

ORGANISATIONAL TRANSFORMATION: CREATING ALIGNMENT FROM THE OUTSIDE-IN

Abstract

"If doctor's practiced medicine the way many companies practice management, there would be far more sick and dead patients, and many more doctor's would be in jail" - Alvin Toffler; writer, futurist and management thinker.

While dramatic, Toffler's analogy highlights the risks associated with popular 'change management' practices. It is our belief that these practices, conceived in the 1980s and developed through the 1990s, are inadequate to effectively navigate through the volume, speed and complexities of change in the modern business context.

In our experience, sustainable change is only possible when there is a state of harmony present among your 'Arena', 'Aspirations', 'Actual state' and 'Assumptions'. These four As represent metaphorical gateways to go beyond 'change management' to the fifth A of 'Alignment'.

Alignment is achieved through the interplay of 11 organisational levers; five 'hard' levers which we liken to the 'bricks of alignment' (Strategy, Scorecard, Structure, Systems and Skills), and five 'soft' alignment levers which we liken to the 'mortar' (Standards, Strengths, Story, Symbols and Sustainability). The 11th lever, the impact of leaders (expressed herein as Leadership Impact), represents the epicentre of alignment; in our experience, it is as important as the other 10 levers combined.

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SECTION 1 - THE GATEWAYS TO ALIGNMENT

According to Ghandi, “happiness is when what you think, what you say, and what you do are in harmony”. Similarly, our experience suggests that ‘happiness’ within our organisations requires the same degree of harmony, or as we refer to it, ‘Alignment’. In our first white paper *Why Change Efforts Fail*, we illustrate the centrality of Alignment as we move beyond the heavily outdated notion of ‘change management’. In the following sections, we outline a comprehensive model (see Figure 1) for achieving alignment, which is derived through substantial research and 10 years of experience with organisations that have achieved sustainable transformation in their organisations.

The four ‘As’ around the perimeter of the model represent metaphorical gateways to Alignment. These include your ‘Arena’ (strategic environment), ‘Aspirations’ (vision, mission, and goals), ‘Actual state’ (current reality) and ‘Assumptions’ (opinions, beliefs and convictions).

Gateway 1 - Arena

Any alignment effort must begin with a contextual understanding of the organisation’s strategic environment or ‘Arena’. The goal here is to create shared understanding of the environment, identify unrealised opportunities, and create historical continuity for where the organisation finds itself. And while analysis of the strategic environment is nothing new, the twenty-first century business context demands subtle but significant shifts in how this analysis is conducted.

Firstly, the speed, volume and depth of change in the contemporary environment necessitates data to be collected more frequently, from a wider range of sources, across multiple dimensions, and debated by more people in more forums to inform more frequent decisions. Organisations who are waiting for the “once a year” strategy offsite are likely to end up executing well intentioned plans based on outdated data.

Secondly, as American cartoonist Ted Goff contends; “an analysis of all the available data reveals that we have far too much data!” Data is obviously important in understanding the environment but in our experience rich dialogue about the data is far more critical. The key question here is “so what?” The data either directly serves strategic decision making or it compounds unnecessary noise and bureaucracy at a time when our

organisations have no time for wasted effort.

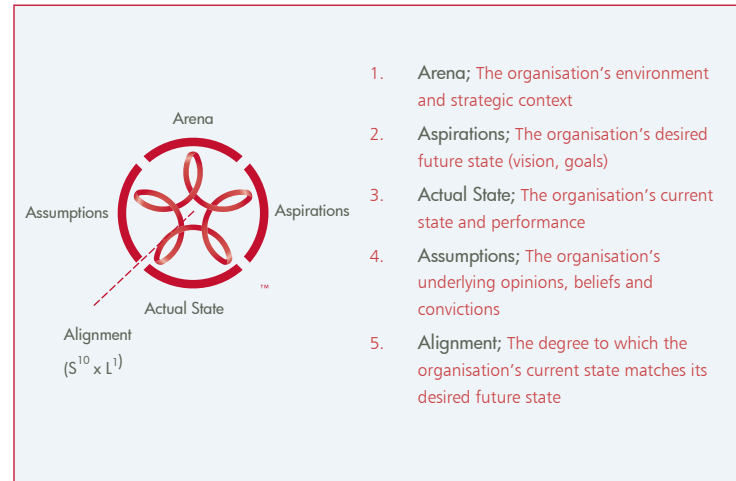


Figure 1: TAP Transformation Model™

In any case, considerable research now supports the notion that human beings make decisions emotionally and then choose, consciously or unconsciously, data which supports their conclusions. We like to think of ourselves as ‘rational’ human beings when, in fact, we are ‘rationalising’. Accepting this reality allows executives to stop posturing objectivity and unashamedly communicate their experience and intuition in a manner that can be considered and debated. This is why Edward de Bono’s 6 Thinking Hats theory includes the ‘red hat’ of emotion.

