Drivers and consequences of strategic leader indecision: an exploratory study in a complex case

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Abstract

Purpose – The research explores indecision of strategic leaders in a complex case organization. This research offers new insights into the drivers of indecision of upper echelons decision-makers and explores the perceived consequences of the decision-makers’ indecision.

Design/methodology/approach – Following a review of literature on upper echelons theory and strategic decision-making, indecision and the antecedents and consequences of indecision, the research follows a qualitative exploratory design. Semi-structured interviews were conducted among 20 upper echelons decision-makers with responsibility across 19 Sub-Saharan African countries in a case company. Thematic analysis was used to analyze the data.

Findings – The findings reveal that specific organizational, interpersonal and personal factors work together to drive strategic leader indecision in a complex organization. Strategic leader indecision brings about several negative organizational consequences and demotivates team members.

Research limitations/implications – The findings are based on a single-case exploratory design but represent geographical diversity.

Practical implications – The research cautions organizations to deal with the drivers of strategic leader indecision to help avoid potential negative consequences of stifled organizational performance and team demotivation.

Originality/value – The study offers previously unknown insights into strategic leader indecision. This study builds on current literature on the antecedents and consequences of indecision and has a new research setting of strategic leader indecision in a complex organization.

Keywords Strategic leader indecision, Upper echelons, Strategic decision-making

Paper type Research paper

Introduction

Decision-making is a central component of the leadership function (Kokkoris et al., 2019; Samimi et al., 2019) and determines whether organizations succeed in competitive environments (Gottfredson and Reina, 2020). Strategic leaders influence organizational outcomes through their decisions (Hambrick and Mason, 1984). They need to make long-term, intuitive and holistic decisions (Matsuo, 2019) that enable organizational success (Gottfredson and Reina, 2020). Consequently, indecision puts the organization’s sustainability at risk. Indecision refers to the tendency to unduly delay or delegate decisions (Elaydi, 2006).
Even though there is a large body of knowledge on leadership decision-making, research into indecision of strategic leaders remains sparse (Brooks, 2011; Samimi et al., 2019). Most literature on indecision deals with career indecision (e.g., Lent et al., 2019), or personal traits and indecision (e.g., Ferrari et al., 2018), but very few studies focus on the indecision of leaders and especially upper echelon leaders. A better understanding of the drivers of indecision can shed light on existing models of strategic decision-making (Kokkoris et al., 2019; Aboramadan, 2021). The context of strategic decision-making differs from managerial decision-making. At the core, strategic decisions are ad hoc, non-routine, complex and consequential for both individual leaders and the organization (Kauppila et al., 2018). The fast-paced and uncertain nature of the business environment can therefore exacerbate indecision (Wowak et al., 2016). Moreover, strategic leaders compete for scarce resources during decision-making (Pettigrew, 1973). It is for this reason that strategic decisions, such as decisions to implement large-scale innovations, mergers and acquisitions, corporate restructuring, or new market entries, bring about political behavior in the top team (Friedman et al., 2016). The high-stakes, complex and political context of strategic decision-making suggests the need for a study focused on the indecision of strategic leaders.

Scholarly research shows that personal variables, such as fear of commitment, self-consciousness, perfectionism and negative self-conceptions, generally lead to indecision (Elaydi, 2006). More recent literature offers clues on the causes of indecision in management. It shows that job anxiety (Wowak et al., 2016), fear of the potential organizational impact of poor decision-making (Samimi et al., 2019) and avoidance of accountability (Shortland et al., 2023) can lead to risk aversion and indecision among senior managers. This indicates that there may be further personal drivers of strategic leader indecision that need to be explored.

Studies also show that strategic decision-making is influenced by several social variables, such as the strength of the coalition of the team members, or how actively the chief executive officer (CEO) engages with the top team (Liu et al., 2022). This study therefore broadens the investigation to understand not only personal, but also interpersonal and organizational factors that may bring about the indecision of strategic leaders.

Moreover, given the significant impact of strategic decisions on organizational outcomes (Gottfredson and Reina, 2020), there is a need to understand the consequences of strategic leader indecision. Studies show that the political behavior of the top team members can influence firm performance (Shepherd et al., 2020), including financial and non-financial outcomes of organizations (Samimi et al., 2019). Shortland et al. (2023) therefore stress the current need to examine the organizational and environmental outcomes of the indecision of leaders.

Therefore, this study explores the drivers and consequences of the indecision of strategic leaders in a complex organization. It contributes to an understanding of decision-making of strategic leadership within upper echelons theory (Bromiley and Rau, 2016). The research offers insights on the psychological, social and organizational antecedents and implications of indecision to offer practical guidelines on how to strengthen strategic leader decision-making. A better understanding of indecision in the top management team can lead to more effective leaders, senior teams and organizations.

**Literature review**

**Upper echelons theory and strategic leadership**

In order to evaluate the role of indecision in top management teams, we examine the literature on the significance of the top management team, their role in strategic decision-making and the importance of the collective strategic leadership team. We know from upper echelons theory that the background of senior leaders, such as their life experiences, values and personalities influence how they interpret and respond to situations for which they need to make decisions. Social, behavioral and cognitive functioning of upper echelon leaders therefore influence their decisions...
Moreover, from observing the characteristics of strategic leaders, such as their backgrounds, educational levels, ages and years of experience, one may predict how they will make decisions (Aboramadan, 2021). Subsequently, their choices impact organizational performance (Hambrick and Mason, 1984; Friedman et al., 2016; Aboramadan, 2021).

