FIVE LENS

ENNEAGRAM

Developing People & Expanding Possibilities

WHITEPAPER

The Cost of Executive Misalignment

How friction inside a leadership team turns into slower decisions, diluted strategy and lost people. What the published research shows, and how to measure and reduce it.

9%

of managers said they could rely on colleagues in other functions and units all the time.

Sull, Homkes & Sull, Harvard Business Review, 2015

70%

of the variance in team engagement across business units is attributable to the manager.

Gallup, State of the American Manager, 2015

180+

teams studied by Google, which found psychological safety mattered more than any other team dynamic.

Google re:Work, Project Aristotle

EXECUTIVE SUMMARY

Misalignment is rarely a strategy problem

Most leadership teams that are misaligned agree on paper. They signed off the same strategy, approved the same priorities and left the same offsite with the same slide deck. The misalignment shows up later, in what each executive actually does on Monday morning.

This paper argues that executive misalignment is mostly not a disagreement about direction. It is a difference in how capable, well-intentioned people process the same information, protect different needs under pressure, and avoid different kinds of conflict. Those differences are invisible in the boardroom, and expensive everywhere else.

We set out what the published research shows about cross-functional reliability, decision quality and conflict at the top of organisations, where the cost of misalignment actually lands, why aligned-on-paper teams drift apart in practice, a twelve-question audit a leadership team can run without outside help, a worksheet for estimating the cost in your own organisation, and the interventions that match what the audit finds.

What this paper contains

01	**The evidence**	What research on cross-unit reliability, decision effectiveness and team conflict actually shows.
02	**Where the cost lands**	Four places misalignment drains value, and why none of them shows up as a line item.
03	**Why agreement does not hold**	Three layers beneath the strategy: what people avoid, what they need and how they decide.
04	**Five symptoms**	The observable signs that a top team is aligned in the meeting and not outside it.
05	**The alignment audit**	Twelve questions across direction, decisions, debate and delivery.
06	**Costing it yourself**	A worksheet that uses your own numbers, not ours.
07	**Matched interventions**	What to do once you know where the misalignment sits, and what not to do.

> **A note on the evidence in this paper.** Every figure is attributed to a named source. We do not quote numbers we cannot trace, and we have not added survey data of our own. Where research comes from populations other than senior teams, we say so. Section 06 asks you to estimate cost from your own data because any universal figure for "the cost of misalignment" would be invented.

SECTION 01

The evidence

The research on senior teams points in one direction. The quality of the relationships and conversations at the top shapes how well strategy survives contact with the rest of the organisation.

Strategy breaks down between functions, not within them

In a study of more than 400 global companies published in Harvard Business Review in 2015, Donald Sull, Rebecca Homkes and Charles Sull examined why strategy execution fails. A common assumption is that execution breaks down vertically, between leaders and the people who report to them. Their data said otherwise. Managers generally trusted their bosses and their own teams. Only 9% said they could rely on colleagues in other functions and units all the time, and only around half said they could rely on them most of the time.

That is the signature of misalignment at the top. Each function is coherent internally. The seams between them, which are owned by the leadership team collectively, are where commitments go missing.

Decision quality tracks performance

Marcia Blenko, Michael Mankins and Paul Rogers of Bain & Company reported in Harvard Business Review in 2010 on a survey of 760 companies, which found that decision effectiveness and business results were strongly correlated. The firms that made and executed important decisions well also performed better financially. A leadership team whose members interpret decisions differently, revisit them outside the room, or quietly decline to implement them is a direct drag on decision effectiveness, however capable the individuals are.

Conflict helps when it is about the work

Allen Amason's 1996 study of top management teams in the Academy of Management Journal drew a distinction that still holds. Cognitive conflict, disagreement about the substance of a decision, improved decision quality. Affective conflict, disagreement that had become personal, undermined it and reduced commitment to the outcome.

