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Seeing the Trees or the Forest? The Effect of IT Project Managers' Mental Construal on IT Project Risk Management Activities

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Abstract:

Prior research has suggested that information technology (IT) project managers (PMs) often fail to take adequate steps to manage project risks and that this may contribute to the high failure rate associated with IT projects. Knowing when to pay attention to the trees versus the forest may play an important role in IT project risk management. We draw on construal level theory (CLT) to offer a fresh theoretical perspective on IT project risk management as it is uniquely suited to understanding why IT PMs may focus on the forest (abstract, high-level construal) or the trees (concrete, low-level construal). Specifically, we integrate CLT with IT project risk management and theorize how IT PMs' mental construal affects four key IT project risk management activities: (1) risk identification, (2) risk impact assessment, (3) risk response planning, and (4) risk response enactment. We recruited a total of 805 IT PMs for this research and conducted a series of four laboratory experiments. In our experiments, we found that seeing the trees is beneficial in risk identification, risk impact assessment, and risk response planning. Specifically, we found that a concrete (relative to abstract) mental construal of *a project* leads IT PMs to identify a greater number of risks associated with the project (Experiment 1), and a concrete (relative to abstract) mental construal of *a project risk* leads IT PMs to perceive a greater potential impact of the risk (Experiment 2) and to perceive that more effort and resources are required for responding to the risk (Experiment 3). In contrast, we found that seeing the forest is beneficial in risk response enactment in that an abstract (relative to concrete) mental construal of *a risk response* leads IT PMs to be more willing to enact the risk response (Experiment 4).

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