THE FORTITUDE KEYSTONE

LEADERSHIP. EVOLVED WITH INSIGHT.

NOTHING LEFT UNHELD

LEADERSHIP INTELLIGENCE SERIES

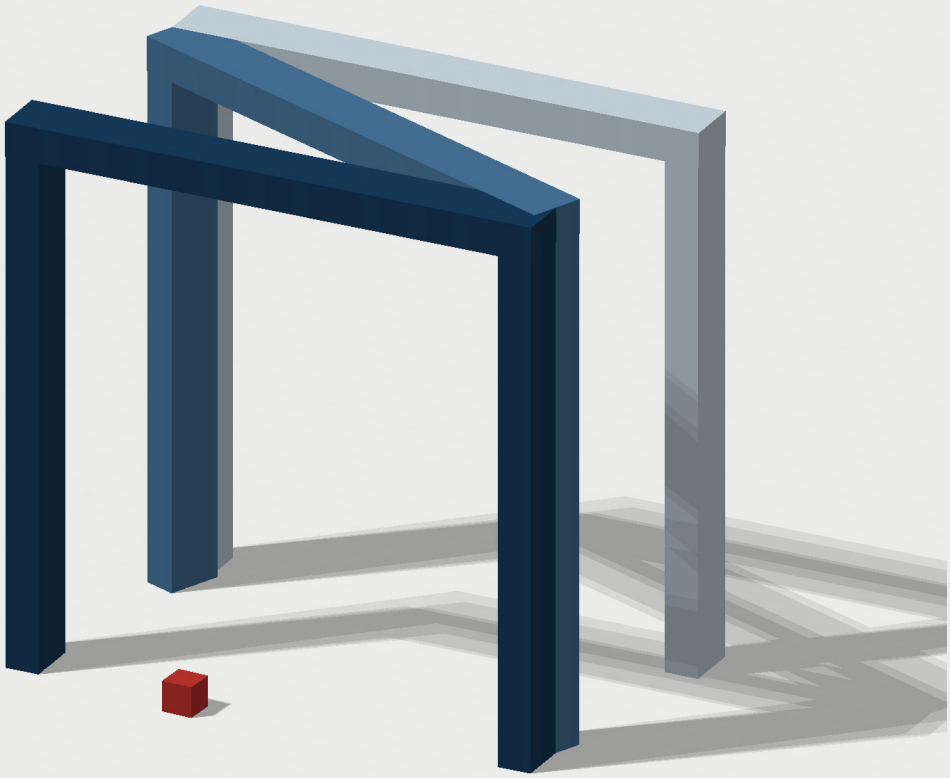
OCTOBER 2026

Everyone agreed on the hire. *Not on the change.*

Executive Cultural Tissue Rejection

Why leadership transitions unravel, and what organisations and incoming leaders must resolve before the role begins.

ONE APPOINTMENT. DIFFERENT EXPECTATIONS.



Venkatesh Gomatam

Founder, The Fortitude Keystone

A research-informed practitioner paper

THE ARGUMENT IN BRIEF

The appointment is agreed. The mandate may not be.

A leadership appointment brings together more than a person and a job. It brings together different expectations of what the business should become, how authority will be exercised and what each side is prepared to change.

Who can lead?

What must change so they can?

THE PRACTICAL SHIFT

Assess the person and the conditions together.

01 **Look before the offer.**

Friction may become visible after joining while its causes sit in unresolved priorities, authority or resources agreed before the appointment.

02 **Expect adaptation on both sides.**

The organisation must make its mandate credible. The leader must examine which parts of past success will travel and which must be rebuilt.

03 **Measure contribution, not comfort.**

A leader can gain acceptance while quietly abandoning the change that justified the appointment. Retention alone would miss that outcome.