Strategic leadership refers to the activities, including decision-making, of upper echelon leaders (Hambrick and Mason, 1984). As part of their functional roles, which involve setting and communicating the vision, developing core competencies, attracting and retaining human capital, committing resources to new technologies and engaging in valuable strategies linked to global opportunities, upper echelon leaders are accountable for strategic decision-making (Hitt et al., 2010). Their functional roles also require that they manage conflicting demands and engage with external stakeholders while making strategic decisions (Samimi et al., 2019). They are responsible for creating an enabling organizational culture to succeed in a competitive environment (Gottfredson and Reina, 2020). Therefore, strategic decision-making is a central task of upper echelon leaders to shape the future, results, relationships and culture of the organization. Their decisions have greater scope, influence and long-term impact than the rest of the organization (Goldman and Casey, 2010).

Strategic decisions are not made by individual managers, but by the collective strategic leadership team. Strategic leaders that are part of a team that has educational, functional and tenure-related diversity enable the continued growth of the organization over more than one period (Chen et al., 2019). Cultural, age-related and gender-based diversity in the top management team also lead to greater strategic change and long-term organizational performance (Wu et al., 2019). The collective actions of these leaders determine organizational outcomes (Georgakakis et al., 2019). Their social processes in strategic decision-making result in the capability of taking advantage of an opportunity or addressing specific challenges (Kauppila et al., 2018). Moreover, the past experience of senior leaders determines how they form affiliations, the patterns of their decisions and ultimately which acquisitions they pursue (Zhang and Greve, 2019).

The specific formal and informal structures of roles in the top management team determine the team’s behavior, strategic decisions and organizational legitimacy. These in turn drive organizational performance (Ma et al., 2021). Moreover, it is the varying top management team interfaces and dominant coalitions that constitute strategic leadership and that determine organizational outcomes (Van Doorn et al., 2022). For instance, organizational performance is often dependent on the influence of the CEO and the comprehensiveness of the decision process (Friedman and Carmeli, 2022). Organizations need interfaces between the CEO and the top management team that allow them to balance the rigor that comes from debate, diverse ideas and decision-making speed (Bartkus et al., 2022).

A recent review of upper echelons literature shows that there is a need for more comprehensive research on the relational mechanisms in top management teams, the impact thereof on organizational performance and the role of context in this relationship (Neely et al., 2020).

Given the importance of configurations of upper echelons decision-making in organizational outcomes, we can infer that strategic leader indecision directly impacts the strategic leadership function. However, it is not yet clear how the interpersonal relationships in top management teams influence strategic leader indecision. It is therefore important to first understand what the literature says about indecision.

In ordinary language, indecision refers to “the state of being unable to make a choice”, or “wavering between two or more possible courses of action” (Merriam-Webster, n.d.). Although Kokkoris et al. (2019) differentiated between the persistent trait of indecisiveness, operationalized as decision inability across different life domains and indecision, Cheek and Goebel (2020) demonstrated that indecision is similar to decision difficulty. Indecision leads to prolonged decision-making processes, attempts to delay or avoid decisions and anxiety or emotional
concern once the decision has been made (Cheek and Goebel, 2020). We adopt a definition of indecision that includes indecisiveness and decision difficulty (Barkley-Levenson and Fox, 2016). Indecisiveness is a form of procrastination where the decision-maker, instead of delaying the start or completion of tasks, experiences anxiety for delaying the decision-making thought processes (Tibbett and Ferrari, 2015). Indecision is accompanied by feelings of ineffectiveness, apprehension, worry and regret (Taillefer et al., 2016; Bavolar, 2018; Bernheim and Bodoh-Creed, 2020). In contrast, decisiveness refers to making timely decisions notwithstanding any prevailing uncertainty (Bernheim and Bodoh-Creed, 2020).

**Antecedent of indecision**

There are multiple and diverse viewpoints on the antecedents of indecision in literature. From psychology literature, we know that low future and present orientation predict indecision and that the desire for complex and engaging cognitive tasks inversely predicts indecision (Diaz-Morales et al., 2008). Because strategic leaders need to be future-oriented and work with complex challenges (Kouzes and Posner, 1996; Schoemaker et al., 2018) understanding strategic leader indecision is important.

The collective and collaborative nature of strategic decision-making may result in a network of indecision. Cumulative events, the presence of a constant risk of reversal, re-orientation and project expansion may worsen leader indecision (Denis et al., 2011). According to Denis et al. (2011), indecision escalates when constraints in the environment cause leaders to pre-maturely concretize a decision and when divergent views lead to strategic ambiguity. These processes escalate to increase decision complexity. Tasselli and Kilduff (2018) concur that collaboration and trust in friendship networks may overcome indecision or decision paralysis. The importance of trust in decision-making raises the question as to which other interpersonal and organizational factors lead to indecision in top management.

According to Brooks (2011), the primary antecedents of indecision are the decision context, systemic biases and potential traits. The context plays a role in indecision when decision-makers have no clear or attractive alternatives, or when decision options are too similar (Feldman et al., 2014). Alternatively, decision biases, such as status quo bias, may explain the cognitive processes that lead to indecision. Status quo bias, for example, offers decision-makers opportunity to escape potential regret, the need to justify the chosen direction, or to take accountability (Tarka, 2017). For others, the trait of indecision is more enduring. Characteristic cognitive processes may underpin indecision, such as self-critical and defeating thoughts, perfectionism and intolerance of uncertainty (McGarity-Palmer et al., 2019). In contrast, a sense of self-awareness with the belief in free will leads to greater decisiveness (Kokkoris et al., 2019).

Aspects of the decision itself may also lie at the heart of indecision, such as the lack of information or high uncertainty of outcomes (Rassin, 2007; Germejs and De Boeck, 2003). Strategic leaders often have to make decisions in the context of uncertainty (Schoemaker et al., 2018) and, therefore, understanding indecision in the upper echelons is required.