Gateway 2 - Aspirations

Our experience suggests that all leaders have noble ‘Aspirations’ for their organisations, yet many still fall short for a multitude of possible reasons. A key consideration when building or reviewing aspirations is, do they speak to the organisation’s unique context, character and personality?

Many organisations articulate a vision or statement of destination, answering the question ‘where to’. Yet in our experience, this is only half the necessary content; the deeper, more fundamental question is ‘why?’ Why do we exist over and above making money? What is the unique

“Aspirations should speak to the organisation’s unique context, character and personality.”



contribution our organisation makes? Why do our best people come to work here?

Importantly, revisiting your aspirations does not necessarily mean starting from scratch, but rather, testing your aspirations for clarity, capacity, capability, confidence and commitment (as illustrated in Figure 2: The 5C model). For example, a multinational financial services organisation we worked with had aspired to 40% market share for some time without making any real inroads from its then current state of 28%. The recently appointed CEO found that his people were clear about the goal and were committed to its achievement. They also felt that they possessed the capability and were relatively confident. The key challenge was that they lacked capacity due to competing pressures for resources and conflicting goals from the corporate parent.

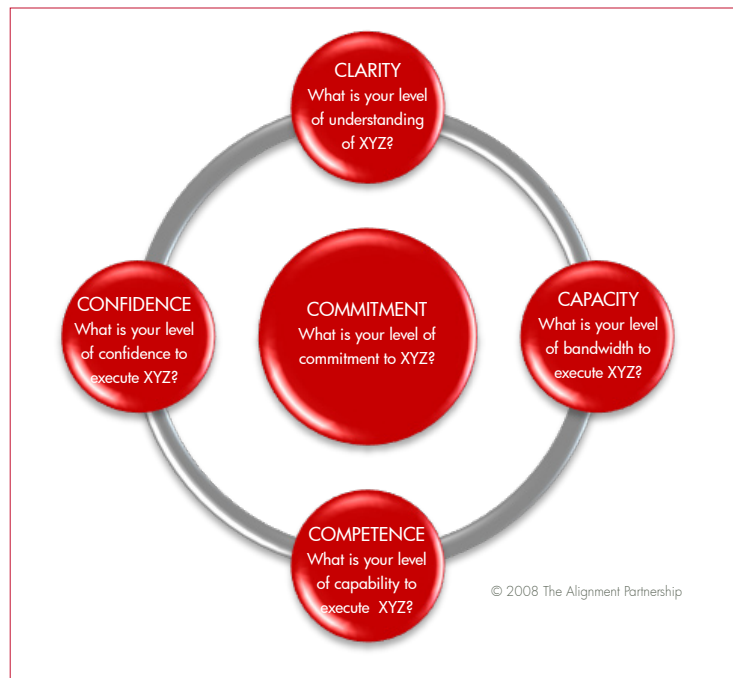


Figure 2: TAP 5 C Model™

Instead of wasting precious time reinventing the organisation's ultimate aspiration, the CEO invested all of his focus in aligning the organisation's

scarce resources, and obtaining buy-in from corporate head-quarters into the goal. This approach ensured the organisation was reenergised around the aspiration, rather than disenfranchised by yet another vision statement. Three years into the journey, the organisation went on to surpass its aspiration – ultimately reaching 50% market share (albeit with significant attention to the 11 Alignment levers discussed in subsequent sections of this paper).

Gateway 3 - Actual state

With a clear sense of destination and orientation, the organisation can move to the third important gateway; the 'Actual State'. The actual state is best described as the departure point for the alignment journey

A decade ago, we operated under the assumption that the greatest challenge in 'change efforts' was to get executives to a shared view of their aspirations. Having now worked with dozens of executive teams, we've now arrived at a very different conclusion. While organisations can generally craft noble aspirations, their ability to independently establish their 'actual state' or departure point is significantly inhibited by a lack of objectivity, which we discuss in more detail in our earlier white paper 'Why Change Efforts Fail'. It is nearly impossible for leaders within an organisation to remove their bias and pre-conceptions, particularly if they are contributing to the problem. In addition, it is inherently difficult for leaders to surface 'truth' from people within their power structure. It is our contention that the only way to effectively establish the actual state is through an independent third party, or through a new CEO with a strong mandate who possess the determination to confront harsh realities, and the emotional intelligence to tap into existing organisational strengths and personal commitment.

