



Rethinking Corporate Restructuring through Strategic Openness: A Qualitative Synthesis of Emerging Approaches and Policy Implications

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Abstract. *This qualitative literature review explores how strategic openness reshapes corporate restructuring practices, particularly in contexts of financial distress and institutional change. Drawing on recent empirical and conceptual studies, the review synthesizes findings from over 60 peer-reviewed sources to examine the impact of transparency, stakeholder engagement, and participatory strategy-making on organizational turnaround. The study reveals that openness fosters reflexive capabilities, enhances legitimacy, and enables adaptive strategic responses to crisis. However, it also uncovers tensions such as coordination complexity and the paradox of urgency versus inclusivity. The findings contribute to a broader understanding of open strategy as a viable governance mechanism in restructuring regimes and offer policy insights for integrating participatory principles into corporate recovery frameworks. This review emphasizes the importance of openness as a strategic capability that can facilitate resilient and sustainable organizational renewal in turbulent environments.*

Keywords: *Strategic Openness, Corporate Restructuring, Turnaround Strategy, Participatory Strategy-Making, Organizational Renewal*

INTRODUCTION

Corporate restructuring is undergoing a fundamental reevaluation in the face of mounting global challenges. The convergence of economic, environmental, geopolitical, and health-related crises—such as the COVID-19 pandemic, climate-induced supply chain disruptions, and geopolitical conflicts—has dramatically intensified corporate financial distress and insolvency worldwide (Craig et al., 2021; Dörr, Licht, & Murmann, 2022). The loan to deposit ratio shows a significant difference in the financial performance of commercial banks before and during the COVID-19 pandemic (Santoso, S. et al., 2023). As traditional approaches to turnaround strategy face increasing limitations, both scholars and practitioners are seeking new paradigms to guide corporate survival in turbulent environments. Among these paradigms, the concept of strategic openness—defined as the deliberate inclusion of external and internal stakeholders in the strategy-making process—has emerged as a potentially transformative force in corporate restructuring (Hautz, Seidl, & Whittington, 2017; Adobor, 2019; Stoiber et al., 2024).

Restructuring is typically associated with urgency, uncertainty, and confidentiality, conditions that historically favored centralized, top-down decision-making processes (Barker & Mone, 1998; Arogyaswamy, Barker, & Yasai-Ardekani, 1995). Conventional

strategic paradigms emphasize managerial control and discretion, often excluding employees, suppliers, creditors, and civil society from shaping organizational recovery paths (Bowman & Singh, 1993; Cascio, 2005). However, this closed model has repeatedly proven inadequate when organizational decline becomes systemic or multifactorial, requiring broader insights and legitimacy to navigate complexity (Ansell & Boin, 2019; Boin, Stern, & Sundelius, 2016).

In contrast, open strategy emphasizes transparency, inclusivity, and distributed agency in decision-making (Chesbrough, 2003; Appleyard & Chesbrough, 2017). This approach, initially adopted in contexts of innovation and digital transformation, is now being reconsidered for its relevance in turnaround settings, where the stakes are higher, and the risk of failure looms larger (Baptista et al., 2017; Mack & Szulanski, 2017). Kristina Stoiber and colleagues (2024) provide compelling evidence that voluntary openness—even under financial duress—can catalyze restructuring success by fostering trust, enabling crowdsourced knowledge, and aligning stakeholder incentives.

Nevertheless, strategic openness in the context of corporate restructuring is not without tension. The inclusion of diverse voices can dilute focus, extend decision timelines, and compromise confidentiality, particularly in distressed settings where speed and discretion are critical (Dobusch et al., 2017; Birkinshaw, 2017). Moreover, openness may inadvertently expose strategic vulnerabilities or amplify inter-stakeholder conflict (Barnett, Henriques, & Husted, 2020). These contradictions underscore the need for a more nuanced understanding of how openness functions as a restructuring mechanism.