The subjective experience of the decision-making process itself (Brooks, 2011), post-decision negativity (Kim and Miller, 2017) or regret (Sautau, 2017) may also support indecision. Furthermore, Steinbach et al. (2019) argue that executives need construal or mental flexibility to better assess specific situational demands in strategic decisions.

From the literature reviewed, it appears that scholars do not yet have a comprehensive framework of the antecedents of indecision. The known antecedents of indecision include uncertain decision contexts, cognitive, affective and personal factors (including traits) and decision-specific factors. Furthermore, the interpersonal dimension of collective decision-making, typical of upper echelon processes, may appear as an additional driver of indecision. Thus, indecision results from decision-specific, intrapersonal, interpersonal and contextual drivers. We therefore need to study indecision in specific contexts and propose that the
uncertainty and complexity of upper echelon decision-making contexts may reveal further drivers of indecision that this research will explore.

Consequences of strategic leader indecision
The upper echelon context offers an important setting to understand the consequence of decision-making, especially indecision. Currently, the consequences of indecision are poorly understood.

From a psychological perspective, literature shows that adult indecision is a trait that may affect personal circumstances such as living conditions (Ferrari et al., 2018). Indecision may also have a negative impact on organizations. Brooks (2011) speculates that indecision may result in the foregoing of good options when decision-makers seek optimal options before they decide. Charan (2001) argues that a culture of indecision in an organization results in poor strategic execution. From an economics perspective, Gomes et al. (2012) found that government policy indecision negatively impacts citizen welfare.

Apart from these and similar isolated and dated arguments on the consequences of indecision, literature is silent on the outcomes of indecision. It is therefore important to explore the perceived consequences of indecision in senior teams.

Considering the degree to which strategic leaders impact organizational outcomes, Hambrick (2007) stated that strategic leader decisions may result in positive or negative outcomes. As strategic decisions determine organizational competitiveness (Elbanna et al., 2020), it is understandable that indecision impacts organizational level outcomes. In line with this, Samimi et al. (2019) found that indecision negatively impacts competitive advantage, growth and performance and it increases performance volatility. Indecisive leaders are not suitable for leadership positions (Brooks, 2011; Taillefer et al., 2016). Thus, indecision has consequences not only for organizational performance, but also for the collective and individual strategic leaders. However, not much is known about the experienced consequences of indecision among strategic leaders. We do not yet know how indecision impacts organizational level outcomes or how indecision affects strategic teams.

Based on the literature review and the limited insight into strategic leader indecision, the research questions are:

RQ1. What are the drivers of indecision at the strategic leadership level of a complex organization?

RQ2. What are the perceived consequences of indecision at the upper echelons?

Method
Research approach and philosophy
The research employed a qualitative and exploratory research design (Creswell and Creswell, 2018), following an interpretivist philosophy (Rubin and Rubin, 2012) to gain emerging perspectives of real-world leaders. We made use of a single-case design in order to account for the strategic decision network effects in strategic leader indecision and the unit of analysis was the upper echelon decision-makers in the organization. We focused on gaining in-depth insights into the specific causes and consequences of indecision in the complex organization, making use of inductive logic to develop new theoretical insights (Thorpe and Holt, 2008) and following a phenomenological approach (Creswell, 2012) due to limited theory on indecision.

Participants
The chosen population for the study was leaders from the upper echelons of a complex organization. We confined the research setting to a debt-constrained organization facing poor
economic growth. The case met the criteria of a complex environment, characterized by the multiplicity, interdependence and heterogeneity of the elements of the system (Sargut and McGrath, 2011). The complexity of the organization in terms of the multiple regulatory environments and geographies offered heterogeneity in the sample (Suzuki et al., 2007). The population represented various client segments, functional areas and regions across sub-Saharan Africa, ensuring client, functional and geographic diversification in the sample.

Through homogenous purposive sampling (Yin, 2016) and criterion sampling (Suri, 2011), the sample frame included strategic leaders with more than ten years of experience within a given client segment, functional area, or geography and with executive committee level accountability. The sample of upper echelon decision-makers encompassed business unit leaders, country executive leaders and direct reports of business unit and country heads for greater data legitimacy. This enabled the gathering of rich data which may be applicable to other regulated and complex organizations in the financial services industry. The sample size was determined when data saturation and data richness (Gentles et al., 2015) were attained at fifteen interviews and data gathering continued to the twentieth interview.

Table 1 presents the profile of the interviewees.

Data gathering and analysis
The study made use of a semi-structured interview guide that offered rich insights into how strategic leaders experience the phenomenon of indecision (Silverman, 2011) and contained

