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## Explanations of Success and Failure in Management Learning: What Can We Learn From Nokia's Rise and Fall?

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We study the changing explanations of success and failure over the course of a firm's history, building on a discursive approach that highlights the role of narrative attributions in making sense of corporate performance. Specifically, we analyze how the Nokia Corporation was framed first as a success and later as a failure and how these dimensions of performance were explained in various actors' narrative accounts. In both the success and failure accounts, our analysis revealed a striking black-and-white picture that resulted in the institutionalization of Nokia's metanarratives of success and failure. Our findings also reveal a number of discursive attributional tendencies, and thus, warn of the cognitive and politically motivated biases that are likely to characterize management literature.

Success and failure stories can be seen as presentday corporate mythology. They are common in the popular and academic management literature and play a central role in the business media. Some companies achieve celebrity status complete with a positive reputation and a halo effect, whereas others are framed as losers. Some managers become heroes to admire and emulate, whereas others become objects of blame and stigmatization. Management books and case studies that have traditionally

played a central role in business school teaching can be seen as repositories of these corporate narratives. They are often based on clear-cut distinctions between success and failure (Pfeffer & Fong, 2002; Raelin, 2009); they influence how we learn to make sense of successes and failures and are pivotal in management education and managerial practice. Management books and case studies that focus on

agement can theoretically use to renew their own strategic practices (e.g., Alfalla-Luque & Medina-

López, 2009). However, critical voices have noted that these publications' prescriptions may contain major cognitive and methodological biases (Denrell, 2003; McLaren & Mills, 2010). Overall, the literature on the rhetorical and discursive aspects of

the presentation of corporate success and failure

success or failure stories provide ideas that man-

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highlights the political and contested nature of such discourses (e.g., Hegele & Kieser, 2001; Kieser & Nicolai, 2005). "Reading managers" are exposed to a host of explanations for successes and failures (Pfeffer & Sutton, 2006), reflecting the views of corporations that seek to control their legacy (Kuhn, 2008; Boje, Rosile, Durant, & Luhman, 2004) and management fashions that make some stories more plausible than others (Abrahamson & Fairchild, 1999).

Learning from the successes and failures of other corporations has its problems. In particular, research on social psychology suggests that making sense of performance necessarily involves bias. For example, causal attribution theory predicts that people have a tendency to take credit for successes and to blame either external factors or others for failures (Heider, 1958/2013; Kelley, 1973; Weiner, 1985). Management scholars have also examined and found evidence of such tendencies (Gooding & Kinicki, 1995; Salancik & Meindl, 1984; Vaara, 2002). Although most of the research has focused on selfattributions, it has also examined such tendencies in the media (Mantere, Aula, Schildt, & Vaara, 2013). However, with a few exceptions (Mantere et al., 2013), there is a lack of understanding of how specific parties such as the managers themselves, the media, and researchers differ in their constructions and explanations of success and failure. We also lack understanding of how such framings and attributions change over time.

In our work here, we focus on the framing and attributions of success and failure in the management literature. Although we draw from the insights of attribution theory and related findings, we use a discursive approach to elucidate important tendencies in making sense of success and failure (see Brown, 2000: Mantere et al., 2013: Vaara, 2002). We focus on the framings of success and failure and transitions between the two. We examine how something is labeled a success or failure and how the narrative attributions of success and failure are explained in the accounts of different actors. This allows us to develop an understanding of the variety of ways that specific instances of success and failure are constructed and dispersed through popular management literature and the media.

Our research object is the Finland-based telecom group, Nokia. That company can be seen as a revelatory case that allows us to examine both the predominant framing and explanations of success related to its rise to become a leading global player in the 1990s and 2000s and its fall—in the narrative

sense—in the late 2000s and early 2010s. Our analysis is twofold. First, we study how the managers themselves, the media, and researchers developed explanations for the group's success. Second, we examine how some of these same actors accounted for the group's failure in more recent years, what types of narrative attributions were involved, and how the transition between success and failure took place.

Our analysis points to the central role of strategic leadership, organizational capabilities, organizational design, and environmental discourses in the accounts of both success and failure. It reveals a striking black-and-white picture in which the actual framings and narrative attributions differ dramatically from each other in periods of both success and failure. We propose the use of "metanarrative" as a concept to refer to the overall intertextual totality of narratives that jointly constitute a widely spread and institutionalized understanding of the success or failure of a corporation and its explanations. We find that such metanarratives can be characterized by cognitive and political discursive tendencies, which provide a problematic basis for managerial learning and education.

#### THEORETICAL BACKGROUND

### Success and Failure Accounts As a Basis of Learning and Education

Stories of successes and failures of well-known companies are at the core of the de facto reading lists of practitioners interested in their own professional development. Most managers do not, for example, read articles in the Administrative Science Quarterly or books from the Oxford University Press (cf. Kieser & Leiner, 2009). Instead, their independent learning and self-education are based on heterogeneous materials offered, for example, by the business press (Pfeffer & Sutton, 2006) and popular management books (Furusten, 1999). Moreover, due to the extensive use of cases in management education, business school students are no less exposed to success and failure stories. However, as some scholars have argued (Denrell, 2003), management books and articles based on individual cases and examples can have a potentially problematic role in management learning.

In general, the research literature views the proliferation of these success or failure narratives in popular management books, Harvard-style cases, company histories, and other forms of narrative material as either a problem that inhibits effective management and management learning (e.g., Pfeffer & Sutton, 2006; Rosenzweig, 2009), or a sign of the political and contested nature of management discourses (Kieser, 1997). For example, the classic study by Barley and Kunda (1992) reveals how various ideologies of control coevolve with context and practice. On the other hand, scholars studying management trends and popular management books assume that trends arise in a sequential manner (i.e., each new one replacing the previous one; Abrahamson & Fairchild, 1999; Benders & van Veen, 2001). Recent research has viewed managerial discourses as a contested terrain in which many different types of "success" or "failure" narratives compete for attention and influence among practicing managers (Scarbrough & Swan, 2001). In this sense, consumers of these narratives have the freedom to choose from a variety of potential narratives of success and failure.

We are not concerned here about the use or consumption of success formulas (i.e., the managers who read management books and articles; cf. Kieser, 1997). Instead, we are interested in the question of who produces these stories and what kind of narrative attributions they reflect. Unfortunately, studies on management literature, such as the seminal article by Barley and Kunda (1992), have not been very focused in the question of authorship and instead have concentrated more on the structural determinants of the dominant managerial ideologies. An interesting exception is Furusten (1999), who studies Swedish management scholars from a biographical perspective. In analyzing the work and background of Richard Norman and others, Furusten adopts an institutional perspective that emphasizes the author as a mediator between management texts and the wider institutional environment.

Another noteworthy exception is the nascent research on corporate myths. Kuhn (2008), for example, studies the proactive and purposeful manner in which GM participated in the textual construction of its public image. Similarly, Boje and his colleagues (Boje, Rosile, Durant, & Luhman, 2004) study Enron as a multilayered, dramatized story-telling organization. They use Boje's (1995) earlier research on Walt Disney's role as an active participant in the building and manipulation of the Disney Corporation's legacy (see also Hegele & Kieser, 2001) as a framework to understand discursive dynamics in different contexts. Generally, however, management-learning research has given scant attention to authorship in its discursive sense. Thus, we have only scattered knowledge about the extent of authorship in the claims made by

management books and articles about successes and failures. In particular, we lack empirical evidence and theoretical insights to explain attributional and political tendencies in the discourses of success and failure.

