

## **Secrets to the Success of Organizational Transformation**

### **Secret No. 6: Execution<sup>1</sup>**

**Dr. Prasad S. Kodukula<sup>2</sup>**

When Target entered Canada in 2013, the business strategy looked compelling. The brand was already popular among Canadian shoppers, many of whom had crossed the border for years to shop at Target stores in the United States. The market seemed ready, customer demand appeared real, and the expansion promised immediate scale.

To capture that opportunity, Target adopted an aggressive execution strategy: open many stores quickly, build out the supply chain at speed, and recreate the familiar U.S. Target experience almost overnight.

But when the stores opened, execution faltered. Shelves were often empty. Prices disappointed customers. Supply chain systems malfunctioned. Store layouts felt unfamiliar. The experience did not match the promise. By 2015, after losing billions of dollars, Target exited Canada.

The strategy made sense. The market was ready. But the execution collapsed.

In the first article of this series, we established **Purpose** as the foundation for successful organizational transformation. In the second, we explored **Leadership** as the force that mobilizes people toward that purpose. In the third, we examined **Empowerment** as the mechanism for transferring ownership and driving execution. In the fourth, we discussed **Alignment** as the discipline that keeps initiatives, priorities, and people moving in the same direction. In the fifth, we explored **Speed** as the force that turns intent into impact.

Now we arrive at the sixth and final element of the **P-L-E-A-S-E** model:  
**Execution.**

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<sup>2</sup> Dr. Prasad S. 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 Vinueza (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.

Execution is not an isolated element of the model. It runs through all the others. Purpose gives execution meaning. Leadership gives it force. Empowerment extends execution across the organization. Alignment keeps it coordinated. Speed gives it urgency. Execution is where all five become visible in practice.

Imagine a strategy so compelling that it promises to redefine an organization's future. Now imagine that blueprint left unexecuted, gathering dust—a stark reminder that without execution, even the most forward-thinking strategies can falter.

**Execution is the critical bridge between strategic intent and tangible results. It transforms *what if* into *what is*.**

And this is the hard truth: organizations do not win because their strategy decks are elegant. They win because they consistently, visibly, and at scale turn those ideas into reality.

Some companies fail despite having bold strategies, strong brands, and abundant capital. Others succeed without a dazzling grand theory—simply because they are exceptional at execution. That is why execution deserves to be the closing secret in the P-L-E-A-S-E model. It is where all the other secrets are tested.

Some of the examples that follow are now widely studied in business schools and management literature, because they reveal enduring truths about what execution does right and what it does wrong.

Let us now look at the disciplines that separate execution leaders from execution laggards.

## **Turn Strategy into Nonnegotiable Priorities**

Execution begins with focus.

A strategy can be sound, even inspiring, but if the organization cannot translate it into a small set of nonnegotiable priorities, execution weakens. Too many initiatives, too many “important” projects, and too many competing signals scatter effort and slow momentum. Execution requires concentration.

A compelling current example comes from the footwear industry. Hoka's parent, Deckers, delivered another strong quarter in early 2026, with Hoka sales up 14.5% to a record \$671.2 million. Management credited successful product launches, a robust direct-to-consumer business, and gains in U.S. market share—not because

Hoka had invented a radically new corporate strategy, but because it executed relentlessly around a clear set of priorities: performance products, direct channels, and targeted customer segments. Nothing more.

Nike shows the opposite side of the same industry. Nike's global sports-footwear share fell three percentage points in 2025 to 22.9%, and its turnaround has progressed more slowly than management hoped. The company still has resources, brand power, and scale. What it has struggled with is not the absence of strategy—Nike's strategic vision is well articulated—but the conversion of that strategy into focused, timely execution. Too many initiatives, too many channels, and too many markets to serve at once diluted the organization's ability to move decisively on any of them.

Target Canada reinforces the same lesson from another angle. The company did not fail because the market was unattractive. It failed because the organization tried to do too much too fast before the underlying systems were ready. Focus was overwhelmed by the speed of expansion. Operational readiness was not treated as a nonnegotiable priority.

Execution requires leaders to decide what matters most, communicate that choice clearly, and then keep the organization locked onto it long enough to deliver.

## **Push Decisions to the Edge**

Execution slows when every meaningful decision must climb a hierarchy.

The organizations that execute best are not necessarily the ones with the smartest executives at the top. They are the ones who push authority closer to the work, shorten decision-making loops, and trust the people closest to the problem to act. When decision-making power sits too far from the work itself, the people with the authority to act lack the information to act well, and the people with the information lack the authority to act at all.