<table>
<thead>
<tr>
<th>Interviewee</th>
<th>Gender</th>
<th>Country</th>
<th>Position/Role</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Male</td>
<td>Nigeria</td>
<td>In-country Business Unit Head, Nigeria</td>
</tr>
<tr>
<td>2</td>
<td>Male</td>
<td>East Africa#</td>
<td>Regional Chief Executive, East Africa</td>
</tr>
<tr>
<td>3</td>
<td>Male</td>
<td>West Africa##</td>
<td>Regional Product Head, West Africa</td>
</tr>
<tr>
<td>4</td>
<td>Male</td>
<td>South Africa*</td>
<td>Global Coverage Head</td>
</tr>
<tr>
<td>5</td>
<td>Male</td>
<td>South Africa*</td>
<td>Global Product Head</td>
</tr>
<tr>
<td>6</td>
<td>Male</td>
<td>South Africa*</td>
<td>Global Operations Head</td>
</tr>
<tr>
<td>7</td>
<td>Male</td>
<td>Ghana</td>
<td>In-country Product Head</td>
</tr>
<tr>
<td>8</td>
<td>Male</td>
<td>South Africa</td>
<td>In-country Product Head, South Africa</td>
</tr>
<tr>
<td>9</td>
<td>Male</td>
<td>South Sudan</td>
<td>Country Chief Executive, South Sudan</td>
</tr>
<tr>
<td>10</td>
<td>Male</td>
<td>South Africa**</td>
<td>Africa Regions Chief Financial Officer</td>
</tr>
<tr>
<td>11</td>
<td>Male</td>
<td>South Africa</td>
<td>Group Head, Internal Audit</td>
</tr>
<tr>
<td>12</td>
<td>Male</td>
<td>South Africa*</td>
<td>Global Sector Head, Oil and Gas</td>
</tr>
<tr>
<td>13</td>
<td>Male</td>
<td>Mozambique</td>
<td>Country Chief Executive, Mozambique</td>
</tr>
<tr>
<td>14</td>
<td>Female</td>
<td>South Africa*</td>
<td>Global Head, Human Capital</td>
</tr>
<tr>
<td>15</td>
<td>Male</td>
<td>South and Central Africa</td>
<td>Regional Chief Executive, South and Central Africa</td>
</tr>
<tr>
<td>16</td>
<td>Male</td>
<td>Outside Africa####</td>
<td>Chief Executive Officer, International Business</td>
</tr>
<tr>
<td>17</td>
<td>Male</td>
<td>East Africa</td>
<td>Regional Product Head</td>
</tr>
<tr>
<td>18</td>
<td>Male</td>
<td>South Africa</td>
<td>In-country Head, Cape Region</td>
</tr>
<tr>
<td>19</td>
<td>Male</td>
<td>South Africa</td>
<td>In-country Product Head</td>
</tr>
<tr>
<td>20</td>
<td>Male</td>
<td>South and Central Africa</td>
<td>Regional Product Head</td>
</tr>
</tbody>
</table>

Note(s): # Including Kenya, Tanzania, Uganda, Ethiopia and South Sudan
## Western Africa countries Nigeria, Ghana and Côte d’Ivoire
#### Including South and Central African countries include Zambia, Zimbabwe, Malawi, Namibia, Botswana, Mozambique, the Democratic Republic of the Congo and Angola
##### Headquartered in the United Kingdom and include London, Brazil, United Arab Emirates and China
* Based in South Africa but accountable for countries across all regions (South, East, West, South and Central Africa and Outside Africa)
** Africa Region includes all countries of operations for the organization in Sub-Saharan Africa, except for South Africa

Source(s): Authors work

Table 1. Demographics of interviewees
open-ended and non-leading questions (Josselson, 2013). Participants were asked about their experience of indecision in the organization, why strategic leaders in the organization delay or delegate decisions and what they perceived the implications of indecision, delayed and delegated decisions were. The interviewer prompted the participants to give examples.

Interviews were conducted one-on-one and via face-to-face or online platforms. All participants offered prior consent to the recording of interviews. The interviews were conducted over a period of 10 weeks, as many of the participants were elite informants with busy diaries (Solarino and Aguinis, 2021). The data were transcribed, and all data were stored and reported without identifiers. The interviews constituted 153,747 words.

We employed thematic analysis (Braun and Clarke, 2006) of the data, making use of Atlas.ti coding software. This included the six steps of reading the transcripts to gain familiarity with the data, assigning inductive codes to the data line-by-line, searching for categories within the themes of the drivers of consequences of indecision and making sense of and naming the categories before producing the reports. Thus, the first step of the analysis process was iterative through open coding, including the reading of the transcripts, coding and generation of descriptions, followed by axial coding to generate categories (Farmer and Farmer, 2021).

While conducting open coding, the first author consulted with the second author on codes and categories. The first order codes were categorized according to two themes, namely drivers and consequences of strategic indecision according to the research questions (Grodal et al., 2021). During the axial coding phase, subcategories were created from the codes for these two nested analytical categories (Saldana, 2015). During the categorization process, the authors compared categories while continually asking questions about where best to position the codes under categories of consequences and drivers of indecision. Finally, the categories were merged to create similar layers of drivers and consequences and the questioning process continued to ensure that the sub-category titles represented the codes well. We then sequenced the categories logically in the presentation of results (Grodal et al., 2021).

To ensure the trustworthiness of the data analysis process, both authors compared the codes and categories and reviewed the findings several times (Strauss and Corbin, 1998). The researchers practiced reflexivity during the coding process (May and Perry, 2017).

The responses yielded organizational, interpersonal and intrapersonal categories of drivers of indecision and organizational and interpersonal categories of the consequences of indecision, confirmed through the authors’ investigator triangulation (Fusch et al., 2018) to enhance the dependability of the analysis (Farmer and Farmer, 2021).

The sampling frame incorporating the top three layers of upper echelon decision-making supported the legitimacy and credibility of the data (Yin, 2016). The research process was dependable and confirmable as we followed standard data gathering and analysis processes (Morse et al., 2002). The research also adhered to the university’s ethical clearance processes, which included assurance of confidentiality and anonymity of results.

Findings
The findings are presented in Figure 1 and Table 2, according to the two central themes of the study, namely drivers and outcomes of strategic leader indecision.

Antecedents of strategic leader indecision
The results yielded specific organizational, interpersonal and intrapersonal experiences as drivers of strategic leader indecision, as can be seen in the categories and illustrative quotations in this section.

Organizational drivers. The codes yielded four categories of organizational drivers of indecision, namely hierarchy, complexity, geographical jurisdictions, and operational
constraints (specifically, budgets). These contextual categories of indecision expand on the environmental constraints previously shown to drive indecision (Denis et al., 2011).

Context and geographical reach. At the organizational level, the first category indicated that the vast geographical reach of the company resulted in indecision in the various regions. 