#### Discursive Construction of Success and Failure

Several strands of research have provided insight into how success and failure are constructed and explained. In particular, attribution theory predicts that people attempt to understand the causes of prior events to make sense of their own performance and to manage the future (Heider, 1958/2013; Kelley, 1973; Weiner, 1985). This involves biased tendencies, such as taking credit for success and blaming external factors and other actors for failure. For example, research in sports and educational psychology has focused on how athletes and students attribute their successes and failures to different causes and found clear biases (Si, Rethorst, & Willimezik, 1995; Bond, Biddle, & Ntoumanis 2001; Gernigon & Delloye, 2003; Locke, 2004). Such tendencies have also been found in the management literature (Bettman & Weitz, 1983; Salancik & Meindl, 1984; Fiol, 1995; Tsang, 2002). However, these tendencies may not be as clear-cut as the attribution theory would seem to suggest. For example, Mantere et al. (2013) find that attributions to failure may be of various kinds and serve different functions with respect to the emotional process of grief recovery (Shepherd & Cardon, 2009) and the cognitive process of self-justification (Kieser & Leiner, 2009, 2011; Staw, 1981).

Although the bulk of this research has focused on managers' own attributions, recent research has examined the causal attributions made by external parties. Wagner and Gooding (1997) find that when managers receive equivocal information about their own performance, they tend to associate success with the organization and failure with the environment. However, when they receive a similar type of equivocal information about others' performance, they tend to associate the positive outcomes with the environment and the negative ones with the organization. Similarly, Haleblian and Rajagopalan (2006) argue that causal attributions by board members regarding the causes of success or failure influenced their decisions to replace the CEO. These authors found that the more independent the board members, the less likely they are to make selfserving attributions in favor of the CEO.

External evaluations may also involve causal ambiguity (Lippman & Rumelt, 1982; King, 2007), and

informational, cultural, and other situational biases can characterize the sense-making dynamics of external observers (Tsang, 2002). Rindova and her colleagues have extensively studied the effects of firm-constituent interactions on firm reputation (Rindova & Fombrun, 1999; Rindova, Williamson, Petkova, & Sever, 2005; Basdeo, Smith, Grimm, Rindova, & Derfus, 2006; Rindova, Petkova, & Kotha, 2007) and identified the antecedents and consequences of corporate "celebrity status" (Rindova, Pollock, & Hayward, 2006). These authors argue that there may be multiple intertwined, self-serving biases in the media, because the media creates a dramatized reality when reporting on industry change and corporate actions.

Also important, in recent years, scholars have become increasingly interested in the discursive or narrative aspects of success and failure (Brown, 2000; Mantere et al., 2013; Vaara, 2002). For example, Brown (2000) examines how people accused of questionable arms deals addressed these accusations by using self-deception, hypocrisy, and scapegoating. Vaara (2002) studied how managers constructed success and failure in their retrospective narrative accounts of mergers and acquisitions and demonstrated how existing discourses provide a variety of means for sense making. Mantere et al. (2013) examine how managers, owners, employees, and the media made sense of entrepreneurial failure by identifying specific narrative attributions: catharsis, hubris, betrayal, and mechanistic explanations. Although mainstream sociopsychological research on attributions has relied on experiments or surveys to establish cognitive patterns, the discursive approach focuses on the linguistic aspect, which allows examination of how successes or failures are framed and how success or failure can be explained in actors' narrative accounts. This approach is useful because it enables us to examine not only the constructions of success and failure by focal actors such as managers, but also how other actors, such as experts or the media, make sense of success and failure.

#### RESEARCH METHOD AND ANALYSIS

To understand how managers and other actors make sense of success or failure, we studied publications that focus on the Nokia Corporation. Nokia provides a revealing case for our analysis for several reasons. First, as a pioneer in mobile telephones that became the global market leader in the late 1990s, Nokia has attracted attention from book

authors, academics, historians, business scholars, and others interested in the corporation's "success formula." Later, at the end of the 2000s, the corporation faced a crisis that led to a new discussion—this time describing and explaining the company's failure in and exit from the mobile telephone business. Second, the existence of a large number of publications of both Nokia's success and failure enabled us to identify a corpus of Nokia-specific literature and to collect the extensive material needed for discursive analysis. Third, Nokia is also an important research topic due to its symbolic position in Finnish society. Although Nokia has received global attention, the consequences of its success and failure were most important in Finland, where it had become a symbol of professional management and innovativeness (cf. Lamberg, Laukia, & Ojala, 2014). When Nokia became the opposite, the societal effects of that transformation were magnified because Nokia's oft-imitated (especially by public organizations) management practices were suddenly questioned.

Our analysis focuses on two distinctive periods in Nokia's history: (1) its strategic turnaround and rise to a leadership position in the mobile telephone industry in the 1990s; and (2) the erosion of its market leader position after 2006 as a consequence of regime-changing business model innovations by Apple, Samsung, and Google. Figure 1 below provides an overview of not only the key turning points, but also the publications explaining Nokia's success and failure. The research design allows us to compare the explanations of success with those of failure. Although Nokia represents an extreme case that does not lend itself to empirical generalizability (Mahoney & Goertz, 2006), it has the potential to enhance our theoretical understanding of the framing of success and failure and the different narrative attributions.

#### Data Collection

The first step in our research process was to collect a comprehensive list of the publications regarding Nokia and its contemporary history. The goal was to find all the books and articles on Nokia that had been published both in Finland and internationally since the 1990s. We searched for Nokia-related publications by using standard reference databases containing articles and book listings from a wide variety of publications (see Appendix 1). We selected items for inclusion in the study that (1) in some way addressed Nokia's turnaround

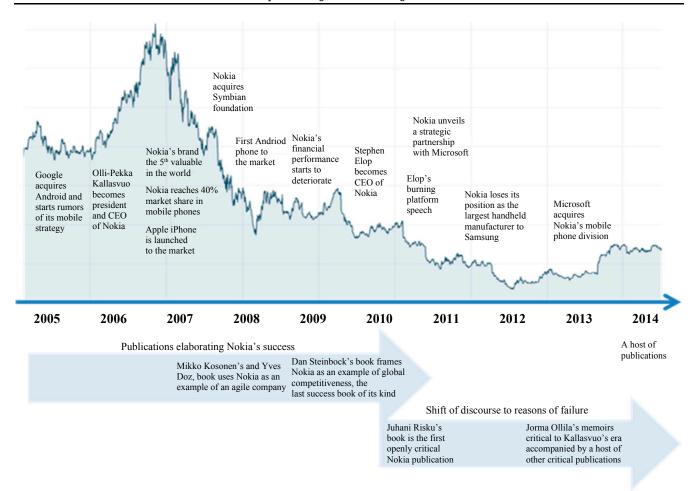


FIGURE 1

Nokia Timeline and the Transition From Success to Failure Discourses

and success in 1989–2000 (cf. Aspara, Lamberg, Laukia, & Tikkanen, 2011) or Nokia's market erosion in the mobile-telephone business in 2006–2013; and (2) contained text that addressed Nokia's success or failure in narrative format. We omitted publications that consisted of statistical and other types of formal analyses (e.g., Keil, McGrath, & Tukiainen, 2009).

We identified, read, and carefully examined 81 relevant publications. This was an iterative process involving several encounters with scholars studying Nokia and Nokia managers monitoring Nokia-specific literature. We believe that our list of 81 books and articles is close to the total population of published texts in narrative format on Nokia's evolution from 1990 to 2014 and even if we missed some texts, 81 publications represents such a large amount of material on a single case that we can relatively safely assume that adding further publications would have added only marginal value.

To complement our data collection, we also searched for texts in newspapers and nonacademic journals. Although we assume that published books and articles contain more variation in terms of the content of their success formulas, we recognize the importance of media discourse on corporate selfreflection. However, newspaper journalists need to react quickly to ongoing processes, which can easily result in a high degree of homogeneity in their interpretations (Zhong & Newhagen, 2009). For this reason, we focused only on media texts that include direct quotes from interviewees or in some cases, from journalists themselves. This part of the research process was important because many of the book writers reacted in 2013 when Nokia's mobiletelephone business was sold to Microsoft. Therefore, the collection of media quotes allowed us to track possible author-specific changes in discursive sense making when the discourse changed from success to failure.

#### Data Analysis

Our analysis was abductive in nature (Locke, Golden-Biddle, & Feldman, 2008) and proceeded in stages. Once we had gathered all the material, we searched the texts for discursive framings and attributions of success and failure. This phase was crucial because we needed to decide which text segments to include in our database. We focused on sentences that had a direct causal proposition regarding Nokia's success or failure. Another alternative would have been to analyze the text quantitatively (e.g., Duriau, Reger, & Pfarrer, 2007). However, because we sought to identify the processes of discursive framings and attributions, quantitative analysis would not have sufficed.

