Blue Ocean Strategy Implementation: Tipping Point Leadership and Fair Process in Action

This teaching module was created by Katrina Ling, Institute Executive Fellow of the INSEAD Blue Ocean Strategy Institute, under the supervision of Professors W. Chan Kim and Renée Mauborgne, INSEAD.

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, developed by W. Chan Kim and Renée Mauborgne. 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, developed by Kim and Mauborgne, 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, as outlined by Kim and Mauborgne, 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, 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 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.

3. 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: How to Implement Blue Ocean Strategy
Author(s): Kim, W. C.; Mauborgne, R; Ling, K.
HBSP Reference: BOS 014
CC 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 https://www.blueoceanstrategy.com/ (for professors and instructors only).

Teaching Note:
Title: How to Implement Blue Ocean Strategy
Author(s): Kim, W. C.; Mauborgne, R; Ling, K.
HBSP Reference: BOS 015
CC 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:
Available for free download at 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.
CC Reference: 308-317-8
Publication Year: 10-2008

Reading:

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

The scenario cases offer an interactive opportunity to learn in teams. This works best with
executives and MBAs that have sound work experience.

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

**Title:** Blue Ocean Strategy Implementation Scenario Case: Tipping Point Leadership and Fair Process in Action

**Author(s):** Kim, W. C.; Mauborgne, R; Ling, K.

**HBSP Reference:** BOS 001

**CC Reference:** 308-314-1

**Publication year:** 2008

**Teaching Note:**

**Title:** Blue Ocean Strategy Implementation Scenario Case: Tipping Point Leadership and Fair Process in Action

**HBSP Reference:** BOS 002

**CC 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:** Blue Ocean Strategy Implementation Self-Diagnostic: Tipping Point Leadership and Fair Process in Action

**Author(s):** Kim, W. C; Mauborgne, R.

**HBSP Reference:** BOS 003

**CC Reference:** 308-315-1

**Publication year:** 2008

**Teaching Note:**

**Title:** Blue Ocean Strategy Implementation Self-Diagnostic: Tipping Point Leadership and Fair Process in Action

**Author(s):** Kim, W. C; Mauborgne, R; Ling, K.

**HBSP Reference:** BOS 004

**CC Reference:** 308-315-8

**Publication year:** 2008