Figure 1. Themes of perceived drivers and consequences of strategic leader indecision in a complex organization

Source(s): Authors work

<table>
<thead>
<tr>
<th>Category</th>
<th>Sub-category</th>
<th>Elements</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Organizational</td>
<td>Context</td>
<td>Geographical reach</td>
<td>Because the organization spans several countries, complexity is introduced in the decision-making processes</td>
</tr>
<tr>
<td>influences</td>
<td></td>
<td>Organizational hierarchy</td>
<td>Hierarchical organizations engender complexity that inhibits decision-making processes</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Complexity</td>
<td>Structural complexity complicates decision approval processes</td>
</tr>
<tr>
<td></td>
<td>Structure</td>
<td>Budget constraints</td>
<td>Budget decisions, due to regional responsibility, accountability and incentives, lead to regional competitiveness</td>
</tr>
<tr>
<td>Interpersonal</td>
<td>Interpersonal</td>
<td>Power influence</td>
<td>Informal alliances have stronger influences on decision-making than formal decision-making structures</td>
</tr>
<tr>
<td>influences</td>
<td>dynamics</td>
<td>Lack of peer support</td>
<td>In the absence of select relationships, decisions are not supported</td>
</tr>
<tr>
<td></td>
<td>Interpersonal</td>
<td>Conflict avoidance</td>
<td>Top managers may refrain from making decisions to avoid conflict</td>
</tr>
<tr>
<td></td>
<td>reactions</td>
<td>Lack of trust</td>
<td>Lack of trust in the leader or fellow team members leads to indecision</td>
</tr>
<tr>
<td>Personal</td>
<td>Fear</td>
<td>Fear of failure</td>
<td>Fear of making the wrong decision and failing in execution leads to indecision</td>
</tr>
<tr>
<td>influences</td>
<td></td>
<td>Fear of accountability</td>
<td>Team members wait for others to make decisions to avoid accountability for the decisions</td>
</tr>
</tbody>
</table>

Table 2. Perceived drivers of strategic leader indecision

Source(s): Authors work
Finally, the analysis revealed that the geographical complexity of the organization, which covered 19 countries in sub-Saharan Africa, contributed to indecision. A country chief executive explained:

The fact that we are slow in decision-making ourselves as [an] organisation in East Africa, [is] because the ultimate decision-makers don’t reside in this jurisdiction. (P9)

Another indicated different perspectives in different regions:

...you’re going to get in-country chief executive in Kenya saying ‘nah, but that doesn’t work for me’, you know? Or an in-country chief executive in Botswana saying ‘our case is completely different’. (P5)

Sometimes indecision happens when a region is subservient to another, as explained by an in-country product head:

Yet, when it comes to driving Africa’s growth, we then tend to hesitate on who we support because we are then marking them against global giants. (P7)

A country head indicated that regional differences cause indecision. He said:

I can’t go and talk about multinationals in South Sudan. There are no big multinationals. (P9)

One strategic leader spoke about how the complexity of being a multinational organization affected decision-making:

There was a lot of this animosity between the organization in London and operations and all the teams on this side [Johannesburg], and we were trying to figure out who makes what calls and, you know, how do we manage this thing? (P6)

Organizational hierarchical structure. It emerged that the organizational hierarchy resulted in power and political influences that played a role in strategic leader indecision. For instance, a regional chief executive officer explained:

But as soon as I start waiting for a meeting with [the] Chief Executive and he has to go and see this one. And that one will then take the message across to someone else. It can take forever. [...] It’s not because of those people. It’s just the organizational structure. (P15)

A country chief executive said:

So, you can see, for me, it attributed to [the fact that] you’re so concerned and so consumed by the hierarchy and what the hierarchy thinks. [...] so that it ends up stifling decision-making. (P9)

Further codes revealed that the complexity in the management processes within the organizational structure hindered decision-making, given the lifecycle of the organization. An in-country head described in this way:

We’ve created for ourselves in [the] organization, considerable complexity in this time. But, it is a matter of survival for us, and it is unavoidable that we have to do this in that we’ve launched a massive preservation program in the organization while we all are operating in a very complex context. (P19)

A global product head mentioned relations between individual indecisiveness and how it manifests collectively, by saying:

I think one of the big areas of moving towards being decisive as a collective, because for me, let me answer the question in a way that says we are, as I said ‘We are not indecisive as individuals. We are indecisive as a collective’. (P5)

These quotes illustrate several reasons why indecisiveness had emerged, from competing interests and animosity, structural complexity and a collective culture of indecisiveness.
Operational budget constraints and competitiveness. The third category of organizational characteristics was the budget constraints that brought about a focused silo approach and regional competitiveness leading to indecision. A comment by a regional head showed that this could also be linked to the hierarchical structure that required the leaders to follow specific guiding principles regarding the budget:

So, I think, I think we still do have turf protection, which we would call ‘the silos’. So, it’s sort of, there’s this mentality, ‘my turf, my budget, my bonus’, and, you know, those three are interlinked. (P20)

From these findings it appears that complex organizations have regional, structural and procedural characteristics that can lead to strategic leader indecision.

Interpersonal drivers. We know from the literature that trust is required to overcome indecision (Tasselli and Kilduff, 2018). However, the analysis revealed several negative interpersonal drivers of strategic leader indecision, namely power influences, lack of peer support, lack of trust and the need to avoid conflict. This is significant because organizational performance is dependent on the combined efforts of the top management team (Georgakakis et al., 2019).

