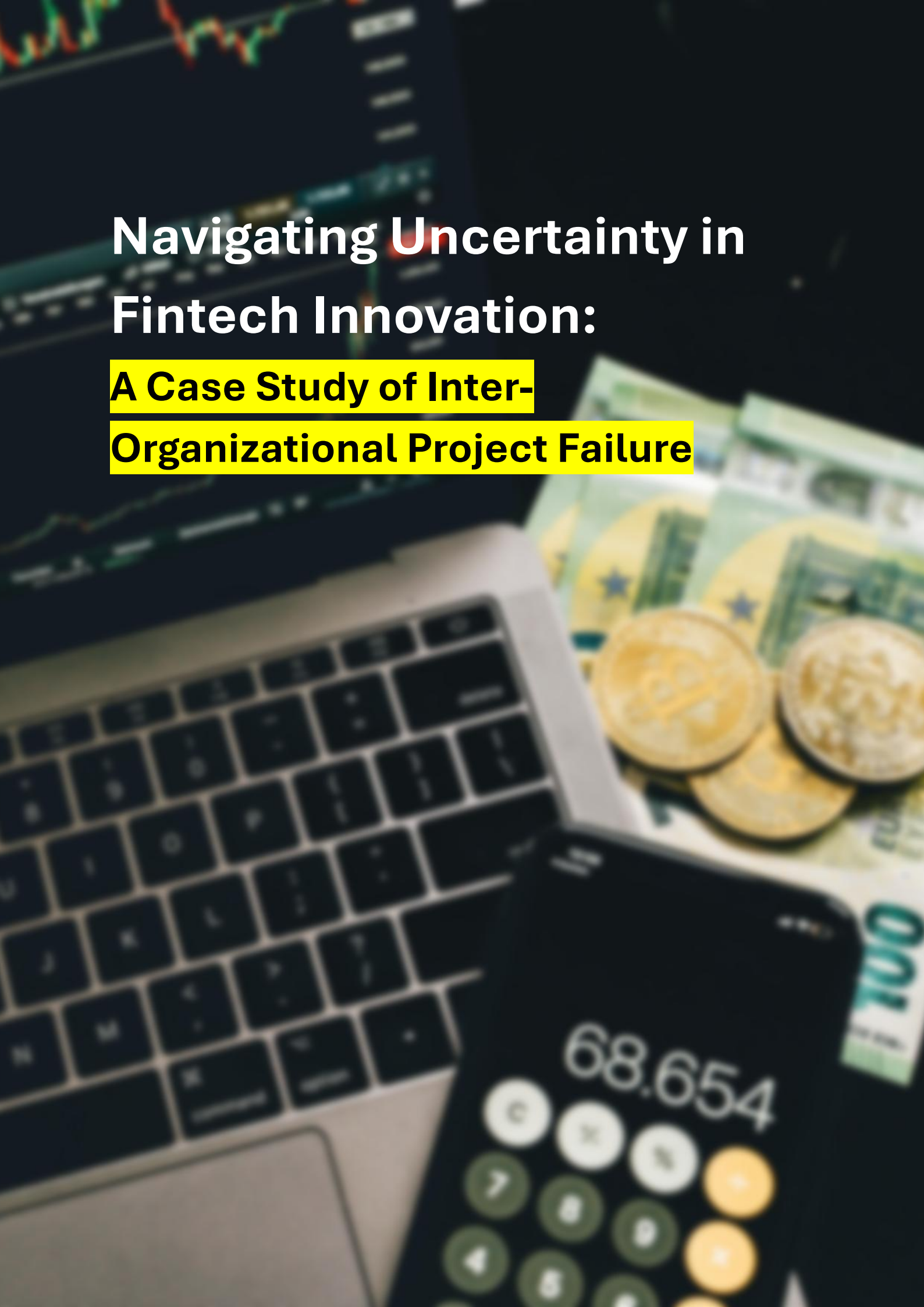




Navigating Uncertainty in Fintech Innovation:

**A Case Study of Inter-
Organizational Project Failure**

Contents

1. Introduction and Motivation.....	1
2. Theoretical Framework of Project Failure	1
3. Management Models: The Failure of Top-Down Approaches	2
4. Organizational Factors	3
5. Risk and Uncertainty	3
6. Lessons Learned and Discussion	3
References	5
Appendix: Interview	6

1. Introduction and Motivation

The fintech sector is filled with rapid innovation and intense competition. This failed-case report will analyze the failure of one of these Projects that aimed to develop a multi-currency prepaid debit card solution which was designed for a niche market outside of major actors. The company reviewed are Standard Finance Sweden AB.

The goal was to provide a comprehensive Product for people interested in international travel and peer-to-peer transactions through dedicated external partnerships.

The choice of the Project is based on its illustrative value in problematizing the management within Projects, navigating a multi-stakeholder environment. In analyzing interview questions and corporate history the analysis revealed how a lack of methodology and organizational communication as well as uncertainties led to a collapse and project failure (see Appendix A).

2. Theoretical Framework of Project Failure

In accordance with Gupta et al. (2019), failure of a project is based on several dimensions. Often, Project management is viewed as an "iron triangle" of time, cost and quality. However, failure in innovation Projects often comes from a lack of impact. In this case, the Project suffered from termination failure.



Figure 1: The failure can be categorized as both a process failure (inability to manage the workflow) and an outcome failure (the product never reached the consumer).

The interviewee identified that the execution stage was the main Point that made the Project fail (see Appendix A, Question 3). This was due to follow-up of the planning that was not used properly.

When the launch date passed without a finished and functional Product, the Project was deemed a failure, as well as unviable. This aligns with Gupta et al. (2019), who suggest that the result of neglecting the monitoring phase of development often leads to failure. This is due to certain questions regarding specific problems are not answered and/or handled to a satisfactory level.

3. Management Models: The Failure of Top-Down Approaches

This Project primarily used a top-down management style. However, as presented during the interview, it is noted that this style could not cope with the problems that occurred during development. Salameh (2014) compares Traditional Project Management (TPM) with Agile Project Management (APM) and argues that APM is the superior choice due to its ability to handle high-risk and time sensitive Projects.

- **The Flexibility Gap:** During the interview it was stated that the option to pivot and change directions was not possible due to the team's limitations in being tied to the operation of the partner companies. In an agile framework, however, the team would have been using an iterative cycle which may have made early detection for these problems available.
- **The Lean Alternative:** When asked about alternative frameworks, the interview person suggested that a lean startup approach might have made it clearer where the team was in Schedules relating to deadlines at a much earlier time (see Appendix A, Question 8). This supports Salameh (2014) had the assertion that frequent and recurring delivery cycles may lead to more efficient and affective decision-making.