Aside from the issue of subjectivity already discussed, there is a further nuance that can cloud an accurate depiction of the actual state. People at the summit of our organisations are generally action oriented, 'A-type' personalities, and asking executives to spend time on establishing the departure point when they have a clear picture of where they want to go is a tough pitch. In our experience, however, the inevitable consequence of skipping this step is a snakes and ladders situation where the organisation takes two steps forward and then three steps back, exhausting and demoralising everyone in the process.

“Much like an onion, assumptions comprise several layers which can be peeled away... to reveal opinions, beliefs and convictions.”

A comprehensive approach to defining the actual state involves rating 11 Alignment levers (defined in Figure 4 on page 6) against the organisation's aspirations. Each of these levers will be addressed in detail in the latter sections of this paper.

Gateway 4 - Assumptions

Before moving to the Alignment levers, there is a fourth, less-tangible but highly significant gateway to address; the organisation's underlying 'Assumptions'.. Much like an onion, assumptions comprise several layers that can be peeled away; the three basic layers are opinions, beliefs and convictions. Opinions are the easiest to shift; usually this can be achieved by appealing to the rational mind with alternative data. Since beliefs have greater depth and proximity, the protagonist must be encouraged to explore alternative scenarios through Socratic (open ended) questioning; essentially, allowing the protagonist to discover alternative meanings. In the case of convictions, rational approaches tend not to work since there is a level of emotional intensity. For people to change a conviction, they will generally need time, a safe environment to explore new beliefs, the confidence to summersault from their established position to one of uncertainty, and a trusted confidant to guide them through the process.

Key to any transformational effort is surfacing and challenging assumptions that are inhibiting alignment. Recently, we worked with an international construction organisation that aspired to deliver a customer intimate experience, yet ironically, the executive team had a deeply held belief that their customers were "the devil with money". In this example, we exposed the belief, to much embarrassment, and then challenged the executive team to either change their aspiration or shift their belief. They chose to shift their belief and, not surprisingly, have had far less combative relationships with their customers since then.

SECTION 2 - THE 11 LEVERS FOR ALIGNMENT

With the four gateways firmly established, leaders can shift their focus to aligning the organisation to their aspirations. The concept of alignment was popularised in the 1980s by Tom Peters and Robert Waterman, two consultants working at McKinsey & Company, who developed the McKinsey 7s model (see Figure 3). The model contends that success is

possible when an organisation's strategy, structures, systems, skills, staff, style and shared values are aligned. The model was revolutionary in the 1980s, but we contend that it is incomplete for navigating the twenty first century business environment.

There are several additional levers that we have learned are critical for the alignment including; scorecard (alignment of metrics), story (alignment of communication), strengths (alignment of the organisation's existing assets), symbols (alignment of leadership time, focus and money) and sustainability (how the change effort sustains itself).

As a result, we have developed a more comprehensive approach to alignment, which encompasses 11 levers. The first five comprise the so called 'hard' alignment factors that are often taught in MBA schools; they are akin to the 'bricks' of alignment. The second five represent the so called 'soft' alignment factors; they are akin to the 'mortar' of alignment. A short definitions of each factor is displayed in Figure 4, and will be elaborated upon in turn. The irony of the 'hard' and 'soft' labels is that the majority of leaders find it relatively easy to address strategy, scorecard or structure, but find it very hard to have an impact with story or symbols.