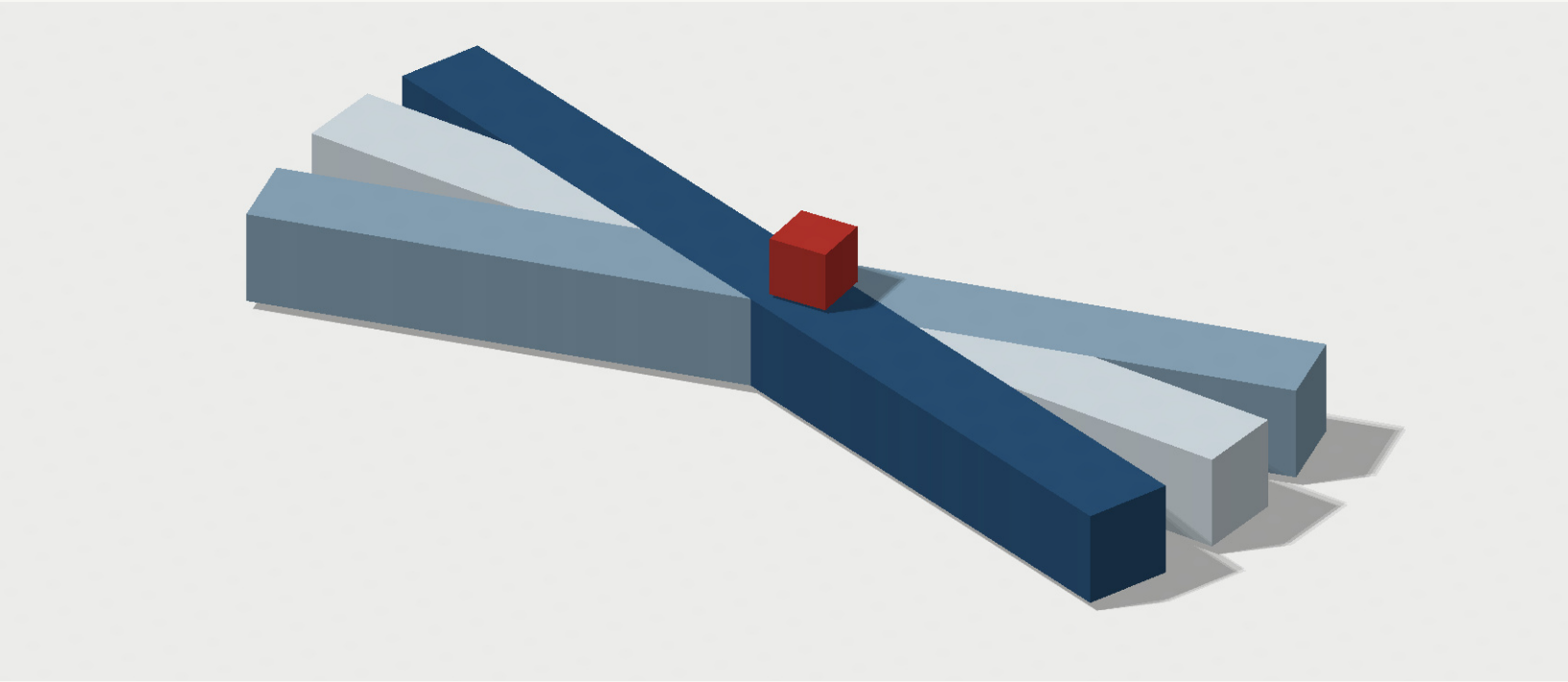
ECTR is a lens for investigation, not a presumption that the executive is right or the organisation is wrong. The evidence, limits and research approach are set out on pages 4 and 15.

READ THE ARGUMENT 03-10 | USE THE DECISION TOOLS 11-13 | SOURCES 15

01 / THE UNRESOLVED ASSIGNMENT

One appointment. Several interpretations.

Imagine a business appointing a new chief executive. The owner wants stronger accountability, the team expects continuity and the incoming leader expects room to redesign how decisions are made. Each believes the assignment is understood.



THE OWNER

Stronger accountability.

THE EXISTING TEAM

Continuity and respect for what works.

THE INCOMING LEADER

Authority to make meaningful changes.

EXHIBIT 1 / Hypothetical expectations. Agreement on the person is not agreement on the change.

Executive Cultural Tissue Rejection (ECTR) is TFK's framing of a pattern in which an incoming leader loses the trust, authority or practical support needed to deliver the intended mandate as differences in expectations, methods and power go unresolved.

02 / RESEARCH FOUNDATION

Strong reasons to examine context. No licence to assume the cause.

The transplant-rejection metaphor has a published precedent in George Bradt's 2019 discussion of executive onboarding. ECTR develops that conversation; it does not claim invention of the underlying analogy. [1]

PERFORMANCE PORTABILITY

Success does not travel alone.