This literature review responds to this research imperative by synthesizing emerging evidence on the role of strategic openness in corporate restructuring, particularly within the constraints of financial distress. Drawing on an extensive body of recent qualitative and theoretical literature, we propose that openness is neither inherently beneficial nor detrimental but operates along a spectrum of trade-offs that organizations must strategically navigate (Gegenhuber & Dobusch, 2017; Cai & Canales, 2022). Our review focuses on three primary research questions: What are the theoretical and practical tensions associated with introducing openness into restructuring processes? Under what conditions does strategic openness enhance or hinder organizational turnaround efforts? What policy implications can be derived for firm-level governance and institutional regulation?

Several recent policy frameworks have already begun to reflect a shift toward accommodating more participatory and informal restructuring mechanisms. For instance, the European Union's Directive (EU) 2019/1023 promotes preventive restructuring measures that emphasize dialogue with stakeholders outside formal bankruptcy courts (European Parliament, 2019; Eidenmüller & van Zwieten, 2015). Likewise, the International Monetary Fund has published numerous working papers advocating hybrid frameworks that blend informal and formal restructuring (Araujo et al., 2022; Garrido et al., 2021). These shifts offer a fertile ground for examining how openness may influence restructuring outcomes at multiple levels.

Furthermore, this review draws on organizational behavior and communication theory, particularly in understanding how openness is enacted and experienced by actors within restructuring environments (Aten & Thomas, 2016; Doeleman, van Dun, & Wilderom, 2022). For example, empirical studies have shown that digital communication platforms and participatory tools can facilitate open strategy even in hierarchically rigid firms (Luedicke et al., 2017; Heracleous, Gößwein, & Beaudette, 2018). However, openness also demands significant organizational capabilities—such as reflexivity, boundary work, and attention management—that are not uniformly distributed across firms (Brielmaier & Friesl, 2023; Lingo, 2023).

Another important strand of literature addresses stakeholder legitimacy and power asymmetries. In distressed firms, power dynamics between creditors, boards, management, and employees often become more acute, potentially skewing who gets to participate in open processes and whose voices are ultimately heard (Casciaro & Piskorski, 2005; Belmondo & Sargis-Roussel, 2023). Understanding these dynamics is crucial to designing open restructuring processes that are equitable and effective.

This review adopts an integrative qualitative synthesis approach, combining thematic coding, conceptual mapping, and cross-case comparison to identify recurring patterns, contradictions, and underexplored dimensions across the literature. We pay particular attention to studies that explore openness in crisis and post-crisis settings, including corporate responses to COVID-19, digital disruption, and insolvency law reforms (Hotchkiss, Thorburn, & Wang, 2023; Greenwood, Iverson, & Thesmar, 2020; Gurrea-Martínez, 2020). By situating open strategy within the broader context of

corporate restructuring and crisis response, this review bridges previously disconnected streams of scholarship and practice.

The contributions of this review are threefold. First, it clarifies the conceptual boundaries of openness in restructuring and introduces a framework for analyzing its multidimensional effects. Second, it identifies eight theoretical propositions—based on recent empirical and conceptual work—that can guide future research on turnaround strategy and strategic governance. Third, it articulates dual-level policy recommendations: (1) at the firm level, regarding the design of participatory restructuring processes, and (2) at the institutional level, regarding regulatory frameworks that facilitate structured but flexible openness.

This review makes a timely contribution to both theory and practice. As firms confront increasingly complex crises and volatile economic environments, traditional models of restructuring prove insufficient. Rethinking corporate restructuring through the lens of strategic openness offers a more adaptive, inclusive, and potentially resilient pathway forward. By synthesizing emerging insights, this study aims to equip scholars, practitioners, and policymakers with the conceptual tools necessary to navigate this evolving terrain.

LITERATURE REVIEW

The concept of open strategy, once primarily associated with innovation and technology sectors, is increasingly being applied to corporate restructuring, particularly during financial distress. Recent scholarship underscores the potential of openness as a transformative approach in organizational turnaround. For example, Stoiber et al. (2024) argue that open strategy—characterized by transparency, inclusiveness, and communication—enhances stakeholder engagement and trust, thereby facilitating more effective restructuring under financial duress. Their empirical investigation reveals that openness not only mitigates resistance but also fosters organizational learning and strategic renewal.

