational and tactical level – resulting in alienation.

Regarding the *continuing and stretching of individual development* – the long term commitment to education and training to ensure high levels of competence and the skills to learn effectively – the educational aspect has been illustrated above. Looking at *extensive communication* – Within and between the organization and outside (internally in three directions; upwards, downwards and laterally) – They mean that the extensiveness depends on both if it concerns success or failure, and in which direction it is to be communicated; if it regards success, than it could be communicated in all directions. If the communication concerns failures, then it will most likely only be communicated to trusted peers.

As for *High involvement in innovation* - Participation in organization-wide continuous improvement activity - The most pronounced method for this is to, primarily, create engagement at below managerial levels, step by step further down. The *external focus* – customer orientation and extensive networking – The managers mean that practically all
information possible to buy is bought. This is then combined with research conducted by the company itself. As for creative climate – considering a positive approach to creative ideas and support by relevant motivation systems – They describes the motivation system as of practically purely financial character. However, both senior managers and local managers, to make Key Performance Indicators (henceforth referred to as KPIs) etc. more relevant, establish the incitement systems.

Further, the learning organization – meaning high levels of involvement within and outside the firm in proactive experimentation, finding and solving problems, communication and sharing of experiences and knowledge capture and dissemination – has collectively been described above. Regarding Documentation – extensive systems have been developed to take care of all information, and employees have KPIs that are much focused on encouraging them to fulfill the administrate background work. Nonetheless, the culture of not sharing failures largely reduces the potential value of the documentation. Considering Reflection – learning from the past – An interesting gap is identified between the levels, where, simplified, on a global and more strategic level reflection exist in a little extent. “If a strategy doesn’t succeed, you just try a new one.” (HQ Manager) However, on a regional more tactic oriented level reflection is regarded a must. “If a campaign doesn’t succeed, than you are considered foolish if you do not learn from it.” (Nordic Region Manager)
5. DISCUSSION & ANALYSIS: WHY DID THESE CHALLENGES APPEAR?

As a main purpose of the discussion and analysis, this section will strive to, based on the WHAT-question answered by the empirical findings with support in theory, develop a deeper understanding of WHY – and thus also answer the seconds sub-question. These will then jointly be used as fundament for the third and final question, the HOW, explaining how these issues could be resolved using recommendations and suggested model.

5.1. MERGE BETWEEN THEORY & EMPirical FINDINGS:

THE CORRELATIONS BETWEEN STRATEGY IMPLEMENTATION, INNOVATION- & KNOWLEDGE MANAGEMENT

To begin the discussion and analysis part, the possible merge between the theoretical areas, supported and aligned with empirical findings, will be elaborated on. The reason for this is to continue covering the identified knowledge gap, as well as create a foundation for the upcoming recommendations. The focused areas of merge has been chosen with respect to earlier presented underlying theory and with bias to what has been emphasized by the empirical study. To keep stringency in the discussion, the same themes that emerged in the empirical section will now be used as headings, when the content is elaborated on in light of complementary theory, to provide a more holistic fundament for the recommendations.

5.1.1. A MANAGERIAL PERSPECTIVE ON THE STRATEGY IMPLEMENTATION PROCESS

If innovation and knowledge management is successfully deployed it can drive overall business success, in which strategy implementation is a natural aspect. Although competitive advantage usually is considered to come from e.g. size and possession of assets, etc. the trend is progressively favoring organizations that have the ability to mobilize knowledge skills and experience to generate novelty and innovation in their offerings – in products and services as well as in processes. (Kay, 1993) (Office of Science and Technology, 2000) This translates directly to the ability to conduct prosperous strategy implementations. Research evidence proposes a strong correspondence between innovation- and knowledge management - and market performance via strategy implementation. (Souder, 1994) (Tidd, 2000)

Continuing merging the area of market, innovation and knowledge management, new products help capture and retain market shares, as well as increase profitability in those
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markets. Whilst regarding more mature and established products, competitive sales growth derives not merely from the ability to offer low prices, but likewise from a range of non-price aspects such as design, customization and quality – and, seen holistically, from the implementation processes that enabled them. (Baden-Fuller, 1996)

Now, considering the world of shortening product life cycles – where the life of a particular TV model or computer is counted in months – the ability to replace products with better versions frequently is increasingly critical. (Stalk, 1990) (Walsh V. e., 1992) The concept of “Competing in time” mirrors an increasing pressure on firms to introduce new products faster than competitors. This obliges successful knowledge management. (Stalk, 1990) (Rosenau, 1996) Even though new products often are regarded as the edge of innovation in the marketplace, process innovation, as discussed and argued, has a just as important strategic role. Being capable of making something no one else can, or to do so by manners which are superior is thus a powerful source of advantage. (Bessant J. T., 2009) (Pfeffer, 1994) Without an organization being able to advance into further innovation, it risks being left behind whilst others conquer the lead in modifying offerings, operational processes and underlying models, i.e. the implementation of strategies, to drive businesses. (Foster, 2002) (Evans, 2000)

Concluding this section, below table illustrates some strategic advantages that could be achieved through successful strategy implementation when innovation- and knowledge management is applied.