Interpersonal dynamics: power influences. Apart from the formal organizational structure, informal power relations can inhibit decision-making. An in-country business unit head in Nigeria said:

And if there’s a bit of resistance from this informal structure, unfortunately, this informal structure is quite strong, quite strong, in the sense that it can sabotage any decision or any process within the system because it takes things beyond the organisation itself. […] A lot of guys within the [formal] system still consult the informal structures. There’s a lot of stuff that happens over ‘braais’ and over weekends in South Africa that influence a lot of the decisions that are made. (P1)

Organizational politics also drive indecision. A regional product head explained how different business units would have differing views on strategic options, adding:

People in [unit 2] would be very angry with that person. You know, if they favored [unit 1], the [unit 2] people would be up in arms. So, I think for me, the reasons for the delay in that project were mainly political. (P20)

Interpersonal dynamics: lack of peer support. Lack of peer support worsened the effect of informal power relationships as a driver of strategic leader indecision. A global product head in South Africa commented on the importance of having support from his leader:

And then I understood I had the chief executive’s backing and others. Suddenly, I was able to stand on my own two feet and physically make decisions and make decisions that were unpopular that went against the grain. (P6)

Similarly, a female global head in South Africa indicated the importance of having leader support by saying:

You need to be very confident in your solution and in your mandate and in some of these instances that the backing of your boss to make progress. (P14)

Interpersonal reactions: lack of trust. Linked to the lack of peer support, a theme of lack of trust emerged as a driver of indecision. A regional chief executive said:

I think a lot of the time where we are not making decisions or have indecision is due to a lack of trust. (P2)

A lack of trust leads to longer decision-making processes and the emergence of contradictory viewpoints. The indecisiveness of leadership then also reinforces the lack of trust, according to a regional product head:
It’s because of the people’s lack of trust in the leadership. Because, if they see you being indecisive, it makes them trust you less. (P3)

Similarly, a global head of human capital stated:

But it’s almost impossible to get agreement. And that leads to long delays in getting to answers and agreeing to stuff, lobbying beforehand, lobbying afterward. And I think that flies in the face of the notion of empowerment and trust, and then that those delays, those things make people question, you know. They lose confidence. They wonder if there’s credibility. (P14)

Moreover, a lack of trust between the members of different organizational units can lead to indecision:

I think unit one couldn’t trust unit two to go and launch a similar product and not try and cannibalize the business, and unit two probably couldn’t trust unit one to make the right decision for the organization, which was actually a favorable decision for unit one’s customers, at that point. (P20)

Interpersonal reactions: conflict avoidance. The lack of trust also links to the need to avoid conflict that drives indecision:

There are always people that like to avoid conflict and they would just avoid it and they would avoid it in one way or other by being rolled over or simply by avoiding the problem and putting their head in the sand. And hoping that the problem goes away. (P5)

These findings provide new evidence of the drivers of indecision. This stands in contrast to a sense of safety to debate and integrate diverse views in order to attain fast and rigorous decision-making (Bartkus et al., 2022).

Personal drivers. Apart from the organizational and interpersonal factors of indecision revealed, the research also uncovered personal drivers of indecision in the upper echelons. Previous findings have shown that indecision may result from personal drivers such as enduring traits (McGarity-Palmer et al., 2019), present-mindedness (Díaz-Morales et al., 2008), or status quo bias (Tarka, 2017). Our findings begin to unveil the impact of fear on indecision in the upper echelons. The primary personal drivers of indecision for these strategic leaders were fear of failure and fear of accountability.

Fear of failure. There were several comments on how fear of failure drives indecision for senior leaders. One said:

I guess at [this organization,] for me, that drive is fear. Okay. So, [it’s] people’s fear around making the incorrect decision. (P9)

Others concurred:

The spotlight is on. You have big mandates, siyasaba [we are scared (Zulu)] to fail. (P8)

You know, it’s a very interesting one because I would think, there’s a lot of insecurity around decision-making in today’s world. I think the insecurity among strategic leaders is coming from a fear of failure, you know. (P20)

It appeared that a culture of fear prevailed in the organization.

So, the one thing is, it’s [lack of] confidence [and] insecurity. And I think the fear factor, of failing. I think they’re still too fearful, and we’re fearful, partly because of, I think it’s in our DNA. (P6)

An unintended consequence of fear is that it leads to failure:

And I think that’s probably another thing that I think scares us or makes us not make a decision as [an organization – fear of failure. I think it all comes up from ‘if we fail, what do we do?’ I think that’s probably why they were too afraid to fail – that we’re failing in small bits day by day. (P3)
You don’t want to make big decisions anymore, because when you don’t make big decisions, you can’t get big things wrong. (P17)

Fear of accountability. A second way in which fear manifested was the fear of taking accountability for decision-making. The fear of accountability was associated with the leadership mandate to deliver results. It included apprehension to adopt a specific viewpoint:

We are fearful of being called out on something as standing up for something. (P5).

One openly admitted to trying to avoid accountability:

In my world, the pressure and the spotlight are not on me. So, I can make that decision right there on a lot of other things. There’s a lot of space and freedom for me to hide behind others. (P19).

Another explained this behavior further:

And nobody takes responsibility for anything. And we end up having decisions that don’t reflect what the real thought processes are, because everybody’s hiding behind everybody to come up to the point of decision-making. (P3)

Further reasons cited for fear of accountability included the belief that others in the team may be smarter and more suitable to make decisions and fear of being singled out as the decision-maker.

From these intrapersonal drivers of indecision, we may infer organizational context may result in fears of making mistakes, of not knowing and of being held accountable should they fail and this may be increased in a culture where fear of failure, interpersonal distrust and power dynamics are at play. The findings expand on previous research on indecision in organizations (Denis et al., 2011), by offering new insights on the role of culture in driving fear-based indecision in the top management team.

Overall, the findings on the antecedents of strategic leader indecision in a complex organization show a new interrelated dynamic between characteristics of the complex organization in which power dynamics and lack of trust in relations among strategic leaders translate into fear of failure and failure to take accountability at the individual level. Together these dynamics may drive strategic leader indecision in an organization.