The wider evidence is more mixed than this simple split suggests. A 2003 meta-analysis by Carsten De Dreu and Laurie Weingart in the Journal of Applied Psychology found that both task and relationship conflict were, on average, negatively related to team performance. A later meta-analysis by Frank de Wit, Lindred Greer and Karen Jehn in 2012 found that relationship conflict was consistently harmful, while task conflict was not, and could be beneficial in some settings, including top management teams, particularly when relationship conflict was low.

The practical reading is that leadership teams need more open disagreement about the work and less friction about each other. Most misaligned teams have the opposite: politeness in the room and resentment outside it.

Safety is the precondition

Amy Edmondson's 1999 study of 51 work teams in a manufacturing company, published in Administrative Science Quarterly, found that psychological safety, a shared belief that the team is safe for interpersonal risk-taking, was associated with learning behaviour, which in turn was associated with team performance. Google's Project Aristotle, which studied more than 180 of its own teams, reached a similar conclusion: of the five dynamics it identified, psychological safety mattered most.

Neither study was of executive teams specifically, and we do not claim that they were. But senior teams are not exempt from the dynamic, and the stakes of withheld disagreement are higher there.

The effect cascades

Gallup's State of the American Manager report (2015) found that managers account for at least 70% of the variance in employee engagement across business units. Executives manage managers. When the top team sends mixed signals, each manager below resolves the contradiction in their own way, and the variance multiplies.

SECTION 02

Where the cost lands

Misalignment never appears as a line item. It shows up as four kinds of drag, each absorbed into a budget that belongs to someone else.

DRAIN 01

Decision latency

Decisions that take three meetings instead of one.

Issues are deferred, escalated or reopened because the people who need to agree have not actually agreed. The cost is time, and the opportunity that time was meant to capture.

DRAIN 02

Translation loss

One strategy, several versions.

Each executive cascades the strategy through their own lens and priorities. By the second level down, teams are optimising for different things and each believes it is following the plan.

DRAIN 03

Duplication and rework

Two functions solving the same problem differently.

Where functions do not rely on each other, they build their own versions of shared capabilities, data and processes, then spend more effort reconciling them.

DRAIN 04

People cost

The talent that leaves, and the talent that stops trying.

Capable people in the middle of the organisation absorb the contradictions. Some leave. More stay and reduce their discretionary effort, which is harder to see and often more expensive.

Each drain is invisible on its own. Decision latency looks like caution. Translation loss looks like a communication issue. Duplication looks like local initiative. Attrition looks like a labour market. Together they are the cost of a leadership team that is aligned in the meeting and not outside it.

SECTION 03

Why agreement does not hold

Leadership teams usually treat alignment as a content problem: agree the strategy, document it, communicate it. The content is rarely the issue. What drifts is behaviour under pressure, and that is driven by three layers the strategy deck never touches.

Layer one: what each executive avoids

The Enneagram, the core lens of the FIVE LENS framework, describes nine patterns of motivation, each organised around something a person works hard to avoid. One executive avoids being wrong and will slow a decision to get it right. Another avoids failure and will push for visible progress. A third avoids conflict and will agree in the room to keep the peace, then act on their own view afterwards. A fourth avoids losing control and will reopen decisions they did not shape.

None of these is a flaw. Each is a strength in the right conditions. But when a team does not know which avoidance is operating in whom, ordinary pressure produces behaviour that looks like disloyalty, and is usually just self-protection. FIVE LENS measures how often each of the nine patterns shows up rather than assigning a single fixed type, because senior people adapt, and their pattern under pressure is often not the one they show day to day.

Layer two: which need is under threat

The Social Drives lens, drawing on the work of Abraham Maslow and Richard Barrett, distinguishes four domains of motivation: security and stability, belonging and connection, esteem and achievement, and meaning and purpose. When a need is met, energy expands into collaboration. When it is threatened, energy contracts into self-protection, and the behaviour is predictable: territorial (security), cliquish or overly compliant (belonging), fiercely competitive (esteem), or disconnected and cynical (meaning).