We searched the texts for attributions of success and failure. We identified 625 narrative attributions by using a thematic analysis and iterated rounds of intensive interpretative readings. In most cases, identification of the arguments was relatively straightforward because the texts used standard language (either Finnish or English), and the causal arguments played a central role in the texts. After identifying the 625 arguments, we listed their attributions and illustrative inserts in an Excel spreadsheet.

We also collected information about the authors of the texts. To identify their professional and educational backgrounds, we performed a biographical search using academic and professional calendars (e.g., "who's who" types of publications), web searches, and interviews with Nokia researchers. Accordingly, all the attributions were coded and assembled into a table that included details about their respective authors, availability of primary sources, and publication dates. We also coded when these attributions were made with the aim of obtaining an accurate representation of how narratives of Nokia's success and failure evolved over time.

At the next stage of the analysis, we used the 625 attributions for identifying four broad discursive categories, which included both firm-endogenous factors (strategic leadership, capabilities, and organizational design) and firm-exogenous factors (the environment, including government and public policies). These categories are also theoretical (cf. Corley & Gioia, 2004) and provide links to broader academic themes in the strategic management literature (cf., e.g., to the classification in Ramos-Rodríguez & Ruíz-Navarro, 2004).

After we had identified the four discursive categories, two research assistants independently coded the 625 narrative attributions. When coding, they

used Table 1 as a coding rule. The two coders reached consensus about the categories in 81% of the arguments. For the remaining arguments, we used the following procedure. First, two members of the research team and a third research assistant coded the attributions on which we disagreed. After obtaining five competing lists of codes, we allocated attributions to the categories that were the most popular among the five coders. Ultimately, one member of the research team (who had not conducted any coding) checked the categorization of the disputed arguments. No changes were made at that point.

This led us to develop an understanding of the specific discourses that the texts used to make sense of success and failure and their explanations. We then analyzed these discourses more carefully in terms of how success and failure were framed and attributed. This helped us to better understand not only the characteristics of the various alternative accounts, but also how they collectively constituted the metanarrative of success and later failure.\(^1\)

To examine how the transition from success to failure narratives occurred over time and how the narratives differed among the different author types, we also coded the relative weights that the different author types (journalists, government public policy researchers, academics, and former Nokia managers) placed on the different explanations of success and failure. We did this by coding the success and failure discourses according to the different author types and by examining the relative use of the different discourses by each author type. (Appendix 3 provides the relative prevalence of the different discourses according to each of the four author types.)

When the success narratives transformed into failure narratives, the four discursive categories remained the same, but the relative importance that the different authors placed on the different categories changed. The figures in the Appendix show this change in emphasis. Also of interest, all the authors of the different Nokia publications reduced their assessment of the influence of the external environment on Nokia's performance; that is, all the

<sup>&</sup>lt;sup>1</sup> Metanarrative is a concept sometimes used to denote societal narratives, such as modernism, that explain the overall development of society. We use this term more restrictively to refer to the totality of the overall intertextual narratives that together constitute a widely spread and institutionalized understanding of the success or failure of a corporation and its explanations.

# TABLE 1 Coding Rules

Discourse	Success attributions' distribution (%)	Failure attributions' distribution (%)	Attribution focus	Similar themes in theoretical literature	Success attributions examples	Failure attribution examples
Managerial: Strategic leadership	33.6	37.3	Attributions focusing on leadership qualities; executive decisions; top management team issues; and middle-management.  Indicates exact decisions made by leaders, executives, teams, management. Decisions that have more than one possible	Upper echelon theory: leadership; decision making.	"Ollila may have been precisely what the company needed firm and flexible visions, calmness to survive the present and boldness to look to the future" (Steinbock & Porter, 1998).	"When the company had started to fail, the necessary changes to the GEB were not made" (Risku, 2010). "Either there was not enough consideration for the needs of the customer or those needs were not met" (Ollila
Organizational: Design	10.3	23.7	Attributions focusing on organizational structure; corporate governance. Functions; action patterns of corporation's inside system; excluding those linked directly with the skills; knowledge; or know-how of corporation's actors (then "corporation's actors (then "corporation's actors (then "corporation's actors (then "corporation").	Organizational design; configurational approaches to strategy; organizational culture; contingency theory; institutional theory; system thinking.	"[The] conscious and continuous thinking about the company's structure is considered an important innovation equal to its product innovations" (Castells & Himamen, 2002).	& Saukkomaa, 2013). "Nokia's culture was too technically oriented" (Risku, 2010).
Organizational: Capabilities	18.5	29.8	Attributions focusing on skills; knowledge as antecedents; obstacles for issues to realize. Skills; capabilities of corporation not directly structural (i.e., part of "organizational design"). Describe one feature of corporation important for success. With "failures," possible to see arguments possible to see arguments	Capabilities; organizational routines; knowledge-based; organizational; learning; resource- based view.	"What has made Nokia distinctive among its contemporaries is the fact that it has consistently focused on mastering the full value chain, from operations and new product development to marketing, sales, and service" (Steinbock, 2001).	"Nokia sold devices, Apple sold lifestyle" (Cord, 2014). "Finns [in the company] did not understand or could not handle the new world very well (Ollila & Saukkomaa, 2013). "Actions of the highest management were too amateurish" (Risku, 2010).
External: Environment	37.6	8.	Attributions focusing on forces; processes taking place outside focal corporation but determining opportunity space.	Evolutionary theory; institutional theory; stakeholder theory.	" Finnish practicality and perseverance as well as the ability to take personal responsibility are traits that have fit well with the historical environment that Nokia's success has been created in" (Bruun & Wallen, 1999).	"Operators thought that Nokia was too strong a company to negotiate with. Smaller ones adjust themselves more easily to their needs" (Ollila & Saukkomaa, 2013).

author types regarded the discourse relating to the external environment as relatively more important when explaining Nokia's success than when explaining Nokia's failure. This is noteworthy when considering that Nokia might not have failed had the competitive situation not have changed because of Apple and Google. In contrast, most of the authors regarded discourses related to the internal organization design and strategic leadership as more relevant to explaining Nokia's failure than its success. Consistent with attribution theory, only the former Nokia managers assessed that strategic leadership played a less important role in Nokia's failure than it played in Nokia's success. However, even former Nokia managers tended to emphasize failures associated with strategic leadership when assessing each other's behavior.

Last, the analysis of the author types shows that as success narratives transformed into failure narratives, the authors with an academic background changed their assessments the most. The governmental public policy researchers revised their assessments somewhat less, the journalists even less than that, and the former Nokia managers revised their assessments the least. Thus, the academics seemed to be the most sensitive to changing the categories according to which they assessed successes and failures, whereas the former Nokia managers seemed to be more conservative and used mostly the same discursive categories when explaining both success and failure.

#### SUCCESS DISCOURSES

Nokia had been one of the largest Finnish companies since the 1960s and was a large company ever since its 19th-century founding as a paper-industry company. However, the framing of Nokia as a success story became more widespread in the Finnish context only in the mid-1990s alongside Nokia's increasing international reputation. First, Nokia's rapid international success catalyzed a series of publications focused on explaining the reasons for that success. For example, in 1996, a group of business scholars, historians, and innovation researchers published an edited book that specifically asked "Miksi Nokia, Finland"—that is, "Why Nokia, Finland?" (Lemola & Lovio, 1996). The academic community was characteristically motivated to find answers to the mystery of why Nokia was the specific company from Finland that was able to reach a position in the international market, in contrast to more predictable winners such as Motorola and Ericsson. Second, managers who worked at or were close to Nokia published a series of doctoral dissertations based on Nokia's evolution (e.g., Ala-Pietilä, 1992; Kosonen, 1992; Pulkkinen, 1997). Those publications theorized the formula of Nokia's success in an academically credible way, thus affecting the discursive position of Nokia as a professionally managed international firm. After this first series of publications, Nokia became an example of the successful coevolution of innovation policy and firm-level capabilities (e.g., Paija, 2001b); a case to exemplify different aspects of successful managerial practice (e.g., Steinbock, 2010; Laaksonen et al., 1998); and a topic in academic historical research (especially Häikiö's official history of Nokia) and popular books (e.g., Bruun et al., 1999).

