

Press release

Berlin, September 24, 2025

ESMT Berlin study: Radical leadership rarely delivers as planned

Steve Jobs berated his teams. Jack Welch laid off a quarter of his workforce. Still, both are seen as visionary leaders and continue to serve as role models for many. A recent study takes a closer look at the logic and conditions of such leadership approaches. It shows that such radical leadership styles only work under specific circumstances and in some cases do more harm than good.

The study Annealing as an Alternative Mechanism for Management was authored by Matthew S. Bothner, professor of strategy and holder of the Deutsche Telekom Chair in Leadership and HR Development at ESMT Berlin, together with Richard Haynes (Commodity Futures Trading Commission), Ingo Marquart (statworx), and Hai Anh Vu (Ho Chi Minh University of Banking). It was published in the current issue of Connections, a peer-reviewed journal of the International Network for Social Network Analysis.

The researchers examined a form of leadership that has received little attention to date. The concept of "annealing" is borrowed from metallurgy, where materials are heated and then slowly cooled in a controlled way to alter their internal structure. Transferred to the context of management, it describes a process in which organizational routines are deliberately disrupted to loosen rigid structures. The intended outcome is to help organizations become more adaptive and capable of repositioning themselves.

While this approach can have a powerful effect, it requires precise orchestration. First, unrest must be deliberately introduced. The authors call this the heating phase. Routines are challenged, familiar patterns are interrupted, and new options become visible. Next comes a deliberate cooling phase: Interpretations are solidified, stress levels reduced, and structures re-stabilized. Whether the organization gains new coherence or fractures under pressure depends on this second phase. Not every organization is able to withstand this process.

According to the study, three scope conditions must be met for annealing to succeed. First, the leader must have solidified status and a wide base of support within the organization. Second, the team must possess sufficient emotional energy to cope with tensions. Third, annealing works only when there is enough time, funding, and capacity for experimentation, and needs a level of uncertainty to justify the initial heat. Too little of either will derail the process.

The authors also highlight the importance of communication. A leader must not only provoke uncertainty, but also convey a credible promise for the future. Without that, the disruption fails to generate momentum.

The researchers conclude that while this leadership style can be effective under the right conditions, it is often not viable and carries significant risk. "If supporting conditions are not in place, annealing will likely do more harm than good," says Matthew S. Bothner.

About ESMT Berlin

ESMT Berlin is a leading global business school with its campus in the heart of Berlin. Founded by 25 global companies, ESMT offers master, MBA, and PhD programs, as well as executive education on its campus in Berlin, in locations around the world, online, and in online blended format. Focusing on leadership, innovation, and analytics, its diverse faculty publishes outstanding research in top academic journals. Additionally, the international business school provides an interdisciplinary platform for discourse between politics, business, and academia. ESMT is a non-profit private institution of higher education with the right to grant PhDs and is accredited by AACSB, AMBA, EQUIS, and ZEvA. It is committed to diversity, equity, and inclusion across all its activities and communities. essmt.berlin

Press contact

Lennart Richter
Press Spokesperson
Phone: +49 160 552 139 3
lennart.richter@esmt.org