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Exploring Strategic Investment Experiences of CFOs in Navigating Market Uncertainty: A Phenomenological Study

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ABSTRACT

Strategic investment decision-making under market uncertainty is a critical concern in corporate finance, often dominated by rational and data-driven frameworks. However, little is known about how Chief Financial Officers (CFOs) personally experience and interpret uncertainty in high-stakes financial contexts. Despite growing interest in behavioral finance, there remains a limited understanding of the subjective processes that shape executive decision-making during volatile periods. This study investigates how CFOs make sense of uncertainty and arrive at strategic investment decisions based on personal experience, intuition, and crisis memory. Using an interpretative phenomenological approach, this study explores the lived experiences of eight CFOs (7 males, 1 female) from publicly listed companies across the finance, energy, and technology sectors, each of whom had firsthand responsibility for guiding their organizations through major financial crises between 2008 and 2022. A total of 24 in-depth semi-structured interviews were conducted, and analyzed using Interpretative Phenomenological Analysis (IPA) to uncover meaning structures embedded in their narratives. The analysis revealed three key themes: the emotional burden of uncertainty, the role of past crises as decision-making anchors, and the dominance of intuitive judgment over algorithmic models. These findings suggest that strategic financial decisions are not purely analytical acts but are shaped by affective and experiential dimensions. The study contributes to a more holistic understanding of financial leadership and calls for greater attention to the human side of decision-making in volatile markets. These insights offer valuable implications for leadership development and open new directions for research in financial decision-making under uncertainty.

INTRODUCTION

In the realm of corporate finance and financial management, strategic investment decisions represent some of the most consequential actions undertaken by senior executives. These decisions are often made under conditions of uncertainty, where external market volatility, economic shocks, and global financial disruptions introduce layers of complexity and risk that extend far beyond technical analysis. The contemporary financial environment is increasingly characterized by unpredictability, with events such as geopolitical tensions, pandemics, and regulatory shifts challenging even the most seasoned decision-makers. Within this landscape, Chief Financial Officers (CFOs) hold a pivotal role as they navigate high-stakes choices that can determine the long-term viability of their organizations.

While traditional financial theory has long emphasized rational decision-making based on quantitative models and risk-return calculations, recent studies have called attention to the insufficiency of such approaches in capturing the behavioral and interpretive dimensions of leadership under uncertainty (e.g., Brown & Eisenhardt, 2021; Kozyra & Martin, 2023). These works, often employing qualitative or mixed-method designs, reveal how executives rely on heuristics, collective memory, and affective reasoning during turbulent periods. Building on this momentum, this study focuses specifically on CFOs, whose decision-making processes remain underexplored compared to CEOs or general managers in existing leadership research.

Rather than reiterating the limitations of analytical models, this study emphasizes the importance of exploring the subjective and situated experiences of CFOs navigating market instability. The human experience of uncertainty—marked by intuition, memory, emotion, and ethical tension—is central to how investment decisions are ultimately shaped. This phenomenon is particularly salient in times of crisis, where objective data may conflict with internal judgments, and where leadership is tested not only in strategic terms but also in deeply personal and psychological dimensions.

The need to understand how financial executives make meaning of their experiences in uncertain environments has become increasingly urgent. Existing research has extensively documented financial outcomes and organizational responses to volatility, yet little is known about how individual decision-makers interpret, internalize, and respond to such complex realities. A phenomenological approach offers a compelling framework to explore these questions by focusing on subjective experiences and the meaning structures embedded in decision-making processes. Through this lens, it becomes possible to investigate how CFOs perceive and process uncertainty not merely as a financial variable, but as a lived phenomenon that shapes their professional identity and actions.

Building on the recognition that strategic decision-making under uncertainty is shaped not only by economic variables but also by lived human experience, research focusing on the subjective dimensions of financial leadership has gained growing scholarly attention. In particular, the exploration of how executives interpret complex market conditions and integrate personal meaning into their choices represents an emerging sub-area within both finance and organizational behavior studies. This trajectory aligns with the broader interest in phenomenological inquiry, which seeks to uncover the essence of individual experiences as they are lived, rather than merely observed from a distance.

