

Executive Edge - May 2025

April was a turbulent month for many companies, marked by significant economic policy shifts, market volatility, and supply chain disruptions. The on-again, off-again tariffs and escalating tensions between the United States and China triggered massive declines in the stock market, driving it into bear market territory for the first time since 2020. Challenging times test our resolve, yet also create the opportunity to demonstrate leadership excellence.

This month's edition of Executive Edge explores potential leadership solutions in "Who's Steering the Ship?", "Stop Thinking About the Org Chart" and "Moving from I to We". "The Consequence of Omniscience" highlights the danger of hubris or self-confidence, especially in one's knowledge, and how it can blind a person from reality. "Seeing Around Corners" offers a tool to assess the risks and opportunities facing your business. Communication is more important than ever in times of crisis and "How to Tell a Powerful Story" provides advice on how to leave a lasting impression. Finally, in the face of uncertainty it is often to a good time to revisit your long-term strategy, as evidenced in "The Power of Strategic Fit" and "The Strategic Genius of Taylor Swift".

Who's Steering the Ship?



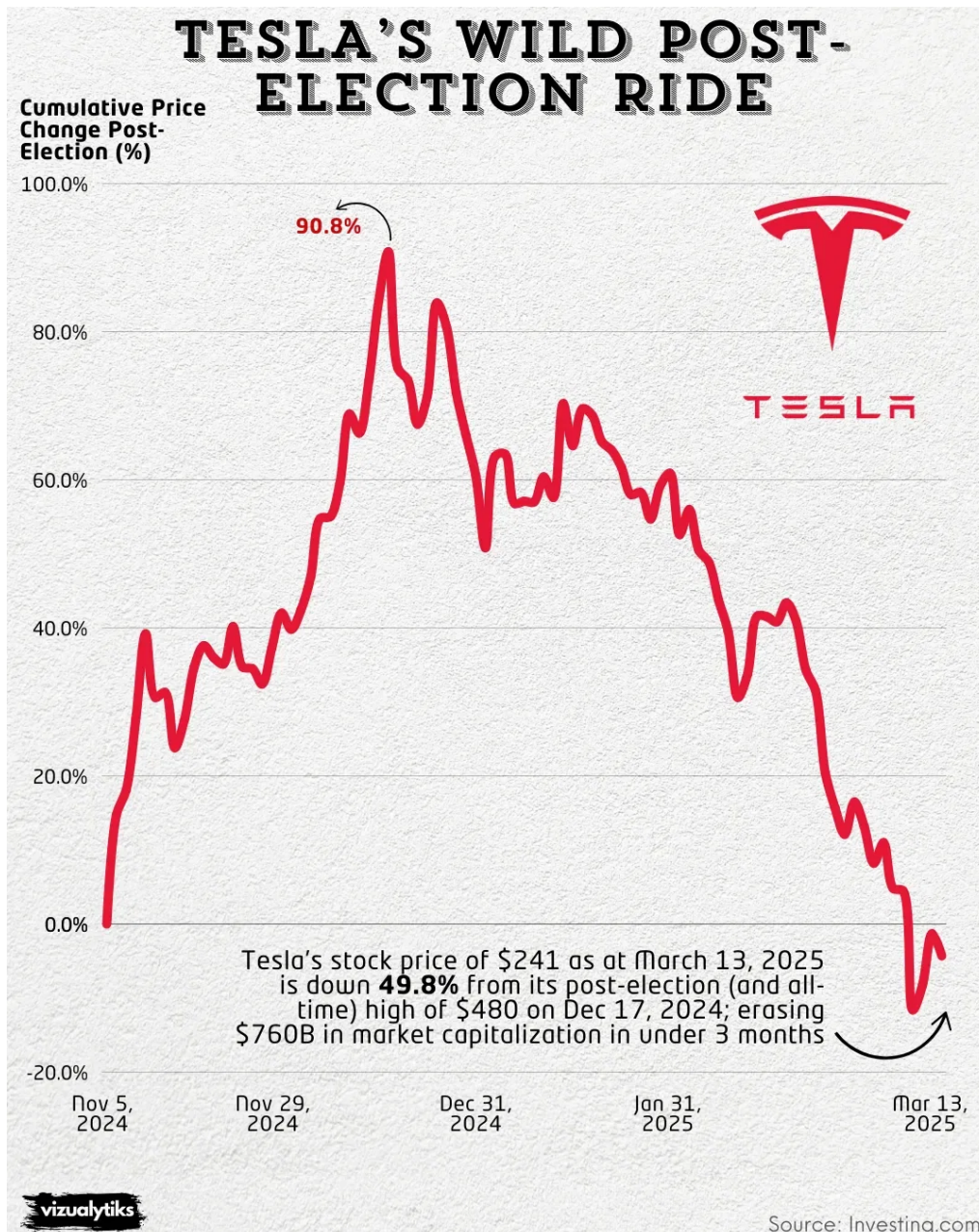
It's been a long time since the last serious economic downturn in 2008-2009 and the attendant uncertainty and volatility that accompanied it. Business people hate environments like this, and **the doom and gloom can spread wider and deeper than it should, paralyzing the willingness to make decisions and take risk.**