Although the first wave of literature was not normative, it worked effectively to create a myth of Nokia's history and superb managerial capabilities. The influence of Nokia and the myth around its history resulted in it becoming the dominant model of professional management in Finnish society in the late 1990s and 2000s (practically until the "burning platform" speech by Stephen Elop). Overall, Nokia became a synonym for superior management in Finland, which partly explains the discursive dynamics in its success explanations. We next elaborate on the discursive tendencies in the framings and attributions of success and failure, assigning various success or failure attributions to four discursive categories: (1) strategic leadership, (2) organizational design, (3) capabilities, and (4) environment.

#### Discursive Category 1: Strategic Leadership

The actions of individual executives constitute a major group of explanations for Nokia's rise to global dominance in the telecommunications industry. For example, Björn Westerlund, Nokia's former CEO, is credited for his caution toward the fast-growing Soviet trade that existed at that time. Years later, this caution was seen as a positive factor for performance when Nokia's geographically balanced international trade saved the company from the effects of the collapse of the Soviet Union. Furthermore, other authors argue that Nokia's entry into the electronics and radiotelephone industries would not have been possible without the patience of Westerlund and other Nokia directors, who believed in the nascent divisions and their potential:

Nokia's current strong position in the telecommunications industry can be attributed to Björn

Westerlund. He had faith in the future of electronics and allowed the continuously unprofitable unit to continue operations for years (Mäenpää & Luukkainen, 1994).

Kari Kairamo, the company's CEO from 1977 to 1988, is also acknowledged in many texts as an important contributor to the company's success. He is seen as a charismatic and extroverted personality who acted as the driving force behind Nokia's initial international expansion and as an avid supporter of a flexible, dynamic, and constantly learning organization. Jorma Ollila was Nokia's CEO when the company turned around in the 1990s from near bankruptcy to extraordinary growth. Ollila's financial expertise was seen as crucial in the company's rise from failed conglomerate to successful telecommunications company. Moreover, many accounts glorify Ollila's personality and skills as the sources of Nokia's success. Whether it is Ollila's public presentations (Sokala, 2002), organizational skills (Bruun, Wallén, & Hyrkäs, 1999), innovativeness (Castells & Himanen, 2002), vision (Steinbock & Porter, 1998), or negotiation skills (Steinbock, 2001), many authors recognize him as a major contributor to Nokia's success story.

In addition to management personality-related determinants, management's key actions and strategies were also identified as important success factors. For example, Nokia's successes in acquisitions were attributed to management foresight. Various texts argue that Nokia's acquisitions of Salora and Televa were crucial to the company's success because they brought competences in mobile telephony and consolidated the development of Finnish communications equipment under Nokia's roof. Others claim that Nokia was wise to acquire the U.K.-based Technophone at the beginning of the 1990s because by doing so, Nokia gained critical production competences and an important foothold in the French and Italian markets. We also found arguments emphasizing that Nokia's involvement in the electronics business and the company's focus on the emerging mobile communications business were risky management decisions that turned out to be beneficial for the company. Steinbock (2001: 39) describes these strategic decisions by Nokia's management as follows:

Again and again in the course of its history, Nokia has seized opportunities to enter new and exciting businesses characterized by high risk but great promise for growth. It is noteworthy that authors representing Nokia's former management tend to emphasize the role of strategic leadership and organization design and to play down the role of external factors, such as the business environment. In a presentation of his book, Mikko Kosonen (Doz & Kosonen, 2008a), a former chief strategy and technology officer of Nokia, commented on the role of management in Nokia's success, summarizing the overall feelings of exNokia managers by stating that "there were only a handful of people and key decisions responsible for Nokia's success."

The high importance placed on strategic leadership is consistent with the core argument of the attribution theory, according to which managers have a tendency to bias their sense making of success factors according to their own actions and the organization that they have built. However, the attribution of the role of strategic leadership quickly changed from positive to negative when the performance of Nokia started to deteriorate, as we report in the context of failure discourses.

### Discursive Category 2: Capabilities

Although Nokia was founded as a pulp and paper company in 1865, its first large-scale organizational change occurred in 1966 when it merged with two industrial companies of the same age (the Finnish Rubber Works founded in 1898 and Finnish Cable Works founded in 1912). Several authors argue that the resulting conglomerate formed the basis for today's Nokia by providing the needed critical mass, certain useful capabilities in the areas of electronics and radiotelephony from the Finnish Cable Works, and important customer relationships, especially with the Soviet Union.

Some authors argue that Nokia's early capabilities in telecommunications were boosted by a public bid for the supply of radiotelephones to the Finnish Defense Forces in 1972, which resulted in the company's involvement in the electronics industry. These capabilities were developed through various phases into technologies such as the DX200 digital exchange product, which later became the backbone of Nokia's mobile network technology and its most successful early network product. Overall, the DX200 exchange system is seen as a defining step in Nokia's involvement in mobile communications because that product, along with related new skills and knowledge, opened new international markets for Nokia.

Many authors argue that some of Nokia's most important breakthroughs were its involvement in two mobile telecommunications standards—the Nordic Mobile Telephone (NMT) and a decade later, the Global System for Mobile Communication (GSM)—and the development of associated capabilities. Accordingly, Nokia gained considerable advantages from being involved in the formation of these standards, especially the GSM. Many authors contend that the pan-Scandinavian NMT standard, introduced in 1981, gave Nokia a high market share in the world's largest uniform mobile-telephone network, and as such, provided the company with a unique testing ground, a first-mover status in the industry, and a belief in the future of mobile devices.

A decade later, the GSM standard emerged when the first call from a Nokia telephone was made in Finland in 1991. Several texts suggest that Nokia gambled by developing capabilities based on the GSM standard while involved in its formation. These texts argue that as the mobile telephone markets began to grow in the 1990s, the Nokiabacked GSM standard soon became widespread, which benefited Nokia immensely.

Other capability-related drivers have also been proposed as sources of Nokia's success. Some authors argue that Nokia's high levels of research and development gave the company an advantage over its competitors. Moreover, other authors portray Nokia's mastery of the value chain as a source of competitive advantage. Last, the technological diversity of Nokia's involvement in the varying mobile technology standards is also identified as an important aspect of Nokia's international growth and success. Various texts also portray Nokia's brand management as one of the company's most important success factors. The importance of the company's brand can be seen in the following extracts:

Nokia has highlighted the life-style feature of communications in its brand building - a strategy that explains an important share of its breakthrough. (Paija, 2001a)

Nokia had products for every consumer on the planet ... we avoided pushing the same model everywhere. Instead we tailored our products to meet the local expectations and changing consumer habits. And we were very often successful in that. (Ollila & Saukkomaa, 2013: 466)

### Discursive Category 3: Organizational Design

Several authors argued that Nokia's management kept the company's processes flexible and dynamic, which made Nokia better able than its competitors to confront challenges. Furthermore, many authors stated that the company's extensive collaboration with its network in both production and R&D resulted in superior performance, efficient logistics, and a modern, well-managed supply chain. In addition, Nokia's culture was described in many texts as atypical, and many consider that a part of Nokia's success. Various authors described Nokia's culture as ranging from humble (Bruun, Wallén, & Hyrkäs, 1999) to innovation- and initiative-driven (Steinbock, 2001; Lemola, 1996); to continuous learning-centered (Koivusalo, 1995; Castells & Himanen, 2002). The following passage illustrates the admiration for the continuous-learning orientation of the company:

[The] conscious and continuous thinking about the company's structure is considered an important innovation equal to its product innovations (Castells & Himanen, 2002: 132).