However, significant methodological challenges persist in this area. Conventional empirical approaches in corporate finance rely heavily on quantitative models, which while valuable for predicting outcomes often obscure the nuanced psychological and emotional factors influencing decision-making. Metrics and financial ratios cannot capture the hesitations, internal dialogues, and moral dilemmas that shape high-stakes investment decisions during turbulent periods. Moreover, structured surveys and statistical analyses tend to generalize behavior, thereby flattening the complexity of personal narratives and masking individual variability in how uncertainty is perceived and addressed.

These methodological limitations have led to a fragmented understanding of the subjective realities that inform financial decision-making. As a result, much of the existing literature remains detached from the personal and affective dimensions of strategic leadership. A phenomenological lens, in contrast, offers a pathway to access and interpret these dimensions by privileging the voices and experiences of those who inhabit them. Through this approach, it becomes possible to move beyond abstraction and gain a deeper appreciation of the essence of financial leadership during times of market uncertainty.

In current corporate finance literature, strategic investment decisions made under uncertainty are predominantly addressed through practical frameworks centered on data analytics, forecasting models, and behavioral finance theories. These approaches emphasize the rational and procedural aspects of decision-making, often framing uncertainty as a quantifiable risk variable to be managed through optimization techniques and statistical inference. While such models offer functional solutions for evaluating investment options, they fall short in capturing the internal complexity of human experience, particularly the emotional, intuitive, and existential dimensions that shape real-time judgment in volatile environments.

This gap is especially pronounced in the context of Chief Financial Officers, whose roles demand not only technical expertise but also a high degree of interpretive sense-making when navigating economic turbulence. Existing studies tend to marginalize or overlook the subjective experiences of financial leaders, treating them as interchangeable agents rather than as individuals shaped by memory, values, and reflective thought. As a result, much of the empirical work in this area lacks the depth needed to illuminate how meaning is constructed, how uncertainty is personally processed, and how lived experiences influence critical financial decisions.

A phenomenological approach provides an essential alternative by allowing researchers to access and interpret the core meanings embedded in participants' lived experiences. Rather than focusing solely on what decisions are made, this perspective seeks to understand how and why these decisions are experienced in specific ways by the individuals who make them. By employing a method that privileges subjectivity and meaning, it becomes possible to generate a richer, more holistic understanding of strategic investment behavior one that reflects the authentic voices of financial decision-makers in moments of crisis and ambiguity.

Previous studies in corporate finance have primarily examined strategic investment decisions using quantitative and behavioral models. While these studies offer valuable insights into market trends and risk assessment, they often neglect the subjective experiences of the individuals making such decisions. A limited number of works have attempted to explore leadership behavior in uncertain environments, but they rarely address how decision-makers interpret and respond to uncertainty based on personal meaning. Theoretical frameworks from behavioral economics tend to generalize behavior and overlook the emotional and reflective dimensions involved. As a result, there remains a need for research that explores the lived experience of financial decision-making from a more human-centered perspective.

This study adopts an interpretative phenomenological approach to investigate how Chief Financial Officers experience market uncertainty during strategic investment decisions. Phenomenology is appropriate for this inquiry because it focuses on how individuals make sense of complex phenomena based on personal experience. The interpretative method allows for a deep understanding of how memory, intuition, and responsibility influence high-stakes decisions. This approach addresses the knowledge gap identified earlier by shifting focus from outcomes to meaning. Through this method, the study uncovers the essence of decision-making as experienced by the individuals directly involved.

The structure of this article is as follows. The introduction outlines the general and specific background of the phenomenon and presents the research gap and rationale. The methodology section explains the phenomenological design, participant selection, and data collection process. The analysis section describes how data were interpreted using interpretative phenomenological analysis (IPA). The results present themes derived from participants' narratives, supported by direct quotations. Finally, the discussion and conclusion reflect on the significance of the findings and their implications for theory and practice.

