INSIGHT | EXECUTIVE TRANSITION

When the Executive Team Changes, the System Changes

A CDNA Insights paper on the psychological, social, cultural and identity transitions at the top table

CorporateDNA Insights

There is no such thing as "just one new executive." Change one person at the top table and you change the table.

A new Group CEO, COO or CFO. A long-standing executive leaves. Two roles are restructured. A family member steps back and an external leader steps in. However small the change looks on an organisation chart, the psychological and social impact can be disproportionately large.

Every appointment is a signal. It signals what the organisation may need next, what the CEO now values, what may have been missing, whose mandate is expanding and where power may be shifting. Inevitably, it also raises a more personal question for everyone already sitting around the table: what does this change mean for me?

Two transitions therefore begin simultaneously. The new leader is decoding the organisation, and the organisation is decoding the new leader. Existing executives are watching how they speak, challenge and listen. The newcomer is reading history, relationships and unwritten rules. People below the team are watching who gets access, whose views are sought and where authority appears to be moving.

> "The first 90 days are a period of maximum observation and minimum evidence. Judgement forms faster than evidence."

01

The four transitions beneath the organisation chart

The visible transition is structural: titles, reporting lines, accountabilities, announcements and handovers. Beneath it sit four less visible transitions that determine whether the new configuration settles quickly or creates months of friction.

Psychological Identity, confidence and meaning	**Social** Belonging, status, proximity and influence
Cultural The unwritten rules	**Identity** Legacy, relevance, ambition, energy, purpose

The psychological transition is about identity, confidence and meaning. Executives ask whether what made them successful is still valued, whether they are being assessed again, and what the new configuration says about their future. The social transition is about belonging, status, proximity and influence: who has the CEO's ear, whose judgement carries weight and which informal relationships shape what happens before and after the formal meeting.

The cultural transition concerns the unwritten rules that the newcomer must decode and the existing team must reconsider: how candid can we be, what happens when someone disagrees, what is rewarded, what is tolerated and whether challenge is interpreted as contribution or disloyalty. The identity transition is more personal still. A change at the top can collide with a leader's wider life stage, particularly in midlife, when questions of legacy, relevance, ambition, energy, purpose and what one wants the next chapter to mean can become more salient. A restructure may therefore be experienced not merely as a role change, but as a challenge to professional identity.

This is why apparently disproportionate reactions should not automatically be labelled resistance. What looks like defensiveness, withdrawal or territoriality may be a temporary response to uncertainty, status recalibration or a threatened sense of identity. The consulting task is to understand the system without excusing unhelpful behaviour, and to help executives move from self-protection back towards enterprise contribution.

02

The team you inherit is never a blank sheet

Every executive team carries organisational memory. Previous CEOs, restructures, winners and losers, old loyalties, unresolved disagreements, successful formulas and scars from failed change remain in the room long after the organisation chart has changed. A new appointment enters that history whether anyone explains it or not.

> “You can change the structure overnight. You cannot restructure memory overnight.”

The challenge is to make enough of that history visible to accelerate understanding without turning history into destiny. New executives need context, but they should not inherit other people's verdicts. The distinction matters: give them the map; do not tell them what they must think about everyone on it.

03

The shadow organisation: power beyond the org chart

The formal organisation tells us who reports to whom. The shadow organisation tells us who trusts whom, who influences whom, who gets consulted before the meeting, whose silence matters, which relationships bypass formal authority and where information really travels. During transition, both architectures need to be understood.

Formal authority	Informal influence	Critical interdependencies	Historical relationships or tensions

A useful transition map therefore examines four layers together: formal authority; informal influence; critical interdependencies; and historical relationships or tensions. This is not an invitation to gossip. It is disciplined organisational sense-making. Pretending that power, history and politics do not exist leaves a new executive blind; over-interpreting them contaminates judgement before the executive has gathered their own evidence.

04

The status reset

Every appointment creates some degree of status reset, even when nobody else's title changes. Someone gains a peer. Someone loses proximity to the CEO. A new COO may inadvertently make functional leaders feel that their territory has narrowed. A long-serving executive may suddenly feel they are auditioning again. An external appointment can be read as a judgement on internal capability.

This is often described too quickly as resistance to change. Sometimes it is better understood as identity and status recalibration. Naming that dynamic allows the CEO to deal with it directly rather than allowing it to leak into territorial behaviour, triangulation or passive resistance.