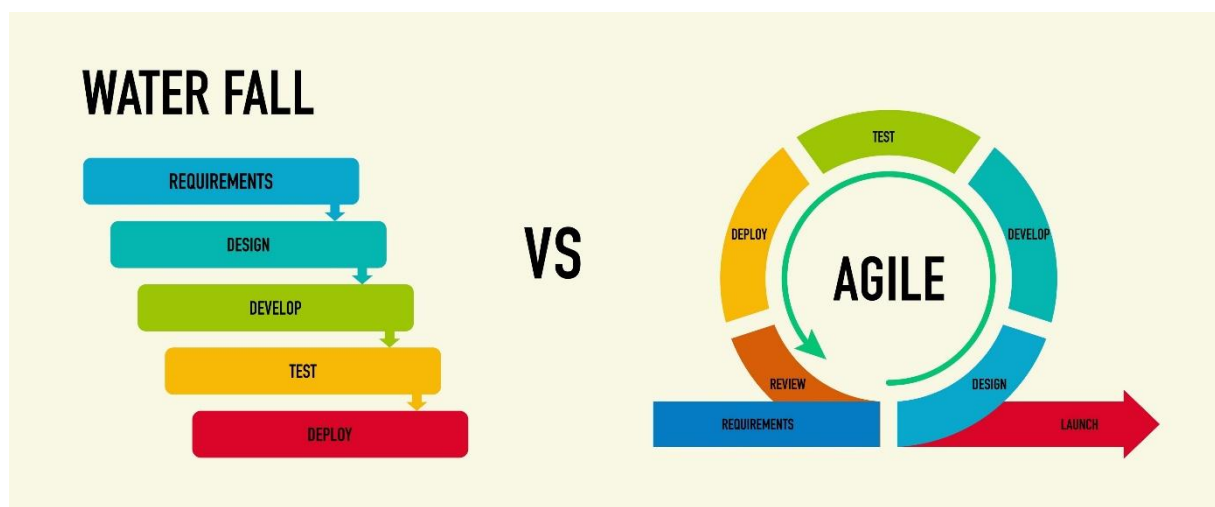


Figure 2: Project Management Methods, Waterfall VS Agile

4. Organizational Factors

A very important note from the interview is that failure was driven by organizational factors. Specifically, regarding cooperation, Communication and Culture between different companies. Adetola and Adetola (2023) identifies that integrity and Communication are major important factors regarding Project success. In this case, Communication that was lacking made problems arise.

Another important highlight of the interview was regarding the lack of competence from the partner Company and that they should have looked at handling this via Consulting. Adetola and Adetola (2023) mentions technical expertise as an important leadership quality. The management's failure to bridge this gap resulted in them not being able to handle this challenge.

5. Risk and Uncertainty

Perhaps one of the most interesting and striking Connections to the literature is regarding the "unknown unknowns" which was emphasized by the interviewee (see Appendix A, Question 9). Loch et al. (2000) categorize uncertainty into different risks or so-called known events and events that cannot be imagined.

Lack of monitoring: The interview showed that the "unknown unknowns were not sufficiently examined so as to make some of them known unknowns". This failure in converting uncertainties and risks into manageable ones resulted in blindness for the team, making it impossible to conduct business as usual.

Contingency planning: Atkinson et al. (2006) argues that managing uncertainty is vital for Project success. In this Project, there was no contingency plan. The reaction to problems relating to the partners was instead to simply move along with other Projects which in turn show as lack of proactive risk management qualities described by Adetola and Adetola (2023).

6. Lessons Learned and Discussion

The analysis of this failed fintech Project shows several different red flags for future innovation management:

1. Communication as a sensor: As the interview noted, a "thinning out" of communication regarding technical problems is a clear indicator of upcoming failure (see Appendix A, Question 2).

2. The danger of dependency: When innovation Projects heavily relies on external partners for core Technologies a classical rigid top-down structure is not enough. A more collaborative and agile approach would be required. This is to be able to ensure transparency across the organization and its divisions.
3. Remedying Competence Gaps: Managers must have technical competence or possibilities for consultation support to evaluate third-party developers and their progress. Without something like this, it is not possible to effectively manage the impact-stage within the Project lifecycle.

In conclusion, the failure of this certain Project has its reasons within the organization's culture as well as its management model. These were not designed to handle fundamental uncertainties (Atkinson et al., 2006) which are inherent in international fintech development and innovation.

References

Adetola, A., & Adetola, O. (2023). Impact of leadership styles and qualities on project lifecycle. *International Journal of Innovative Business Strategies*, 9(2).