At times like this, CEOs must manage their teams and themselves. It can be hard to point to a story about a bright future when a leader isn't sure there is one. **But if he or she doesn't, their followers will make one up... and it probably won't be positive.**

Chief Executive Magazine reminds us that **Leadership is the difference**. To that end, here are some ideas for thriving in uncertainty, cribbed over the years from the CEO community as well as some of the best minds in business (Ram Charan, Jim Collins, Patrick Lencioni, Fred Reichheld, Marshall Goldsmith, Verne Harnish, Adam Echter and many more). The hidden message: **Volatility feels risky, but within is opportunity as well. Many great companies were started in tough times.**

If you look, you'll find the [“The Opportunity in Volatility.”](#)

The Consequence of Omniscience

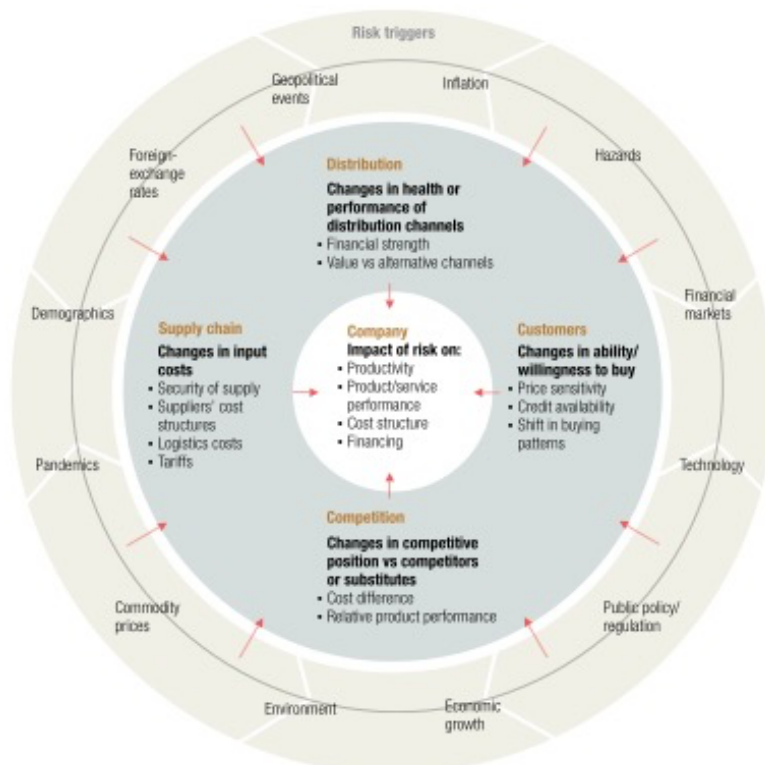


The Shoe Button Complex is a mental model coined by Charlie Munger and Warren Buffett used to describe when an individual's success in one area leads them to **believe they know everything there is to know about all other areas**. Munger's grandfather had managed to corner the market on shoe buttons back around 1900. His grandfather exercised a virtual monopoly over their production and sale. Emboldened by his business acumen, the old man grew to believe that he not only knew more than anyone about shoe buttons but that he knew more than anyone about anything — and he preached and proclaimed at length on such. Munger and Buffett named the syndrome the Shoe Button Complex, as they encountered it frequently in their dealings with successful business practitioners.