Jorma Ollila (Ollila & Saukkomaa, 2013), for example, argued that Nokia's strength was its effective intraorganizational communication and the company's values, strategies, and vision, along with the quick dissemination of everyday information in an easily accessible manner throughout the company. Last, many authors argued that one of the key factors in Nokia's success was the mastery that it displayed in international expansion. Nokia was able to rapidly expand internationally, thereby acquiring first-mover advantages in many emerging markets and benefiting from economies of scale that would have been unattainable in its small home market.

### Discursive Category 4: Environment

Authors with a background in economics and working in research institutes were especially focused on public policy and emphasized the environment—both market and regulatory—as an important, if not decisive, factor in Nokia's success. For example, many texts mentioned the early importance of the Finnish government and the state-owned public telecommunications operator (PTO), Telecom Finland, in Nokia's success. In addition, many authors saw the PTO as a sophisticated and demanding lead customer for Nokia. The PTO was seen as an important

driver behind Nokia's involvement in the Scandinavian NMT mobile standard, which was regarded as a cornerstone of the company's success by many publications.

Another explanation of success focused on the role of Finnish government policy. The government's policies on competition and deregulation in the telecommunications sector were important for the evolution of the Finnish telecommunications cluster and Nokia's success. Furthermore, the liberalization of the Finnish capital market provided Nokia with foreign investment at the start of the 1990s, which was necessary to finance the company's focus on telecommunications and the rapid growth that ensued. Various texts—especially by government-sponsored scholars—portrayed public funding as an important resource for the early development of radiotelephony and later for R&D programs.

Some aspects of the Finnish market have also been introduced as plausible preconditions for the company's success. Unlike most other telecom markets in the world, the Finnish domestic market lacks a monopoly. Various texts argue that this gave Nokia a sophisticated, technologically progressive, and demanding home market that drove the company's technological expertise and innovation. Some authors also point to the importance of high mobile telephone penetration rates in Scandinavia, especially in Finland, which, they argue, gave Nokia a valuable feedback loop that helped it to realize the potential of mobile telephones as consumer products. This attitudinal shift away from "yuppie" telephones is described as immensely successful and as having resulted in the most innovative products with appealing designs.

Last, many authors also argue that Nokia's access to skilled people in its home country was important for the company's success. Some claim that the Finnish people's perseverance, determination, and open-mindedness toward technology might have been a factor in Nokia's success. On more than one occasion, the distinctly innovative culture of Finland as an antecedent of Nokia's success is compared to the Kalevala—the Finnish mythic national epic:

In the Finnish epic Kalevala, a researcher and an engineer join their creative forces to help the hero. Together, these early innovators created the sun and the moon. Today, the task of researchers and engineers—along Kalevala Road and elsewhere—is only slightly less daunting. They will have to work with decision-makers to forge a new, sustainable way of life.

It's clear that Finland, especially Otaniemi, will need to take a leading role in this effort (Himanen, Au, & Margulies, 2011).

### Institutionalization of the Success Metanarrative and Its Implications

Taken together, these various success discourses constituted an intertextual totality that reinforced the framing of Nokia as a success story and reproduced specific attributions as generally held explanations. Characteristic of this discussion was that although there were various viewpoints and attributions, Nokia's success itself and its key explanations were not contested. Instead, new narrative explanations added to the richness of Nokia's success story but did not challenge its key elements, such as the crucial role of the top managers, Nokia's capabilities, and Finland as a near-optimal innovation environment.

The discussion thus led to the institutionalization of Nokia's success story as a widely shared metanarrative. This is interesting per se; the metanarrative became an inherent part of the hype around Nokia, and the metanarrative of success turned into a canonical truth that almost no one dared question. Furthermore, this institutionalization also had important consequences for learning, both inside and outside the corporation. Specific positive versions of Nokia's success were disseminated internally and used in internal training for new recruits. Externally, Nokia was increasingly used as a case example in both the media and in management education. It is difficult to estimate the exact impact of all this, but the hype clearly had major consequences for companies and managers following Nokia's example. Moreover, the absence of criticism must have made people less eager to challenge the company's prevailing strategies and practices in the early 2000s.

#### FAILURE DISCOURSES

The transition from the institutionalized metanarrative of Nokia's success to that of its failure was rapid. Important events included the company's first quarterly losses in 2009, Stephen Elop's nomination as the new CEO, and Nokia executives' flight to other corporations. Stephen Elop's (in)famous "burning platform" speech and the widely shared news about Nokia's difficulties in meeting the competitors' product offerings, which led to increasingly negative media discussion in 2010. The first openly critical Nokia book was Risku (2010), and other publications followed suit. Some books and articles were clearly motivated by

former executives' willingness to save their historical legacy, which seemed to be the case, for example, with Jorma Ollila's memoirs. Overall, what followed was a discussion that was very critical. Although we found little criticism of Nokia in the books and articles that concentrated on the rise and success of the company, the opposite was the case for texts focused on the problems that emerged in the mobile telephone business.<sup>2</sup>

#### Discursive Category 1: Strategic Leadership

Whereas in the explanations of Nokia's success, key managers such as Kari Kairamo and his closest executives or the "Dream Team" led by Ollila were praised for success, in the failure explanations, the emphasis was on blaming such individuals or their erroneous choices. For example, Stephen Elop is seen by some of the authors as not only incompetent, but also malicious; he was regarded as the mole or "Trojan horse" who destroyed and sold Nokia's mobile telephone business to Microsoft according to a predetermined plot:

They hired a Microsoft "mole" who forced Nokia to convert to a new platform at the expense of shareholders' money. Finally the mole handed the revamped and Microsoft-ready mobile phones division to Microsoft on a golden platter (Anonymous financial sector expert, Taloussanomat, September 11, 2013).

Other Finns were deeply bitter and enraged, and it was easy for them to find a target for their ire: Stephen Elop. During his two-year tenure in Espoo, he was ultimately responsible for a 62 percent drop in Nokia's stock price, a halving of their mobile phone market share, a precipitous fall in the smart-phone market share from 33 to 3 percent, and a cumulative loss of  $\leq$ 4.9 billion. He was dubbed "Stephen eFlop" (Cord, 2014: 282).

Nokia's directors will go down in European business history as one of the most perverse crews to lead a major corporation in the postwar era (Tero Kuittinen, Forbes, March 21, 2013).

A common explanation, especially among journalists and financial sector experts, was that the executives had failed. This criticism focused on both current and former executives. Thus, Nokia's downturn was seen as a series of wrong decisions: (1) the neglect of innovations and products that could have been triumphant; (2) the decision to invest in Symbian as the main software package; (3) decisions not to invest enough in Symbian; (3) Ollila's 2006 decision to promote Olli-Pekka Kallasvuo to CEO; (4) recruiting Stephen Elop as the new CEO in 2010; (5) the decision to publicly denounce Symbian telephones in Elop's famous "burning platform" speech on February 8, 2013; (6) the decision to abandon Symbian and Meego and to choose Microsoft as an ally for smart-phone software; and (7) overall mistakes in strategy.

An interesting feature in the narratives that emphasize strategic leadership as an antecedent of failure is the personification of the corporation. In the texts, Nokia was seen as corrupt, arrogant, lazy, slow, inconsistent, focused on internal competition, and threatened. Two business scholars offered the following interpretation: "Kallasvuo now sees that the company did not pay sufficient attention to the emotional undercurrents caused by internal competition for resources to develop a vast array of phone models" (Huy & Vuori, 2014). Ex-Nokia executive Frank Nuovo emphasized the laziness and stagnation that results from the combination of normal corporate evolution and large size:

I look back and I think Nokia was just a very big company that started to maintain its position more than innovate for new opportunities ... we realized at Nokia that touch was increasingly important and were working toward doing it, but when a company is really busy holding on to what it has built, it is difficult to put enough of a push toward something so drastically new and engender urgency in it (Frank Nuovo, Australian Financial Review, September 6, 2013).