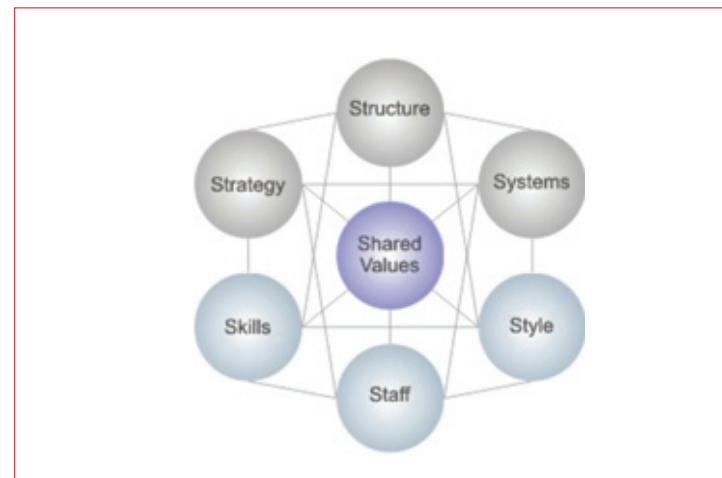


Figure 3: McKinsey 7-S Model™

The final lever, Leadership Impact, represents the interdependent core of the model. Our doctoral research revealed that the impact of leaders is

as important as the other ten factors combined (for more information, refer to our white paper titled Leadership Transformation). We therefore express alignment as the equation: S10 x L1 (see side bar), where leadership is the accelerant or handbrake on all other alignment efforts. In our experience, it is extremely rare to see any change agenda address all 11 factors in an integrated way. And since leaders tend to be more comfortable with the 'hard' levers, we have chosen to spend more time exploring the 'soft' levers in this paper.

Aligning strategy

We very purposefully place strategy within the alignment model rather than alongside the aspirations where it is assumed to reside by many organisations. In other words, we question the common misnomer that "we need to align everyone to the strategy". We firmly believe that this misnomer is a key reason why fewer than 10% of strategies which are effectively formulated, are effectively executed. Strategy is not a 'where to'; it is a 'how to' and therefore it represents just one (albeit important) way to achieve the aspirations.

In our view, great strategy is based on a mix of hard data and rich dialogue amongst leaders: it leverages the experience, insight and intuition of key organisational members. It articulates a clear stakeholder value proposition and produces a manageable number of themes with which to guide the daily focus of everyone in the organisation. Furthermore, strategy which is aligned to the aspirations of an organisation is generally courageous: it deals directly with any sacred cows and represents a very clear statement of intent. It not only articulates what the organisation will do to achieve the aspirations, but also what it will not do, or no longer do.

That said, having a great strategy guarantees nothing. In our experience, senior leaders spend excessive amounts of time, energy and consulting dollars on strategy formulation; the underlying premise being that the right strategy provides sustainable competitive advantage. Yet in the age of real-time technology, increasing transparency, and executive mobility, most company strategies are now easily accessible. What is much more difficult to access or imitate is an organisation's ability to execute their strategy. As expressed by Richard Kovacevich, CEO of Wells Fargo "I could leave our strategic plan on a plane and it wouldn't make any

difference. Our success has nothing to do with planning. It has to do with execution."












	ALIGNMENT FACTOR	DEFINITION
	Strategy	The focus and tactics required to achieve the aspirations
	Scorecard	The measure of performance and change toward the aspirations
	Structure	The formal and informal organisation of human resources to enable the aspirations
	Systems	The systems that enable the aspirations (specifically human resource, management information and critical business systems)
	Skills	The capabilities required to enable the aspirations
	Standards	The agreed values and behaviours that enable the aspirations
	Strengths	The collective assets and core competencies that can be leveraged toward the aspirations
	Story	The communication of the journey toward the aspirations
	Symbols	The symbolic leadership actions, behaviours and rituals that reinforce the aspirations
	Sustainability	The commitment, momentum and capability required to sustain continuity toward the aspirations
	Leadership Impact	The manner in which leaders motivate and encourage employees to fulfil the aspirations

Figure 4: TAP Alignment factors and definitions

Aligning scorecards

In their seminal work on the 'balanced scorecard', Kaplan and Norton highlight the importance of leading indicators (e.g. leadership, engagement) as well as lagging outcomes (e.g. profit, customer satisfaction). Even more importantly, these different perspectives of measurement must weave a compelling story of cause and effect relationships which ultimately add up to the aspirations.

$$\begin{aligned}
 & \text{ALIGNMENT} = \\
 & \text{[Strategy + Scorecard +} \\
 & \text{Structures + Systems + Skills]+} \\
 & \text{[Standards + Story + Strengths} \\
 & \text{+ Symbols + Sustainability] x} \\
 & \text{Leadership's Impact.}
 \end{aligned}$$



In our view, a great scorecard is one that comprises a focused set of objectives, measures and targets, effectively 'chunking down' the performance required to achieve the aspirations. It drives the alignment of all business and service unit scorecards so that achievement of the scorecards effectively 'add up' to the aspirations. In aligned organisations, the scorecard is not a once-a-year exercise, but an important part of the rhythm for governance and the communication of performance.