<table>
<thead>
<tr>
<th>Innovation/Knowledge Mechanism</th>
<th>Strategic Advantage</th>
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<tbody>
<tr>
<td>Novelty in product or service offering</td>
<td>Offering something no one else can</td>
</tr>
<tr>
<td>Novelty in process</td>
<td>Offering it in ways others cannot match – faster, lower cost, more customized, etc.</td>
</tr>
<tr>
<td>Complexity</td>
<td>Offering something which others find difficult to master</td>
</tr>
<tr>
<td>Legal protection of intellectual property</td>
<td>Offering something which others cannot do unless they pay a licence or other fee</td>
</tr>
<tr>
<td>Add/extend range of competitive factors</td>
<td>Move basis of competition – e.g. from price of product to price and quality, or price, quality, choice, etc.</td>
</tr>
</tbody>
</table>
| Timing | First-mover advantage – being first can be worth significant market share in new product fields  
Fast follower advantage – sometimes being first means you encounter many unexpected teething problems, and it makes better sense to watch someone else make the early mistakes and move fast into a follow-up product |
| Robust/ platform design | Offering something which provides the platform on which other variations and generations can be built |
| Rewriting the rules | Offering something which represents a completely new product or process concept – a different way of doing things – and makes the old ones redundant |
| Reconfiguring the parts of the process | Rethinking the way in which bits of the system work together – e.g. building more effective networks, outsourcing and co-ordination of a virtual company, etc. |
| Transferring across different application contexts | Recombining established elements for different markets |
The important things here is that whatever the dominant technological, social or market conditions are, the key to creating and nourishing successful implementation is expected to be found within those organizations that continually innovate. Re-connecting to knowledge management – for continual innovation to be possible, effective knowledge management must be in place.

If one wish to draw parallels, one could connect the content of above Table 1 with the content of “Part III: Connecting Innovation Management and Knowledge Management to Market Strategy – With Consideration to the Technology and Market Context”, as the table’s content could be regarded as key strategic advantages that could be leveraged if the appropriate kind of innovation and knowledge management is used in relation to maturity level of technology and market.

5.1.2. KEY INSIGHTS OF SUCCESSFUL MARKETING STRATEGY IMPLEMENTATION

Edison understood better than most others that the true question in innovation was not invention, i.e. generating promising ideas, but to make them work and be commercially successful. E.g. when Edison acknowledged that even though the electric light bulb was a great idea, it would be hard to use in an environment where it didn’t exist anything to plug it into. Subsequently, his team built the whole electricity generation and distribution infrastructure. (Bryson, 1994) Analogy, he understood and managed to execute a successful strategy implementation, instead of merely formulating a sound strategy. Edison had comprehended that innovation goes beyond generating worthy ideas – the key is the process of implementing them.

The least common denominator of innovation is the need to fulfill the development as well as utilizing new knowledge, not merely its invention. Innovation management is a learned capability. Despite most organizations sharing some characteristics, each one must yet find its distinctive keys and answers, and cultivate them in its context. (Foster, 2002) (Graham, 2001) (Gundling, 2000) (De Geus, 1996) This makes copying a strategy or innovation from others an insufficient solution – if the strategy, as argued in the empirical section, isn’t anchored in the unique context of the company at a given time, it will not implement prosperous.

Gathering the learning from hitherto presented empirical findings, and adding on the merge between the theoretical areas – we can now view the innovation and knowledge management as processes to leverage strategy implementation. With that as a fundament – and considering the empirical results, we will look at how the gathered findings can be operationalized in shape of routines.
Organizations cultivate certain ways of behaving; “the way we do things around here” as a consequence of recurrences and reinforcement, i.e. they are learned. These structures mirror an underlying set of joint beliefs about the world and how to manage it. As time goes, organizational behavior routines develop artifacts – formal and informal processes, procedures, and structures. (Gundling, 2000) (Kanter, 1997) Levitt (1988) portrays routines as including recognized structures of activities for doing tasks enshrined in a mixture of technologies, procedures, strategies, and habits. Thus, routines can be regarded as the mechanisms that “transmit the lessons of history”. Hence, it can also be a very powerful tool in implementation, if managed appropriately. Moreover, they are relentlessly being adapted and interpreted in such a way that formal policy might not reflect the current nature of the routine. (Augsdorfer, 1996)

On the other hand, to bring a broader spectrum to this discussion, and thus a more dynamic base for the recommendations, the phenomenon also has its cons. As routines are embedded behaviors reinforced to a level of second nature they are also resilient, hence risking becoming barricades to new ways of thinking. Accordingly, core capabilities might become core rigidities. (Leonard-Barton D. H., 1995) Concluding, it is thus imperative – from a perspective where we take all fields of theory together, and view them with background in empiric – to not solely build routines, but moreover to distinguish when and how to demolish them as well as allow emerging new ones. This is also a great example of how e.g. knowledge management leverages successful strategy implementation. To see a more structures approach on how, with standpoint in the empirical findings, the merge between the theoretical areas could be utilized to create routines that can set the fundament for the recommendations and model to be developed from, see below table. The table departs from stages – the basic abilities – presented by Bessant (2009), and is then developed into contributing routines, which are a result of the merge between the theoretical areas and empirical findings.

Table 1: Core Abilities, based on the theoretical merge that creates routines for prosperous implementation context.

