

Organisational Alignment – A Model and Case Study

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H O T M A N A G E M E N T

ABSTRACT

Successful organisations are totally committed to achieving their vision, with absolute synchronicity, constancy and focus at all levels – alignment. A key role of leaders is to diligently build in alignment at all levels. Such alignment supports and enables individuals and groups within the organization to achieve the vision without compromise.

This presentation will launch the Restorative Organisational Alignment Model, identify the key elements of alignment and demonstrate their interrelationship. The model is a holistic and integrative framework for real leadership and establishing and maintaining powerful synergies within the work environment.

The presentation will review the Restorative Organisational Alignment Model and its theoretical development, which draws on the work of Deming, Theobald, Senge and Schein.

Further, it will study the empirical application of the model as it is currently implemented within the AOQ (Qld) Inc.

KEY WORDS

Leadership
Management
Strategy
Values
Vision

INTRODUCTION

Everywhere we turn the management panaceas continue to surface – benchmarking, best practice, restructuring, improvement through people, process re-engineering, total quality management and so on – each one claiming to deliver. Deliver what – a quick fix for organisational ills?

Whilst there may be merit in each strategy, in isolation they will not resolve ethical dilemmas, nor deliver sustainability. Indeed, instead of clarity and focus, management fads may blur vision and compound confusion.

Many quick fix solutions are based on the sinister implication that employers have the right to exploit people. That people are ‘resources’ and supervisory extrinsic motivation (manipulation) is an acceptable leadership style. There is an inherent acceptance of a Machiavellian leadership model where the end justifies the means.

Robert Theobald¹ identified the negative focus of contemporary society and the resulting disempowerment and disenfranchisement of individuals: His view is reinforced by the seemingly unstoppable globalised marketplace scenario. We are in a global economy, driven by market forces. Our society is made up of consumers, not people! We are led to believe these consumers are hedonistic and demand instant gratification. This view is pervasive – permeating every corner of society.

Whilst it may be debateable whether this attitude was initiated by consumers or profiteers, the result is that many organisations focus on short term knee jerk reactions and develop a negative, exacting culture.

Therein lies the challenge to redefine the exploitative and manipulative notion of 'improvement through people' to an enlightened 'people through improvement and transformational change.'

Dr Deming stated that, 'A product or service possesses quality if it helps somebody and enjoys a good and sustainable market'.²

Great words. They are not limiting. No cliches there. They do not smack of power and control, exploitation and manipulation, but are comforting and friendly. It is a statement of care and concern, which embodies a holistic quality of life experience. A quality work environment is critical to deliver quality.

What is needed is a coordinated approach, one that confronts the reality of ethical dilemmas, inspires (and benefits) all stakeholders, enables business sustainability and provides clear purpose and focus in the contemporary marketplace.

This is the visionary path, which simultaneously benefits all stakeholders – customers, management and administration, frontline people (and their families), community, directors, board and shareholders.

- Customers' needs are met through effective delivery of product and service
- Management, administration and frontline people benefit through personal development, the satisfaction of meaningful work, achievement and recognition and job security
- The family environment benefits from the positive energy generated by individual family member's achievements
- Community benefits from environmental respect and sustainability and the restoration of a strong and cohesive social fabric
- Directors, board and shareholders realise financial security, business sustainability and the satisfaction of contributing to individual and societal development.

THE ELEMENTS OF ORGANISATIONAL ALIGNMENT

1. Vision

What is a group? A construct of people with shared vision. To be truly effective, an organisation requires shared vision and alignment.

An effective vision has relevance and meaning for all stakeholders. It is challenging, confronting and simultaneously liberating and self affirming. It builds in synergy between individual and organisational achievement.

Successful organisations are totally committed to achieving their vision, with absolute synchronicity, constancy and focus at all levels – alignment. A key role of the leader is to design in that alignment by establishing values which support and enable achieving the vision.

The hotmanagement Restorative Organisation Alignment Model shows vision as the focal point and identifies the elements of synergy - critical to satisfy the needs of diverse stakeholders. This model gives people within an organisation clear purpose and direction.

2. Values

Peter Senge³ refers to the 'leader as designer'. He states that, 'Few acts of leadership have a more enduring impact on an organisation than building a foundation of purpose and core values.'

A statement of organisational values defines the principles considered important and the guidelines for achieving the vision. It identifies the cultural context.

The development of individual values is intensely personal, hard won and diverse. When an organisation expects or demands an individual to deny a personal value system, we are in effect asking that person to be a hypocrite and a failure; an organisation of failures spells disaster. Organisational success is dependent on individual success.

If we wish to create an organisation of successful individuals (achievers) we must respect the uniqueness of each participant and the diversity of their values. If an organisation is committed to success it will strive to enhance the development and success of its people.

Success and sustainability in the 'new age' is contingent on ensuring the vision has meaning and that the diverse values of all stakeholders are adequately represented.

The strength of a group/organisation is the diversity of its people. An effective leader seeks out and nourishes that diversity by recruitment and/or training and provides an environment which is supportive, challenging and pluralistic.

3. Leadership

The leader gives life to the values by example, and every action reinforces that they are real.

The behaviour pattern demonstrated by the key people is critical to close the gap between stated (espoused) and actual values. Leaders as the behavioural role model for effective alignment. Organisations may be shackled by behaviour patterns misaligned with vision and values. Let's get rid of the confusion resulting from lip service and double standards.

Continuously monitor and improve the relationship between values and leadership – a supportive and objective mechanism within a performance review system could be used. Be vigilant to ensure your behaviour brings the values to life every day. If the leader is value driven and shows real dedication and commitment through words and actions, this liberates and empowers others to follow the example. Be what you wish others to become.