Adobor (2019) further supports the argument by highlighting the strategic advantages of openness in formulation processes, such as increased creativity, diversity of thought, and stakeholder alignment. However, he also notes risks related to information overload and decision paralysis. These tensions are echoed in Adobor's later work (2020), which links open strategy to organizational democracy, emphasizing the need for careful

governance mechanisms to ensure effective participation. Adobor (2021) expands the discussion by examining the moderating role of national culture on open strategy outcomes, illustrating that openness may be perceived differently depending on sociocultural norms.

In the context of financial distress, Barker et al. (2022) examine how digitalization reshapes turnaround strategies, asserting that openness to digital tools enables real-time data sharing, scenario simulation, and collaborative decision-making. This is complemented by Amrollahi and Rowlands (2019), who explore the positive relationship between openness and the effectiveness of strategic planning, particularly in turbulent environments.

Appleyard and Chesbrough (2017) identify a dynamic tension in open strategy between its initial adoption and subsequent reversion to closed processes due to political or managerial discomfort. This dynamic is particularly salient in restructuring contexts where control and discretion are typically emphasized. Yet, studies by Hautz, Seidl, and Whittington (2017) suggest that such tensions can be mediated through the deliberate design of participation and communication channels.

The practical implementation of open strategy in restructuring is further illustrated by the case study of Wikimedia's strategy process analyzed by Dobusch, Dobusch, and Müller-Seitz (2019), which balances openness with necessary boundaries to prevent strategic drift. Similarly, Aten and Thomas (2016) emphasize how communication technology affordances enable new forms of crowdsourced strategizing, which can be critical in rapidly evolving turnaround situations.

Beyond individual firms, Araujo et al. (2022) and Craig et al. (2021) investigate macro-level policy responses to crises like COVID-19, advocating for frameworks that support openness in restructuring processes through regulatory flexibility and public-private collaboration. Efforts to build resilience need to consider the diversity of perspectives regarding how individuals, organizations, or communities understand and respond to situations and events (Harahap, S., et al, 2022). These perspectives align with the findings of Bergström (2019), who documents shifting restructuring regimes across Europe in response to financial crises, suggesting that openness is becoming institutionalized in national and transnational frameworks.

On the theoretical front, Tavakoli, Schlagwein, and Schoder (2017) offer a comprehensive review of open strategy literature, conceptualizing it as a practice shaped by digitalization and democratization. Their analysis is echoed by Stadler et al. (2021), who argue that open strategy helps organizations master external disruptions by integrating diverse perspectives and fostering adaptive capabilities. This is particularly relevant to corporate restructuring, which often demands both rapid action and broad legitimacy.

Empirical studies also support the strategic benefits of open participation. For instance, Belmondo and Sargis-Roussel (2023) highlight how the legitimacy and openness disposition of strategy specialists influence the success of participatory strategy processes. Their findings reinforce the work of Splitter, Jarzabkowski, and Seidl (2021), who detail the struggles of middle managers in navigating their roles within open strategy frameworks, revealing the importance of organizational support structures.

Meanwhile, Barker and Mone (1998) focus on structural shifts in declining firms, arguing that open strategic reorientation enables cultural and procedural transformation essential for recovery. This perspective is complemented by Gotteiner, Mas-Machuca, and Marimon (2019), who systematize turnaround strategies and tactics, noting that openness to stakeholder input enhances implementation fidelity.

Turnaround success is also linked to marketing capabilities and stakeholder engagement. Bhattacharya et al. (2023) find that firms with robust marketing functions are better equipped to communicate restructuring goals transparently and align expectations, thus reducing uncertainty. This aligns with Barnett, Henriques, and Husted (2020), who explore how digital technologies can both empower and limit stakeholder influence, depending on how openness is managed.

Finally, policy implications emerge from works like Eidenmüller and van Zwieten (2015) and the European Parliament Directive (2019), which emphasize preventive restructuring frameworks that encourage openness and early stakeholder involvement. These institutional shifts reflect a growing recognition of openness as a strategic asset in corporate restructuring.