A short article from Inc. Magazine suggests that the **shoe button complex is alive and well today and is no respecter of which end of the political spectrum from which it originates**. The article looks at Elon Musk's activities in the Trump administration running DOGE and Ben & Jerry's CEO David Stever whose stands on public issues may be damaging their brands.

We are all entitled to our opinions, but their expression by company leaders can have consequences to a brand in the short term, and the company's fortunes in the long term, fair or not. Before you become one, learn about the risks of [The Activist CEO: Have Elon Musk and Ben & Jerry's CEO David Stever Damaged Their Brands?](#)

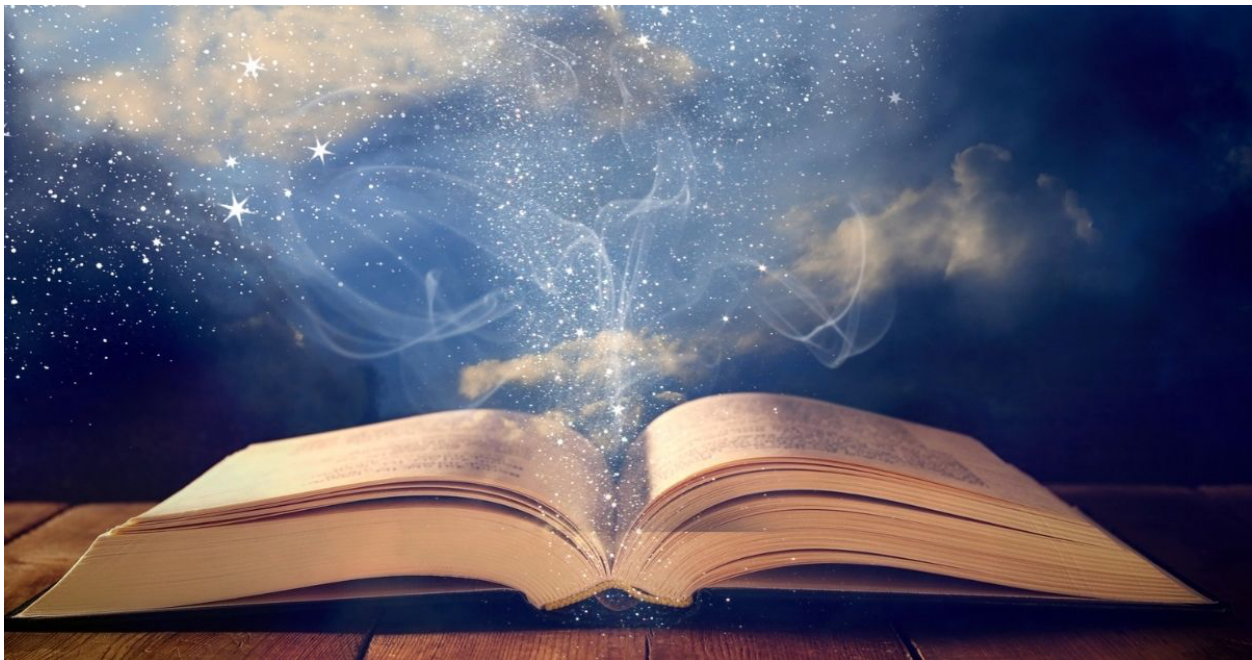
Seeing around Corners



The two most important variable in business are opportunity and risk. In times like these when lack of clarity and waves of uncertainty make decision making difficult, it helps to have an anchor and a process to help you think through your business.

What is needed is a tool that will help us focus on the various “risk triggers” that may impact the industry and a process to think through. A recent article from McKinsey offers the helpful graphic above and more that will help you in [Seeing Around the Corners](#) to **anticipate the impacts of risk along the value chain.”**