Groysberg, Lee and Nanda found that star security analysts' post-move outcomes differed with the receiving firm's capabilities and whether colleagues moved with them. [2]

Analysts, not all CXOs. The study does not show that talent never travels.

NEWCOMER ADJUSTMENT

Entry is shaped by both sides.

Bauer and colleagues' 2025 meta-analysis included 183 studies and examined newcomer behaviour, insider support, social acceptance, role clarity and other adjustment factors. [3]

Broad newcomer research, not a validation of ECTR for executive appointments.

INTERNAL AND EXTERNAL ENTRY

Visible credentials are incomplete.

In one US financial-services organisation, Bidwell found that external hires initially performed less well than promoted employees despite stronger visible credentials and higher pay. [4]

One setting, not a rule that an internal candidate is always preferable.

VOICE AND LEARNING

The response to challenge matters.

Edmondson associated team psychological safety with learning behaviour; Detert and Burris linked managerial openness with improvement-oriented employee voice. [6][7]

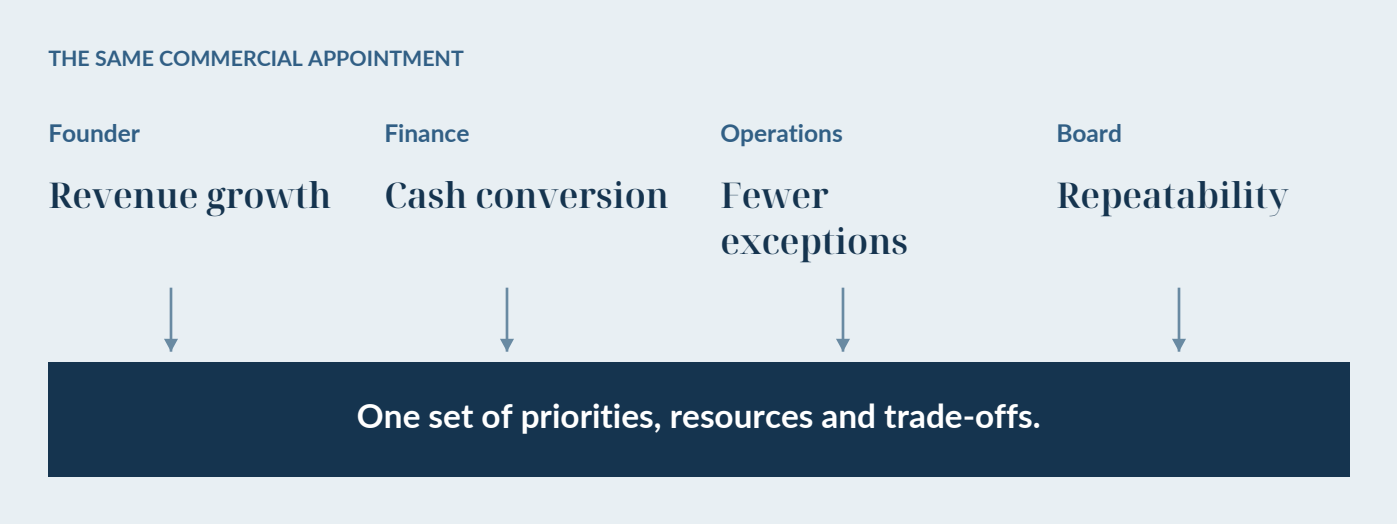
Field-study associations, not proof that a single intervention prevents executive failure.

People are not foreign tissue. Long-serving colleagues are not pathogens. A metaphor can open an enquiry; it cannot establish a diagnosis.

03 / STRATEGY BEFORE SEARCH

Do not ask a hire to settle a strategy disagreement.

“We need a stronger leader” is not yet an explanation of what the business needs that leader to do.



None of these expectations is unreasonable. The problem is whether they can be reconciled within the same resources and period. Otherwise, each stakeholder can judge the executive against a different assignment.

Define the business problem, the baseline, the intended outcome and the constraints. Name what is not part of the assignment. Then ask what the organisation must stop, fund, tolerate or relinquish for the outcome to become feasible.