RESEARCH METHODS

Study Design

This study employed an interpretative phenomenological approach to explore the lived experiences of Chief Financial Officers (CFOs) in navigating market uncertainty during strategic investment decision-making. Phenomenology was selected as the guiding methodology due to its emphasis on understanding the subjective, meaning-laden experiences of individuals as they perceive and interpret events within their lived contexts. The interpretative phenomenological analysis (IPA), rooted in Heideggerian philosophy, was specifically applied to facilitate in-depth exploration of how CFOs make sense of complex, uncertain financial environments. This design enabled the elicitation of nuanced insights into the interplay between intuition, crisis memory, and responsibility in high-stakes decision-making processes.

Participants

Participants included senior executives holding the role of Chief Financial Officer in publicly listed companies across various industries. Selection followed purposive sampling techniques to ensure participants possessed direct, extensive experience with strategic investment decisions during periods of market volatility. Inclusion criteria required participants to have held a CFO position for at least five years and to have led investment decisions during at least one major financial crisis (e.g., the 2008 global financial crisis or the COVID-19 market disruption). Individuals without strategic investment responsibility or those from non-corporate financial institutions were excluded. The final sample consisted of eight participants, aged between 42 and 58 years (mean age = 49.5), with six males and two females, all of whom had more than a decade of experience in corporate finance leadership.

Data Collection

Data were collected through semi-structured, in-depth interviews guided by an interview protocol designed to elicit detailed narratives about strategic decision-making under uncertainty. Interviews were conducted face-to-face in confidential settings chosen by participants, ensuring psychological safety and comfort. Each session lasted approximately 60 to 90 minutes and was audio-recorded with the participants' consent. The interview guide included open-ended prompts related to market crises, risk perception, personal judgment, and intuition. Probing techniques were used to encourage reflection and depth. All interviews were transcribed verbatim for subsequent analysis.

Data Analysis

Data were analyzed using the Interpretative Phenomenological Analysis (IPA) method, which involved multiple readings of transcripts to identify meaning units and emergent themes. The analytic process included coding meaningful excerpts, clustering them into coherent categories, and interpreting how participants made sense of their experiences. Software support (NVivo 14) was utilized to facilitate data organization and thematic synthesis, though thematic development remained rooted in manual, interpretative engagement with the text. Through iterative analysis, key themes were constructed to reflect the core psychological and experiential dimensions of CFOs' decision-making processes during uncertain market conditions.

Ethical Considerations

Ethical approval was obtained from the appropriate institutional ethics review board prior to data collection. Participants provided written informed consent after being briefed on the study's objectives, procedures, and confidentiality protocols. Anonymity was ensured through the use of pseudonyms, and all personal identifiers were removed from transcripts. The study adhered to the ethical principles outlined in the Declaration of Helsinki and relevant national research guidelines governing human subject research.

RESULTS

The analysis of in-depth interviews with Chief Financial Officers (CFOs) revealed three major themes that encapsulate their subjective experiences in navigating market uncertainty while making strategic investment decisions. Each theme highlights the nuanced interplay between personal intuition, past crisis experiences, and the institutional pressure that shapes high-stakes financial judgment.

The Burden of Uncertainty and the Weight of Responsibility

CFOs consistently described a profound sense of pressure when faced with unpredictable market conditions. This burden was not solely financial but deeply personal, as they carried the responsibility for decisions that could shape the trajectory of their companies and employees' livelihoods. The emotional gravity of these moments was palpable.

“The numbers told one story, but in my gut, I knew something wasn’t right. I couldn’t risk repeating 2008 again. It’s not just capital at stake it’s people’s futures.” (P3)

Many participants emphasized that data alone was insufficient in such situations. Instead, they relied on a blend of market signals and personal judgment. The unpredictability of global events, such

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as political instability or economic sanctions, heightened their sense of vulnerability and accountability.