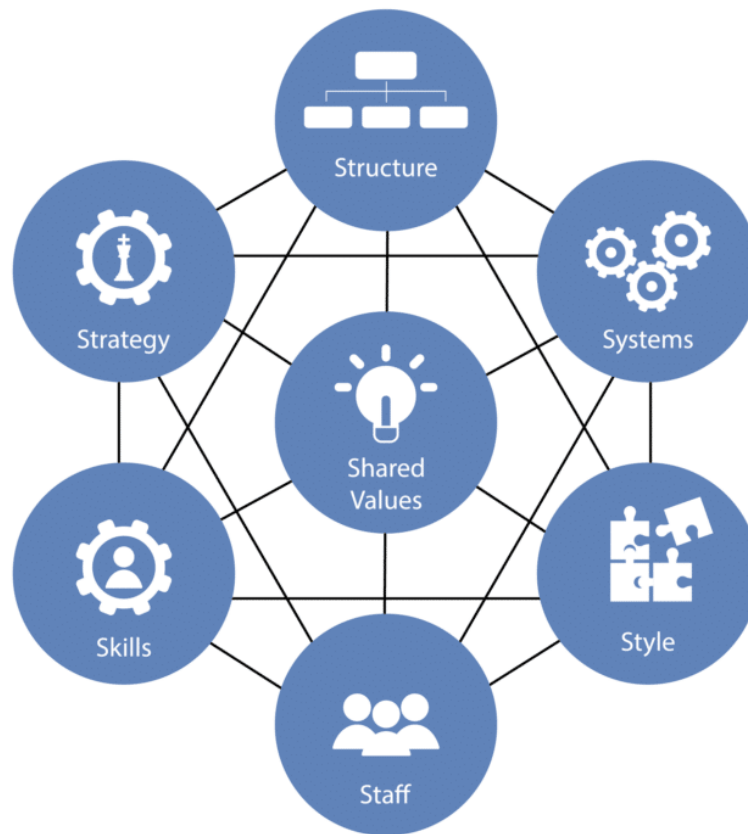
How to Tell a Powerful Story (In one easy lesson)



Communication is about **what we hear and what we say, and what we believe about, and what changes as a result.** Having a model to assess incoming and outgoing communication is vital. Marketing guru Seth Godin offers a powerful but elegantly simple model for evaluating whether the communication of the moment is manipulation, noise, facts... or something more. He observes that **“The stories we tell are a choice. Reciting facts lets us off the hook, but telling a true story that causes change is a powerful responsibility.”**

Mr. Godin offers an insightful one page graphic and a few comments on how to tell if something is “A Powerful Story” or something less effective.... or honest. If you find this helpful, check out another great one page blog post from Mr. Godin [Ode: How to tell a great story](#)