Aligning structures

In most organisations, structure equates exclusively to the formal distribution of power and accountability through business units and reporting lines. A trap that many leaders fall into is to think of structure as an end in itself; rather than an enabler of the aspirations. As a result, logical structures often fall down in practice because personal accountabilities and specific decision rights are left open to interpretation.

The search for the 'perfect' structure that many organisations engage in is elusive at best, and can be expensive, demoralising and futile at worst. And while structure may be seen as a rational extension of the aspirations, the most rational structures often land in a sea of human emotion & irrationality.

In our experience, all structures have inadequacies that must be managed. Ironically, the most powerful structures within the organisation are more often than not the informal networks and personal relationships within the formal structure; that is, the actual way that information flows and work gets done.

With the right values and behaviours, almost any structure can work; people have an ability to work around formal bureaucracies to get things done. For example, if you observe the aftermath of any natural disaster, you will typically see human beings purposefully organising well ahead of any official relief agency response. As a result, truly aligned organisations tap into their informal structures to advance their aspirations.

Aligning systems

There are many types of systems in organisations including; people and performance systems (e.g. recruitment, performance management), management systems (e.g. financial reporting, customer data), and business systems (e.g. resource demand forecasting). In an alignment

effort, it is frequently the people and management systems that tend to influence behaviour the most, and thus warrant close attention.

Our overwhelming experience with this lever has been that when the aspirations and systems are in conflict, the systems will 'win'. For example, an organisation espousing collaboration but exclusively rewarding individual achievement will get competition not collaboration. Additionally, when systems are underutilised, it is typically because they represent bureaucracy rather than benefit to leaders and managers, and even the very best systems are useless unless consistently applied by leaders. In aligned organisations, systems are used to create personal accountability for the aspirations. And since systems influence what leaders focus on, alignment rarely happens without redesigning systems.

Aligning skills

In aligned organisations, recruitment and skill development takes place within a strategic context to directly target the skills required to enable the aspirations. A useful way to approach skill alignment is to dissect the major capability shifts required by leaders, managers and the front-line. In this respect, training efforts are focussed disproportionately on the core capabilities required to make the shifts dictated by the aspirations versus business-as-usual.

Investment in front-line capability development, which is aligned to the aspirations, has the dual benefit of increasing capability and motivation ("my job is important"). In addition, since people take their cues from what leaders do more than what they say, training investment can also be a powerful 'symbol' of change.

To maximise the ROI on skill development, it is essential that when people return from formal training programs, their new learnings are welcomed and leveraged by their immediate manager. In this respect, skill development becomes an accelerant of business performance as opposed to a tactical training exercise.

Aligning standards

Firstly, we have come to prefer the word 'standards' to 'values', and not just because it conveniently starts with an 'S'. Like strategy, values are often incorrectly communicated as a 'where to' alongside the organisation's vision. This positions the values as an aspiration, rather

"Great strategies are courageous; they deal directly with any sacred cows, represent a very clear statement of intent, and articulate what the organisation will and won't do."



than the minimum expected standards of behaviour that are required to achieve the aspirations. Values also lack the accountability incumbent in the notion of standards; a leader cannot tell her underperforming team that “we all need to raise our values”, but she can say that “we all need to raise our standards”.

Generally speaking, all organisations have standards; but often the actual standards are very different from the ones articulated on the poster. For example, no one consciously aspires to “lie, cheat and steal”; even Enron articulated the standards of communication, respect, integrity and excellence.

Practically speaking, standards are best defined by simple, explicit language which speaks to the organisation’s unique personality rather than management speak. One global organisation we have worked with has standards including “be the customer”, and “talk straight, open mind”. In aligned organisations, every employee can translate the standards meaningfully into their day to day activities, the standards are measured regularly through the performance systems, there are rewards associated with exemplifying the standards, and consequences for acting against them.

Living by stated values is difficult; it is often much easier to give in to immediate pressures than to be clear and unapologetic about what you stand for. In another multinational we worked with, a country President fired the company’s highest financial performer based on a standards decision; not a clear breach of ethical standards such as fraud, but a consistent unwillingness to behave according to the agreed standards of teamwork and partnership. In this highly numbers driven organisation, this one act sent a far greater symbol to thousands of employees about the centrality of the standards than any number of posters and communication programs. Aligning to a set of shared standards creates a higher power in the organisation than the traditional control structures. It empowers employees to confidently make smart business decisions every day. As a result, organisations that live their standards have less need for rules and bureaucracy and a much better success rate of achieving their aspirations.