Haier, the Chinese home appliance manufacturer, offers one of the most dramatic examples of this principle in practice. Beginning in 2012, Haier dismantled much of its management hierarchy and reorganized into thousands of micro-enterprises: small, autonomous units each responsible for their own customers and performance. Rather than waiting for centralized decisions to trickle down, each unit could respond directly to market signals and act without seeking approval. The result was a company that sustained global leadership in appliances through a decade of rapid market change. No technology breakthrough. No dazzling grand strategy. Just decisions made by the people closest to the work.

Nokia's collapse tells a cautionary story. At its peak in the mid-2000s, Nokia commanded nearly 40% of the global mobile-phone market. It had the engineering talent, manufacturing scale, and global distribution to mount an effective response to Apple's iPhone, launched in 2007, and to the smartphone shift it triggered. Yet it failed to do so. The reason comes down largely to decision architecture. Later research showed that a culture of fear kept bad news from traveling upward and critical decisions from traveling downward. Engineers who understood the threat were not empowered to act on it. Middle managers feared telling the truth. By the time the organization could respond, Apple and Android had claimed the market. Nokia sold its mobile phone business to Microsoft in 2013.

The failure was not a lack of information or talent. It was a decision architecture that kept both trapped.

Execution accelerates when decisions happen where knowledge is freshest and consequences are most immediate.

## **Manage Milestones Relentlessly**

Execution is strategy made visible through milestones.

Organizations do not transform because they hold good meetings. They transform because they hit critical milestones, recover quickly when they slip, and maintain forward motion over time. Milestones convert aspiration into measurable progress. And when milestones consistently fall short, execution credibility erodes—inside the organization and in the market.

Commercial aerospace offers a vivid example. Airbus delivered 793 aircraft in 2025, narrowly beating a reduced target and preserving its 2026 guidance despite significant supply-chain strain. That is not glamorous. It required grinding through component shortages, supplier delays, and workforce pressures without abandoning the commitment to hit the number. Disciplined, sustained milestone execution is what keeps customers, investors, and partners aligned.

Northvolt is a contrasting example from the battery industry. The Swedish startup raised more than \$13 billion in financing, backed by a compelling strategic vision: become Europe's answer to Asian battery dominance and supply the continent's electric-vehicle industry. The strategy was not wrong. But Northvolt repeatedly missed production milestones, struggled with quality at scale, and failed to deliver contracted volumes to anchor customers. BMW canceled a battery order worth more than \$2 billion after Northvolt fell badly behind on deliveries. In November

2024, Northvolt filed for Chapter 11 protection in the United States with about \$5.8 billion in debt, and in March 2025 it filed for bankruptcy in Sweden.

Capital, ambition, and a credible market opportunity were not enough. The execution—the consistent delivery against milestones—was what the company could not sustain.

**Milestones are not administrative checkpoints.  
They are the heartbeat of execution.**

## **Build Capacity Before Demand Becomes a Constraint**

Execution fails when the organization wins the market but cannot support the win. This is especially true in capital-intensive sectors. A strategy may be right and a product may be strong, but if capacity is not built early enough—manufacturing, supply chain, talent, systems—growth itself becomes the bottleneck. The market window opens, and the organization cannot move product through it fast enough.

Eli Lilly provides a strong example of getting this right. In May 2026, Lilly committed another \$4.5 billion across Indiana manufacturing sites, taking its total capital commitments in the state to more than \$21 billion since 2020 and its broader U.S. expansion commitments to more than \$50 billion. Lilly did not simply build demand for obesity and diabetes drugs. It invested aggressively, years ahead of peak demand, to build the operational engine needed to meet that demand. Capacity was treated as a strategic execution decision, not an afterthought.

Novo Nordisk, by contrast, remains a formidable company with a strong product portfolio and global reputation. This is not a story of weak strategy or inferior science. It is a story of execution speed. Lilly moved more aggressively to build manufacturing capacity and scale supply, while Novo was slower to expand at the pace the market demanded. In high-growth markets, execution is often decided not by who has the better molecule or bigger brand, but by who can build capacity fast enough to meet demand.

Peloton illustrates the mirror-image failure. During the pandemic in 2020 and 2021, Peloton had the right strategy at the right moment—connected fitness was surging, and the company's brand was at its peak. But it made a critical execution error: it over-invested in manufacturing capacity after demand had already peaked, rather than building to meet sustainable demand. By 2022, the company was left with more than \$1 billion in inventory, took substantial inventory-related charges, laid off thousands of employees, and saw its CEO depart. The strategy was directionally correct. The capacity decision—its timing and scale—was not.