### Discursive Category 2: Capabilities

The capability-based failure arguments focused on three categories: insufficient technological knowledge in the top management team, an incorrect approach to consumer marketing, and products that were inferior to those of competitors. Many authors, especially ex-Nokia executives and journalists, debated the question about the need for technological knowledge among top executives:

<sup>&</sup>lt;sup>2</sup> There is one important exception to the overall criticism. Both of the historians who commented in the media (Markku Kuisma and Martti Häikiö) were quite optimistic about Nokia's future without telephones.

There is no need for the CEO to be an expert in software development or technology. Instead, she or he must be passionate to learn the basic technological logics; and willing and capable to find the right people for the right positions. Nokia was not able to find managers who would have built it as a software company. Nokia was phlegmatic and powerless with Symbian [...] when Pertti Korhonen left Nokia in 2006 the software-specific understanding of business in the top management team decreased dramatically (Ollila & Saukkomaa, 2013: 458).

According to the capability narrative, the lack of industry-specific knowledge on Nokia's board slowed down its responses to increasing competition by Apple and Samsung and enabled adoption of Elop's new strategy. Some writers also saw the combination of an inexperienced board (in the mobile telephone business) and Elop's insufficient knowledge of the industry as the problem:

With the authority of a software expert, Stephen Elop was able to convince the top management and team and Nokia board that Nokia must focus solely on Microsoft phones. At the time, the board of directors was in a transformation phase: Risto Siilasmaa was just starting and Jouko Karvinen and Kari Stadigh came from outside the mobile phone business. However, Elop had the same problem. He knew software but not the mobile phone industry and its history (Jukka-Pekka Raeste, Helsingin Sanomat, September 3, 2013).

Most of the writers who participated in the public discourse regarding Nokia's failure considered Nokia's products inferior to those of Apple and Android. According to this explanation, consumers began to prefer the products of competitors, and Nokia's countermoves (e.g., E97) went badly wrong:

The software was inferior in terms of capacity and design; and the phone suffered from elementary technical problems. Anssi Vanjoki stated later that N97 was "a huge disappointment for the consumers' quality expectations." It was a polite way of saying that N97 was a total failure at a moment when Nokia should have succeeded and turned course (Ollila & Saukkomaa, 2013: 456).

Juhani Risku, an ex-Nokia manager, was even more critical regarding Nokia's abilities:

Nokia's biggest problem and at the same time the problem of its brand strategy is that the brand is not construct of products and services; it is built on a shallow marketing shell which does not have a relevant link to product design, concept building, and fulfilling the needs of individual customers (Risku, 2010: 70).

Many of the failure explanations note that Nokia's attempts to address the new digital environment went astray because of Symbian-related problems. Kallasvuo explained that "Symbian was an old operating system ... to link new solutions was a difficult technological challenge. That was one reason why the decision to adopt Microsoft was made; the interpretation was that it was impossible to continue with Symbian" (Interview with Olli-Pekka Kallasvuo, Former Nokia CEO, YLE, September 7, 2013). Last, most of the failure narratives include an explanation according to which after achieving a dominant position, the quality of Nokia's products deteriorated. Nokia's products were simply no longer as good as its competitors' equivalent products and services.

### Discursive Category 3: Organizational Design

In terms of organizational design, there is less agreement among the failure narratives than the success narratives. A typical example is the abovementioned problem with Symbian, which is generally seen as one of the system's greatest shortcomings. However, other voices argued that Nokia's internal systems were the reason that Symbian never fulfilled the company's expectations. An ex-Symbian engineer accused Nokia's leadership and the resource allocation system of preventing Symbian's rise:

It is a mistake to assume that the reasons why Symbian didn't become the dominant mobile platform were technical in nature or based on the limitations of capability or design ... the Nokia leadership responsible for the Devices unit's execution of Symbian Open Source products and initiatives was told directly that the ecosystem (consisting of manufacturers and suppliers) and our efforts would falter if we didn't have commitments to (1) relocate and improve developer tools under our open model, (2) to have an effective App Store strategy, e.g., not one homegrown by Nokia alone, and (3) to secure our operating budget. We asked for their direct support on all three ... The Foundation and our ecosystem initiatives didn't get any support for those initiatives, despite sitting down with the leadership at the key moment. Quite the opposite, the rug was pulled out from under us at almost every turn (Interview with Lee Williams, Forbes, September 3, 2013).

Jorma Ollila's own book sees Nokia's organization as a factor that was critical to decision making:

In spring 2009 I started to receive messages from Nokia's organization that the company was not managed consistently. Issues started to stack up, decision-making was slow, and discussion had been transferred to large committees in which the focus was lost (Ollila & Saukkomaa, 2013: 457).

Apple's Tim Cook echoed this interpretation in an interview by recalling that "Nokia's internal bureaucracy inhibited efficient software development" (Interview with Tim Cook, BusinessWeek, September 3, 2013). These statements related to the period before Stephen Elop. Dan Steinbock, who has also written many success books, went further by claiming that Elop's new organization destroyed Nokia:

What followed was three years of massive restructuring. It cut costs, as it had to, but it failed to create revenues. Successful restructuring can revive ailing corporate giants, but in the case of Nokia, it all went terribly wrong (Dan Steinbock, CNBC, September 17, 2013).

Finally, ex-Nokia managers argued that the incentive structure and matrix organization together corrupted decision-making processes by eroding the motivation of managers and channeling too much effort into organizational politics.

### Discursive Category 4: Environment

Overall, the failure narratives report the changes outside Nokia as fatal for the company. Perhaps the most thorough description of the environmental challenges faced by Nokia is that of researchers from a government-sponsored semipublic Finnish think tank:

Up until the launch of Apple's iPhone in 2007, and Google's Android in 2009, Nokia and Microsoft were indisputable leaders in their own respective industries. Since then they were both caught by the rapid convergence of

digital communications, information systems, consumer electronics, as well as software and digital content of various sorts. This convergence broke the previously prevailing sectoral silos and replaced them with a rapidly evolving "Internet of everything world." Both companies found themselves facing new and unknown competition, and were forced to design new strategies fit for a new market regime (Ali-Yrkkö, Kalm, Pajarinen, Rouvinen, Seppälä, & Tahvanainen, 2013).

That same degree of environmental determinism also characterizes many other accounts. Dan Steinbock, one of the most active Nokia authors, described Nokia's fall as an adaptation problem:

Nokia didn't just struggle to make better phones in recent years. It struggled to adapt culturally to a new business environment. It's difficult to pinpoint precisely what cultural changes were needed (Dan Steinbock, CNBC, September 17, 2013).

Similarly, Jorma Ollila accused Olli-Pekka Kallasvuo of not being able to face competitive pressure from Apple: "[T]he biggest mistake was that Nokia under his (i.e., Kallasvuo's) leadership was not able to respond to the challenge of iPhone with a killer phone" (Ollila & Saukkomaa, 2013: 458).

An interesting tendency among the failure narratives is their emphasis of the unpredictability and extremely dynamic nature of the market and competitive environment, in contrast to the success narratives, which emphasize Nokia's ability to sense and manage the environment. An underlying theme in almost all of the failure narratives (including those in the strategic leadership category) is that Nokia's destiny was determined by external dynamics. Framed like this, a summarizing "metanarrative" becomes apparent: Due to personal and organizational incompetence and behavioral errors (arrogance, fear, and laziness) the environmental turbulence became too complex and difficult to handle, and the end result was public humiliation.

### Institutionalization of the Failure Metanarrative and Its Implications

These failure discourses form an intertextual totality that increasingly framed Nokia as a failure case and provided a number of explanations that could be used to make sense of the failure. Just as in the

case of the success discourses, the interpretation of failure was increasingly salient. However, the framings and attributions were more complex than those in the success discourses. In particular, managers and other actors frequently defended their own actions and blamed others.

Thus, the failure discourses produced a failure metanarrative that was widely shared and disseminated. This failure metanarrative replaced the success metanarrative; in fact, the replacement process itself is an interesting phenomenon. Many managers and other observers were quick to reassess Nokia's new situation. This could be readily achieved by focusing attention on the most recent events; there was no need to challenge the metanarrative of success and at times, it was possible to build on it. Either Elop could be seen as the scapegoat, or the collapse could be attributed to fundamental changes in the environment (e.g., the new category of smart phones introduced by Apple).