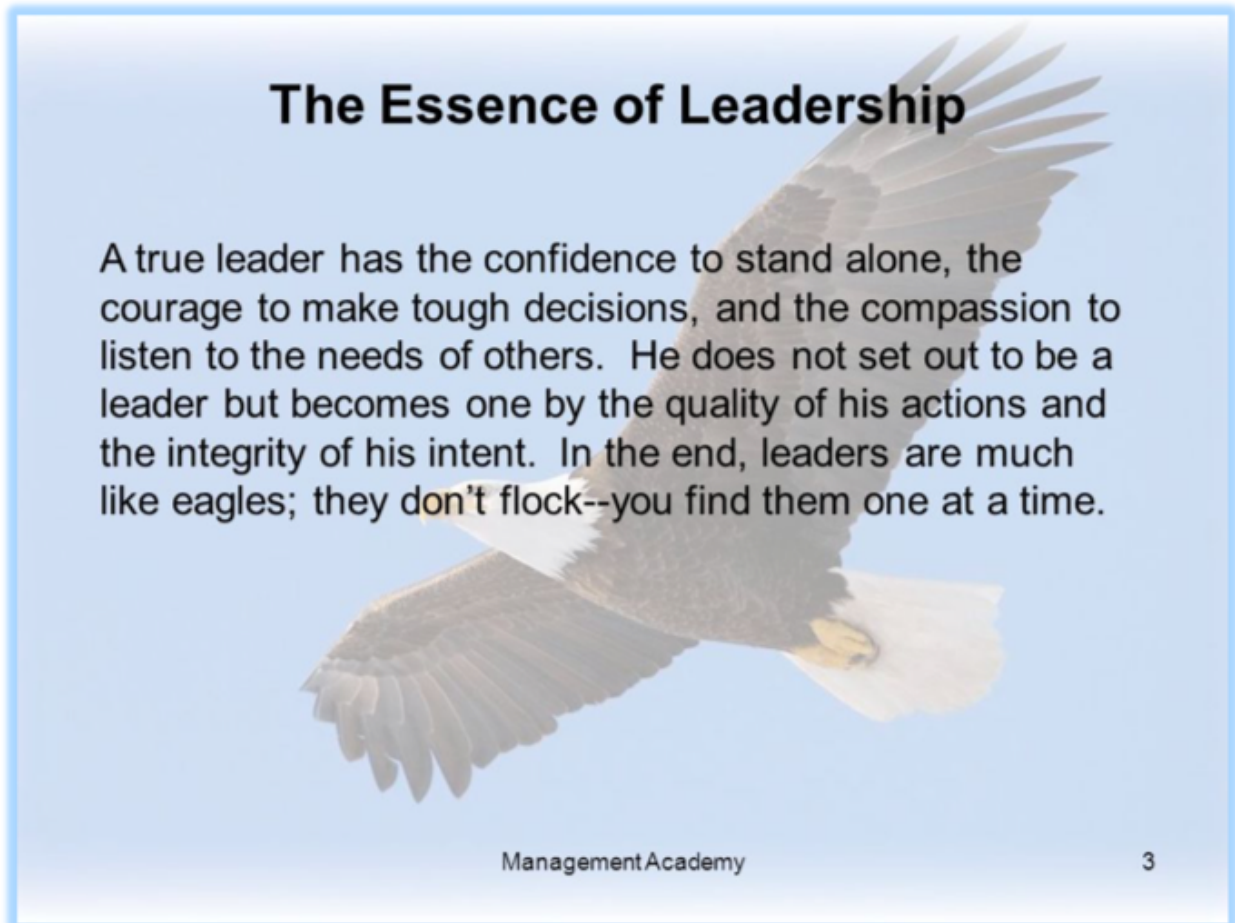
The Power of Strategic Fit



Companies that don't align the essential elements of their strategy won't be able to create sufficient value for their firms and their stakeholders to sustain long-term success. Too many leaders, facing heavy pressure to increase the worth of their company, use simplistic “spreadsheet strategies”: They set financial goals that will meet analysts’ expectations and find ways to back into them. They don’t address the essential elements of strategy or improve the fit and synergies among them.

Drawing on the example of Self Esteem Brands—a fitness, health, and wellness company—the authors, partners at Bain & Company, show [how to create a cohesive strategy that unleashes the power of strategic fit](#). They identify **seven strategic factors: the mental model, purpose and ambitions, stakeholder value creation, macro forces, markets and products, competitive advantages, and the operating model**. Aligning seven factors creates greater value for a company and its stakeholders and generates beneficial multiplier effects.

Moving from "I" to "We"



The Essence of Leadership

A true leader has the confidence to stand alone, the courage to make tough decisions, and the compassion to listen to the needs of others. He does not set out to be a leader but becomes one by the quality of his actions and the integrity of his intent. In the end, leaders are much like eagles; they don't flock--you find them one at a time.

Management Academy 3

Gary Burnison, the CEO of Korn Ferry, has just written a new book titled "Love, Hope and Leadership - A Special Edition". In it he reflects on his life and recalls those moments of difficulty when someone stepped in and believed in him. In fact, **our primary role as leaders is inspiring others to believe and enabling that belief to become reality.**

Lost in unfamiliar territory, we are the stranger's guidance. Stressed and overwhelmed, we are the one who reaches out. Worried and concerned, we are the compassionate friend. And **when the way forward is unclear, it's our responsibility to extend a hand to others.** This is the essence of leadership.

In a heartfelt letter, Gary encourages us to turn "I" into "we".