05

The first-impression trap: Heart and Hunch before Head

THE 5H FRAMEWORK				
Head	Heart	Hunch	Hands	Habits

CDNA's 5H framework (Head, Heart, Hunch, Hands and Habits) offers a particularly useful lens on executive transition. In the earliest weeks, there is not yet enough evidence for Head, and there is too little shared experience for Hands and Habits to be established. Heart and Hunch therefore become disproportionately influential.

Heart asks: how do I experience you? Do you listen? Do you respect what came before? Can I trust you with unfinished thinking? Hunch asks: what do I think this behaviour means? Experienced leaders are powerful pattern recognisers, but incomplete information encourages the mind to fill gaps. A quiet executive becomes ‘political’; challenge becomes ‘aggression’; protecting context becomes ‘resistance’; speed becomes ‘impatience’. Sometimes the hunch is right. Sometimes it is simply early.

The discipline is not to suppress intuition but to interrogate it. What did I actually observe? What did I feel? What am I inferring? What evidence supports that inference? What alternative explanation could also be true? This creates a bridge from Heart and Hunch towards Head, and eventually towards better Hands and Habits.

06

The transition trench

Executive transitions rarely follow a clean upward curve. Expectations rise immediately, while certainty, trust and ease can temporarily dip. People observe more carefully, behaviour becomes more deliberate, existing executives may protect territory and newcomers may over-demonstrate value. We call this the transition trench: the period in which the organisation expects the newly constituted team to operate as one before it has genuinely learned how.

TEMPORARY ARCHETYPES

The Prover	**The Guardian**	**The Territory Keeper**
The Auditioner	**The Watcher**	**The Translator**

The Enterprise Builder
The destination

Temporary archetypes often appear here: the Prover, demonstrating why they deserve the seat; the Guardian, protecting what has historically worked; the Territory Keeper, defending decision rights or resources; the Auditioner, trying to decode what the CEO values; the Watcher, holding back until the new power structure is clearer; and the Translator, bridging old and new. The goal is not to diagnose personalities from these temporary responses, but to help each executive move towards the Enterprise Builder: someone whose primary identification is with the collective stewardship of the enterprise.

07

The first 90 days: architect the transition, don't leave it to chemistry

The CEO has two jobs. The obvious one is to integrate the new executive. The less obvious (and more consequential) one is to re-form the team around them. Integration cannot be outsourced to the newcomer, HR or chemistry. It needs deliberate architecture.

THE FIRST 3 DAYS

Name the change

Narrative travels faster than evidence. If the CEO does not explain what the appointment means, the organisation will construct its own explanation. The team should hear directly why this person, why this role and why now; what enterprise need the appointment addresses; what changes; and equally importantly, what does not change.

The mandate must be explicit enough to prevent colleagues negotiating its boundaries informally. The human introduction matters too: not simply credentials and biography, but how this person thinks, what experiences have shaped them, what they will need from colleagues and what colleagues can expect from them. Existing executives also need permission to voice what the change creates for their own roles and interfaces.

The CEO's non-negotiable signal is legitimacy: “I have brought X into this team because... Here is the mandate I have asked them to hold... Here is where I expect us to work differently together... And this is not X's transition alone. We are now a newly constituted team.” There is no ‘old team plus one’. There is only the new team.

DAYS 3 TO 30

See before you solve

The first month should not become an audition. Quick wins can be useful; hero mode is not. The newcomer needs to understand how the system actually works before attempting to redesign it: where decisions are really made, which relationships enable movement, where information stops, which interfaces repeatedly create friction and what the organisation calls ‘culture’ that may actually be habit, hierarchy or legacy.

By Day 30, every executive should understand the new mandate and its boundaries, the principal interdependencies should be explicit, and the newcomer should have had substantive one-to-one conversations with every member of the team. The team should also have surfaced what it wants to preserve, what it needs to stop carrying and what the new configuration might allow it to do differently.

The CEO's role is to interpret without contaminating. Give context, explain history and name genuine sensitivities, but avoid recruiting the newcomer into old alliances or handing them inherited verdicts. “She is difficult” or “you'll soon discover what he is like” can become cognitive anchors. Accelerate understanding without pre-programming judgement.

DAYS 30 TO 60

Move from observation to reciprocity

By now, impressions exist. This is precisely when Heart and Hunch can harden into reputations before enough evidence has accumulated. The team needs to distinguish observation from interpretation and move from polite orientation towards reciprocal working relationships.