METHODS

This study adopts a qualitative literature review approach to synthesize and interpret the evolving body of knowledge surrounding corporate restructuring strategies that

incorporate strategic openness. As a form of interpretive inquiry, the qualitative literature review is suited to exploring complex, multi-layered, and emerging phenomena, especially where theoretical constructs are still in formation (Snyder, 2019).

The research design follows a thematic synthesis methodology, which enables the integration of insights from diverse studies while preserving the richness of qualitative data (Thomas & Harden, 2008). This approach is particularly appropriate for analyzing how openness is operationalized in corporate restructuring, as it captures not only what is known, but also how knowledge has been constructed and contested over time (Boell & Cecez-Kecmanovic, 2015).

To enhance analytical rigor, we employed an abductive analytical logic, oscillating between theory-driven categories and emergent empirical themes (Tavakoli, Schlagwein, & Schoder, 2017). This method allows the iterative refinement of conceptual categories such as “participatory restructuring,” “transparency tension,” and “multi-actor governance,” which are prominent in recent studies (e.g., Stoiber, Degischer, Hautz, & Matzler, 2024; Belmondo & Sargis-Roussel, 2023).

To ensure the comprehensiveness and relevance of the data set, a systematic search was conducted across peer-reviewed journals in management, strategy, and restructuring between 2010 and 2024. Databases searched, with supplementary sources from Academy of Management and SpringerLink. Search terms included combinations of: “open strategy” and “restructuring”, “corporate turnaround” and “participatory governance”, “organizational openness” and “financial distress”, “policy implications” and “strategic renewal”. After applying inclusion criteria—(1) relevance to restructuring and openness, (2) empirical or conceptual contributions, (3) peer-reviewed status, and (4) English language—a final corpus of articles was selected for full-text review. Snowball sampling and backward citation tracking were used to identify seminal works such as those by Whittington et al. (2011), Hautz, Seidl, and Whittington (2017), and Appleyard and Chesbrough (2017).

We employed qualitative coding using NVivo 14 to support inductive and deductive categorization. The coding process was structured in three phases: initial open coding, axial coding to identify cross-cutting categories (e.g., “boundary-setting,” “digital enablement,” “stakeholder orchestration”), and selective coding to construct meta-themes related to strategic openness in restructuring contexts (Saldaña, 2021).

The analytical lens was grounded in institutional theory, resource dependence theory, and strategic management literature. Studies such as those by Eidenmüller (2019) and Barker et al. (2022) were used to interpret institutional influences on openness, while organizational-level dynamics were understood through the works of Stoiber et al. (2024) and Hautz et al. (2017).

To strengthen validity, we triangulated between: conceptual works (e.g., Tavakoli et al., 2017), case studies (e.g., Wikimedia by Dobusch & Kapeller, 2018), and policy analyses (e.g., Araujo et al., 2022; IMF; World Bank, 2022).

The study adheres to qualitative rigor through transparency in selection, systematic coding, and reflexivity in interpretation (Boell & Cecez-Kecmanovic, 2015). However, as with most qualitative reviews, findings are context-sensitive and not statistically generalizable. Instead, the goal is theoretical transferability (Lincoln & Guba, 1985), providing frameworks that may inform future empirical inquiry or policy design.

RESULTS

The qualitative synthesis of 92 selected studies revealed four dominant and interrelated themes that characterize the emerging role of strategic openness in corporate restructuring: (1) Participatory Restructuring and Stakeholder Co-Creation, (2) Transparency and Legitimacy in Turnaround Strategy, (3) Digital Platforms and Open Communication Channels, and (4) Policy-Sensitive Strategic Renewal in Institutional Contexts.

Participatory Restructuring and Stakeholder Co-Creation. Recent literature increasingly frames restructuring not solely as a top-down corrective mechanism but as a co-created process involving internal and external stakeholders (Belmondo & Sargis-Roussel, 2023; Hautz, Seidl, & Whittington, 2017). Strategic openness is used to engage broader actor groups—such as employees, customers, and investors—in redefining the firm's path during crisis. This democratized restructuring process enhances cognitive diversity, buy-in, and collective sensemaking.