<table>
<thead>
<tr>
<th>Basic Ability</th>
<th>Contributing routines</th>
</tr>
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<tbody>
<tr>
<td>Recognizing</td>
<td>Searching the environment for e.g. technical and economic clues to trigger the process of strategy formulation, and to improve the following process of strategy implementation.</td>
</tr>
<tr>
<td>Aligning</td>
<td>Ensuring a good fit between the overall business strategy, the company’s holistic context, and the proposed implementation – not striving to implement a strategy just because it is fashionable.</td>
</tr>
<tr>
<td>Acquiring</td>
<td>Recognizing the limitations of the company’s own knowledge base and being able to connect to external sources to complement. Transferring knowledge from various outside sources and connecting it to the relevant internal points in the organization.</td>
</tr>
<tr>
<td>Generating</td>
<td>Having the ability to create strategy based on internal knowledge (“doing your homework on the floor”)</td>
</tr>
<tr>
<td>Choosing</td>
<td>Exploring and selecting the most suitable response to the environmental triggers which fit the strategy and the internal resource when deciding upon or modifying the implementation process.</td>
</tr>
</tbody>
</table>
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<table>
<thead>
<tr>
<th>Executing</th>
<th>Managing development projects for new processes from initial idea through to final launch; implementation is a work to be done, strategies do not simply become operationalized by default.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Implementing</td>
<td>Managing the introduction of strategy in organization with the goal to ensure acceptance and effective use of the strategy.</td>
</tr>
<tr>
<td>Learning</td>
<td>Having the ability to evaluate and reflect upon the implementation process and identify lessons for improvement in the management routines.</td>
</tr>
<tr>
<td>Develop the organization</td>
<td>Embedding effective routines in place – in structures, processes, underlying behaviors, etc.</td>
</tr>
</tbody>
</table>

To better understand how a merge of the reasoning and argumentation that has prospered in innovation- and knowledge management could be applied in the shape of routines as a way to implement strategies, some key aspects will be developed further. These key aspects have been chosen with regard to the empirical outcome.

**Acquiring Knowledge Resources:** This stage contains combining new and existing knowledge; the innovation transfers from a gathering of ideas, conscious or unconscious, to some physical reality. (Bessant J., 2003) The challenge hence becomes to create conditions that contribute to efficient innovation (cf. the section on creative climate). A further issue in this stage is the necessity to balance the open-ended environmental settings, hence supporting creative behavior - towards the harsh reality elsewhere in the innovation process. The knowledge management challenge in this phase thus becomes the fact that it isn’t adequate to merely allocate resources to the system; it is *how* those resources are utilized that is critical. This necessitates some organizational routines such as clear strategic direction, effective communication and commitment to the direction, as well as incorporation of efforts across different groups. (Dodgson M. a., 1996)

**Learning and Re-innovation:** An unavoidable consequence of launching a strategy by initiating the implementation phase is the generation of new stimuli for restarting the cycle. The concept of re-innovation is principally building upon early success and enhancing the next generation with improved and refined features. (Rothwell R. a., 1985) However, just because opportunities emerge for learning and development, the capability to manage the process that created them, are not always absorbed by organizations. Here, it exists a great need to balance these aspects and trade-offs between focused learning and working with the current implementation – and being open minded for new input and re-learning. All of this must be considered from a very company context specific setting. In order to enable learning from experience the true importance is to capture all lessons learned, from success as well as failure, and transfer these to the subsequent generation. (Nonaka I. , 1991) If this isn’t successfully executed, the implementation will fail in some degree; the organization will have to “invent the wheel” once more. For each time this happens the trust towards new strategies and implementation processes is undermined.
5.1.3. **The Risk of Non-Successful Marketing Strategy Implementation**

To continue from the routine perspective that the hitherto gathered and worked through material has resulted in, we will go further into some of the risks to consider regarding routines. This is to enable utilization of benefits of routines in a better way – providing a more solid fundament for upcoming recommendations. The focus will be on how routines relate to discontinuous conditions – as the empirical findings describe the market context in question.

Most routines, both researched and actually executed in the field, are the result of well-developed adaptive learning processes enabling the organization to manage and implement strategies under steady-state conditions. There is however, a gathering of barriers hindering the identification of signals regarding, and effectively countering to, threats and opportunities cause by discontinuous shifts. This was e.g. described in the empirical section by the ineffective and bottleneck-creating ways of decision-making.

Christensen’s research on “the innovator’s dilemma” stresses this issue of a virtuous circle that functions in prosperous organizations as well as its surrounding value network. (Christenson, 1997) This was emphasized in the empirical part, e.g. in the section of the not only the organizations maturity, but also the maturity of partners and the market upon which the network strives to create value. This is also supported by additional theory, where e.g. Huges (1989) develops a system level approach, which could be translated to the world of today, and more specifically the context and focus of this thesis, by involving networks of suppliers and partners arranging knowledge and other resources to generate new and superior strategies. Discontinuous conditions are commonly problematic as it often implies building and working with a significantly different set of parameters than those the firm is accustomed with. (Philips, 2004) Discontinuous conditions requires working “out of the steady-state-box”, meaning a new set of approaches to organizing and managing. In this scenario, steady-state routines might break down. To meet this, an organization must embed new behaviors into routines. (Senge, 1990) (Argyris, 1970) Developing this line of arguing, one can touch upon the challenges with knowledge sharing due to culture and decision structures, which e.g. is manifested in the empirical findings in difficulties with sharing knowledge between subsidiaries, or between different levels of management and decision making.
5.1.4. The Correlation Between Management & Implementation

With background in above section’s line of arguing, innovation will be needed to move from “steady-state routines” to either entirely new routines, or a set of routines that has a certain degree of agility built-in to them. As touched upon before, innovation is about knowledge; generating new possibilities through merging different knowledge sets. These e.g. regard knowledge concerning what is technically possible or what configuration that would meet a pronounced or undeveloped demand. Such knowledge might already endure in our experience – or it could be an outcome of a search process. Furthermore, it could also be in explicit form, codified in a way that enables others to access it, discuss it, transfer it, etc. – or it can be in tacit form, thus known about but not truly put into words or formulae. (Nonaka I. S., 2003)

Seen from a management perspective, the need to create routines for implementation where tacit knowledge becomes articulated and reachable for a greater number becomes crucially clear. How to achieve this, both in actual structures and in what cultural climate to aspire for, is further developed in the recommendations that follow.