Make the cost of change explicit

A stronger-control mandate may need information the business does not yet collect. A margin target may conflict with sales incentives. A growth plan may depend on capital that is still conditional. These are conditions of the assignment, not weaknesses to discover later in the person.

Wasserman's study of 6,130 US startups examined trade-offs between founder control, attracting resources and company value. It informs the control question; it does not prescribe identical delegation in every business. [5]

04 / POWER, TRUST AND INSTITUTIONAL MEMORY

Authority on paper. Authority in practice.

A job description can assign responsibility while daily decisions remain elsewhere. Make authority observable: who decides, who is consulted, which matters are reserved and how an exception becomes visible.

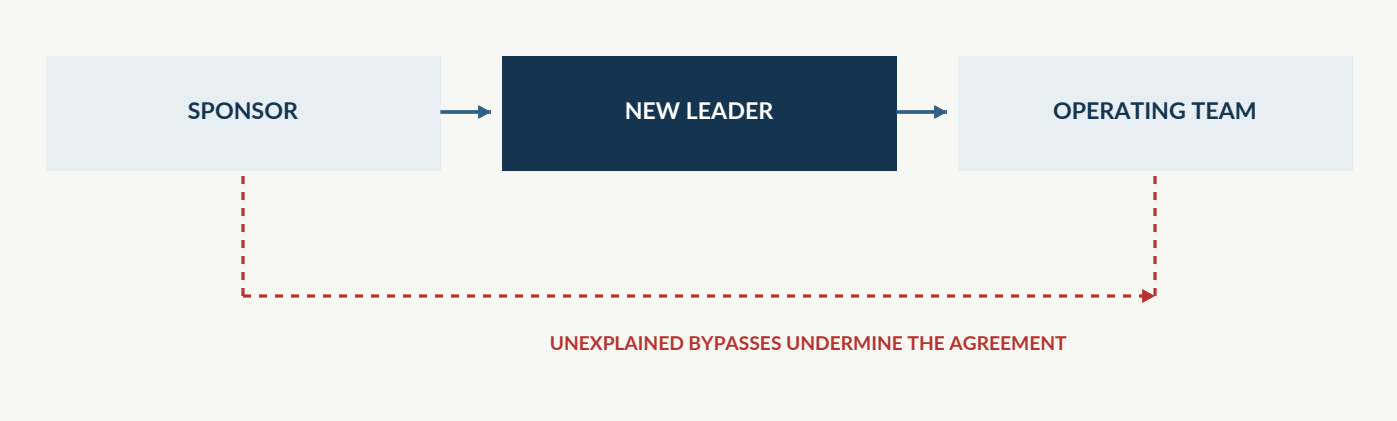


EXHIBIT 3 / Exceptions may be necessary. Unrecorded exceptions leave authority to interpretation.

Map influence without inventing a villain

Find out who people consult, who interprets the founder's intent and who holds information the executive needs. Resistance can protect institutional knowledge or customer commitments the newcomer has not understood. Invite that knowledge into the transition; do not leave an informal veto unexplained.

The uncomfortable truth must travel both ways

The founder must be able to hear unwelcome advice from the new leader. The new leader must be able to hear it from a junior colleague or long-serving operator. Ask what happened after someone disagreed, not simply whether the leader says they welcome challenge. [6][7]

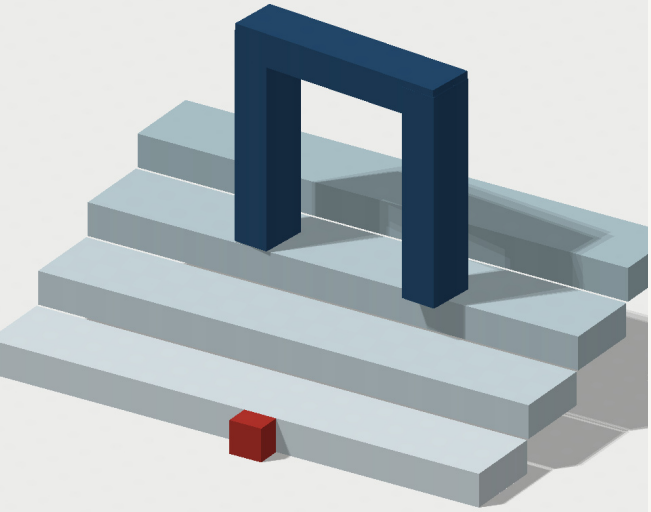
Which decisions will be hardest to stop revisiting, and why?