Restructures, new strategies and changes to the top team threaten these needs unevenly. The same decision can feel like progress to one executive and like a demotion to another. Alignment that ignores this will not survive the first reorganisation.

Layer three: how each executive decides

The Energy Centres lens describes three ways of processing a decision. The instinctual centre moves to action and sets boundaries. The emotional centre reads relationships and impact. The intellectual centre analyses and plans. Every leader uses all three, but most lean on one under pressure.

A team dominated by one centre has a predictable blind spot. An action-led team moves fast and leaves people behind. A relationship-led team protects harmony and avoids the hard call. An analysis-led team produces excellent papers and slow decisions. Misalignment often turns out to be two centres talking past each other: one executive wants a decision today, another wants the data first, and each reads the other as obstructive.

> Most leadership teams do not disagree about where they are going. They disagree, without noticing, about how decisions should be made on the way.

Under pressure, the layers amplify

The remaining two FIVE LENS lenses, Personal Mastery and Emotional Resilience, describe how much room a person has between a trigger and a response. Under sustained pressure that room narrows, and the patterns above become more pronounced. That is why misalignment is often invisible in good quarters and acute in bad ones, exactly when the organisation most needs its leadership team to act as one.

SECTION 04

Five symptoms of executive misalignment

None of these is conclusive on its own. Three or more, persisting for a quarter or longer, is a reliable signal.

01 **Artificial harmony.** Leadership meetings are polite and efficient, with little visible disagreement, yet decisions keep resurfacing.

02 **The meeting after the meeting.** The real conversation happens in corridors, one-to-ones and side channels, among subsets of the team.

03 **The cascade gap.** Ask three managers two levels down what the top three priorities are, and you get three different lists.

04 **Priority creep.** Nothing is ever stopped. New initiatives are added to satisfy each executive, and resources are spread until nothing is resourced properly.

05 **The indispensable leader.** Progress depends on one executive personally brokering agreement between others, and slows sharply when they are away.

SECTION 05

The alignment audit

Each member of the leadership team completes this independently before it is discussed. Score each statement from 1 (strongly disagree) to 5 (strongly agree).

1. Complete the audit alone, without discussion, in under ten minutes.
2. Collect the scores and show the range for each statement, not only the average.
3. Start the conversation with the statement where scores differ most.

Direction

SCORE 1–5

Each of us would name the same three priorities for the next twelve months, unprompted.

1 2 3 4 5

We have explicitly agreed what we will stop doing, not only what we will start.

1 2 3 4 5

Managers two levels below us describe our priorities the way we would.

1 2 3 4 5

TOTAL

Decisions

SCORE 1–5

When we make a decision, it stays made unless new information emerges.

1 2 3 4 5

It is clear for each major decision who decides, who is consulted and who is informed.

1 2 3 4 5

We support decisions in public that we argued against in private.

1 2 3 4 5

TOTAL

Debate

SCORE 1–5

Disagreement about the work happens in the room, not after it.

1 2 3 4 5

Any of us could challenge the chief executive in a meeting without it costing us.

1 2 3 4 5

Our disagreements stay about issues and rarely become personal.

1 2 3 4 5

TOTAL

Delivery

SCORE 1–5

Our functions rely on each other to deliver what was promised, without escalation.

1 2 3 4 5

We hold each other accountable directly, rather than through the chief executive.

1 2 3 4 5

Shared goals carry as much weight in our discussions as functional goals.

1 2 3 4 5

TOTAL

> This audit is a structured conversation, not a psychometric instrument. It has not been validated as a measure and must not be used to assess individuals. Its value is in surfacing where the leadership team sees itself differently. A spread of two points or more on any statement is worth more discussion than a low average.

SECTION 06

Costing it yourself

There is no credible universal figure for the cost of executive misalignment, and we do not offer one. You can, however, estimate your own, using numbers your finance and HR teams already hold.

