

**TEACHING MODULE OUTLINE FOR INSTRUCTORS*****Blue Ocean Strategy Implementation: Tipping Point Leadership and Fair Process in Action***

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*For use in Strategy/Strategic Management Courses*

**I. Teaching Module Overview:**

This teaching module uses a rich mixture of pedagogical approaches to address blue ocean strategy implementation. The module addresses how an organization can overcome the four key hurdles blocking implementation while building trust in employees. While the challenge of execution exists whether in red or blue oceans, compared with red ocean strategy, blue ocean strategy represents a significant departure from status quo. Therefore, the execution of a divergent strategy raises the implementation bar in an organization. Here, the concepts of tipping point leadership and fair process are explored as key constructs in implementation.

Tipping point leadership principles run counter-intuitive to conventional wisdom on strategy implementation, which asserts that the greater the organizational change a strategic move requires, the more resources and time will be necessary to transform the organization. Tipping point leaders, however, challenge this view. Tipping point leadership focuses instead on people, acts and activities that exercise a disproportionate influence on the organization's performance to overcome hurdles fast and at low cost while winning employee's backing for implementing a new blue ocean strategy. The four key hurdles are cognitive, resource, motivational and political. Fair process is an important and integral complementary component of implementing a new blue ocean strategy. Violation of fair process can create distrust and resentment that leads to execution failure while conversely, if exercised, fair process builds trust and commitment around the decision that leads to voluntary cooperation.

This teaching module can be used to lead two MBA classes or a half-day executive program.

**II. Pedagogical Approach:**

This module introduces a highly experiential pedagogical approach to allow participants to learn by doing. Specifically, the first session presents the key concepts of blue ocean

strategy implementation by pairing an introductory lecture with an interactive class exercise to review key concepts covered in the lecture using a high energy format. The second session builds on the first session by applying key tipping point leadership and fair process principles directly to managerial situations. The third session is for executives only. It is designed for their individual exercise to apply these ideas to their own organizations. All of the components, including the lecture slides, interactive case exercise, scenario cases, simulation, and self-diagnostic development tool, are accompanied by comprehensive teaching notes that show the professors/instructors how to effectively lead high-impact class discussions on blue ocean strategy implementation. The tangible benefits of this pre-tested pedagogical approach include:

1. The interactive class exercise offers a challenging, but engaging way to apply key blue ocean strategy implementation concepts covered by the lecture to situations commonly found in the workplace. When conducted immediately following the lecture, this exercise and its accompanying case increase the level of retention for the participants while raising class energy.
2. The simulation exercise and its accompanying case use a managerial situation to demonstrate the differences in effectiveness between conventional wisdom and a tipping point leadership approach for achieving results fast and at low cost while winning the employees' backing and implementing a blue ocean strategy;
3. The scenario cases (recommended for executives or MBAs with extensive work experience) demonstrate how tipping point leadership and fair process principles can be used to attenuate organizational and management challenges associated with strategy implementation across multiple industries and organizational levels;
4. The self-diagnostic development tool (applicable for executive audiences only) allows executives to reflect on the effectiveness of past and future strategies for overcoming organizational and management challenges in implementing a blue ocean strategy.

### III. Overview of Module Content:

#### Session 1 - Foundations: Tipping Point Leadership and Fair Process in Action

##### Case:

Title:	<a href="#">How to Implement Blue Ocean Strategy</a>
Author(s):	Kim, W. C.; Mauborgne, R; Ling, K
HBSP Reference:	BOS 014
ecch Reference:	309-197-1
Publication year:	2009

##### Accompanying Interactive Class Exercise:

Title:	Blue Ocean Strategy Implementation Interactive Class Exercise: Tipping Point Leadership and Fair Process in Action. Available for free download at <a href="http://www.blueoceanstrategy.com">www.blueoceanstrategy.com</a> (for professors and instructors only).
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##### Teaching Note:

Title:	<a href="#">How to Implement Blue Ocean Strategy</a>
Author(s):	Kim, W. C.; Mauborgne, R; Ling, K
HBSP Reference:	BOS 015
ecch Reference:	309-197-8
Publication year:	2008

##### Questions:

What factors or acts exercise a disproportionate influence on:

1. Breaking the status quo?
2. Getting the maximum bang out of each buck of resources?
3. Motivating key players to aggressively move forward with change?
4. Knocking down political roadblocks that often trip up even the best strategies?