Consequences of strategic leader indecision. Research has shown that indecision can impact organizational performance (Samimi et al., 2019). Our findings show why indecision impacts organizational performance. Moreover, the findings now reveal team-based consequences that may impact the effectiveness of the top management team. As per Figure 1 and Table 3, we found organizational, interpersonal and personal consequences and implications of strategic leader indecision.

Organizational consequences. The organizational consequences of strategic leader indecision included both diminished competitive advantage and consequences for the resources of the organization. Previous literature argues that indecision may lead to missed decision opportunities (Brooks, 2011), and a lack of strategy execution (Charan, 2001). Our analysis demonstrated that the strategic leaders perceived the organizational consequences of indecision to include the loss of resources, revenue loss and missed opportunities, while giving competitors an advantage. The findings thus offer reasons for why strategic leaders’ indecision impacts organizational outcomes. There was a view that the longer that the decision-making process lasts, the greater the potential business loss becomes.

Indecisiveness and when our strategic leaders avoid making decisions decisively means that our competitors will become stronger relative to us. (P14)
The impact did not only refer to long-term strategic outcomes, as one mentioned:

Consequences of not making the right decision are immediate and they’re real. (P1)

Diminished competitiveness: opportunity loss. The anticipated loss due to indecisions also includes opportunity loss which hampers growth and profitability. A group head of internal audit thought:

What are the implications, you know? I suppose the question could be, it should be ‘Where could we have been?’ Those organizations that positioned themselves to be ecosystems or platforms are reaping a multiplier, in terms of, earnings and profitability compared to those who are not. (P11)

A regional product head in South Africa said:

So, to talk to your point of implications is, if we continue the pace of decision-making that requires long-term consultation and consensus, I think we were going to lose some opportunities. So, we begin to stagnate. (P20)

Another concurred:

I think indecision is the real cost to the business, which is difficult to quantify because it just means things take long. (P4)

Resource-based consequences: loss of resources. Several different examples of loss of resources were offered.

There are many implications, you lose staff. A lot of staff will go to institutions that can take decisions. (P3)

Another stated:

I think it’s got an impact, indecision leads to loss of confidence, loss of money, loss of good quality clients. And it’s like a negative cycle of delayed implementation and no impact. (P14)

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**Source(s):** Authors work
Resource-based consequences: financial loss. Revenue may be lost due to strategic leader indecision. From a strategic perspective, this can manifest in the lack of strategic options and reduced earnings, as illustrated with these quotations:

Years later, you know, a Chief Executive is crying on our shoulders because he doesn’t have anything with which to compete in the market. (P18)

So, the implications of indecision for an organization is quite varied, right? From a shareholder point of view, it leads to reduced revenue and headline earnings, because you’re not going to be able to connect at the right time to take advantage of opportunities. (P17)

One interviewee reasoned that revenue loss may be as a result of client franchise stagnation, leading to the organization losing momentum:

I thought, the first implication is, our client franchise stagnates. So, I’d say we lose momentum, and our competitors become stronger. (P20)

From these various perspectives, it is evident that the effect of strategic leader indecision manifests in multiple forms of loss and ultimately affects the competitive advantage of an organization. The losses include depletion of staff, confidence, money, clients and growth opportunities. Therefore, it appears that upper echelon indecision affects the competitiveness of the organization. From upper echelons theory, we expect that the top management team would enable positive organizational performance (Aboramadan, 2021; Neely et al., 2020). The findings however show that in the context of indecision, the opposite outcome may occur.

Interpersonal consequences. In recent literature, there has been growing awareness of the importance of the interfaces of the top management team to enable strategic decisions for positive organizational outcomes (Ma et al., 2021; Van Doorn et al., 2022). The second category of consequences of indecision that the participants raised showed the effect of indecision on these interpersonal connections.

Influence on culture: inaction and blame-shifting. According to the leaders, indecision breeds a culture of blame across the organization. Indecision at the senior level impacts activity and inactivity across all levels of the organization.

I think if indecision happens at a senior level, you can break the whole organization because if there is […] a second layer that is a very strong layer of people, they can really move your organization forward. But if there is indecision just above [them], that creates uncertainty […] Further, I think, you know, that layer goes into freeze mode […] a blame culture inevitably becomes fortified […] and you just feel a ripple effect throughout the whole organization. (P6)

Influence on the team: poor team focus. The findings reveal that indecision leads to poor team focus. While waiting for the decision to be made, the team focuses on low-value-adding activities.

I think indecision is the real cost to the business, which is difficult to quantify because it just means things take long, it means that teams, instead of being focusing on doing the right thing, you know, they get caught up in this, and that, what is going to happen, and they, you know, they are not focusing on the right things. (P4)

Influence on the team: loss of trust. One country chief reflected on leader indecisiveness, mentioning that indecision leads to loss of trust and confidence in their leader:

I think those are some of the implications I’ve seen, for the team around you: if you are not making decisions quickly or helping them, they might begin to lose confidence and trust. And it could be ‘I don’t trust them, I don’t know what I’m doing’. (P13)

The findings also show the impact of indecision on the motivational and trust levels of employees.
The staff morale goes down. So, there’s a real cost to it. [...] It means that teams, instead of being focusing on doing the right thing, you know, they get caught up in this ‘What’s going to happen?’ [mindset], and they, you know, they’re not focusing on the right things. (P4)

**Personal consequences.** We found that indecision leads to indifference regarding important strategic organizational initiatives indicating “leadership fatigue”.

I guess this is leadership fatigue, and more like just being indifferent. It is like, ‘oh, we have had this before’. [...] Even on something well-meaning, probably very important, but, because of our history [of delays or inaction] or just not implementing properly, it just makes leaders not criticize, to not do anything, to just live through the emotion and not do anything [with an attitude of ‘this too shall pass’. (P10)

One leader mentioned how delayed decisions result in the inability to make the decision later on:

I think there is one of the implications of delaying decisions because they have been waiting for something and then the organization can’t make the decision. (P20)

These findings explain how decision opportunities may be wasted (Brooks, 2011) due to interpersonal and personal consequences of senior leader indecision.