TFK's founder-domain proximity question is an enquiry, not a diagnosis of a founder or function.

05 / THE CANDIDATE'S SIDE

Bring the judgement. Re-examine the method.

The organisation owes the executive a credible mandate. The executive owes the organisation more than a replay of the previous job.



What did you build? What did you inherit? What will be missing?

Capability and its supporting conditions must be examined together. [2]

Separate capability from inherited advantage.

Distinguish personal decisions from brand strength, funding, a mature team, established distribution or systems already in place. Examine how results were produced, not only the result itself.

Investigate the assignment.

Seek consistent answers about why the role exists, what happened to the previous arrangement, which resources are committed and what happens when a recommendation conflicts with an established preference.

Adapt without surrendering standards.

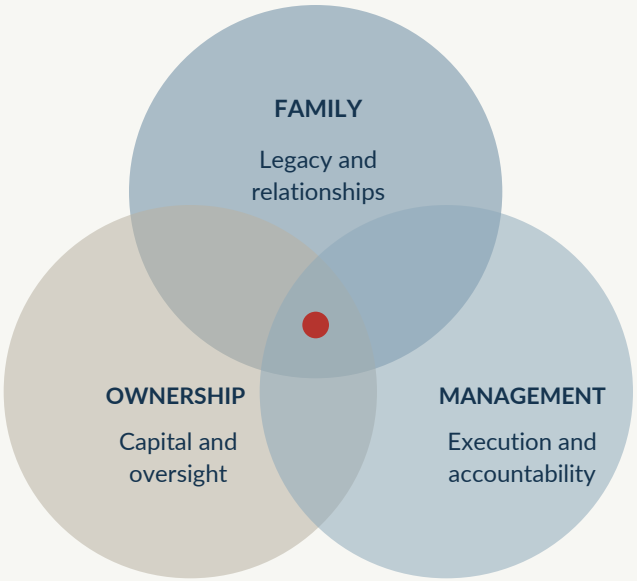
Explain what will be retained, tested and changed. Learn why a practice exists before treating it as a defect. Where delay creates material harm, act with appropriate authority and make the reasoning visible.

Use specific examples and relevant references, with consent. A realistic scenario should test judgement, not extract unpaid proprietary consulting work. A candidate should be able to decline conditions they cannot responsibly accept.

06 / A FAMILY-BUSINESS LENS

A new name does not complete a transfer of authority.

Family-business transitions need a wider lens than the executive's relationship with a single sponsor. IFC's governance guidance distinguishes overlapping family, ownership and management roles, and calls for a clear succession process. [8]



A HYPOTHETICAL TRANSITION

The next generation appoints a professional CEO. The senior generation supports professionalisation but retains approval over key commercial relationships. Long-serving managers keep checking through the old channels. The CEO expects to redesign those channels.

All have approved the person.
They have not agreed on the same transfer of authority.

Separate advice, approval and intervention

A continuing advisory role can preserve valuable relationships and experience. It must still be clear which decisions sit with ownership, the board and management, and which forum resolves competing instructions. The successor needs enough authority to support the appointment they sponsor.

Neither family membership nor external credentials establish readiness on their own. Examine competence and legitimacy on both routes. A family office may coordinate the process, but should not become an unacknowledged second reporting line.

EXHIBIT 4 / Informed by IFC [8]. This scenario is illustrative, not a client case or a claim about the prevalence of ECTR in family businesses. Professional managers are not presumed superior to family leaders.

07 / DIAGNOSIS BEFORE INTERVENTION

Friction is evidence to examine. Not a verdict on the person.

A new leader should not be protected from every difficult response. A proposal can be expensive, mistimed, poorly explained or wrong. Equally, valid change can be undermined by interests that were never disclosed.