## Lecture slides:

Title: Blue Ocean Strategy Implementation Lecture: Tipping Point Leadership and Fair Process in Action.  
Available for free download at [www.blueoceanstrategy.com](http://www.blueoceanstrategy.com) (for professors and instructors only).

## Teaching Note on Lecture Slides:

Title: [Blue Ocean Strategy Implementation Lecture and Teaching Note: Tipping Point Leadership and Fair Process in Action](#)  
Authors: Kim, W. C.; Mauborgne, R; Ling, K  
ecch Reference: 308-317-8  
Publication Year: 10-2008

## Reading:

[“Overcome Key Organizational Hurdles”](#) on pages 147-169 and [“Build Execution into Strategy”](#) on pages 171-184, in “Blue Ocean Strategy”, W. Chan KIM and Renée MAUBORGNE, Harvard Business School Press, 2005

## Session 2- Applications: Tipping Point Leadership and Fair Process in Action

Both the simulation exercise and scenario cases offer an interactive opportunity to learn in teams. The professor can choose to do one or the other exercise or, if time allows, to do both exercises.

## Case:

Title: [Leading the City of Los Rios into a Blue Ocean](#)  
Author(s): Kim, W. C.; Mauborgne, R; Henry, O  
HBSP Reference: BOS 012  
ecch Reference: 309-199-1  
Publication year: 2009

## Accompanying Simulation Exercise:

Title: Blue Ocean Strategy Implementation Simulation: Tipping Point Leadership in Action.  
Available for free download at [www.blueoceanstrategy.com](http://www.blueoceanstrategy.com) (for professors and instructors only).

### Teaching Note and Instructor Manual:

Title:	<a href="#">Leading the City of Los Rios into a Blue Ocean</a>
Author(s):	Kim, W. C.; Mauborgne, R; Henry, O
HBSP Reference:	BOS 013
ecch Reference:	309-199-8
Publication year:	2008

### Questions:

1. What are your four key organizational hurdles that you face as the head of Los Rios City Police in implementing the mayor's blue ocean strategy?
2. Based on the key principles of tipping point leadership, what actions can you take to reduce the crime rate to 5% while simultaneously increasing the staff's willingness to take action?

### Scenario Case: (recommended for executives or MBAs with extensive work experience)

Title:	<a href="#">Blue Ocean Strategy Implementation Scenario Case: Tipping Point Leadership and Fair Process in Action</a>
HBSP Reference:	BOS 001
ecch Reference:	308-314-1
Author(s):	Kim, W. C.; Mauborgne, R; Ling, K
Publication year:	2008

### Teaching Note:

Title:	<a href="#">Blue Ocean Strategy Implementation Scenario Case: Tipping Point Leadership and Fair Process in Action</a>
HBSP Reference:	BOS 002
ecch Reference:	308-314-8
Author(s):	Kim, W. C.; Mauborgne, R; Ling, K
Publication year:	2008

### Questions: *To be distributed in class*

1. What are the four key organizational hurdles embedded in your assigned scenario?
2. What is your tipping point leadership/fair process approach for overcoming each hurdle?

## Session 3 – Mini Individual Exercise (recommended for executives only)

### Self-Diagnostic:

Title:	<a href="#">Blue Ocean Strategy Implementation Self-Diagnostic: Tipping Point Leadership and Fair Process in Action</a>
Author(s):	Kim, W. C; Mauborgne, R
HBSP Reference:	BOS 003
ecch Reference:	308-315-1
Publication year:	2008

### Teaching Note:

Title:	<a href="#">Blue Ocean Strategy Implementation Self-Diagnostic: Tipping Point Leadership and Fair Process in Action</a>
Author(s):	Kim, W. C; Mauborgne, R; Ling, K
HBSP Reference:	BOS 004
ecch Reference:	308-315-8
Publication year:	2008