

Secrets to the Success of Organizational Transformation

Secret No. 2: Leadership¹

Dr. Prasad S. Kodukula²

In the first article of this series, I highlighted the importance of purpose as the foundation for successful organizational transformation—the first element of the P-L-E-A-S-E framework. Purpose provides direction, but direction alone is never sufficient.

Over the years, I have learned that the most successful transformations are not driven solely by changing structures, systems, or strategies. They succeed when those responsible for change focus on shaping people’s habits, attitudes, and behaviors.

It’s the people, stupid!—to borrow a slogan from Bill Clinton’s first presidential campaign. In Part 2 of this series, I turn to the second letter in the P-L-E-A-S-E framework and reveal Secret Number 2 for organizational transformation success: Leadership. Among the six secrets in this series, leadership is arguably the most important because it encompasses all the others.

The following sections highlight different leadership behaviors and mindsets that consistently distinguish successful transformation leaders from others.

Be authentic

Authenticity is at the heart of leadership. It encompasses many aspects of human behavior such as genuineness, integrity, empathy, humility, and compassion. It fosters a sense of purpose, builds trust, and motivates your team toward the change you aim to create.

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² Dr. Prasad Kodukula, PMP, PMI Fellow is the author of *Organizational Project Portfolio Management: A Practitioner's Guide* (J. Ross Publishing 2014) and *The Project Management AI Handbook: Leveraging Generative Tools in Waterfall and Agile Environments*, with Gustavo Vinuez (J. Ross 2025). A global ambassador for project management, Dr. Kodukula has lectured in nearly 50 countries and worked with more than 40 Fortune 100 companies across all 11 S&P industrial sectors. Learn more in his author profile at the end of this article.

Truly authentic leaders are rare. World figures like Mahatma Gandhi, Martin Luther King Jr., and Nelson Mandela are among the most well-known examples.

In the business world, Bill Hewlett and David Packard, cofounders of the first major Silicon Valley tech company, HP, were genuine, authentic leaders. Their legendary management style, known as The HP Way, is an ideology that, according to Hewlett, “includes a deep respect for the individual, a dedication to affordable quality and reliability, a commitment to community responsibility, and a view that the company exists to make technical contributions for the advancement and welfare of humanity.”

Recently, authentic leadership has been exemplified by Satya Nadella, whose focus on empathy, learning, and humility helped restore trust within Microsoft and set the stage for one of the most successful corporate transformations of the digital era.

Focus on the whole rather than the parts

Organizations are becoming more complex, and transformation initiatives add many moving parts to this complexity. Managing the numerous diverse and disparate parts, especially in global organizations, at a micro level, is nearly impossible. The solution is to build a strong leadership team that lets you focus on the big picture while delegating the details. Tim Cook, Apple's CEO, is an excellent example of such a leadership style.

Focusing on the big picture requires strategic thinking. It involves defining—and refining as needed—the mission, vision, and strategy of your transformation project. Technology leaders known for strategic thinking and vision include Jeff Bezos, Steve Jobs, Elon Musk, and Sheryl Sandberg.

In the AI-driven economy, this systems-level thinking is exemplified by Jensen Huang, who transformed NVIDIA from a graphics chip company into the main platform for artificial intelligence by focusing on the entire ecosystem—hardware, software, developers, and partners—rather than optimizing individual products separately.

One of the most notable transformations in the automobile industry occurred in the early 1980s. Chrysler, a “Big Three” company, was on the verge of collapse. Enter Lee Iacocca, a small-town Pennsylvanian! Already successful at Ford with his bold introduction of the Mustang and Pinto, he was hired by Chrysler to turn the company around. His bold,

innovative, and strategic thinking helped him identify what consumers wanted: an extremely spacious minivan that could accommodate the entire family. The biggest brainchild of Iacocca, it became a global phenomenon and revitalized Chrysler. Iacocca went on to become one of the greatest automobile luminaries.

Visionary leaders think in tons, not in pounds. They look miles ahead, not inches. They watch calendars, not clocks.

Cultivate the right culture

Every leader faces the tough challenge of building a culture that everyone in the organization can easily understand, relate to, feel comfortable with, and accept. Culture is everything. It reflects your organization's habits. It reveals your organization's personality.

What are your values? How do you treat each other? What do you respect? What's most important to you? How do you hire talent? How do you implement strategy? What's acceptable and what's not in your conversations?

When Steve Ballmer led Microsoft, its culture was strict, inflexible, competitive, and cutthroat. When Satya Nadella took over, he changed the culture. His focus is on learning, growth, collaboration, diversity, and inclusion.

Microsoft, once struggling under Ballmer, is now thriving under Nadella, surpassing a three-trillion-dollar valuation. The cultural transformation has become a key support for organizational change. It is said that today at Microsoft, the C in CEO stands for Culture. Similarly, companies like Adobe have strengthened innovation by redesigning performance management systems to focus on continuous feedback and psychological safety—showing that culture is not just a soft concept but a key driver of transformation.

Execute ruthlessly

You might be a leadership expert in theory, but when you're responsible for transforming an organization, execution is what counts most. You may have an MBA from a top institution, read all the best-selling leadership books, be an authentic leader, a strategic thinker, understand culture, and so on. All of that might be necessary but not enough. Ultimately, what matters most is executing your strategy and delivering results.