Execution is not only about delivering today. It is about preparing the organization to deliver at the volume success will require tomorrow—and reading the demand signal accurately enough to know how much tomorrow will actually ask for.

## **Close the Loop—Make Feedback Visible and Fast**

Organizations rarely fail because they lack information; they fail because what they know does not trigger action.

The organizations that fail at execution often have feedback loops that are too slow, too filtered, or too politically charged to surface bad news in time. By the time the problem reaches the people who can act, the window for a low-cost fix has closed. Fast feedback is not a cultural nicety. It is an execution discipline.

Amazon has long built dashboards and automated monitoring into its operating model, enabling teams to spot deviations quickly and act before service levels deteriorate. This architecture of fast visibility is part of why Amazon can sustain extraordinary volume with consistent service levels.

General Motors' ignition-switch crisis offers one of the most studied examples of a broken feedback loop. GM engineers were aware of the defective ignition switch as early as 2001, and the public recall didn't happen until 2014—a 13-year gap. The information existed inside the organization, but the feedback loop, the mechanism by which that knowledge should have triggered action, was broken. Political pressure, siloed reporting, and a culture that discouraged escalating bad news meant the defect went unaddressed for years. The result was 124 confirmed deaths, millions of recalled vehicles across multiple campaigns, and a \$900 million settlement with the U.S. Department of Justice.

The failure was not a lack of information. It was a failure to close the loop between what the organization knew and what it did.

Fast feedback matters. But only if the organization is built to act on it.

## **Win at the Seams**

Transformations rarely fail in the center. They fail at the seams.

Seams are where systems meet systems, functions meet functions, vendors meet owners, old platforms meet new ones, and so on. In today's transformations—especially large capital projects, aerospace programs, enterprise IT initiatives, and mergers—complexity rarely stays within a single team or component. The

individual pieces may work perfectly on their own. The real challenge is getting them to work together as a coherent whole.

That is why integration is not a technical afterthought. It is an execution discipline. Many transformations falter not because the strategy is wrong or the components are weak, but because the interfaces are poorly designed, the handoffs are clumsy, and the testing is inadequate.

Execution at scale is, in many ways, disciplined choreography.

UBS provides a strong contemporary example. Following its emergency takeover of Credit Suisse in March 2023, the bank faced one of the largest and most complex integration challenges in modern finance: clients, systems, data, processes, platforms, and people all had to be brought together without destabilizing the business. UBS completed the migration of former Credit Suisse clients in Switzerland in 2026 and kept the broader integration moving despite its enormous complexity. That is execution at the seams.

Royal Bank of Scotland's 2007 acquisition of ABN AMRO tells the opposite story. The strategic rationale—gaining global investment banking scale at the peak of a credit boom—seemed compelling at the time, but the integration burden proved overwhelming. Complexity multiplied. Coordination broke down. Systems, governance, and integration risk outpaced leadership's ability to control them. The transaction became one of the most notorious examples of post-deal execution failure in modern banking.

Execution weakens when leaders underestimate the seams. It strengthens when they engineer the interfaces as carefully as the core.

## **Move Fast. Break Nothing.**

Facebook once celebrated the mantra “move fast and break things.” In organizational transformation, that mindset can be disastrous. The real discipline is to move fast—and break nothing that matters.

An organization can move quickly and still fail if quality erodes, controls weaken, or the operating system cannot sustain growth. The best execution cultures understand that speed without rigor is not execution. It is recklessness.

Toyota's production system remains the gold standard for this discipline. At its core is a deceptively simple idea: any worker on the line can trigger an and on signal when a problem appears, surfacing defects immediately at the point of origin

rather than letting them propagate downstream. In other words, Toyota does not rely on speed alone. It builds quality controls directly into the flow of execution, allowing the organization to move quickly at scale without breaking what matters.

Boeing's 737 MAX program is the defining modern counterexample. Under intense competitive pressure to match the Airbus A320neo, Boeing accelerated development timelines and made certification decisions that prioritized speed over rigorous quality review. The MCAS flight-control system was inadequately tested and poorly disclosed to pilots and regulators. Two crashes killed 346 people in 2018 and 2019. The grounding, investigations, fines, settlements, and production disruption cost tens of billions of dollars and permanently damaged Boeing's regulatory relationships and public trust.

The strategic logic—respond quickly to a competitive threat—was understandable. The execution failure—compromising quality discipline to hit a timeline—was catastrophic.