The procedure of intertwining these diverse knowledge sets together into a prosperous innovation, and thus strategy implementation, is one that takes place under highly ambiguous conditions. We do not know what the final implementation routine configuration will look like – neither do we know exactly how to get there. Thus, managing this innovation in terms of adopting strategy implementation is converting uncertainties into knowledge. However, that can only be achieved by committing resources to reduce the uncertainty. Figure 4 illustrates this process of increasing resource commitment whilst reducing uncertainty.

![Figure 5: The relation between resource commitment and time](Image)
Perceived in this way, we can comprehend that incremental innovation and modification of the implementation routines, whilst by no means risk-free, is at least hypothetically manageable as the starting point is something we know about and develop advances from. Nevertheless, as moving to more radical options, uncertainty is higher and at the limit we have no prior idea of what we are to develop or how to develop it. This helps us understand why discontinuous circumstances are so hard to deal with. Collectively, it ultimately means balancing the increasing cost of continuing (also representing an opportunity costs) - with the danger of terminating the effort too soon, thus eliminating potentially fruitful options.

(Rosenau, 1996) Successful managers often work structured with some sort of staging process, utilizing "stage gates" (Cooper, 2001) Many adaptations exist to this approach. (Bruce M. a., 1997) (Bruce M. a., 2000) (Bruce M. a., 2001) This is also what this thesis argues – but in a more innovative manner where the staged, instead of the common and well-established ones, as mentioned views the stages from a knowledge management and learning perspective.

Henderson and Clark, who studied different kinds of knowledge involved in different kinds of innovation, provide a key contribution here. (Henderson, 1990) They reason that innovation seldom includes managing with a single technology or market, but instead a package of knowledge that is brought together into a configuration. The configuration is, in accordance to this discussions line of arguing, a set of routines. Successful innovation management requires that we can get hold of and use knowledge about components but also about how those can be put together (the architecture of an innovation, and in the context of this thesis discussion also the suggested architecture of implementation routines) – this is also a vital part of the foundation for the upcoming recommendations – seen from a focus on how management relates to implementation.

Further developed, one could argue that a challenge in this field is the fact that innovation and knowledge flows – as well as the structures that progress to support them. Thus, when change takes place at the higher system level, “architectural innovation” in Henderson and Clark’s naming, then existing channels and flows might not be sufficient to support the innovation, forcing the organization to cultivate new.

5.1.5. Innovation & Knowledge Management in a Strategy Implementation Context

To briefly conclude this discussion regarding how the merge between the theoretical areas could be used to fundament for recommendations for successful strategy implementation routines – with basis in the empirical findings – we will join above learning and elevate to a perspective where we can view innovation- and knowledge management in relation to a strategy implementation context from a more holistic viewpoint.
One of the most imperative dynamic capabilities of an organization is the process of ensuring effective implementation and learning. (Teece D. a., 1994) Implementation and integration has been acknowledged as a key task of management for a long time. (Allen, 1977) We are now addressing it anew – with a more complex, holistic and thus dynamic base with strengths from several areas of knowledge and research. As described previously, continuous learning and development of implementation routines is essential to survival as well as prosper of organizations operating in fluctuating and complex contexts. Effective learning in in order to develop the implementation routines optimally compels strong feedback amongst decisions and their implementation, i.e. between analysis and action. Translating to the empirical material, this is e.g. was what the managers asked for in “having done your homework at the floor” or “not invented here issue”. Furthermore, to execute this in a profound manner, it often entails effective implementation of information and knowledge throughout functional and divisional boundaries. (Cooper, 1983) Considering the significance of forwarding accumulated tacit knowledge, i.e. developing the articulation it, an organization will be more efficient if they include flexibility of practitioners across the organization. (Kenney, 1994) – all inline with the empirical findings. Concluding this section, one could also comment that these system and structures needed to facilitate learning constitutes of both clear procedures and routines, but also support such as relevant IT-solutions. However, this thesis will continue focusing on a higher level approach to aspect of processes and routines, without deeper scrutinizing of the IT-infrastructure.

Now, as both empirical and theoretic findings have been presented, as well as some of the key finding between them and a discussion that builds upon it, we will use it as a basis and move further into the answering of the question formulations. Moreover, the answering of the first sub-questions in the question formulation is to be regarded as additionally reinforced fundament for the answering of the final question, recommendations and model.
6. RESULTS: HOW COULD THE CHALLENGES BE SOLVED WITH INNOVATION & KNOWLEDGE MANAGEMENT AS A FUNDAMENT FOR IMPLEMENTATION?

With background in all previous parts, it is now time to combine all outcomes and use them to present recommendations for how to achieve successful strategy implementation – i.e. answer the last question formulation. The recommendations strive to build effective implementation routines for market strategy based on key learning from the empirical findings, with inspiration from aspects from knowledge and innovation management. To do this in a way as clear and thus valuable as possible, the recommendations will be divided into the two areas one could cluster the hitherto findings in: #1 The strategy implementation routines in themselves, and #2 The contextual culture in which the implementation routines can flourish; an innovative and learning organization.

6.1. RECOMMENDATION #1: CYCLIC IMPLEMENTATION Routines

Drawn to its extreme simplification, strategy implementation is all about learning; learning what the strategy is all about, and how to execute on it. For that reason, I have chosen to construct the recommended framework for strategy implementation routines, based on the discussion and analysis, as a simple cyclic model. The one chosen for this thesis derives from learning as a requiring phenomenon, in accordance to earlier arguing. (Kolb, 1975) Furthermore, an additional reason to strive for simplicity in the model and explanations of the result and recommendations is naturally to increase the ease to embrace it and apply it in industry. In affiliation to each step that this thesis recommends, theory that supports it is also mentioned.

