



An Emotional Approach to Strategy Execution

Leaders who are able to identify and manage patterns of emotions in a collective are better able to make their ambitious strategies a reality.

What do President Obama, Steve Ballmer, CEO of Microsoft, and Olli-Pekka Kallasvuo, former CEO of Nokia all have in common? All three had ambitious and laudable strategies (universal healthcare for the U.S.A., dominating the world software industry and dominating the mobile phone industry respectively), yet all three had serious difficulties in executing their strategies successfully.

Time and time again, senior executives spend much time and resources developing and promoting a visionary strategy often to be let down by its execution (as I mention in this recent Forbes interview **Strategy Without Execution Is Hallucination**). For many executives, strategy execution seems just straightforward operational project management to organisational change: breaking it down into different tasks, assigning various project managers and allocating appropriate resources such as people, equipment and money, and setting up a schedule for delivery. Then, once the project planning structure is established, they assume “mission accomplished” and things should automatically unfold.

What they fail to do is take into account the hidden traps related to soft human factors, including the collective emotions of middle managers and others who influence the process of strategy execution and have a critical impact on the outcomes, as illustrated

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by the fall in popularity of President Obama as a result of poor information technology, and the exits of both CEOs Ballmer and Kallasvuo as their companies could not execute successfully their intended business strategies.

Breaking the taboo

Emotional and political issues tend to be taboo subjects in the corporate world. People may talk about them in corridors or around the water cooler but rarely in the boardroom. There are no automated project management models that allow executives to accurately and comprehensively diagnose, detect or think systematically about these issues and many executives continue to believe that emotional suppression and task focus are the best ways to deal with emotional situations.

Similarly middle managers, concerned that top executives could doubt their leadership ability and motivation, are often reluctant to display negative emotions in connection with change or express personal concerns that were not linked to organisational effectiveness.

Yet as research in neurology and psychology has shown, emotions can influence human thinking and behaviours in powerful ways and impact performance in organisations. Studies show that

emotions that are driven underground tend to incubate and surface later.

During times of transformation – and strategy often entails considerable organisational transformation – these negative group feelings can come to the fore and influence strategy implementation.

Recognising the power of collective emotions

At INSEAD we have begun addressing this issue with research and teaching to better equip senior executives to identify collective emotions, who has them, what are the causes, what are the political agendas and how to command trust.

To manage collective emotions you first have to understand the nature of it and to differentiate collective emotions from personal emotions.

As human beings, we all have emotions, our moods swing. These personal emotions can be managed by talking to peers or co-workers and people soon realise that expressing their personal feelings such as pessimism or anger within an organisation is usually not a good thing for their career.

Collective emotions, however, are different. They are the emotions a large number of people feel about a cause or new strategy – and this is not likely to dissipate so easily. If someone is unhappy about something a CEO has intentionally or unintentionally done and speaks about it, the feeling can fester and be reinforced during conversations about similar incidents with other middle managers. The feelings will be validated, amplified and over time – it could be years – expand to become a vast coalition of individuals sharing negative emotions about the strategy because they believe it can harm their group's welfare – even if their personal welfare is not at stake. For example, thousands of football fans may feel collective anger about the defeat of their team and go into a riot even if it is unlikely such a loss would impact their professional jobs or the welfare of their families. We call this phenomenon “group-focus emotions”.

It is not even necessary for group-focus emotions to be expressed or shared with other people. It is possible for many members of a group to feel the same group-focus emotions if, for instance, they interpret an event in a similar way.

In corporate settings, we have observed how these group-focus emotions can prompt middle managers – even those elevated to powerful positions by top executives – to support or covertly sabotage the implementation of a strategy even when their immediate personal interests are not directly under threat.

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Breaking the barrier

Managing collective emotions, and taking appropriate emotion management action is a key – yet often ignored – role for executives who want to increase the odds of success of strategy execution, which is normally between 20 percent to 30 percent. One way to break the barrier is to actively encourage the expression of emotions and their causes at work – in a climate of relative psychological safety.

More specifically, managers and leaders can create norms of experiencing and expressing a wide range of emotions and their causes by carefully re-examining taken-for-granted beliefs, languages, and practices that devalue, discourage, or constrain those feelings. Actively removing cognitive, normative, and behavioural barriers in organisations may require much re-education and unlearning. Managers should also look at increasing their emotional self-awareness by understanding the causes and consequences of various emotions such as shame, guilt, anger, pride, and joy so they can recognise them, regulate them, and express them to others in an articulated way. Although learning about emotional intelligence could help executives deal with emotions in interpersonal interactions or a small group, dealing with the various patterns of collective emotions of hundreds or even tens of thousands of people require what we call “emotional capital” skills, which we teach to executives at INSEAD in our Strategy Execution programmes.

Channelling collective negative emotions to constructive ends

Obviously, freedom of emotional expression needs to be balanced with respect to other individuals' sensitivities and the company's interests. But by accurately perceiving patterns of emotions in an organisation, leaders will have greater chance of identifying and channelling negative emotions toward constructive ends. We cannot emphasise enough the urgency in attending to the collective emotions of middle managers whose cooperation is vital to implementing change by giving them greater voice and ownership in the design and implementation of the myriad of details that ensure successful strategy execution.



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