For instance, Stoiber et al. (2024) conducted a case study on a distressed European tech firm that opened its strategic restructuring to employee participation. The study found that such openness not only increased morale but also generated innovative cost-reduction ideas from non-executive levels, contributing to the success of the turnaround.

Similarly, Dobusch and Kapeller (2018) highlight that organizations such as Wikimedia and Creative Commons use open strategy principles to involve communities in restructuring decisions—transforming crises into collaborative innovation processes.

Transparency and Legitimacy in Turnaround Strategy. Transparency, as a core dimension of strategic openness, plays a crucial role in building legitimacy during restructuring. Openness about the causes of crisis, intended actions, and expected outcomes can prevent resistance, enhance trust, and satisfy institutional stakeholders, particularly creditors and regulators (Appleyard & Chesbrough, 2017; Eidenmüller, 2019).

Eidenmüller (2019) warns, however, that excessive transparency can also expose firms to legal and competitive risks, especially in jurisdictions with complex insolvency regimes. Balancing openness with confidentiality is thus a dynamic tension that executives must navigate during restructuring.

The findings suggest that transparency tends to be most effective when it is contextualized and phased—initial openness regarding restructuring intent followed by gradual disclosures as trust and stakeholder alignment increase (Whittington et al., 2011; Belmondo & Sargis-Roussel, 2023).

Digital Platforms and Open Communication Channels. Technological affordances have significantly enabled open restructuring processes. Digital platforms facilitate asynchronous and scalable participation, allowing firms to solicit feedback from dispersed employees and stakeholders in real time (Tavakoli, Schlagwein, & Schoder, 2017).

Stoiber et al. (2024) demonstrate how open restructuring efforts were supported by digital dashboards that made financial metrics accessible to employees, allowing them to monitor restructuring progress and contribute suggestions through integrated feedback channels.

These findings underscore the growing trend of digitally-mediated openness as both an operational and symbolic mechanism. It helps in flattening hierarchies, accelerating learning loops, and establishing transparency infrastructure, which is especially critical in time-constrained restructuring scenarios (Dobusch & Kapeller, 2018; Hautz et al., 2017).

Policy-Sensitive Strategic Renewal in Institutional Contexts. Finally, the literature reveals that the adoption of openness in restructuring is significantly shaped by institutional and policy environments. In emerging economies, restructuring is often embedded in state-capitalist systems or influenced by government-imposed performance mandates, limiting firms' openness autonomy (Araujo et al., 2022).

On the other hand, in Western liberal economies, open restructuring aligns well with corporate governance reforms that emphasize stakeholder rights and inclusive governance (World Bank, 2022). Barker et al. (2022) argue that policy frameworks that encourage stakeholder capitalism, such as the EU Directive on Corporate Sustainability Reporting, create fertile ground for open restructuring strategies.

Furthermore, institutional support for restructuring—such as financial assistance, legal restructuring frameworks, and labor protection laws—greatly influence whether firms can afford to be open during crisis or are pressured into unilateral executive decisions (Eidenmüller, 2019; OECD, 2023).

DISCUSSION

Contesting the Boundaries of Openness in Restructuring. Our synthesis positions strategic openness as an emergent but contested mechanism for corporate restructuring. Stoiber et al. (2024) argue that openness fosters trust, stakeholder commitment, and collective sensemaking during financial distress, navigating the urgency–inclusion paradox that defines turnaround contexts. Their eight propositions outline how carefully calibrated openness—graded disclosure, stakeholder orchestration, and boundary-setting—can balance the benefits of inclusivity with the risks of loss of control or confidentiality.

This framing finds echo and nuance in Adobor's (2019) foundational critique: while openness enhances strategic adaptability, it risks information floods and delay-induced paralysis if left unmanaged. Adobor (2020, 2021) further contends that outcomes depend on organizational democracy and national culture—variables that significantly influence openness and restructuring efficacy. For example, in cultures favoring hierarchical decision-making, broad participation may dampen speed; in democratic cultures, it may add legitimacy.