Overall, these results show a circular relationship between a complex context, the culture of indecisiveness and personal fears that have an impact on interpersonal relations and ultimately the strategic performance of the organization. The results hold several implications for organizational design, culture development and leadership development.

**Discussion**

Although much has been written about upper echelon decision-making (Samimi et al., 2019), up to now little is known about indecision in top management teams in complex organizations. This study provides new insights into how organizational, interpersonal and intrapersonal factors play a role in senior leader indecision. The findings show several organizational drivers of indecision, namely the organizational hierarchical structure, the complexity of an organization, geographical jurisdictions and budgetary constraints. Previously, Denis et al. (2011) have shown how ambiguity in projects may lead to indecision. Our research is the first to explore senior leader indecision in complexity.

We also found several interpersonal drivers of top management indecision, including informal power relationships, lack of peer support, lack of trust and conflict avoidance. This begins to address the call for more research on the relational mechanisms in upper echelons (Neely et al., 2020) by showing how poor relationships and culture may negatively impact organizational performance.

Further, we found personal drivers of indecision, namely fear of failure and fear of taking accountability for decisions. Because upper echelon decisions hold direct implications for organizational performance (Georgakakis et al., 2019), the research contributes by revealing further consequences of indecision. We found that at the organizational level, consequences of indecision include the depletion of resources, revenue, opportunities and competitive advantage.

In terms of the interpersonal consequences of indecision (Neely et al., 2020), we found that the senior team members become distrustful and weary, that team members become unfocused and that a culture of blame-shifting develops. A personal consequence of indecision is that leaders developed decision-making fatigue.

**Theoretical implications**

This research extends the understanding within upper echelons theory that strategic leaders collectively (Georgakakis et al., 2019) impact organizational performance in the long term
It also builds on the understanding of the dynamic interaction between constraining environment and resultant ambiguity that leads to indecision (Denis et al., 2011).

While we know that indecision may occur when there are divergent views (Denis et al., 2011) and lack of trust (Tasselli and Kilduff, 2018), the findings confirm the presence of a lack of trust, coupled with power influence and conflict avoidance strategies that manifest in indecision. This finding is significant given the role of strategic leaders in influencing strategy execution (Barstardoz and Van Vugt, 2019). Furthermore, the research exposes cultural drivers of indecision, showing a negative impact on strategic decision-making (Hambrick, 2007).

Finally, previous research has found personal antecedents of indecision such as personality traits (Brooks, 2011), decision biases (Tarka, 2017), or dysfunctional thinking patterns (McGarity-Palmer et al., 2019). Although our research did not unpack traits, biases and thinking fallacies, it did find a manifestation of fear of accountability that Tarka (2017) ascribes to status quo bias and that Shortland et al. (2023) ascribes to having power in a context of uncertainty.

In terms of consequences, previous research has shown that indecision reduces competitive advantage, growth and performance and drives performance volatility (Samimi et al., 2019). Our research reveals that strategic leader indecision also leads to loss of resources, revenue and opportunity, team demotivation and decision fatigue.

Overall, the findings reveal a multi-level dynamic in complex organizations that drive strategic leader indecision. Interplay between personal, interpersonal and organizational factors enables a culture of indecision.

Practical implications
Given the negative effects of strategic leader indecision, complex organizations should ensure diversity in the top management teams (Wu et al., 2019) and create flexible matrix structures (Egelhoff, 2020) to facilitate strategic decisions and avoid cultivating a culture of indecision. Organizational processes and systems should be developed to build peer support, trust and tolerance of diverse ideas among senior team members. Organizations should also encourage information sharing (Dayeh and Morrison, 2020), CEO humility and an ethical culture, which may be facilitated through the decentralization of top management decision-making (Cortes-Mejia et al., 2022).

Strategic leaders should be made aware of the long-term consequences of indecision to counter fears of failure and accountability. This requires the development of the teams’ collective efficacy or belief in their joint capabilities and trust (Luo and Lin, 2022).

Limitations and direction for future research
Although this research offers new insights into the drivers of strategic leader indecision, it only begins to explain the phenomenon. The exploratory study has limitations of qualitative research and was confined to a single organization and included predominantly male participants.

It offers avenues for future research to empirically evaluate the relationships between strategic leader indecision and different organizational outcomes. Future research also needs to explore the organizational cultural variables that keep indecision in place in the upper echelons. Similar research needs to be conducted in multi-case contexts and in stable environments and over longer periods of time. In-depth studies of the power dynamics among upper echelon team members can shed more light on the interpersonal dimension of strategic leader indecision. There is also a need for more in-depth research into the decision-making and thinking fallacies specific to senior leader indecision.
Conclusion
The research explored the drivers and consequences of indecision at the upper echelons in a complex organization. Being aware of the importance of strategic leader indecision for organizational performance (Hambrick and Mason, 1984; Georgakakis et al., 2019), the notion of strategic leadership indecision almost seemed improbable. However, the research shows that strategic leader indecision can appear when a complex structure, hierarchy and geographical diversity, coupled with organizational constraints, inhibit decision-making. Accordingly, a culture, characterized by power play, lack of peer support and trust and conflict avoidant behaviors, develops. Thereupon, strategic leaders may develop fears of failure and accountability that drive further indecision.

Strategic leaders are aware that their indecision may bring about loss of resources, opportunities and revenue and can leave the team demotivated and distrustful.

The findings hold implications for organizational design and interpersonal and cultural interventions to facilitate the decision process, sharing information and building trust and relationships. It also calls for further research that examines the organizational, interpersonal and personal drivers and outcomes of strategic leader indecision.

References


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