

Alignment Unplugged

Bring your talented people together.



by Howard M. Guttman

TO SOME PEOPLE, THE word *alignment* conjures up images of what a mechanic does to a car when the steering is out of whack or what a chiropractor does to the body to restore it to better balance and integration.

Organizational alignment has more to do with the human side, since organizations are enterprises created by people to achieve results. When properly aligned, the parts move in sync to achieve results. There is a straight line of sight that goes from the strategy to its customers. Scarce human, financial, and capital resources are deployed along that line of sight, so value gets created and added quickly, consistently, and cost effectively. This makes aligned organizations fiercely competitive, high-performance entities.

Five Areas of Alignment

To achieve high performance, every team must be aligned in five areas:

1. *Aligning with the business strategy.*

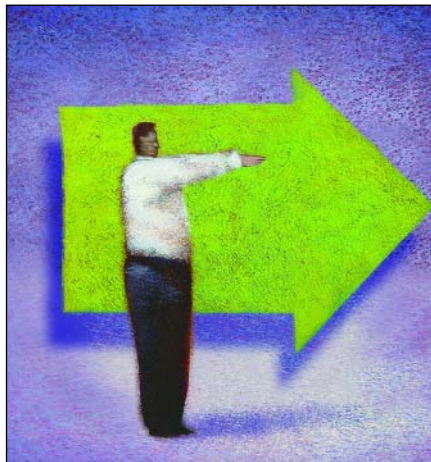
Strategic alignment entails agreement on the future direction of the business—the competitive advantage, the products offered and markets served—and those that fall outside the boundary, the capabilities needed now and going forward, and the longer-term growth and financial targets.

Several years ago, the North American and European senior teams of a global consumer goods company met to set strategy. The Americans championed the new strategy that emerged, while their European counterparts nodded in silent agreement but never really bought in. Both sides left the meeting with mixed messages. This set

off fierce competition for resources, with each area pursuing different product and market approaches. Within 18 months, the new product pipeline was empty and time-to-market lagged 30 percent behind the industry standard.

Strategic misalignment leads to self-sabotage and forces managers to spend time plugging leaks in the dike rather than implementing key priorities.

Johnson & Johnson's senior team is an example of a tightly aligned, highly effective leadership group. J&J is made up of over 200 business units. How does J&J manage the centrifugal forces



at play? According to Dr. Martin N. Freedman, director of the School of Personal and Professional Development, its business units are tied together by clear, common goals and values, which are articulated in the company's Credo. "The Credo isn't just displayed: People make day-to-day decisions based on it," says Freedman. "We are guided by our responsibility to the community, our fellow employees, our stockholders, and the people who use our products."

2. *Aligning business deliverables coming from the strategy.* How can you ensure that the day-to-day work in which people are engaged is supportive

of the values and goals? Martin Freedman gives the example of a leader who was faced with that challenge when he took over a J&J operating company. Calling together his senior team for the first time, he asked them how many open projects they had. They told him that there were 475 projects under way. His response: "Here are seven goals that will be driving the company and ensuring our alignment with corporate goals. How many of the 475 have anything to do with these seven goals?" They answered that only 33 of the 475 projects were in alignment with the goals. So, the leader directed: Reassess the 442 non-strategic projects!

3. *Aligning roles and responsibilities at all levels.* Today's horizontal, matrixed organization is dynamic and fluid. Its need for speed puts a premium on having clear roles and responsibilities that are aligned with the business strategy and operational imperatives.

Paul Michaels, president of Mars, notes that turf battles occur when a company fails to clarify roles and accountabilities: Everyone is pulled in different directions, and it can be all-out war.

Before beginning a team alignment, we suggest you ask team members to rate their performance in several areas. Here are two dynamite questions: "How clear are you about your role and accountability on the team?" and "How clear are you about the other team members' roles and accountability?" During the alignment session, ask team members to define their job: to list the activities that they carry out and the results that they are responsible for, to describe how they believe their job is perceived by other players, and to identify the gaps between themselves and other team members. Record their responses on a matrix and highlight the disconnects. The discussion that follows often results in a new model, with new intersection points, on which everyone can agree.

4. *Aligning decision-making ground rules or protocols.* There is often confusion on teams as to who will make deci-

sions and how they will make them. The resulting decision drag retards the team. We recommend that every team develop and agree upon protocols for decision making. For example: How will important decisions be made: Unilaterally, collaboratively, or by consensus? Who will be consulted for information? For opinions? Who will make the final decision? And, who will execute it? Simple rules such as “no triangulation, or enlistment of third parties,” “resolve it or let it go,” and “don’t accuse in absentia,” can eliminate much of the unresolved conflict that paralyzes teams.

5. Aligning business relationships.

How well a team works to align in the areas of strategy, activities, roles, and protocols speaks volumes about the interpersonal relationships among its members. In dysfunctional teams, silo thinking and subterfuge surface.

Individual behavior and communication styles tend to be nonassertive, assertive, or aggressive. Each style has payoffs, and each exacts a price. For the

nonassertive individual, the payoff is avoiding arguments and coming across as a team player. But the price is steep in terms of unmet needs and diluted effectiveness. Aggressive people tend to get their way, but not without alienating others, closing down input and feedback, and failing to gain commitment.

The goal in business relationships is for team members to be assertive: able to express their needs and wants without violating the boundaries of others.

To align a team’s relationships, ask team members to assess one another’s behavior style; ask them to think about ways in which they can moderate their own behavior—moving from nonassertive or aggressive to assertive; and have each person “contract” with fellow team members to acquire the skills and make the behavior changes that facilitate conflict resolution.

Result: High Performance

Alignment takes the guesswork out of high performance. It makes explicit

and transparent the results, relationships, and behaviors that define success. Aligned teams are high-powered, high-performance entities.

To learn if your team is a high performer, Freedman suggests assessing projects that occupy the team’s time and energy against three or four key strategic goals. Or, you might ask if your team possesses these eight attributes of high-performance: clear team goals, the right players in place, clear roles and responsibilities, commitment to winning for the business over self-interest, a common decision-making/leadership mechanism, a sense of ownership and accountability for business results, comfort dealing with conflict, and a process for periodic self-assessment. If your answers include a number of “nos” or “maybes,” you are due for an alignment. **EE**

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ACTION: *Align your company today.*