DRAIN	WHAT TO ESTIMATE	WHERE THE DATA USUALLY IS
Decision latency	Number of strategic decisions in the last year that were reopened or delayed by more than a month, multiplied by the value at stake per month of delay.	Board and executive minutes; programme plans.
Translation loss	Number of initiatives running that are not traceable to an agreed priority, multiplied by their annual cost.	Portfolio or PMO register; budget lines.
Duplication and rework	Capabilities, systems or data sets built separately by two or more functions, with their combined running cost.	IT asset register; procurement.
People cost	Regretted leavers in management roles who cite leadership, direction or politics in exit interviews, multiplied by your replacement cost per role.	HR exit data; recruitment costs.

The total will be imprecise. It does not need to be precise. Its purpose is to move the conversation from "we should probably work on our team dynamics" to a cost the leadership team can weigh against everything else it is funding.

> Be conservative. Count only what you can trace, and record the assumptions next to the figure. An estimate the CFO trusts is worth more than a larger one nobody believes.

SECTION 07

Matched interventions

The audit tells you where the misalignment sits. The response should match it.

LOWEST AREA	WHAT IT USUALLY MEANS	WHAT HELPS
Direction	The team agreed a strategy without agreeing trade-offs, so each member fills the gap with their own priorities.	An explicit "stop list". A one-page statement of priorities each executive writes in their own words, then compares.
Decisions	Decision rights are unclear, or some members expect to be able to reopen what they did not shape.	Named decision owners for the next ten major decisions. A rule for when a decision may be reopened, agreed in advance.
Debate	Disagreement is being withheld, usually because it feels unsafe or because the team's dominant style avoids conflict.	Making each member's conflict pattern visible and discussable. Structured dissent, such as assigning someone to argue the other side.
Delivery	Members operate as heads of functions rather than as a team with shared outcomes.	Two or three shared goals that no function can deliver alone, reviewed at every leadership meeting before functional updates.

What does not work on its own

Another offsite. Offsites produce agreement in a setting with no pressure. The misalignment returns with the pressure. Without a shared understanding of how each member behaves under strain, the offsite is a reset, not a repair.

A better strategy document. If the content was not the problem, refining it will not help. Teams in this position often have excellent strategy documents.

Replacing individuals. Sometimes necessary, rarely sufficient. If the team's pattern is not understood, the new member is absorbed into it within a year.

Where the FIVE LENS framework fits

FIVE LENS maps each executive, and the team as a whole, across all five lenses: what each person avoids, which needs are driving them, how they decide, and how much capacity they have under pressure. In a Team Discovery Day, that map is made visible to the team itself, which turns the conversations this paper describes from accusations into shared language. A Team Performance Process then works through the specific friction points over a series of facilitated sessions.

REFERENCES

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What we have left out

Figures claiming that a fixed percentage of strategies fail, or that misalignment costs a fixed percentage of revenue, circulate widely and are not used here. Where we could not find a named study with a described method behind a figure, we left it out.

About this paper

Prepared by FIVE LENS ENNEAGRAM. The FIVE LENS framework is a behavioural psychometric approach used by certified practitioners in South Africa, the United Kingdom and the United States. FIVE LENS has been in business since 2009 and its practitioner certification carries ICF accreditation.

NEXT STEP

Start with the audit

Section 05 is designed to be used. Ask each member of your leadership team to complete it independently, then compare the spread before you compare the averages. Where you disagree about how aligned you are is usually where the cost sits.

Team Discovery Day

A facilitated day that maps your leadership team across all five lenses and makes its dynamics visible and discussable.

TEAM PROGRAMMES →

Team Friction Diagnostic

A short online diagnostic that identifies the friction pattern your team leans on. Free, and takes a few minutes.

TAKE THE DIAGNOSTIC →

Speak to us

If your audit shows a wide spread, a short conversation is usually enough to establish whether we can help.

BOOK A CALL →

Book a free 20-minute discovery call

Talk through your leadership team's alignment with a senior FIVE LENS consultant. No obligation.

CHOOSE A TIME →

SCAN TO BOOK