Louis Gerstner, Jr. took the helm at IBM in April 1993. His predecessor was replaced due to poor performance. When Gerstner arrived on his first day, he found a board-approved, publicly announced plan on his desk that called for splitting the company into five smaller firms. The first thing the new CEO did was toss the plan in the trash. Everyone wanted to know what his vision for the company was. He declared, “The last thing IBM needs right now is a vision.” These words have since become some of the most famous in business history!

Gerstner took several months to clean the house, shattered bureaucracy, broke down organizational silos, opened communication channels, and built a new mindset and culture—among many other things. Then he developed his grand vision: the company could no longer rely solely on hardware; it needed software and IT solutions.

Long story short, his prescient vision and relentless execution paid off. The company was not broken apart; it simply became leaner and stronger, thriving in the process. In many ways, he rebuilt the company from the ground up, like an entrepreneur.

In his memoir titled, 'Who Says Elephants Can't Dance?', Gerstner chronicles the transformation he led at IBM—a must-read for anyone interested in organizational change. In today's fast-paced digital world, aggressive execution is clear in organizations like SpaceX, where quick iteration, acceptance of failure, and “first-principles” thinking have significantly shortened innovation cycles compared to traditional aerospace models.

In a very different industry, Moderna showed relentless execution by leveraging digital platforms and agile decision-making to shorten vaccine development timelines that usually take years into just months—proving that disciplined execution, not just visionary strategy, drives transformational success.

Act like an entrepreneur

Traditional entrepreneurship involves building and leading an organization from the ground up to achieve success quickly. Rapid business transformation is quite similar; it focuses on creating and guiding a team that successfully implements strategic change. Whether you're starting a new organization from scratch or transforming an existing one, entrepreneurial skills are essential.

Entrepreneurial action is characterized by visionary thinking, learning quickly through experimentation, taking calculated risks, constantly evaluating priorities, adapting rapidly

to a changing environment, pivoting when needed, building resilience to handle unexpected setbacks, focusing on final outcomes, and so on.

Entrepreneurial leadership was recently demonstrated by Brian Chesky, cofounder and CEO of Airbnb, in their response to the pandemic. As an online marketplace for vacation rentals, the company faced severe financial difficulties toward the end of spring 2020 due to the pandemic. Chesky promptly shifted his strategy, fully aware of the risks, to focus on local stays instead of big cities and distant locations that had defined their core business. By early summer, the teams redesigned the website and app. They updated the algorithms to showcase rentals ranging from small cabins to luxurious beach houses near where potential customers lived. By mid-summer, things began to improve. The third quarter resulted in profit, leading to a blockbuster IPO in December.

A recent example of entrepreneurial leadership in a well-established company is Shopify. In 2025, CEO Tobias Lütke issued a widely discussed internal directive encouraging teams to adopt a more founder-like mindset by making proactive use of artificial intelligence a default across the organization. Instead of viewing AI as a specialized task or isolated project, Lütke presented it as a tool for rapid experimentation, learning, and leveraging—hallmarks of entrepreneurial behavior. This move reinforced the idea that, even at scale, successful transformation requires leaders to think and act like founders: prioritizing speed, adaptability, and results over process and hierarchy.

At its core, organizational transformation is fundamentally a human effort. Technology, strategy, and process are important—but only to the extent that leaders motivate people to think differently, act decisively, and accept change. Ultimately, transformation succeeds not because organizations change, but because leaders help people embrace change.

Author's Note: Preliminary versions of the articles in this series were previously published as blog posts on my website (www.kodukula.com). They have been revised and expanded for publication in PMWJ. In preparing the final articles, I used ChatGPT as a support tool for editing, refinement, and language clarity. All ideas, interpretations, conclusions, and final editorial decisions remain my own.

About the Author



Dr. Prasad S. Kodukula

Illinois, USA



Dr. Prasad S. Kodukula, PMP, PgMP, PMI-ACP, DASM, DASSM, BCES, is a USA Today best-selling author, PMI Fellow, thought leader, and entrepreneur with over 35 years of professional experience. A global ambassador for project management, Dr. Kodukula has lectured in nearly 50 countries and worked with more than 40 Fortune 100 companies across all 11 S&P industrial sectors. He serves as an Adjunct Industry Professor at Illinois Tech and teaches how to recover troubled projects for NASA and at the University of Chicago. As co-founder and CEO of Kodukula & Associates, Inc. and NeoChloris, Inc., he leads the firms in project management and renewable energy, respectively. Recognized three times by the Project Management Institute as “Best of the Best in Project Management,” he has received multiple accolades, including the Illinois Tech Professional Achievement Award and honors from the U.S. Environmental Protection Agency and the states of Arizona, Kansas, and Illinois for his outstanding leadership in education and training, environmental improvement, and innovation. An accomplished author, Dr. Kodukula has co-authored or contributed to 12 books (including several best sellers) and over 40 articles, and holds four U.S patents. He can be contacted at <https://www.linkedin.com/in/prasadkodukula/>.