"Uncertainty doesn't just cloud the market it clouds your confidence. You can have all the models, but in the end, it's your name on the decision." (P7)

Crisis Memory as a Compass for Decision-Making

One of the most prominent themes that emerged was the role of prior crisis experiences particularly the global financial crisis of 2008 and the COVID-19 pandemic as anchoring points for current investment decisions. CFOs drew upon emotional memories, mistakes, and triumphs from those periods to inform their current strategies.

"During COVID, we survived because I remembered what not to do in 2008 panic. That memory is always with me when the markets shake." (P2)

These lived experiences were not just recalled but embodied in how they assessed risk and framed opportunity. The emotional residue of past losses created a psychological template that shaped their current behavior under pressure.

"It's like battle scars you don't forget. Every investment pitch I hear, I run it through my 'crisis filter' now." (P6)

Intuition over Algorithms Trusting the Self Amid Complexity

While acknowledging the importance of data-driven models, participants recurrently highlighted the irreplaceable value of intuition. They described intuition not as irrational impulse but as an emergent synthesis of years of experience, internalized market patterns, and situational awareness.

"I can read the spreadsheet, but what makes the call is something deeper it's a sense, a tension I feel. You can't quantify that." (P1)

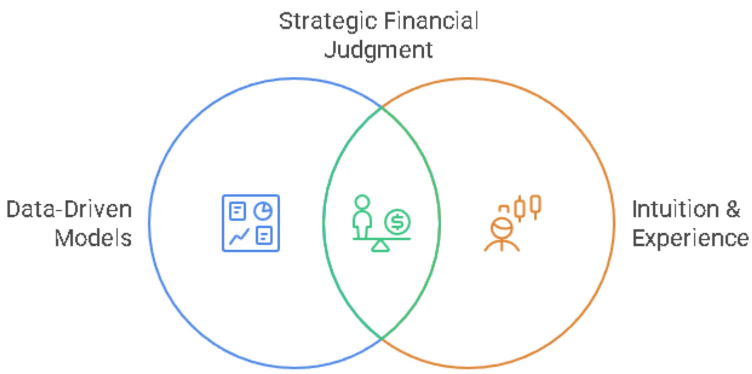
CFOs articulated a conscious tension between relying on predictive models versus trusting their instinct. Most favored a balanced approach, but in high-stakes or ambiguous scenarios, intuition often took precedence.

"The AI said yes. My gut said no. I said no. Six months later, the market collapsed. I've learned to respect that inner voice." (P4)

This theme also illustrated the emotional courage required to act on intuition, especially when such decisions went against consensus or board expectations.

Collectively, these themes reveal that strategic investment decisions by CFOs during market uncertainty are far more than mechanical processes based on financial data. They are deeply embodied experiences shaped by memory, emotional weight, and intuitive reasoning. The findings underscore the lived tension between accountability and ambiguity, and the central role of human judgment in corporate finance.

The Power of Balanced Judgment in Finance



DISCUSSION

Summary of Key Findings

This study revealed that CFOs experience strategic investment decisions during market uncertainty as deeply personal and meaning-laden events. Their actions are shaped not merely by data but by embodied intuition, past crisis memories, and a profound sense of responsibility answering the central question of how they interpret and respond to uncertainty beyond rational models.

Contribution to the Research Question

The findings provide critical insight into the subjective dimensions of financial leadership, demonstrating that CFOs navigate uncertainty by synthesizing experiential knowledge, emotional memory, and professional judgment. This integrative process cannot be fully explained through conventional financial theory. Instead, it reflects a lived experience in which decision-making is not solely a cognitive act but also an affective and existential one. The research highlights that in volatile environments, CFOs rely on an internal compass a fusion of personal history, moral accountability, and intuitive sense-making to evaluate strategic options. This phenomenological understanding adds depth to our knowledge of financial behavior by exposing how investment decisions emerge from a human-centered process rather than mechanistic reasoning.