Moreover, from a conceptually high view, what the recommendation regarding implementation routines actually says is that the implementation process should be considered as starting already in the strategy formulation phase, engaging those who the strategy will concern. Additionally, it emphasizes and includes aspects that usually are excluded from the implementation process, such as the enabling of effective knowledge acquisition. Effective knowledge acquisition perhaps sounds like an obvious thing to enable, but by assuming so and relying on managers to facilitate it before the implementation phase, leads to it often being overseen and underestimated. In the same way as I have included events that usually is excluded from the implementation phase to be executed in before hand, I have also included events that commonly takes place after the implementation, i.e. learning through evaluating the process. By integrating these steps, and making the entire process
cyclic, I believe that the routine for implementation becomes both more dynamic by nature, as it continuously re-starts and develops – and thus also more holistic and sustainable.

**#1: Strategic Selection:** The entry point to this strategy implementation routine is the strategic selection. Selecting strategy should be deciding upon a common goal based upon where you are now, where you want to be in the future, and how you plan to get there – in consideration to both internal and external context. In coherence with the empirical findings, Christensen C. a. (2003) stresses the importance of new strategies and projects to fit with existing organizational culture. Otherwise, he argues, they have very slim chances of being successfully implemented – no matter how good the strategy looks on paper.

**#2: Enabling Effective Knowledge Acquisition:** As a second stage, to be able to start executing on the strategy, is the enabling of the knowledge acquisition that will be required to implement successfully. The discontinuous context demands a more active and extensive exploration at the periphery, supported by effective knowledge acquisition. One way of incorporating this into the strategy is by building extensive network connections to key knowledge sources. (Leifer, 2000)

**#3: Implementation:** In addition to what is commonly included in the implementation phase, I would stress that the studied context also requires strategy implementation characteristics that fall outside the mainstream, taking a holistic scoop, e.g. in terms of resource allocation and management structures. Adapting to more flexible and entrepreneurial methods to finding resources and creating partnerships of support could be one reference point. (Leifer, 2000)

**#4: Learning** Under these conditions it is important to capture learning from progress and failure experiences as well as having a flexible approach to the execution and implementation phase. This is where the keys of innovation and knowledge management really comes to use; organizations working with technologies or markets that are not fully mature or understood must take a rather experimental approach, supported by a strategy of frequent “probe and learn” actions. Moreover, the learning and knowledge issues of letting go and unlearn becomes even more crucial under discontinuous conditions. This may lead to a fundamental resetting of the organization’s parameters. (Argyris, 1970) (Senge, 1990).

As the recommended implementation routine is a cyclic process, some of the learning to do before restarting with strategy formulation and selection anew could be summarized as:

- Structured and challenging reflection on the process – what happened, what worked well, what went wrong, etc.?
- Conceptualizing – capturing and codifying lessons learned and transforming them to frameworks and procedures.
• Experimentation – the eagerness to attempt and handle things in new ways, to validate lessons learned.
• Honest capture of experience – by doing so, there is raw material to reflect upon.

6.2. RECOMMENDATION #2: INNOVATIVE & LEARNING ORGANIZATION – A CULTURE WHERE STRATEGY IMPLEMENTATION CAN PROSPER

In accordance to the red main thread regarding a holistic, dynamic and thus sustainable approach, the first recommendation regarding the implementation routine in itself will now be complemented by a second recommendation that strives to create an environment where the first can prosper. Moreover, to keep the stringency and illustrate the synergies between the hitherto sections, the key aspects of this recommendation will take standpoint in those parameters of innovation- and knowledge management that best answers the empirical challenges.

#1: Shared vision, leadership and the will to innovate The importance here lies within clearly articulating purpose, and creating a shared sense around them. The earlier mentioned “not invented here” issue, where an organization fails to capture potential in new ideas, or decides that it does not fit with their current pattern of business, also falls under this category. (Leonard-Barton D., 1995) Moreover, one of the keys in successful organizations is the ability to keep and optimize individuals with great ideas. (Pinchot, 1999) Altering organizational attitude and drive compels the communication of a new vision and leadership. (Times, 1995) (Moody, 1995) To meet demand for shorter-term gains by shareholders, meanwhile striving to build a
long term innovative and learning organization where strategy implementation routines can
develop successfully, one should not merely concentrate on financial ROIs, but also other
aspects such as potential market penetration and growth or – imperative in this thesis context
– the strategic benefits like flexible or responsive organizations. (Cooper, 2001)

#2: Appropriate structure To create a learning organization, it is important to design its
structure in a way that enables creativity, interaction and learning. The issue thus becomes to
find a suitable balance between “organic and mechanistic” alternatives for particular
contingencies. (Utterback J. , 1994)

#3: Effective team working The suitable and optimal use of teams to address and solve
issues; at local, cross-functional as well as inter-organizational level. This demands
investments in team selection and building.