4. Performance Indicators

Performance indicators influence the evolution of an organisational culture, both by the choice of indicator and importance afforded to it. Values may be compromised if indicators don't align. An example of this is an organisation which states its commitment is to ensure its people are technology smart (espoused) but is focussed on reducing the cost of supporting resources (actual) as a key performance indicator. This lack of alignment compromises the values and people quickly become confused. This confusion impacts right to the frontline customer interface.

5. Systems

Effective systems are critical in the struggle for alignment in any organization. Organisations constrained by misaligned systems put the vision at risk.

Rather than a baton to entrench an exacting culture, systems in place should support the stated values and enable achievement of the vision. For example, a stated value may be to develop self directed teams (espoused) but this may be unachievable because the systems in place are built around a model of supervision and control (actual).

Systems are both process and technology. Keen to embrace the latest technology wave, often organisations don't address the relationship to process. The expected benefits and gains are not realised because of relationship gaps.

6. Strategy + Structure

Let's use a value statement to demonstrate the importance of strategic and structural alignment.

'We are committed to participative management.' Sounds like a worthwhile value. But is it real? Is the organization structured to support participative management? Analysis of the concept is required to understand the structural implications. If there is a commitment to participative management (or any other value) then the structure should show the relationships between the participants. Strategies should identify the forum and medium for delivering on the commitment.

Ensure the organization is structured to open communication channels (rather than closing them). Ensure the structure enables strategic initiatives. Don't make people climb through arduous complex 'reporting lines' to participate in, or deliver on, strategic initiatives – this will render the strategies useless.

A RESTORATIVE ALIGNMENT MODEL



According to Edgar Schein, 'Building an organisational culture and shaping its evolution is the unique and essential function of leadership.'⁴

Effective organisations require alignment of vision, values and key performance indicators. The hotmanagement Restorative Organisational Alignment Model demonstrates this relationship and the link to supporting behaviours and systems, strategy and structure. Holistic and integrative, it defines the framework for real leadership and powerful synergies within the work environment. It is the cornerstone of 'culture'. Culture loses its mysticism if the organization is committed to strategic alignment and achievement of the vision with absolute synchronicity, constancy and focus.

Why 'restorative'? If embraced organically this model enables restoration of the neglected and compromised areas of interrelationships, community, morals, ethics, our need for spiritualism and puts economic issues into perspective.

CASE STUDY OF THE MODEL: AUSTRALIAN ORGANISATION FOR QUALITY (QLD) INC.

1. Visioning Process

This was done at two levels – personal and organisational. The action plan set out below helped each member of the group to arrive at a personal vision and better equipped the group to arrive at an organisational vision.

- Select representative cross functional 'visioning' group
- Arrange visioning workshop & facilitator
- Ensure objectives of visioning group are clear
- Develop a visioning project plan
- Discover history of business vision
- Explore current external & internal operating environment
- Improve awareness of the future external & internal operating environment
- Explore the future external & internal operating environment
- Evaluate each factor and its impact
- Understand the 'levels' of products & services
- Develop a customer focus & market orientation
- Define 'The Challenge'
- Plan and implement the roll out

2. Definition of Values & Alignment of Leadership Behaviours

This was also done at two levels – personal and organisational. An exercise was prepared and with robust discussion in a supportive environment, each individual crystallised answers and thoughts on the following -

- What do you want to be known for?
- How do you want people to describe you?
- List your values using your answers above to help.
- Challenge each value by considering the dichotomy of each one on your list and confront any contradiction. Revise the list.
- Define the behaviours required to uphold the values on your list.

- Consider some recent decisions and choices you've made and your behaviours (you may wish to do this on a daily basis). Were they consistent with those you have defined?
- Does each value support the concepts underpinning the vision?

Completing this exercise from a personal perspective helped each member of the group develop the humility necessary to establish the values for the organization.

3. Strategy Alignment - Springboard Program

During the visioning process the group identified and discussed strategies built around current and future strengths and opportunities. The key strategies were agreed and branded as the Springboard Program – a suite of ten projects.

Each strategy was developed and scoped into a project. The brief for each project addressed the following –

- Purpose
- Start and finish point
- Start and finish date
- Vision alignment objective
- Values alignment objectives
- Sponsors
- Approach
- Budget
- Deliverables
- Reporting requirements
- Interdependencies
- Project Resources
- Approvals.

A project management methodology was applied.

4. The current state

System management is underway. The Springboard Program identified the core business streams for the organization and a macro level process has been mapped for each business stream. Development of micro level processes is in progress.

A key performance indicator will focus on the interrelationship of values and leadership behaviours – and identify any gap between espoused and actual behaviours. Deliverables of the Springboard Program provide the basis for other performance indicators.

The need for clarification of the organisational structure has been identified and some preliminary work done.

CONCLUSIONS

This material presents the concepts underpinning and key elements of alignment and provides a study of progress made so far in applying the model to the Australian Organisation for Quality (Queensland) Inc.

A commitment to real alignment (if embraced organically) enables individuals, groups and organizations to dispel double standards and confusion and to find meaning and success as we face ethical dilemmas each day. It empowers us to shed the shackles of negativity and rise to meet the challenges of the contemporary organisational environment.

Each of us is responsible for the choices we make. Our life path is the aggregate of our choices. As individuals we can choose to generate positive energy – this is the one choice within our control. We can choose to channel that positive energy into the people, groups, work environment and other organisations with which we have contact.

The challenge then for contemporary leaders is to diligently pursue this energy by creating positive environments for work, life and learning; environments in which individual, group and organisational achievement are synergistic. This is visionary leadership.

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