

Leadership transitions don't start with a strategy problem

In theory, the sequence is clear: the Board sets direction, the executive gets the mandate to carry it, adjusts where needed, and translates it into performance.

In practice, the strategy is often built by the CEO and approved by the Board, but when performance and clarity on how the business actually operates is no longer there, the risk is less about the direction itself and more about how that direction is interpreted and applied across the organization.

Whether leadership transitions are approached as moments to ensure execution or to reset the strategy, the newly appointed leader will get a brief with the objectives but rarely an accurate description of the terrain - simply because the Board's picture of the business is often built on the same filtered information as the outgoing executive's.

In early appointment days, the challenge is not strategy but information, namely the structural gap between what you need to know and what people are willing or able to tell you.

Legacy narratives still shape decisions, alliances, and internal and external perception. Reporting might not reconcile neatly, sources contradict each other on key topics, priorities shift depending on the room. You get an org chart and the list of talents in line, but key people will leave in the first weeks and take knowledge, client relations, and your most optimistic assumptions with them.

People in a transitioning organization face their own set of pressures. Some are loyal to the previous leader or to their own aspirations and have no interest in making your tenure successful; some are protecting their own positions by controlling what you see, some genuinely believe they are helping by filtering information they consider irrelevant or destabilizing, and others are just waiting to see who you are, and whether you will last before they commit.

This can be dismissed as normal complexity under uncertainty, but it often reflects the absence of a shared truth. A situation where multiple versions of reality coexist is most often found in organizations that have gone through prolonged periods of change, integration, or internal competition. It can also appear in organizations where information

is siloed and/or poorly disseminated. The combination results in organizations that can function, but where the roadblocks faced by not working as one system get amplified.

During leadership transitions or post-M&A phases, expectations are high, timelines are compressed, and decisive new direction is required quickly. While early momentum matters, the critical mistake is treating the initial given picture as if it was complete, and acting only on what was depicted, following the architecture inherited, not verifying the narrative that arrived with the mandate.

Getting a more complete picture requires understanding how information actually moves (or doesn't) inside a complex organization.

The official narrative - what the organization says about itself in documents, presentations, and formal communications. This layer is useful but almost always aspirational, describing the organization that leadership wants to believe exists.

The management narrative - what your direct reports tell you, shaped by their own interests, loyalties, and uncertainties. This layer contains more truth than the first, but it is still heavily filtered, it is the picture presented, not necessarily the one you need.

The operational truth - what actually happens every day, at the level where work is done, decisions are implemented, and strategy meets reality. This layer is rarely visible from the top without deliberate effort, requiring going around the formal hierarchy.

The relational truth - who trusts whom, who influences whom, where decisions are actually made, and what the organization's emotional temperature is. This layer is the hardest to access and the most valuable, and determines whether any change introduced takes root or is quietly neutralized.

Taking the time to explore deeper narrative layers beyond the first two requires the leader to resist enormous pressure - organizations in transition need direction and will interpret delay as uncertainty. The answer is not to rush the diagnostic but to be transparent about the process: to let the organization know that you are listening before you speak, and that the quality of action will depend on the quality of what is heard. Listening to people in the functional and "lesser" departments, beyond the leadership team, listening to customers, external stakeholders, and to those who decide to leave, often provides the most honest picture of the main dysfunctions in the system.

Acting too fast on an unverified picture and/or failing to ensure an adequate communication of what, why and how creates a different kind of instability, where decisions start adjusting to assumptions and locally coherent interpretations, rather than to a shared reality. The result is a compounding problem: each correction generates its own distortion, and the organization spends energy absorbing change that doesn't address what it should. This generates friction, slows down execution, and creates a level of fatigue that is often misread as resistance.

Leaders who navigate complex transitions effectively do not wait for perfect clarity. They take daily consequential decisions while continuously testing the underlying picture.

Information is triangulated beyond formal channels, discrepancies are treated as signals, they go deeper into how the business actually runs. They question what is taken for granted, seek to understand how the current state came to be, and are deliberate about where to intervene and where not to - or where not yet.

In transformation situations, trying to fix everything at once, especially in areas that keep the operational engine running, tends to create more instability than progress.

Sequencing is not caution, it is the discipline to work with the system rather than against it, which leads to faster results and more sustainable progress.

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Entelechy Advisory

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