Atkinson, R., Crawford, L., & Ward, S. (2006). Fundamental uncertainties in projects and the scope of project management. *International Journal of Project Management*, 24(8), 687–698. <https://doi.org/10.1016/j.ijproman.2006.09.011>

Gupta, S. K., Gunasekaran, A., Antony, J., Gupta, S., Bag, S., & Roubaud, D. (2019). Systematic literature review of project failures: Current trends and scope for future research. *Computers & Industrial Engineering*, 127, 274–285. <https://doi.org/10.1016/j.cie.2018.12.002>

Loch, C. H., Pich, M. T., & De Meyer, A. (2000). *Project uncertainty and management styles* (Working Paper No. 2000/31/TM/CIMSO 10). INSEAD.

Salameh, H. (2014). What, when, why, and how? A comparison between agile project management and traditional project management methods. *International Journal of Business and Management Review*, 2(5), 52–74.

Appendix: Interview

Transcript Subject: Per- Erik Ökvist, Head of Web-Development

Date of Interview: March 2026

Method: Written correspondence via mail

Project Context & Motivation

Question 1: "In your own words, what was the primary goal of this project, and how did it align with the company's broader innovation strategy?"

Answer: To implement a prepaid card product in cooperation with our external partners. This product was deemed to fill a niche market outside of the bigger actors.

Question 2: "At what point did you realize the project was deviating from its original objectives?"

Answer: When communications of the updates on the follow-up of the planning started to "thin-out" and questions as to the specific problems were not answered satisfactorily.

Identifying the Failure (Stage & Root Cause)

Question 3: "Looking at the project lifecycle (Concept, Planning, Execution, Impact), at which specific stage do you believe the 'seed of failure' was planted?"

Answer: During the execution stage in so much as the follow-up of the planning was neglected.

Question 4: "Was the failure driven by technical constraints (design issues), organizational factors (communication, culture), or external market pressures?"

Answer: The failure was related to organizational factor; specifically the cooperation/communication/culture between separate companies.

Question 5: "How was the 'definition of success' communicated to the team? Did that definition change during the execution?"

Answer: It was more of a situation where a clear goal was set and held fast, but was never reached.

Management Models & Styles

Question 6: "How would you describe the management style used (e.g., Waterfall/Linear, Agile, Design Thinking)? Was it strictly top-down, or was there room for bottom-up innovation?"

Answer: It was mostly a top-down situation, but the contributing factors were mainly outside of the management's reach.

Question 7: "Did the chosen management model help or hinder the team when technical or design challenges arose?"

Answer: The management style, at our end, was unable to cope with the problems, though it was not the cause.

Question 8: "If you could restart this project using a different framework (like a Lean Startup approach or a more rigid Stage-Gate model), which do you think would have been more effective and why?"

Answer: Such an approach might have made it clearer where we stood at an earlier date, but this would likely not have had a sufficient effect on communication.

Risk and Uncertainty

Question 9: "What were the 'known unknowns' identified during the planning phase, and how were they monitored?"

Answer: The 'unknown unknowns' were not sufficiently examined so as to make some of them 'known unknowns' and the resulting problems were not monitored (i.e. communicated) in sufficient detail.

Question 10: "Can you recall a specific moment where a high-impact risk materialized? How did the team react, and was there a contingency plan in place?"

Answer: In the end, the patience on our part ran out, and we deemed the project unviable. No contingency plan was in place other than to move along with other projects.

Question 11: "In an innovation-heavy project, some uncertainty is expected. Do you feel the team was encouraged to 'fail fast' and pivot, or was there pressure to stick to the original plan regardless of new data?"

Answer: As we were more or less in the hands of our partners and problems were not communicated clearly enough, the option of pivoting/changing direction was infeasible.

Lessons Learned

Question 12: "If you were to mentor a project manager starting a similar high-stakes design project today, what is the one 'red flag' you'd tell them to watch out for?"

Answer: A lack of communication regarding problem areas where expertise on your team is limited is a definitive 'red flag'.

Question 13: "What is the most significant theoretical lesson this project taught you about managing innovation?"

Answer: If competence is lacking in a vital field, this should be remedied by consulting so as to be able seek solutions to problem arising in said fields.