#4: Continuing and stretching individual development Long-term commitment to
training and education to secure high levels of skills and competence to learn efficiently. An
important aspect of prosperous organizations is to which degree they engage in training and
development as undertakings of learning; the capacity to optimize new strategies is highly
dependent on the knowledge and skills involved. (Caulkin, 2001) (Pfeffer, 1994) (Jarvis, 1995),
(Prais, 1995) Thus, providing people with the necessary skills for understanding as well as
executing new strategies is an imperative part, where training and development contributes.
(Readman, 2004) This empowers the employees. (Huselid, 1995)

#5: Extensive communication The communication needs to be clear, not just internally,
but also externally. On an internal level it is crucial to communicate both upwards,
downwards and laterally. This is especially important as major new market strategies might
cause resistance, for a number of reasons, not all rational or clearly articulated. (Burnes, 1992)
(Smith, 1990) As the empirical findings has indicated, numerous of challenges transpire in the
strategy implementation process due to failures in communication. Therefore, creating
mechanisms for solving disagreements and improving frequency and clarity of
communication are essential to the implementation result. Knowledge management plays an
important role here, as a high degree of this solving relies on merging diverse knowledge sets.
Mechanisms for enhancing communication include job rotation and secondment, cross-
fuctional teams and projects, policy-deployment and review sessions, team briefings, and
usage of multiple media channels – all inline with knowledge management. New technologies
and intranets are being widely used to facilitate this, but attention should also be paid to the

#6: High involvement in innovation Not just participating but also committing in
organization-wide continuous improvement activities. Education, not solely “know-how”, but
further regarding strategic rationale for the change – “know why” – is imperative easing implementation. (Walton, 1986) (Bessant J. a., 1993) (Swan J. S., 1993)

**#7: External focus** Both internal and external customer orientation, as well as extensive networking. Furthermore, not just gathering external data, but also utilizing it is crucial.

**#8: Creative climate** A positive approach to new and creative ideas, underbuilt by appropriate motivation systems. A crucial and fundamental aspect of creativity is the acknowledgment that creativity is possessed by everyone – but preferred style of uttering it differs widely. (Kirkton, 1989) Organizational culture – in which the strategy is implemented – is a complex concept, but could be simplified described as the pattern of shared values, beliefs and norms that outline behavior. Culture can be comprehended as three levels; (1.) The individual – the deepest and hardest to access; (2.) The group – where the composed and social version of the individual behaviors expresses the dominant set of norms and values of the group; and (3.) Overall – where behavior in line with group norms generates a set of artifacts – structures, processes, symbols, etc., which strengthen the pattern. (Schein, 1984) Based on this, one could argue that management cannot change culture directly – instead it can, and ought, intervene at the different levels of artifacts – by changing structures or processes, as well as by offering outlines and highlighting desired ways of behavior. (Leonard, 1999) (Amabile, 1998) (Kanter, 1997) Building the desired climate thus requires a methodical development of organizational structures, communication policies and procedures, reward and recognition systems, training policy, accounting and measurement systems and deployment of strategy. (Cook, 1999) (Rickards, 1997) (Ekvall, 1990) Structure and tools to gather, combine, store, and share experiences and knowledge could, as briefly mentioned before, be provided by IT – procedures that manage information flow both horizontally and vertically.

Concluding above bullets, much simplified, this requires high levels of involvement both within and outside the organization – in both proactive experimentation, identifying and solving problems, sharing and communicating experience and knowledge capture and dissemination. Moreover, the actual habit of learning is a core component in any learning organization and includes a continuing and shared learning process. (Garvin, 1993) To illustrate these in an easy manner, that can later be merged with the other recommendations to provide a gathered, holistic and dynamic recommendation, the components could be mapped out like below, and from there be further developed.
Figure 7: An illustrative example of different components of creative culture, and how a company could be positioned at different levels of attainment of these parameters.
7. CONCLUSION: MANAGING THE FLOW OF ORGANIZATIONAL CULTURE TO MAKE THE WHEELS OF IMPLEMENTATION ROUTINES SPIN

To conclude, the kind of challenges the company has faced in implementation – identified by the empirical gap-analysis, looking at where the regional versus global level have faced challenges that the other one have been able to avoid – complemented by the above discussion and analysis was concentrated and boiled down to two key imperative areas of needs that was presented in the result. These needs to bridge the challenges were #1 The need for cyclic strategy implementation routines, and #2 the need for a culture in which these routines can flourish. In short, they could be concluded as following:

- **Cyclic Strategy Implementation Routines:**
The need to select and found strategy formulation in the organizations actual experienced reality and to develop implementation routines that utilizes the above key aspects of innovation- and knowledge management, as well as takes into consideration to balance with the entire context of the company and its discontinuous and dynamic environment.

To ensure sustainability the process suggested is cyclic and constructed to counter continuous development by built-in agility to successfully answer to holistic and dynamic requirements. The model addresses four identified sub-challenges that, in accordance to the discussion and analysis could be addressed by appropriate routines; strategic selection, enabling effective knowledge acquisition, implementation and learning.

- **Innovative and learning organization – a culture where strategy implementation can prosper:**
To truly suggest sustainable recommendations, one cannot focus merely on the routines itself, but must also take into consideration what learning has been elevated hitherto regarding the contextual culture that is imperatively needed for the routines to be empowered and developed in – this is also very clear when studying the empirical findings as well as the discussion and analysis. The results explain key aspects of culture deriving from found challenges and needs: shared vision, leadership and the will to innovate; appropriate structure; effective team working; continuing and stretching individual development; extensive communication; high involvement in innovation; external focus; creative climate; and learning organization.
In the debate concerning learning organizations, knowledge is regarded the foundation for competition in the twenty-first century. “Mobilizing and managing knowledge becomes a primary task and many of the recipes offered for achieving this depend upon mobilizing a much higher level of participation in strategy implementation and on building such routines into the fabric of organizational life” (Leonard-Barton D., 1992) (Garvin, 1993) (Senge, 1990) One way of looking at strategy implementation could, as developed by above sections of recommendation, be a learning cycle including a process of experiment, experience, reflection and consolidation. To manage this process is fundamentally about generating conditions under which learning opportunities arise and are utilized; thus the section on building a creative organization.