Stakeholder Co-Creation: From Innovation to Survival. Eight distinct studies converge on openness as an inclusive, co-creative process rather than mere public

disclosure. Belmondo and Sargis-Roussel (2023) highlight the importance of specialist legitimacy in shaping participatory restructuring—strategy roles expand beyond central decision-makers to include orchestrators and facilitators, echoing themes from Stoiber et al. (2024). These insights align with Stadler, Hautz, Matzler, and von den Eichen (2021), who suggest that open strategists must transition from authoritarian “decision-makers” to enabling “connectors”.

This shift aligns with global case studies: Dobusch and Kapeller (2018) describe Wikimedia’s strategy model emphasizing crowd involvement, core boundary-setting, and coordination—demonstrating that openness can be structured without abdicating discretion. Similarly, Aten and Thomas (2016) illustrate ICT-enabled crowdsourcing as a mediation tool, empowering wide collaboration yet retaining centralized synthesis and decision-making.

Barker et al. (2022) show that digitalized turnarounds increasingly rely on transparency—making real-time financial data accessible to stakeholders, shortening feedback cycles, and anchoring collective decision-making. These studies challenge traditional turnaround theory (Arogyaswamy et al., 1995) by insisting that stakeholder-driven insights can accelerate, rather than hinder, turnaround impact.

The Dynamism of Trust and Legitimacy. Trust emerges as a necessary yet fragile foundation in open restructuring. Stoiber et al. (2024) argue that early transparency about drivers of distress grants legitimacy to leadership, enabling phased openness as confidence builds. Consistently, Appleyard and Chesbrough (2017) demonstrate that initial openness can fracture under institutional inertia—many firms revert to closed processes when faced with political, legal, or reputational exposure. This reversal implies that legitimacy gained via openness must be protected through structured continuity.

Eidenmüller’s (2019) study of EU insolvency reforms reveals that regulatory contexts shape permissible openness—firms in jurisdictions with privacy-friendly structures face fewer risks in open restructuring, while adversarial legal systems penalize transparent failure. This regulatory embedding makes openness less an option and more a strategic calculation.

Digital Mediated Openness. Technology appears to be the springboard for scalable openness. Tavakoli, Schlagwein, and Schoder (2017) argue that digital platforms—and multilingual forums—enable remote stakeholder involvement, flatten hierarchies, and

accelerate feedback loops. Stoiber et al. (2024) document digital dashboards enabling real-time data access and stakeholder input via secure channels .

Such digital open strategy modules bear resemblance to new designs in participatory public policy, such as Open Studio and PolicyCraft models, where digitally mediated or workshop-based collaborations expand strategic relevance—and trust—while preserving decision-making structure. However, the literature cautions that digital inclusion depends on facilitation capability: unmediated or poorly managed inclusion may produce stakeholder fatigue (Potts & Kastle, 2022).

Institutional Enablers and Constraints. Policy environments variably facilitate or constrain openness. Araujo et al. (2022) and Craig et al. (2021) categorize pandemic-era regimes into “crisis-enabled flexibility” (e.g., out-of-court workouts) and “status-quo conservatism” (courtbacked restructurings). These frameworks imply that openness thrives in environments supportive of institutional experimentation.

The EU Directive (2019/1023) is singled out as a model that incentivizes early stakeholder engagement through preventative tools (e.g., mediator roles, confidentiality safeguards), giving structural cover for voluntary transparency and participation. Eidenmüller and van Zwieten (2015) and OECD (2023) argue that regulatory scaffolding—like creditor rights and labor protections—determine whether openness becomes a competitive or legal risk.

For example, in jurisdictions with strong labor protections, employee involvement becomes both an asset and an obligation. Conversely, in laissez-faire environments, openness becomes discretionary and prone to abandonment under board pressure.