Aligning strengths

Strengths are an often overlooked lever for alignment; possibly because

it is human nature to look for mistakes and exceptions rather than what is going well. In aligned organisations, leaders know more about the organisation’s strengths than its weaknesses. They use systematic processes to ascertain their key strengths, they leverage their collective strengths to accelerate their aspirations, and turn to their strengths in times of crisis and challenge.

Extensive research by Chris Zook on the ‘strategy’ side of strengths, and prolific research by Marcus Buckingham on the ‘human’ dimensions of strengths, strongly suggest that an organisation’s greatest opportunity for growth is not in its areas of greatest weakness, but in its areas of greatest strength. As a result, aligning strengths to the aspirations of an organisation is as much a shift in mindset as it is a program or initiative. In aligned organisations, collective strengths become part of the folklore and are embedded in the culture over time through stories and rituals. Strengths can be specific, unique and enduring so aligning them to the aspirations will enable an organisation to identify what it shouldn’t do as well as what it should do.

Aligning story

While storytelling is an ancient tradition, representing the earliest form of communication, it is experiencing a contemporary renaissance as leaders look to capture the hearts and not just the minds of their stakeholders. With the mechanistic underpinnings of the industrial era, and the massive advances in new technologies, storytelling took a back seat in the twentieth century to a more rational and analytical approach to communication which eventually manifested itself in the dreaded “death by PowerPoint” that many of us still endure on a regular basis. But challenging times call for different approaches; people are looking for context and meaning to navigate the intense challenges of the current landscape, not more facts and figures. As a result, there is perhaps no more significant alignment lever right now to enable an organisation’s aspirations than story.

In aligned organisations, leaders have developed an emotionally engaging story that has relevance and meaning to every single member in the organisation, from the CEO to the front line. These stories are memorable and easy to communicate since they rely heavily on metaphors and pictures to convey meaning rather than facts and figures. As the saying

“Living by stated values is difficult; it is much easier to give in to immediate pressures than to be clear and unapologetic about what you stand for.”



goes, if a picture is worth a thousand words then a metaphor is worth a thousand pictures. This is because metaphors allow the storyteller to explain the 'unknown' by linking it to something which is already 'known' and familiar. As a result, metaphors collapse complicated information and dramatically increase learning speed.

For example, Sir Donald Tsang, The Chief Executive of Hong Kong, was able to rapidly and meaningfully engage his top 20,000 civil servants in a significant reform agenda using the principles described above. His "tale of two cities" graphically laid out the alternatives facing Hong Kong and encouraged meaningful dialogue which allowed his civil servants to come to their own conclusions. Instead of encountering the aggressive and passive resistance predicted by the local media, Sir Donald was able to achieve 87% acceptance of the challenges and opportunities ahead, and 80% commitment to the reform agenda including changes to the actual duties performed by civil servants (see Figure 5).

Aligning symbols

Symbols represent the perception of what is important to the organisation's leaders; usually determined by what leaders focus their communication, time and money on. For example, if leaders hold-up the "crisis manager" as a hero in their organisation, chances are they will end up leading an organisation in perpetual crisis. If leaders articulate the mantra that "people are our most important asset" while they simultaneously shrink training budgets, then those "people" will know what is really important in their organisation. In our experience, the symbols alignment lever is one the most powerful assets leaders have to realise their aspirations. Symbols are also largely free to implement, but grossly underutilised. Next to leadership, symbols are the most common anchor for individuals in times of crisis and confusion; they help make meaning of situations. Symbols can be used proactively to establish new rituals consistent with the aspirations; for example, the institution of quarterly staff communication forums can signal a shift toward transparency.

Symbols express the underlying character, ideology, and value system of an organisation. In aligned organisations, leaders consciously leverage the power of symbols to encourage positive change, demonstrate congruence between what they say is most important and how they behave, and implement rites, rituals and privileges which reinforce their aspirations.

For example, when a CEO dictates a spending freeze in quarter four to make the numbers, but flies around in the company jet for personal purposes, this sends a very strong symbol to employees that executive privilege trumps delivering on financial commitments. In another client example, the 6 foot 7 inch CEO of a multinational IT company sent a very different symbol to employees when he chose to fly economy on a budget airline. Not only did this CEO sacrifice his own comfort over for the benefit of the organisation, he also sent a very clear message that he was on the journey with his staff.