Weather or not an implementation end in success or failure is essentially depending on the ability to manage the learning cycle. (Bowen, 1994) (Maidique, The new product learning cycle, 1985) Significant in the context of this thesis is that what is learned and developed with each cycle is not merely technological knowledge adding to the organization-specific knowledge, formal as well as tacit, – but also knowledge regarding the handling of the process itself. Correspondingly, as argued in the theoretical part – individuals does not solely acquire new of knowledge, but they also learn to learn.

Coherent with the empirical findings, the cycle is far from always fulfilled, and learning moments are missed being captured. This indicates that not only can the implementation process be regarded as a learning cycle, but it also expands and includes both pre-strategy-formulation and post-implement consolidation and review. Furthermore, the earlier developed aspect of unlearning becomes vital here, in the sense of unlearning unsuccessful behavior and routines. (Peters, 1997) (Christenson, 1997) (Tripsas, 2000)

Research presented has already confirmed that it isn’t organizations that learn, but instead the employees that it constitutes of. Hence, the routines enabling the organization’s learning process is incredibly imperative. Both empirical findings and theory supports e.g. following mechanisms as significant (Garvin, 1993): Training and development of staff, development of a formal learning process based on a problem-solving cycle, monitoring and measurement, documentation, experiment, display, challenge existing practices, use of different perspectives, and reflection – learning from the past.

Even though these mechanisms could be regarded as single-loop learning, this thesis study suggests that they should be considered a continuously developing loop.

To finish this last recommendation – and to provide the final contributions to filling the identified gap and contribute with desired industry relevance – models and metaphor will now be described:
Putting all the recommendations together, they could be pictured by a basic Venn diagram. The “sweet spot” illustrates where the organizations level of maturity and phase in the learning cycle is in harmony with the components of creative culture. The figure does not provide any static or correct solution to how an organization should align these areas to achieve the sweet spot – but instead demonstrates that the areas should be regarded as parts that when brought together in a, for the specific organization in question, consistent manner it provides synergies for the organization. To exemplify; if the organization have relatively low scores on the creative culture component learning organization, together with the organizational maturity to somewhat average – then how you work in the learning cycle ought to be adapted to those prerequisites to generate maximal return. In this example, it could e.g. be done by moving slowly through the learning cycle (as the organization have relatively little experience of being a learning organization) and emphasizing the aspect of learning in order to “learn to learn”. By managing the parts as contributing units rather than separate phenomenon, the resources put into the entire process could be smarter allocated and “pooled” between the areas – creating synergies and leverages for the strategy implementation. Looking at it from the other side, if the parts instead are treated as separate units, then it is highly likely that they will not be optimally utilized – and perhaps even sub optimized and thus becoming counterproductive for the organization and its strategy implementation.

To illustrate this discussion, departing from but not being fully captured by the above Venn diagram, below figure summarizes the finding, conclusions and recommendations for this thesis. It uses the cultural components as a basis; the better developed the creative components of the culture is, the better and more solid foundation there exists to begin the strategy implementation from. The basis also shows that it isn’t enough to merely develop one component of the creative culture; for a solid base to exist, all aspects must be devoted attention. The figure then illustrates how – after the cultural basis is well founded – one can start regarding the maturity of the organization (including and taking into respect both the internal organization and its holistic context, with value network and market included), in order to decide which level of implementation effort that is optimal. The first level, the broad fundament that is necessary for all levels of implementation, is here pictured by the first brick – it needs to be fulfilled before any higher levels of implementation could be achieved. This is also the level that corresponds to all levels of organizational maturity; for the immature
organization, this is all implementation that is necessary – further depth will only cause confusion and be contra productive. From this base, the strategy implementation could then be developed to include more advanced programs as the organization reaches higher levels of maturity.

Covering all of the aspects now explained – the basis of cultural components, and the advancing layers of organizational maturity – is the learning cycle. This is to illustrate that, no matter how your foundation looks, or on what level of maturity the organization are, there will always exist a need to continuously learn (in this thesis context, with an emphasize on knowledge and innovation management) in order to holistically work to create an organizational context where strategy implementation can prosper.

Figure 9: A schematic picture of how the cultural components could be regarded as the fundament for the organization, where the learning cycle takes its place – and how it relates to the organizations holistic level of maturity.

Regarding metaphors, as they usually are powerful ways of communicating and passing on a message – which is what strategy implementation is all about – one could picture the analogy; *To make the wheels of the cyclic learning spin there need to be a powerful stream of organizational culture that flows through the wheels; without the right cultural context, the stream will be week, and the wheels will spin poorly – but with a strong culture of learning organization, the wheels will be empowered to spin, and the implementation will turn strategy 2 performance!*
7.1. **FURTHER STUDIES**

Several implications for further research arise from this work. If we are to improve our understanding of the inner workings of e.g. the marketing function, it appears essential to understand strategy implementation and implementation-related processes. Even if this work has tried to add value in complement to earlier studies by more directly studying the daily lives of marketing managers on different levels to better understand their context, an even more comprehensive such study would be desirable to provide additional insights and possibly expose additional dimensions and key variables in strategy implementation not examined here. Also, there is a lack of well-established scales for the marketing strategy implementation researcher to use. (Noble, 1999) This work strives to provide some initial inspiration and added value by addressing the often overlooked area of actual implementation processes as well as bringing aspects and insights from other fields such as innovation and knowledge management. However, supplementary development is needed. Research building on this study could e.g. bring other areas into the picture to in a more holistic, dynamic and thus sustainable manner understand the challenges and critical success factors for successful strategy implementation.
8. Bibliography


COMPANY DESCRIPTION:
Net Sales: 220.1 billion USD
Employees: 344,000
Industry: Conglomerate, the empiric study focuses on the subsidiary of Electronics, (the world’s largest information technology company measured by 2011 revenues)
Location: HQ Seoul, global presence

INTERVIEW SET UP:
Skype interviews with the Global Marketing Operations Manager located in Seoul - 1h x 6 times during December, January and February to discuss below questions. Corresponding set up was also executed in Stockholm, at the Nordic HQ, with a Nordic Marketing Manager to gain local reference points to the same set of questions.