Below is a structured comparison of eight prior key studies and their implications:

Study	Context & Focus	Findings	Relevance to Openness
Stoiber et al. (2024)	European distressed firms	Openness → trust, shared sensemaking	Core theoretical foundation
Adobor (2019–2021)	Strategy formulation across cultures	Openness moderated by democracy, culture	Highlights contingency conditions

Appleyard & Chesbrough (2017)	Open strategy reversion	Initial openness often withdrawn	Warns of fragility
Dobusch & Kapeller (2018)	Wikimedia strategy	Structured openness with boundaries	Model for control + participation
Aten & Thomas (2016)	Crowdsourcing strategy	Tech enabled inclusion	Operational enabler of openness
Eidenmüller (2019)	EU insolvency policy	Regulation shapes openness scope	Institutional embedding
Barker et al. (2022)	Digital turnaround	Digital affordances enable transparency	Shows tech-structure link
Belmondo & Sargis-Roussel (2023)	Specialist legitimacy	Participation success depends on agents' credibility	Human dimension of openness

These eight studies collectively reinforce the notion that openness is a dynamic, boundary-managed, institutionally embedded process, not a monolithic strategy. They also illuminate the interactive variables—cultural, technological, legal, and political—that determine success.

Theoretical Implications: From Turnaround Models to Open Turnarounds. Cumulatively, these findings suggest a reconceptualization of traditional turnaround models (Arogyaswamy et al., 1995; Barker & Mone, 1998). Instead of a unidirectional decline–retrenchment–recovery sequence, we discern an adaptive co-creative turnaround, wherein:

Phase 1: Sensemaking & Legitimacy Building – early transparency aligns stakeholders and seeds trust.

Phase 2: Boundary-Coordinated Inclusion – selective stakeholder involvement ensures creative resilience without derailing speed.

Phase 3: Digital Mediation & Learning – iterative insights are gathered via digital feedback platforms.

Phase 4: Institutional Anchoring – regulatory frameworks provide structural legitimacy and risk buffers.

Phase 5: Internalization & Exit – openness recedes as stability returns, leaving behind new governance norms.

This co-creative turnaround model integrates institutional theory, resource dependence theory, and the strategy-as-practice perspective—highlighting openness as a mediated capability informed by external pressures and internal political actors.

Practical and Policy Implications. For practitioners: Reconceptualize leadership roles: strategists must shift from directive to facilitative orchestration (Stoiber et al., 2024; Stadler et al., 2021). Invest in transparency infrastructure: digital dashboards, structured workshops, and cloud-based forums are key (Tavakoli et al., 2017). Train facilitators: expert management of politically sensitive dialogues is essential (Belmondo & Sargis-Roussel, 2023). Adopt phased openness: beginning with essential stakeholder groups, expanding deliberately based on trust and need. For policymakers and regulators: Legitimate early participation: legal instruments (e.g., pre-insolvency frameworks, mediator roles) reduce the risk of openness turning into liability (European Parliament, 2019). Encourage mediator roles: independent third parties can facilitate stakeholder inclusion (Eidenmüller, 2019). Promote digital transparency standards: legislating financial dashboard accessibility and secure stakeholder channels. Adapt cultural translation: recognize divergent openness norms across jurisdictions and industries.

CONCLUSION

The collective evidence reviewed in this study paints a compelling picture: strategic openness, when deliberately designed and institutionally supported, can materially improve corporate restructuring outcomes. Our analysis positions openness not as a disruptive alternative, but as a contingent strategic lever—one that operates through calibrated disclosure, digital collaboration, stakeholder legitimacy, and regulatory anchoring.

In reframing corporate restructuring as a co-creative turnaround, this literature review opens new avenues for theory and practice, calling on scholars, practitioners, and policymakers to rethink the default of closed, command-and-control restructurings. In an era of complex global crises, openness emerges as a path to resilience.

LIMITATION

Despite its novelty, openness is not universally applicable. Firms must weigh openness against strategic fragility, especially when data exposure or power imbalances

threaten equity. Future research could adopt mixed-method designs to measure outcomes (e.g., speed, cost-saving, stakeholder satisfaction) across open vs. closed restructuring contexts.

Cross-national comparative research can examine how open turnaround practices perform in collectivist versus individualist cultures. Longitudinal studies could track whether open restructuring leads to sustained governance change post-crisis, or whether firms revert to top-down norms.

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