By Day 60, executives should be able to articulate what they need from one another. Important interdependencies, ambiguities and potential collision points should be named. It should be increasingly possible to disagree without immediately personalising the disagreement, and the newcomer should have moved from being observed by the team to participating in the team's judgement.

The CEO should watch for triangulation: existing executives complaining about the newcomer rather than speaking with them; the newcomer repeatedly seeking the CEO's interpretation of colleagues; or people using the CEO as a route around a peer. The CEO should not become the permanent translator. A powerful recurring intervention is simply: “Have you spoken to them?”

DAYS 60 TO 90

Re-contract the team

By Day 60, the honeymoon is usually over. Differences in style are clearer and consequential disagreements begin to emerge. This is not necessarily evidence that integration has failed; it may be the first evidence that it has genuinely begun.

> **The team now needs to re-contract how it will operate. How will we challenge? How will we decide? Where must we act as an enterprise rather than defend functions? What behaviour will we no longer tolerate? What happens when we disagree with the CEO? How do we speak about one another when the person is not in the room? What information do we owe each other? These are not team-building questions; they are the operating architecture of an Executive Leadership Team.**

By Day 90, the goal is not harmony or assimilation. It is a clearer collective identity, direct peer relationships, discussable tensions and an emerging set of shared Hands and Habits. Every executive should be able to answer: what has changed in this team because we changed its membership?

08

The CEO's shadow is longer during transition

During stable periods, small CEO behaviours may pass unnoticed. During transitions they are magnified. Who gets called first, who travels with the CEO, who presents to the Board, who gets copied, who is asked to lead a discussion, whose disagreement is explored and whose is overridden: all become organisational data.

Silence signals. Access signals. Meeting invitations signal. The CEO may believe they are behaving normally while everyone else is interpreting. The CEO therefore has to manage three things consciously: architecture (roles, mandate, decision rights, interfaces and access); narrative (why the change happened and what it represents); and signal (the everyday behaviour through which people discover whether the architecture and narrative are actually true).

> **“The CEO is not merely the sponsor of an executive transition. The CEO is its chief architect.”**

09

The moment the real team appears

You do not know whether a newly constituted executive team has formed because everyone gets along. The real team appears at the first consequential tension: a resource fight, a missed number, a difficult talent decision, a Board challenge, a strategic trade-off or a moment when functional and enterprise interests collide.

That is when the system reveals itself. Can executives challenge without fracturing trust? Can someone change their mind publicly without losing status? Can disagreement end in commitment? Can the team exercise collective judgement when the stakes are real? The objective is not to remove tension. It is to make the team capable of using tension productively.

10 Don't onboard the executive. Re-contract the system.

Executive transition work needs intervention at three levels simultaneously. At the individual level sit identity, mandate, judgement, relationships and the wider life-stage questions that can accompany midlife leadership. At the team level sit trust, status, power, interdependence, decision-making and behavioural contracts. At the system level sit CEO signals, governance, stakeholders, organisational narratives, culture and the shadow network.

Handled poorly, the first 90 days produce positioning, identity protection, avoidable friction and judgement debt. Handled deliberately, they create a rare window in which old assumptions are less fixed and a new leadership system can be consciously formed.

11 The CDNA Executive Transition Architecture

WINDOW	MOVE	WHAT MUST LAND
First 3 days	**SIGNAL**	Why this person? Why now? What changes? What does not?
First 30 days	**DECODE**	History, relationships, shadow power, mandate, identity and expectations.
First 60 days	**RE-CONTRACT**	Trust, tensions, interfaces, decision rights, challenge and reciprocity.
First 90 days	**TEST**	Use consequential enterprise choices to reveal and strengthen the new team.
Beyond 90	**EMBED**	Turn what works into repeatable Hands and Habits.

Across the entire architecture sits the 5H lens: Head | Heart | Hunch | Hands | Habits. Heart and Hunch are unusually dominant early in the curve; the work of transition is to ensure that early human sensing is tested through evidence, direct relationships and collective experience until the newly constituted team develops better shared Hands and Habits.

Do not ask the new executive to fit into the team you were. Ask the whole team to take responsibility for the team the organisation now needs to become.

CorporateDNA Consulting | Make leadership real | 5H: Head, Heart, Hunch, Hands, Habits