



The Compassionate Leader



“No one comes up with a good idea when being chased by a tiger”*



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Leading Culture Change at Microsoft Western Europe

By: [Amy C. Edmondson](#) and Cat Huang

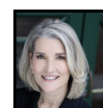
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ABSTRACT

In 2023, Cindy Rose, President of Microsoft Western Europe, faced a critical decision. Rose grappled with the potential impact of widespread layoffs on psychological safety and the cultural transformation she had championed since her arrival. When Rose had first joined MSWE, her leadership team had faced significant challenges around culture, motivation, and team dynamics; Rose had worked diligently to change the culture across MSWE to foster a collaborative and innovative environment. Now, she wondered: Would these layoffs undo all the hard work? Could the cultural shift she had nurtured sustain the organization through this tough period? The case examines Rose's strategies for building psychological safety and transforming organizational culture, and the role of a General Manager in engaging people and achieving performance amidst profound change.

ABOUT THE AUTHOR



Amy C. Edmondson

Technology and Operations Management

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* Anonymous board member of Tesla to Elon Musk as quoted by Wired in Dr. Elon and Mr Musk



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Creating A Fearless Organisation: Microsoft Case Study

It's now common knowledge that teams and organisations with higher levels of psychological safety perform better on any metric or KPI. But how can you operationalise psychological safety in your organisation in practical ways to unlock new levels of collaboration, innovation, performance and growth?

If you'd like to learn more about how Microsoft scaled psychological safety across its Western Europe business to enable its hypergrowth strategy, follow this [link](#) and/or read Professor Amy Edmondson's [Harvard Business School case study](#).

Here are a few soundbites.

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“We needed a common language. And we needed to go back to basics on our culture. Psychological safety and the concept of **The Fearless Organization** is at the core of those basics.”



“We conducted a measurement of psychological safety using the **Psychological Safety Index (PSI)**. That opened a big dialogue about what needed to be different and from that we developed a plan to increase psychological safety in the team, with a particular focus on our ‘Attitude to Risk & Failure.’



“Destigmatising and learning fast from intelligent failure began to spread across the team.”

“We got rid of the silos and became a team.”



If you would like a conversation about how psychological safety can support team and cultural transformation in your organisation, please do get in touch [here](#).

“The work around psychological safety offered a vehicle for our country teams to have an open conversation about the good, the bad, and the ugly of our culture. Each workshop, and each leadership team meeting became a ‘cultural ripple’. Leaders and teams began to talk more openly and share their own experiences of fearlessness.”



“We talked about creating moments of candour, more help-seeking, more help-giving and creating space for people to ask questions. We combined lofty ambitions with creativity and risk taking, reducing anxiety or fear, and that translated into growing the business.”



“The **Leader's Toolkit for Psychological Safety** offered practices that leaders and teams could first experience, and then make their own in their day-to-day work.”



”

Endorsement from Microsoft:

“Psychological safety unlocks growth and innovation. Amazing journey.” **Mervi Airaksinen, Managing Director, Microsoft Finland**

“Work that profoundly shaped and changed my leadership mindset and behaviours. Forever grateful for the partnership - and fearless leaders who were willing to experiment, fail and grow” **Andrea Winfield, General Manager - HR Consulting, Microsoft**

“+1 in how I changed as a leader! Love the balcony and love spending time there.” **Pilar Lopez, Vice President Strategic Partnerships - LSEG - Capital Markets, Microsoft**

“More important than ever!” **Cindy Rose OBE, Chief Operating Officer, Global Enterprise, Microsoft**

“Mark and his colleagues partnered with us for 18 months on a cultural and commercial transformation program across our Western Europe business. Always approaching the work with candour, trust, curiosity, adaptability and a mindset for co-creation, meeting the organisation and the leaders where they are uniquely at. It's rare to work with a team who have such a strong partnering mindset - truly strategic long term partners supporting and equipping us to lead fearlessly and create the conditions for hypergrowth, profound innovation and off the scale, growth mindset. Thank you for all the deep insight, coaching, partnership - and friendship! Looking forward to continuing the journey and achieving that lasting systems level shift - appreciate you.” **Andrea Winfield, General Manager - HR Consulting, Microsoft**