CrowdStrike reinforces the same lesson in the digital world. In 2024, a flawed software update triggered one of the largest global IT outages in recent memory, disrupting airlines, banks, hospitals, and other businesses. The company later acknowledged that the outage stemmed from a bug in its quality-control process. The intent was routine speed. The result was global disruption. Different industry. Same lesson.

Speed creates advantage only when quality, trust, and control remain intact.

## **Eliminate Execution Friction**

Execution slows wherever friction hides.

Approvals, awkward workflows, poor inventory logic, fragmented systems, and slow operating models quietly drain velocity from even the best transformation program. Organizations that execute well deliberately remove friction from the way work gets done—not as a one-time initiative but as an ongoing discipline.

Advance Auto Parts offers a live example of a company that recognized its execution drag and moved to address it. After years of shrinking market share and slower sales growth, the company revamped its supply chain beginning in 2023: closing underperforming stores, consolidating distribution centers, and opening larger market hubs to improve product availability and delivery speed. In 2026, the company reported its strongest same-store sales growth in five years, driven by better product availability and gains in its professional installer business.

The companies it was chasing—AutoZone and O’Reilly Automotive—had built structurally cleaner operating models years earlier. Their inventory systems, distribution networks, and store-level decision-making gave them faster response times and better fill rates. Advance was not competing on strategy. It was trying to close an execution gap that more disciplined rivals had never allowed to open.

McDonald’s and Starbucks offer a sharp cross-industry contrast on the same principle. Much of McDonald’s operating advantage has been built around removing friction: from the drive-through to the mobile app to the kitchen configuration. The result is an operation that sustains extraordinary volume with remarkable consistency.

Starbucks, by contrast, has spent the last two years publicly battling operational complexity. Mobile-order congestion, long waits, and inconsistent product quality exposed friction in the operating model. Under the “Back to Starbucks” initiative, the company moved to streamline ordering, cut roughly 30% of its menu, and reduce the time between order placement and fulfillment. The problem was not Starbucks’ brand or its strategy. It was operational friction that had accumulated faster than the company could remove it.

Execution gets faster when the friction disappears.

## **Conclusion**

Execution is where transformation either becomes operational reality or remains an aspiration.

Organizations do not transform because they hold strategy off-sites, publish vision statements, or launch internal campaigns. They transform when priorities are made real, decisions move quickly, milestones are met, systems integrate, quality holds, and the system supports delivery rather than slowing it down.

Execution is not glamorous. It rarely gets the headlines that vision, innovation, or bold strategy do. But it is the discipline that turns ambition into performance and intent into results.

That is why execution is not just the final step in transformation. It is the moment of truth.

## Epilogue: The P-L-E-A-S-E Model in Full

Across six articles, we have explored the six secrets that together define what successful organizational transformation looks like in practice.

No single secret is enough on its own.

Organizations may be stronger in one element than another. Some may begin with a powerful sense of purpose. Others may benefit from exceptional leadership, strong alignment, or unusual speed. But the organizations that transform most successfully over time are those that learn to build strength across all six elements of the P-L-E-A-S-E model.

That is because transformation today is no longer a one-time event. For most organizations, it has become a continuous condition for survival and success. Markets shift. Technologies evolve. Customer expectations rise. Competitive positions erode. New disruptions arrive before the last ones are fully absorbed. In that environment, P-L-E-A-S-E cannot remain a one-time framework for a one-time initiative. It must become part of the organization's DNA.

Over time, these six disciplines become more than tools. They become habits. They build institutional muscle. They make organizations more adaptive, more resilient, and better prepared not only to withstand disruption but also to respond to it with confidence and strength. The best organizations do not merely recover from shocks. They learn, adjust, and often emerge stronger because of them.

In the end, successful organizational transformation is not about activity for its own sake. It is about delivering value, sustaining relevance, and building an organization capable of evolving continuously in a world that refuses to stand still.

That is the enduring promise of **P-L-E-A-S-E**.

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*Author's Note: Preliminary versions of these articles in this series were previously published as blog posts on my website ([www.kodukula.com](http://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 is also a frequent keynote speaker and contributor to global project management conferences and publications. He serves as Adjunct Industry Professor at Illinois Tech. He has also taught courses in project management programs at leading universities, including Stanford University, Duke University, and the University of Chicago. Dr. Kodukula teaches a course for NASA on diagnosing root causes and leading the recovery of troubled projects.

As co-founder and CEO of Kodukula & Associates, Inc. and NeoChloris, Inc., he leads these 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 Alumni Association 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 and over 40 articles, and holds four U.S. patents. He can be reached at <https://www.linkedin.com/in/prasadkodukula/>.