	POSSIBLE EXPLANATION	EVIDENCE TO EXAMINE	RESPONSE TO CONSIDER
01	**Necessary challenge**	Specific risks, customer consequences or testable objections are raised.	Revise, sequence or pilot the proposal.
02	**Destructive obstruction**	Agreed decisions are bypassed, information is restricted or standards change without explanation.	Clarify authority; address conduct and incentives.
03	**Capability or judgement gap**	Repeated errors persist despite adequate authority, resources and relevant feedback.	Provide targeted support or reconsider the role.
04	**Mandate or resource failure**	Stakeholders expect incompatible outcomes, or critical support was never committed.	Reset the assignment before blaming the person.
05	**Changed external conditions**	Funding, demand or another material assumption has shifted after appointment.	Reassess feasible outcomes and controllable decisions.

EXHIBIT 5 / TFK decision aid. Explanations may coexist; the categories are not a validated diagnostic instrument.

Ask each side what evidence would change its judgement. A bounded pilot or a review of one consequential decision can be more useful than a debate about personalities. Improvement after an intervention is informative, but does not prove that only one cause was present.

Where intimidation, misrepresentation or serious misconduct is alleged, use an appropriate independent process. No integration plan should require unethical conduct.

08 / THE QUIET FAILURE

The leader stays. The change disappears.

A transition may look calmer because the leader has learnt how to contribute. It may also look calmer because the leader has learnt what not to challenge. Acceptance is not, by itself, evidence that the appointment is working.