Figure 5 – Hong Kong Government 'Story' engagement process

Aligning sustainability

Sustainability refers to the capability required to maintain and accelerate alignment; where leaders create more leaders and change agents create more change agents, and so creating a virtuous cycle of growth and renewal. If we are conscious and deliberate, the alignment effort can serve the dual purpose of realising the aspirations, while simultaneously increasing our capability to sustain those aspirations in the face of inevitable future challenges.

In aligned organisations, sustainability is underpinned by an abundance mindset where personal significance comes from contribution, not retained knowledge, and there are acknowledged benefits to be realized

"People are looking for context and meaning to navigate the intense challenges of the current landscape, not more facts and figures."

from creating easy access to knowledge. As a process, sustainability is given life through involving others (collaboration), embedding new ways in the organisation (systemisation), communication and education. Most important for sustainability to occur, is leadership which is focused on legacy rather than short term performance and personal agendas.

Leadership with impact

We passionately believe that the remaining element of the alignment jigsaw puzzle, the impact of leaders, is as important as the other ten factors combined. In our experience, alignment efforts which exclude a focus on leadership impact never achieve their aspirations because leadership is the single biggest influence on culture, and ultimately sustainable performance. In short, how leaders motivate and encourage others to behave is typically at the root of alignment success or failure.

Importantly, the concept of 'impact' is very different to 'charisma', 'situational' and 'behavioural' models of leadership because it is squarely focused on the direct consequences of leadership as opposed to the attributes or qualities of the individual leader. Impact is why, in football, the very best players rarely make the best coaches and the best coaches often did not play at the highest level; Frank Farina and Guus Hiddink's respective reigns over the Australian Socceroos are cases in point. This is because the key strategies required for personal achievement are different to the strategies required to create achievement in others. For example, highly achievement oriented CEOs very often create passive followers who wait for direction and instruction.

In our doctoral research on the subject of leadership transformation, we conducted an in depth study of seven CEOs who had each shown substantive evidence of shifting their impact from that of a 'traditional manager' to that of a 'contemporary leader'. This shift coincided in a simultaneous shift in the effectiveness of their respective leadership teams, and an acceleration in performance across a broad range of indicators.

Essentially, we extracted seven core themes that enabled transformation, expressed as seven metaphors; Fire, Snowball, Master Chef, Coach, Mask, Movie, and Russian Dolls. A short description of each is available in Table X. The metaphors are effectively sense making devices that encourage a leader to engage in meaning reflection and purposeful action toward enhancing their effectiveness. When the metaphors are applied in an

integrated way, we have witnessed senior leaders make shifts in their impact at previously unprecedented rates. For more information on TAP's approach to leadership, please refer to the white paper titled: Leadership Transformation: Creating Alignment from the Inside-out.

LEADERSHIP TRANSFORMATION: CREATING ALIGNMENT FROM THE INSIDE-OUT

Alignment is a cycle not a ladder

We view Alignment as a cycle, as opposed to a step-by-step linear process. In our experience, the process or 'steps' approach to alignment is a double edged sword; it is useful to a point, but also insufficient. Its usefulness stems from its ability to provide an entry point and sequence for alignment. Its insufficiency stems from its underlying metaphor being a ladder rather than a cycle. On a ladder, there is a beginning, an end, and a linear sequence of steps which transport you from one state to the next. In a cycle, there are multiple possible entry points, a high-level sequence once you enter the cycle, and then constant renewal rather than completion. We suggest that a more useful way to think about the process of Alignment is 'define - align - refine' (see Figure 6).

In the define phase, you re-affirm, revise or establish the arena and aspirations, uncover the actual state and underlying assumptions, and create the alignment roadmap. In the align phase, you grow the critical stakeholder relationships necessary for execution of the roadmap, institute internal governance processes which enable integration and collaboration, and then execute the alignment roadmap in a highly prioritised way. That is, you focus on no more than three or four alignment themes at once. With the prioritised waves of alignment activity nearing completion, you move into the refine phase. In this phase, you re-context your view of the environment, course correct initiatives and plans to deal with the realities of the new environment, embed 'strategic' activities in day to day operations, share learnings, celebrate success, and externalise your story with critical stakeholders in your marketplace. In short, you take a dynamic, emergent and evolutionary approach to alignment.