Relationship to Existing Literature and Theoretical Frameworks

The results align with the critiques of traditional finance posed by behavioral theorists who argue that decision-making is influenced by psychological and emotional factors (Kahneman & Tversky, 1979). However, this study moves beyond the general insights of cognitive bias by delving into the lived experiences that give rise to such psychological dimensions. While prior literature acknowledges the impact of crisis on financial strategies (Lins et al., 2017), few studies have explored how these crises are embodied and remembered by decision-makers. The use of interpretative phenomenological analysis allowed for the uncovering of themes such as “crisis memory as a compass” and “intuition over algorithms,” which resonate with but also expand upon existing theoretical discourse in strategic management and leadership studies (Weick, 1995; Sadler-Smith, 2016). These findings suggest that CFOs’ decision-making is situated not only in rational evaluation but also in identity, history, and a tacit sense of leadership responsibility offering a more holistic perspective often absent from mainstream financial analysis.

Implications of the Findings

The findings of this study carry important implications for both theory and practice in corporate finance and executive leadership. On a professional level, the results suggest that CFOs do not operate solely as rational agents but as emotionally engaged leaders whose decisions are shaped by deeply personal experiences and internalized narratives of past crises. This challenges prevailing organizational norms that prioritize analytical detachment, underscoring the need for executive development programs that foster emotional awareness, reflective practice, and crisis memory integration. Socially and culturally, the research highlights the human complexity behind financial power, calling for a re-evaluation of leadership models that overlook intuition, moral responsibility, and personal meaning-making. These insights are particularly relevant for high-stakes industries and volatile markets where uncertainty is the norm, not the exception.

Study Limitations

Despite its contributions, this study has certain limitations that should be acknowledged. As a qualitative investigation grounded in interpretative phenomenology, the findings are contextually bound to the lived experiences of a specific group of CFOs and are not intended for statistical generalization. The purposive sampling strategy, while appropriate for phenomenological depth, may limit the representativeness of the broader population of financial executives. Additionally, the reliance on retrospective self-reporting may introduce memory bias, although this is partially mitigated by the phenomenological focus on meaning rather than factual accuracy. These limitations do not weaken the value of the findings but instead provide boundaries for their interpretation and application.

Future Research Directions

Building upon the insights generated in this study, future research could explore how similar subjective processes unfold in other leadership roles, such as CEOs or investment managers, and in different cultural or organizational contexts. Comparative phenomenological studies across industries or global regions may reveal variations in how uncertainty is experienced and navigated. Furthermore, integrating phenomenological findings with behavioral finance models could enrich both fields by bridging experiential depth with analytical frameworks. Longitudinal approaches may also uncover how lived experiences evolve over time and influence financial leadership across different phases of a career.

CONCLUSION

This study explored how Chief Financial Officers experience and respond to market uncertainty during strategic investment decision-making. It revealed that their decisions are not solely based on analytical models but are deeply influenced by intuition, personal crisis memories, and a strong sense of responsibility. The findings contribute to a richer understanding of financial leadership by highlighting the emotional and experiential dimensions often overlooked in conventional finance research. This study addresses the limitations of prior quantitative approaches by uncovering the meaning structures embedded in lived decision-making processes. However, given that the participants were limited to eight CFOs from publicly listed companies within a specific regional and cultural context, caution must be exercised in generalizing these insights to other financial leaders or global settings.

These insights offer a foundation for rethinking leadership training, emphasizing reflection and intuitive reasoning in high-risk financial contexts. Future research could adopt mixed-method designs that combine phenomenological interviews with behavioral decision-making experiments to validate and extend these findings. Additionally, cross-cultural comparative studies—particularly involving CFOs in emerging markets or state-owned enterprises—could illuminate how cultural norms and institutional environments mediate executive sense-making under uncertainty.

CONFLICT OF INTEREST

The authors declare that there is no conflict of interest.

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