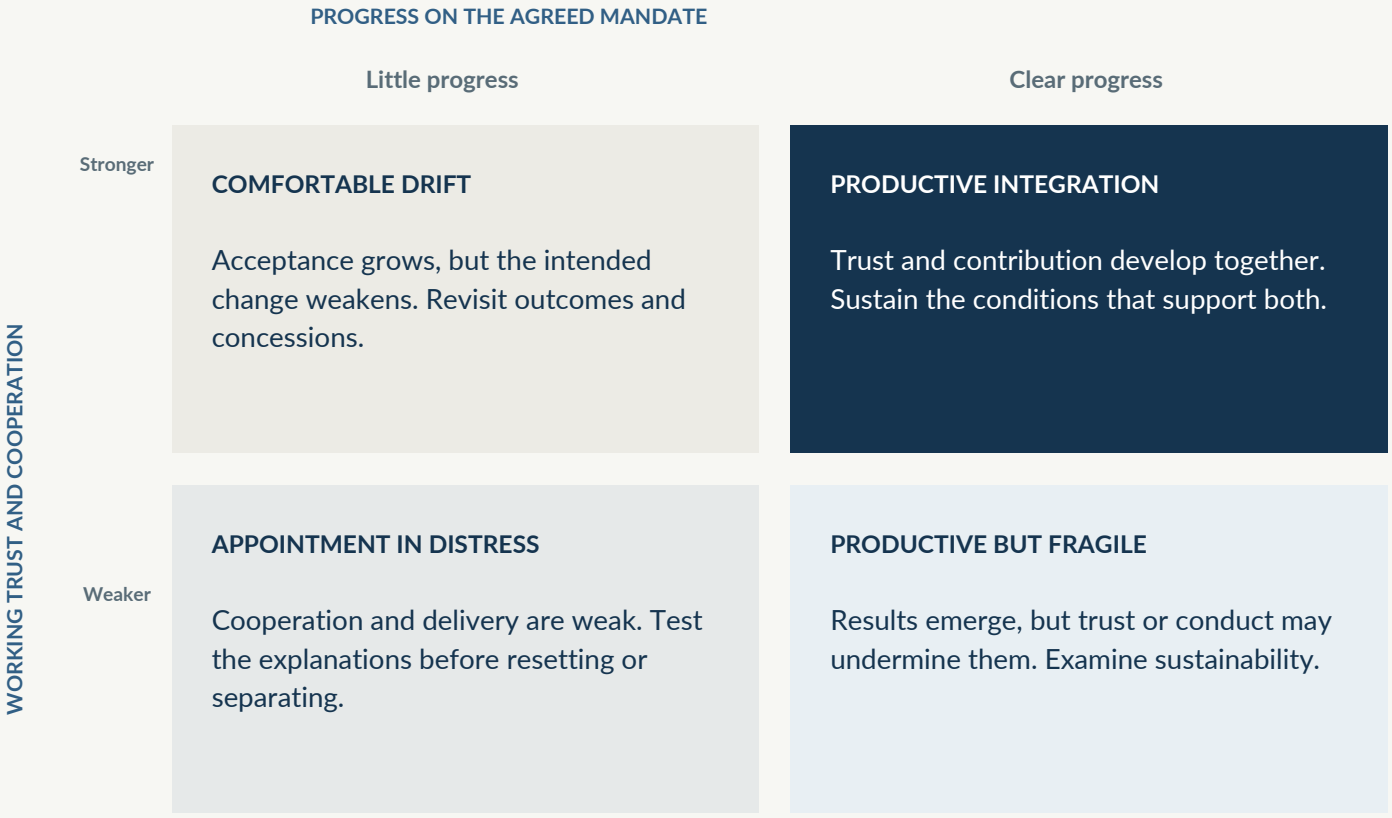


EXHIBIT 6 / Conceptual map, not a scoring system. Early assignments may not yet show business results. Strong short-term results never excuse harmful conduct.

Review baseline movement, decisions completed, resources honoured and concerns resolved. A mandate may legitimately evolve when new evidence or market conditions emerge. Updating it explicitly is strategic learning; quietly lowering the ambition to preserve harmony is a different choice.

09 / BEFORE THE OFFER

Agree the mandate. Then make the appointment.

A short, jointly owned agreement should resolve the essentials before acceptance and be updated as legitimate new information emerges. It is a working document, not a replacement for an employment contract or governance documents.

01 Purpose

What problem justifies the appointment now?

Record the baseline, outcomes, priority order and exclusions.

02 Change and preservation

What must change? What must be protected?

Name practices to change, capabilities to preserve and real constraints.

03 Decision authority

Which decisions can the leader make?

Agree delegated and reserved matters, escalation and visible exceptions.

04 Resources and trade-offs

What support is committed, not hoped for?

Specify people, information, funding, time, owners and dependencies.

05 Reciprocal commitments

What will each side do differently?

Name the sponsor, stakeholder involvement and adaptations on both sides.

06 Evidence and review

How will progress be judged?

Agree indicators, business outcomes, review points and conditions for reset.

Ask stakeholders to describe the assignment independently before discussing it together. Compare the differences. A document that everyone signs without confronting incompatible assumptions offers little protection.

EXHIBIT 7 / Resolve contradictions rather than collect signatures. Completing the agreement does not certify readiness or guarantee performance.

10 / AFTER ACCEPTANCE

A review rhythm. Not a ninety-day verdict.

Watkins offers structured guidance for getting started; Keller and Meaney caution against treating ninety or one hundred days as a universal deadline for impact. The rhythm below is TFK's proposed application, not a validated schedule. [9][10]

BEFORE JOINING

Shared brief + entry plan

Confirm the agreement.

Mandate, stakeholder access, resources and a practical introduction of authority. Respect obligations to the current employer.

FIRST 30 DAYS

Updated baseline + initial decisions

Test assumptions against reality.

Hear different accounts, establish the baseline, clarify early ambiguity and act on material risks.

AROUND 60 DAYS

Corrections with named owners

Inspect the way decisions are made.

Review bypasses, collaboration, resource delivery and whether the leader's method is helping.

AROUND 90 DAYS

Reasoned next-stage commitments

Review progress and support.

Examine movement against the mandate and relevant early outcomes. Continue, recalibrate or intensify support.

THEREAFTER

Evidence of sustainable contribution

Choose the right horizon.

Use a further point, such as 180 days, that fits the role and commercial cycle. Revisit changed assumptions.

EXHIBIT 8 / The in-role clock starts on joining, not offer acceptance. Review dates must reflect the assignment; they are not a reason to postpone action on urgent risks.

Keep reviews small, factual and reciprocal: what was agreed, what happened, what changed and who will act next? Include the sponsor's commitments, not just the executive's performance. The business owns the transition; HR or an adviser may facilitate it.

An adviser involved in selection should disclose that role and allow an independent view when confidence in the appointment is contested.

11 / PUT THE FRAMEWORK TO WORK

Test one real decision. Not one more reassurance.

A hypothetical commercial appointment

A family-owned company hires a commercial head to improve margins. The new leader proposes approval for every discount. Sales says the rule slows responses; the owner continues granting exceptions to longstanding customers.

THE EASY STORY

"The new leader does not understand our business."

That may be a judgement worth testing. It is not yet an explanation.