The Strategic Genius of Taylor Swift

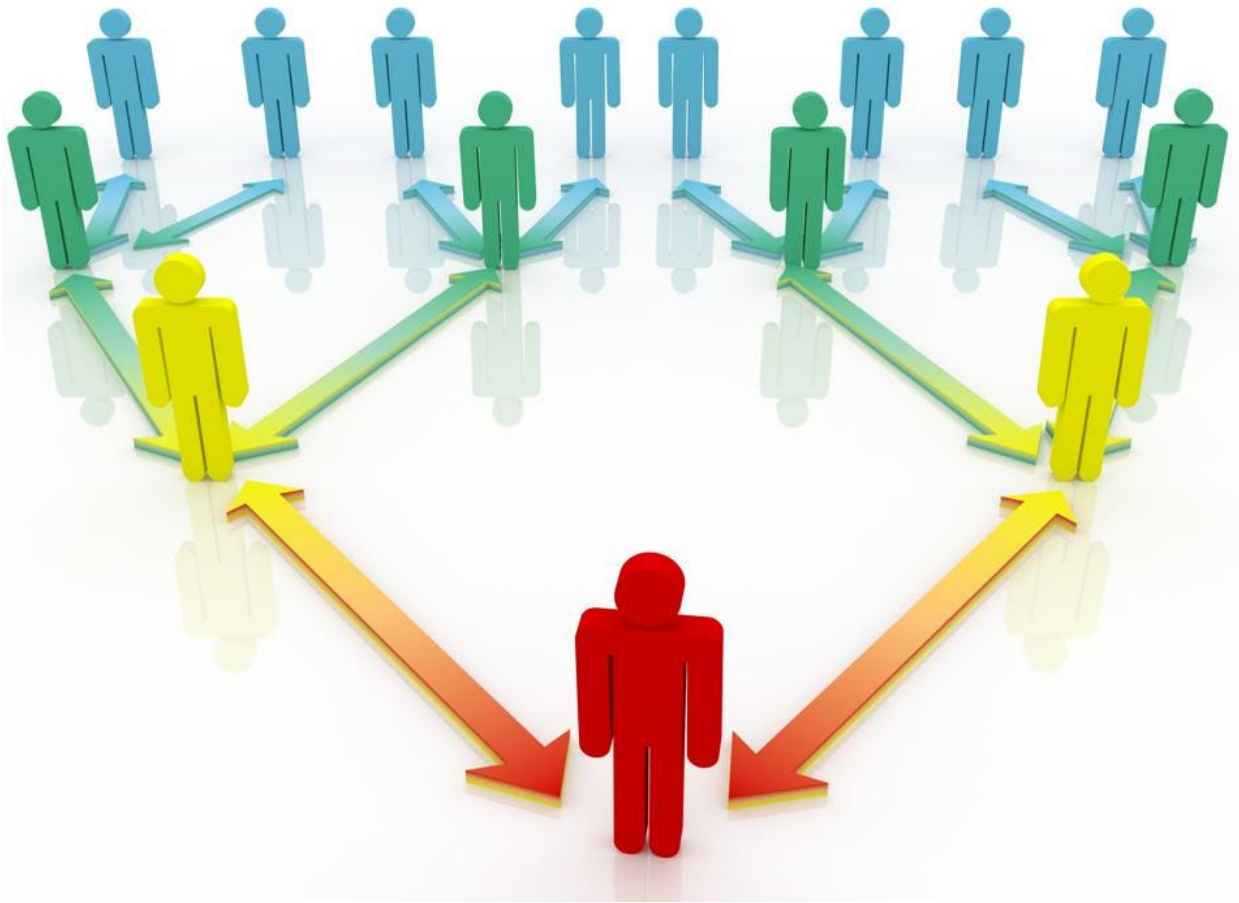


At age 35, Taylor Swift has been at the top of the music industry for two decades. She's one of the top 10 best-selling artists of all time and the most financially successful musician of her generation. Her Eras Tour, which set off a global frenzy, was the highest-grossing tour in history. While the music business has undergone profound technological and business model disruptions, Swift managed to thrive throughout all the changes.

The secret to Swift's long-term success, this article argues, **can be attributed to four behaviors: targeting untapped markets, finding opportunities to create stickiness, maintaining productive paranoia, and adapting to radical shifts in platforms.** By studying the sophisticated moves she has made, business leaders can draw valuable lessons on innovation, reinvention, and strategic thinking.

[Her success is about much more than her music](#)—and **innovators can learn from it.**

Stop Thinking About the Org Chart



Daniel Goldman, author of *Emotional Intelligence*, addresses the **concerns resulting from the recent economic turbulence, climbing burnout rates, and the existential uncertainty brought on by AI**. The world is changing—and everything needs to change with it. As a result, many leaders are asking themselves a quiet but potent question: ***Am I really built for this?***

[In an article from Korn Ferry](#), Goleman describes a radically different solution using human-centered design and entrepreneurial leadership to offer leaders a chance to **shift from reactive leadership to regenerative leadership**