

Abstract

PURPOSE:

The purpose is to explore the basic assumptions for innovating the Danish railway operator's historic business model in an unprecedented institutional crisis.

METHOD:

A management survey collects 22,729 responses from 368 managers (80% of the managers in the Danish railways with average seniority of 15 years) to explore these basic assumptions to specify the areas of leadership that have a significant impact on facilitating innovation of business models in times of crisis.

RESULTS:

Successful leadership in a crisis depends on the articulation of the basic assumptions and challenges for the development of the current business model. It is not enough to make goals for the future, as the related challenges should also be articulated. A core task for strengthening the development in the railway sector is to prioritize new infrastructure projects to innovate the existing railway operations gradually, rather than starting new business ventures.

ORIGINALITY/VALUE:

Management studies in times of crisis are rare. Furthermore, the causes of the institutional crisis in the Danish railway sector have until now not been studied from a management perspective based on the managers' understanding of the factors affecting the innovation management of a business model in crisis. The doctoral thesis identifies some emerging areas of cognitive leadership that have not yet received sufficient attention in the literature on business models, but nonetheless the company managers believe that the areas of cognitive leadership have a significant impact on the survival of the organization and its future success.