THE COMPETING EXPLANATIONS

The method may be too broad. The owner's exceptions may defeat it. Incentives may still reward volume rather than margin.

More than one explanation can be true.

THE DECISION REHEARSAL

Agree where discretion is permitted, which discounts need approval, and how genuine exceptions will be recorded. Check who has the information to decide.

A workable boundary is more revealing than a promise to collaborate.

Observe decision speed, exception patterns, margin direction and customer consequences. Compare them with the agreed baseline before deciding whose explanation holds.

12 / FROM INSIGHT TO ACTION

Choose the leader. Prepare the conditions.

ECTR earns its place only if it improves a decision. Its value is to move the conversation from “Why did this person fail to fit?” to the mandate, the person's judgement, the organisation's commitments and evidence of what actually happened.

OWNERS & BOARDS

Resolve the trade-offs that recruitment cannot settle.

Be explicit about what changes, what stays, who decides and which resources will be available.

CHROS & SEARCH PARTNERS

Connect assessment with the conditions of delivery.

Test capability in context before the shortlist; make the scope of transition support explicit.

INCOMING LEADERS

Examine the assignment as carefully as your credentials.

Ask what supported past success and what you will need to retain, adapt or leave behind.

THE FORTITUDE KEYSTONE

Leadership intelligence, applied to executive search.

Clarity about the business problem. Judgement about the person. Attention to the conditions in which that person must deliver.

Deeper assessment, mandate alignment and integration support are scoped to the engagement. No framework eliminates appointment risk.

Venkatesh Gomatam

Founder, The Fortitude Keystone. His perspective draws on more than three decades in hospitality finance, operations and corporate leadership, including roles with IHG, Accor and Hyatt.

thefortitudekeystone.com

Original ECTR research and analysis: Aasmi Kataria

SOURCES / PUBLICATION NOTE

Evidence. Interpretation. Application.

This is a selective narrative synthesis of published research and established practitioner guidance. ECTR and the decision aids are TFK's interpretive applications, not a new empirical study, systematic review or validated predictive assessment.

01 **Bradt, G. (2019).** Managing Transplant Rejection in Executive Onboarding. PrimeGenesis / Forbes, 21 May. Practitioner precedent for the metaphor.

02 **Groysberg, B., Lee, L.-E., & Nanda, A. (2008).** Can They Take It With Them? The Portability of Star Knowledge Workers' Performance. Management Science, 54(7), 1213-1230.

03 **Bauer, T. N., et al. (2025).** New Horizons for Newcomer Organizational Socialization: A Review, Meta-Analysis, and Future Research Directions. Journal of Management, 51(1), 344-382. First online in 2024.

04 **Bidwell, M. (2011).** Paying More to Get Less: The Effects of External Hiring Versus Internal Mobility. Administrative Science Quarterly, 56(3), 369-407.

05 **Wasserman, N. (2017).** The Throne vs. the Kingdom: Founder Control and Value Creation in Startups. Strategic Management Journal, 38(2), 255-277.

06 **Edmondson, A. (1999).** Psychological Safety and Learning Behavior in Work Teams. Administrative Science Quarterly, 44(2), 350-383.

07 **Detert, J. R., & Burris, E. R. (2007).** Leadership Behavior and Employee Voice: Is the Door Really Open? Academy of Management Journal, 50(4), 869-884.

08 **International Finance Corporation (2018).** IFC Family Business Governance Handbook. Fourth edition. Family governance and CEO succession guidance, especially pp. 49-51.

09 **Watkins, M. D. (2013).** The First 90 Days: Proven Strategies for Getting Up to Speed Faster and Smarter. Updated and expanded edition. Harvard Business Review Press.

10 **Keller, S., & Meaney, M. (2018).** Successfully Transitioning to New Leadership Roles. McKinsey & Company, 23 May. Practitioner guidance, including the limits of fixed deadlines.

The studies differ in population and design. Their findings are not pooled into an ECTR effect estimate. The exhibits are qualitative decision aids; none supplies a score, causal proof or a validated threshold.

Where the enquiry should go next

A prospective study could record stakeholder expectations and decision authority before appointment, then follow exceptions, adaptation and mandate progress over time. It would need to account for role complexity, resources, market changes and selection differences. This paper reports no such study and claims no universal failure rate or timetable.

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