However, the failure discourses often also resulted in a reinterpretation of the past, for example the long-term effects of managerial decisions or Nokia's capabilities or systems. Some expert observers made special efforts to correct their previous assessments, which now appeared overly positive. For instance, in his CNBC column on September 17 (almost immediately after the mobile telephone division was sold to Microsoft), Dan Steinbock emphasized that although Nokia had been at the peak of its success in 2010 when his most recent book had been published, Stephen Elop destroyed all of the good that Kallasvuo had achieved. Similarly, Jorma Ollila and Olli-Pekka Kallasvuo have engaged in a discursive struggle over where to place the blame for the decline.

Overall, the institutionalization of the failure metanarrative had significant implications for learning both within and outside the corporation. Internally, the focus turned to the crisis, which was at least partly aggravated by the collapse of the successful past. However, it may also be that a sense of crisis was necessary for renewal; this was visible, for example, in Elop's famous "burning platform" speech. Externally, Nokia could no longer serve as a success story to be imitated. Failure became the issue on which both the media and management education seemed to focus, although Nokia's selling of its mobile telephone division could also be attributed as a successful business exit instead of as failure of any kind.

#### DISCUSSION

Our analysis has focused on how success and failure were discursively framed and explained in

the accounts of managers, experts, and the media during the peak of Nokia's success and after the company experienced crisis. Although the same types of discourses were used in both the success and failure accounts, a closer analysis reveals significant differences between the framings and attributions. Table 2 summarizes the primary characteristics of the metanarratives of success and failure.

Individual managers and their decisions played a key role in both success and failure constructions. As could be expected, almost all of the author types largely attributed success to managers' skills or specific decisions. In many instances, specific managers came to personify the company in the sense that the success stories had clear parallels between the characteristics and personality of the key people, such as the two powerful CEOs, Jorma Ollila and Kari Kairamo, and Nokia as a corporation. These success accounts were frequently full of heroism and glorification. The failure accounts also focused on the managers and their actions; in particular, recent actions such as the recruitment of Stephen Elop and the decision to focus on Microsoft were criticized. However, in many cases, there was also a re-evaluation of the past; for example, Jorma Ollila's actions were now more critically evaluated. Like the success stories, the failure accounts draw strong parallels between the top managers and the entire organization; for example, Kallasvuo came to symbolize mistakes and a lack of innovativeness. Moreover, he was often constructed as a scapegoat. The failure stories also included conspiracy theories; for instance, seeing Elop as a mole whose primary role was to deliver Nokia into Microsoft's hands.

Organizational capabilities were used as more long-term explanations of success or failure. In particular, Nokia's capabilities, such as innovative competence, were portrayed as key success factors. In turn, the failure accounts provided reinterpretations of Nokia's capabilities. Nokia's innovation capabilities, which previously had been praised, were now seen as insufficient. Furthermore, changing times were seen as requiring new capabilities that Nokia was lacking, thus combining capability- and environment-based explanations.

Organizational-design-related attributes, for example, the corporation's culture and systems, were also used as explanations of success. This was the case, for example, with global logistics. At times, the success stories also included accounts of the difficulties and challenges that the organization had managed to overcome; these were later seen as

TABLE 2
Characteristics of Success and Failure Discourses

Discourses	Characteristics of success discourses	Characteristics of failure discourses
Strategic leadership	Attributions to managers' skills, specific decisions, choices	Attributions of managers' decisions, choices (focus on most recent)
	Personification of company	Personification of company
	Glorification of individuals	Scapegoating
		Conspiracy theories
Capabilities	<ul> <li>Focus on unique capabilities developed over time</li> </ul>	<ul> <li>Reinterpretation of capabilities reframed as insufficient</li> </ul>
		<ul> <li>Lack of capabilities needed to address new challenges</li> </ul>
		<ul> <li>Inertia in focusing capabilities, routines to new competitive regime</li> </ul>
Organizational design	• Focus on internal culture as conducive to culture	• Focus on lack of development in recent years
	<ul> <li>Organizational systems as providing competitive advantage</li> </ul>	Observations on internal problems growing out of success
	• Problems seen as learning experiences	<ul> <li>Structure that inhibited efficient research, development</li> </ul>
Environment	<ul> <li>Environment seen as conducive to success</li> <li>Linkages with national business system</li> </ul>	<ul> <li>Environment seen as major explanation of failure, thus reducing managerial responsibility</li> </ul>

valuable learning experiences. Together with the role of strategic leadership, this area was the most critically re-evaluated by all author types in connection with failure. Whereas the success narratives praised Nokia's strategic agility, the failure stories focused on the complexity of the company's organizational structure, committees, and a dysfunctional matrix organization that made it bureaucratic and slow. It was also argued that previous success had made the organization complacent, and thus, success could be used as an explanation for failure.

Last, the success and failure accounts also focused on the role of the environment. Contrary to what could be expected based on attribution theory, the environment was much less central to explanations of failure than it was to explanations of success. The reason is that the environment was seen as conducive to success in the success accounts; for example, the role of the Finnish national business system or the role of the government in supporting innovation were frequently used as explanations for success. In the failure accounts, the environment played a different type of role. Whereas Samsung's progress and Apple's development of the iPhone were frequently portrayed as a major change in the competitive environment, these changes were often not seen as the main problem, but instead related back to organizational complacency, inward orientation, or Nokia managers' capabilities.

This comparison highlights four interesting issues. First, it is striking to see how the same corporation could turn from an emblematic success story into an outright failure in a very short period. In this sense, our analysis is consistent with other recent studies that point to examples where corporations tend to maintain a very positive image until problems accumulate, leading to a collapse in its public image. Nokia's case is not as dramatic as that of Enron (Boje et al., 2004) or GM (Kuhn, 2008) in this respect. Moreover, unlike Enron, Nokia's case is not about ethical violations or serious wrongdoing. Obviously part of the positive spin around Nokia may have been due to its interest in a positive image, but more important, popular and more academic commentators and experts contributed to and spread this success metanarrative—until Nokia's problems were too big to conceal. The diversity of different types of commentators led to a proliferation of different success explanations, which created a halo effect around Nokia. There was a tendency to see everything Nokia did as best-in-class. When the success narrative then suddenly turned to a failure narrative, it was almost as if Nokia had betrayed its commentators and almost overnight, everything that the firm did was seen in a negative light, despite the fact that the divestment of mobile telephones was most likely the most efficient and fastest way to solve the company's problems.

Second, our analysis shows that framings and attributions not only relate to specific events leading

to improving or deteriorating financial performance, but also usually relate to the reassessment of the corporation's longer term development. Thus, the success period tended to produce overwhelmingly posiaccounts of the corporation's long-term development, going so far as to glorify the heroic deeds of the company's various CEOs, whereas the failure period led to drastically negative interpretations of the corporation's history of "muddling through" instead of possessing "heroic far-sighted visions." This characteristic bias is the essence of the black-and-white metanarratives of success and failure. Thus, in the spirit of Rosenzweig (2009), our analysis should avoid taking any framing of success or failure cases at face value or sharing one-sided explanations without caution about management practice or education.

Third, our comparison of success and failure narratives also points to the political aspects of these accounts. On the one hand, managers and other actors seek recognition and legacy, which is reflected in the success stories and their production. Apart from the focus on specific individuals' strategic leadership, it is interesting to note that not all managers were seen as heroes or were even recognized in the success accounts. This was the case with some of Nokia's cell-phone business's founding fathers, whose contributions were ignored in the success discourses. On the other hand, failure raises issues of responsibility, blame, and even stigma, and there are vested interests in promoting particular interpretations of the past and present. The failure accounts can be seen as a search for scapegoats and as a struggle to establish blame. It is interesting to note how the interpretations of the causes of Nokia's failure by the three CEOs (Ollila, Kallasvuo, & Elop) differ. Thus, failure discourses are also politically motivated. This may be one of the primary reasons that the failure metanarrative is more contested than the success metanarrative.