“How leaders motivate and encourage others to behave is typically at the root of every alignment success or failure.”



The virtues of opportunism and good luck

Smart leaders know that they will receive more than their fair share of curve balls before the game is over. As a result, they claim and co-opt any piece of good fortune as evidence of forward momentum toward the aspirations. From the sudden resignation of the values-misaligned

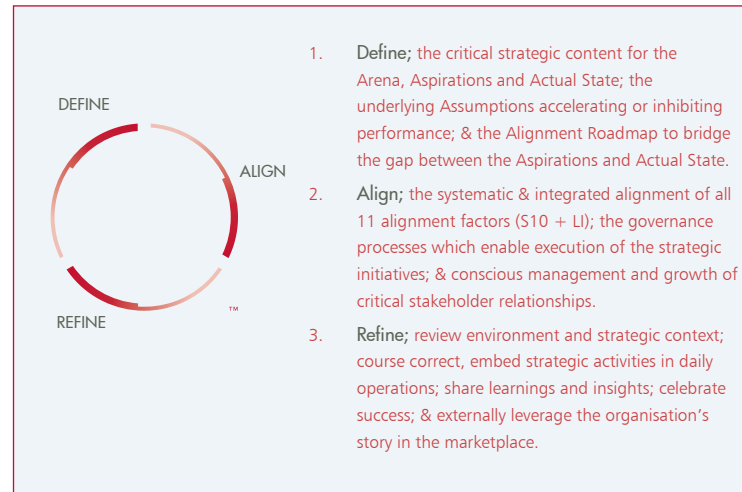


Figure 6: TAP Transformation Cycle™

sales manager, to favourable changes in currency rates; all are legitimate parts of a story and encourage the organisation's members to keep going in the face of huge challenges.

The pull of alignment

Having reflected on the enormous effort and good fortune required for them to succeed, it would seem a legitimate reaction to ask 'why anyone would bother?' The first answer is pragmatic; most organisations have no choice if they are to survive and thrive in the twenty-first century business environment. The second answer is equally pragmatic; alignment is what organisations should be doing every day. In fact, one sign of successful 'change' is when the organisation no longer distinguishes between the change agenda, and the day to day business of delivering sustainable performance.

These pragmatic reasons are significant, but there may be a deeper, more philosophical reason why people are drawn to such efforts; it is because they can reveal the best parts of us. The deepest needs of all human beings are to grow, contribute, and spend time with other people doing the same; individuals seek community and shared purpose. Efforts of growth and alignment provide a wonderful context in which to explore this deeper side of ourselves.

"The deepest needs of all human beings are to grow, contribute, and spend time with other people doing the same."

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“Blessed are the flexible, for they shall not bend out of shape ”

- Michael McGriffy

“If the only tool we have is a hammer, every problem looks like a nail”

- Abraham Maslow

“There is usually an inverse proportion between how much something is on your mind and how much it’s getting done”

- David Allen

“Consistency requires you to be as ignorant today as you were a year ago”

- Bernard Berenson

“I always wanted to be somebody. I should have been more specific ”

- Lily Tomlin

“It is not the strongest of the species that survive, nor the most intelligent, but the ones most responsive to change ”

- Charles Darwin

“Be the change you want to see in the world”

- Mahatma Ghandi

“Kites rise highest against the wind; not with it”

- Winston Churchill

“The fear of making mistakes is the root of all bureaucracy and the enemy of evolution”

- Ingvar Kamprad

“Imagination is more important than knowledge”

- Einstein

Efforts and courage are not enough without purpose and direction

- John F Kennedy

“The obsession with measurements is the problem. There is something we can use instead of measurement: judgement. Some of the most important things in the world cannot be measured”

- Henry Mintzberg

“What happens to the hole when the cheese is gone?”

- Bertolt Brecht

“Vision without action is a daydream. Action without vision is a nightmare”

- Japanese proverb

“The only way to build trust professionally or personally is by being trustworthy”

- Gerard Arpey

“You can’t get away from yourself by moving from one place to another. There’s nothing to that.”

- Ernest Hemingway

“Rules cannot take the place of character”

- Alan Greenspan

“To believe in something, and not to live it, is dishonest”

- Mahatma Gandhi

“Left untended, knowledge and skill, like all assets, depreciate in value – surprisingly”

- David Maister

“Experience is what you get when you didn’t get what you wanted”

- Randy Pausch

“In theory, there is no difference between theory and practice; In practice, there is”

- Chuck Reid

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