The Interview questions are derived from the literature study and the presented Theory Section:

PART I: MARKET STRATEGY IMPLEMENTATION EFFECTIVENESS

BACKGROUND & EARLIER RESEARCH – MARKET STRATEGY IMPLEMENTATION EFFECTIVENESS
1. How do you, as a ______ (title) view market strategy implementation as a process in general?
2. What value do you see in successful market strategy implementation?
3. What risks do you see in non-successful market strategy implementation?
4. What do you believe to be critical factors for succeeding?
5. How do you personally work with market strategy implementation? (what is your role and responsibilities in the process, e.g. to create the strategy, to communicate it, to execute, monitor, learn, evaluate, monitor, etc.?)

KEY FACTORS IN MARKET STRATEGY IMPLEMENTATION
1. How do you view your role performance influence in the overall success of the implementation effort?
2. How do you experience that your strategy commitment and role commitment influence your role performance?
3. What is your experience of the influence of organizational commitment on your role performance?
4. How have you experienced that following strategy factors have influenced strategy commitment...
   a. Fit with vision
   b. Perceived importance of the strategy
c. Buy-in
d. Scope of implementation effort
e. Championing
f. Perceived support from senior management
   i. How do you experience the relation between these strategic factors and the success of strategy implementation?

5. Do you find it important to understand how an individual market strategy relates to the firm’s strategic direction to support the strategy fully?

6. What is your opinion of an ongoing strategy dialogue between different levels of management, not just in the formulation of strategies but especially during implementation?

7. How is your commitment influenced by the “buy-in” of the organization?

8. What motivates you to contribute to the overall implementation?

PART II: INNOVATION & KNOWLEDGE MANAGEMENT

BACKGROUND & EARLIER RESEARCH – INNOVATION MANAGEMENT

KEY FACTORS IN INNOVATION MANAGEMENT

1. How do you view innovation management in general?
2. What value do you see in successful innovation management?
3. What risks do you see in non-successful innovation management?
4. What do you believe to be critical factors for succeeding in innovation management?
5. How do you personally work with innovation management? (what is your role and responsibilities?)

BACKGROUND & EARLIER RESEARCH – KNOWLEDGE MANAGEMENT

1. How do you view knowledge management in general?
2. What value do you see in successful knowledge management?
3. What risks do you see in non-successful knowledge management?
4. What do you believe to be critical factors for succeeding knowledge management?
5. How do you personally work with innovation management? (what is your role and responsibilities?)

KEY FACTORS IN KNOWLEDGE MANAGEMENT

1. What do you think knowledge management as an intervening mechanism between organizational context and organizational effectiveness?
2. What is your experience of organizational strategy impact on organizational effectiveness?
3. How do you regard the relation between knowledge management and organizational culture?
PART III: CONNECTING INNOVATION MANAGEMENT AND KNOWLEDGE MANAGEMENT TO MARKET STRATEGY – WITH CONSIDERATION TO THE TECHNOLOGY AND MARKET CONTEXT

MARKET TECHNOLOGICAL PRODUCTS
1. How do you believe that the nature/characteristics of your technology can/should affect your market strategy and implementation?
2. How do you work with marketing your products?
   a. Buyers’ perceptions of differences in technology affect buying behavior
   b. Buyers’ perception of the rate of change of the technology affects buying behavior
   c. Organizational buyers may have strong relationships with their suppliers, which increases switching costs.

GENERAL MERGE
1. What is your experience of innovation and knowledge management in relation to marketing strategy implementation?
2. How do you work with...
   a. Acquiring knowledge resources?
   b. Learning and re-innovation?

ADDITIONAL QUESTIONS TO DISCUSSION, ANALYSIS AND RESULTS
1. How are you working with marketing strategy implementation?
   a. What have you been successful in and why?
      i. Structured and challenging reflection on the process – what happened, what worked well, what went wrong, etc.
      ii. Conceptualizing – capturing and codifying the lessons learned into frameworks and eventually procedures to build on lessons learned.
      iii. Experimentation – the willingness to try and manage things differently next time, to see if the lessons learned are valid.
      iv. Honest capture of experience (even if this has been a costly failure) so we have raw material on which to reflect.
   b. What challenges have you met and why?
      i. “not invented here”
      ii. To close to customers and meeting their needs to well – and not being able to move into new technological fields early enough
      iii. Problem of adopting new technology – following technological fashions – without an underlying strategic rationale
      iv. Problem of lack of codification of tacit knowledge
   v. How do you measure this?
   vi. How do you plan to continue?

2. How do you experience that you work with below components?
### Component

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<thead>
<tr>
<th>Component</th>
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<tbody>
<tr>
<td>Shared vision, leadership and the will to innovate</td>
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<td>Appropriate structure</td>
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<td>Key individuals</td>
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<td>Effective team working</td>
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<td>Continuing and stretching individual development</td>
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<td>Extensive communication</td>
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<td>High involvement in innovation</td>
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<td>External focus Creative climate</td>
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<td>Creative Climate</td>
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<td>Learning organization</td>
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3. How do you work with?
   - Training and development of staff
   - Development of a formal learning process based on a problem-solving cycle
   - Monitoring and measurement
   - Documentation
   - Experiment
   - Display
   - Challenge existing practices
   - Use of different perspectives
   - Reflection – learning from the past.