Fourth, the shift from the previous success accounts to failure accounts is particularly interesting from the narrative perspective. To simplify, reframing Nokia as a failure case meant that managers and other actors also had to take a stand regarding the past. One strategy was to focus only on the most recent events and to see them as turning points; according to this strategy, the past was less important and failure was simply due to the most recent events, decisions, and actions. Another approach was to reinterpret the past and to challenge some of the widely held assumptions; for example, the strategic leadership, organizational capabilities, and design that previously had been praised could be seen

as the key causes of failure. Yet another strategy, as exemplified in the organizational-level explanations, was to see the previous success, for example, in the sense of complacency, as an explanation of failure: Success and failure narratives become parts of the same metanarrative, similar to the structure of a classical tragedy (Boje, 2008; Gabriel, 2010).

#### CONTRIBUTIONS AND FUTURE RESEARCH

Although learning, both in corporations and on a more institutional level in management education, is based on observing businesses' successes and failures, we still know surprisingly little about how popular management literature constructs successes and failures. This is unfortunate, as success and failure stories may be characterized by cognitive biases and simplification that can easily pass unnoticed. Our motivation was to adopt a discursive perspective to explore discursive framings and attributional tendencies in the case of recent publications about Nokia Corporation.

Our analysis reveals a striking black-and-white picture in the success and failure accounts and shows attributional discursive tendencies that characterize both. In so doing, it makes contributions both to research on the use of management literature as a basis for learning as well as to research on third-party attributions in management and organization studies more generally. Most important, our analysis helps us to understand how success and failure stories are constructed in popular management literature and what this entails for management learning and education. Thus, our analysis contributes to the somewhat dispersed but growing body of work on management literature and its role in knowledge production and learning (Furusten, 1999; Kieser, 1997; Abrahamson & Fairchild, 1999).

Although previous analyses have pointed to the role of management fashions in institutionalization (Abrahamson & Fairchild, 1999) and the implications of management books for organizations and managers (Furusten, 1999), our analysis complements this body of work by focusing on the specific ways in which success and failure stories are constructed. By revealing the black-and-white framings and by simplifying the attributional tendencies in these accounts, our analysis underscores the need to take a critical view of not only the success and failure cases but also the success factors. This can be seen as a major theoretical challenge for critically oriented research in the area of management education (Morrell, 2008; Spicer & Bohm, 2007); it is also a concrete challenge for practitioners.

Second, our analysis contributes to research on attributions in management and organizations. In particular, our discursive analysis adds to the growing stream of research on discursive and narrative attributional tendencies (see Brown, 2000; Mantere et al., 2013: Vaara, 2002). We show how various accounts by different authors jointly constitute metanarratives on success and failure. From this perspective, it is easier to understand how the prevailing dominant framings and explanations are created and to see how dominant conceptions of success and failure are institutionalized. In the Nokia case, the framings provide a clear-cut, black-and-white view. Thus, our case serves as a revealing illustration of the differences between the success and failure attributions. In other cases, success or failure metanarratives could be more complex, including elements of both success and failure.

Overall, our analysis confirms general tendencies such as the need to attribute success to specific individuals and the prominence of self-serving attributions of failure. However, it also shows that these overall tendencies are not the only ones that matter. We must also focus attention on case-specific nuances, such as how interpretations of Nokia's organizational capabilities or design changed, or how changes in the competitive environment have been accounted for. To our surprise, the role of the environment was seen as much less important in the failure attributions than in the success attributions. As our analysis shows, it is important not only to distinguish specific explanations of success and failure but also to see how they are interrelated and how they work together to construct metanarratives of success or failure.

Our findings are based on an analysis of one case alone, and future research should compare these findings with other cases. In addition to the Enron and GM cases, it would be interesting to examine whether Apple's or Microsoft's success and failure stories follow similar patterns to those seen in the case of Nokia, or whether they tend to focus more on the charismatic leadership cults around Steve Jobs and Bill Gates. It will also be important to examine and compare the success and failure story types in different industrial, cultural, and historical contexts. Although our analysis has revealed a number of interesting attributional tendencies, future research could go further in the analysis of aspects such as forgetting (ignoring the past in the new success or failure explanations), scapegoating, and whitewashing.

Furthermore, it would be interesting to dig deeper into the narrative genres of success and failure stories, including epic, romantic, and tragic tales and combinations of those genres (Boje, 2008; Gabriel, 2000). Our

analysis has focused on popular management literature, particularly management books. Other studies could also concentrate on other media and examine whether media accounts differ from those of management books or academic articles. Another interesting topic would be to examine how corporate reputations are managed in success and failure accounts, and last, it will be important to study the political struggles that take place around publishing—with respect to both management books and the media—and whether the companies themselves actively participate in shaping their own images.

Ultimately, our analysis indicates that we should be beware of the cognitive and politically motivated discursive and attributional tendencies that are likely to characterize management literature. These tendencies should be taken seriously, especially in management education, because many central pedagogical practices build on examples of success and failure. Moreover, specific companies and managers also seem to be all too easily glorified or portrayed as heroes and then as culprits or stigmatized in popular management books and the media. If we are not aware of these tendencies, we risk learning and teaching partial truths, following management fads, and reproducing celebrity culture in ways that do not help managers address their complex strategic and organizational problems and challenges.

#### APPENDIX 1

#### List of Databases Used

ABI/Inform (ProQuest)
Business Source Premier(EBSCO)
Compendex (Ei Village 2)
Ebrary
Edilex
Ellibs
Emerald Fulltext (Emerald)
Hanna - Svenska handelshögsk.

Helecon CLASSIC Helecon MIX ISTOR - Arts & Sciences I

Collection

JSTOR - Business Collection Kauppalehti

KH Net -kiinteistötietopalvelu Materials Business File (CSA)

PSK Standardit Science Direct (Elsevier) SD Teemu - teknillinen korkeakoulu Web of Science - WoS (ISI)

Wiley Interscience Yritysonline - WSOYpro.fi

#### **APPENDIX 2**

#### Identified Corpus of Nokia-Specific Literature

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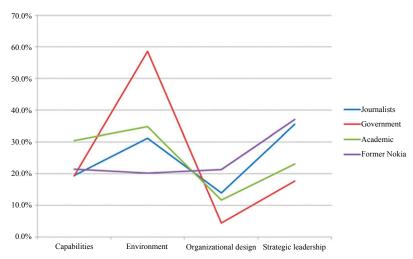
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## APPENDIX 3 Relative Occurrence of Success and Failure Categories by Author Type



#### FIGURE A3.1.

Success Attributions. The figure shows how much relative emphasis the different author groups placed in their explanations of Nokia's success. For example, of the total number of success factors identified by governmental public-policy researchers (Government), 19.3% were associated with the capabilities discourse, 58.6% with the external environment discourse, 4.4% with the organization design discourse, and 17.7% with the strategic leadership discourse.

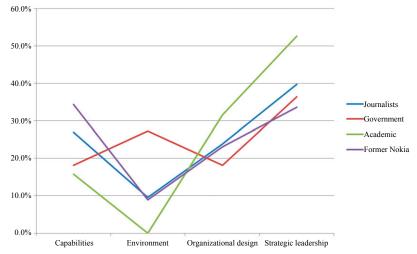


FIGURE A3.2.

Failure Attributions. The figure shows how much relative emphasis the different author groups placed in their explanations of Nokia's

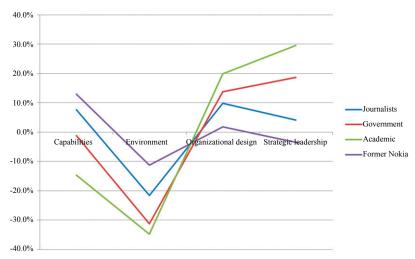


FIGURE A3.3.

Change in Emphasis. The figure shows how much the relative emphasis of the different author groups changed.

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- $^{3}\,\text{Excludes Nokia-specific literature, which is listed in the Appendix 2.$

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