Organisation
structure, processes
and behaviours
are systematically
aligned to the new
direction across the
organisation.

6. ALIGNMENT

SYSTEMS, PROCESSES AND ORGANISATIONAL STRUCTURE

The foundations for success are in place: the business is clear on, and committed to, a core ideology and a credible vision and strategy to achieve it; everyone in the business is on-side and there is an excitement around the joint enterprise. But this is not sufficient to sustain its success. This is where the rubber hits the road! Are we prepared to invest in systems, processes, organisation structures and, very importantly, behaviours that will enable us to deliver consistently promised outcomes to all our stakeholders? Do we talk about the long-term and measure long-term progress and outcomes as well as assuring our immediate performance?

It is here that we see an emergence of 'operating frameworks' that are deliberate in creating a space within which everyone in the business can flourish, safe in the knowledge that the boundaries have been set and that within those boundaries each is able to operate autonomously. Cast the boundaries too tightly and people will feel constrained and overly controlled; cast them too loosely and the precision needed to operate successfully may be compromised. It is for each organisation to make up its own mind on the level of required control or the degree of autonomy to be enabled. Here is an example of a framework in use with a number of organisations with which we are working:

We have covered two of the boundaries and partly covered a third. You wouldn't be prepared to give your discretionary effort to an organisation if you were out of step with the strategy or the fundamental belief system in operation. But the link between day to day behaviours warrants additional exploration.

> 'You can't see 'values' you can only see behaviours' and we would agree with this position. But the next logical step of linking desired behaviours with each value needs examination. We have observed that most organisations do not apply the precision that is needed in order to define the behaviours that are required not only to honour the espoused values but also support their commercial aims. Too often the behaviours are seen as 'nice to have' rather than 'essential to commercial success'.

And this is where 'soft' becomes 'hard' once again. Not just that it is difficult, but that it needs a more rigorous, data driven approach to examine the behaviours that need to be embedded throughout the organisation if it is to be seen to be living its values *and* delivering its commercial objectives. Once the desired behaviours have been identified and codified then are we ready to look at the alignment of success measures, reporting processes and lines, reward and recognition mechanisms and all other systems and processes to assure ongoing success.

A sustainable business is more likely to define the desired behaviours and support them with relevant systems and processes than to shoehorn behaviours into an otherwise unsupportive set of systems and processes.

What about systems, processes and structures? Compared to other businesses those that are focused on long-term sustainability are clear on what are their core processes and how their governance works. These processes and the supporting structures are not defined to the nth level of detail. Rather they are there to guide and enable, supported by an understood strategic direction and performance driven behaviours. As the business develops these processes and structures change, but when supported by an engaged and committed workforce the ability to adapt and progress is undertaken relatively smoothly.

Identity
- Who we are
- Our purpose
- Brand

Values, behaviours, capabilities
- Culture framework
- Values
- Behavioural standards
- Skills and capabilities

Potential for operational autonomy
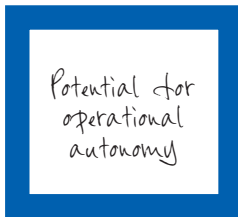
Strategic direction
- Vision
- Long-term planning

Core systems and processes
- Operating systems
- Processes and standard operating procedures
- Monitoring and reporting

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'This business is about total customer satisfaction. How can we make the right decisions and encourage the right behaviours without a clear understanding of what the customer wants and will want?'

'We have developed a common framework across the whole of our group so that we can share best practice and collaborate to meet the needs of our customers wherever they are in the world'

or

'We measure what matters and that means our systems and processes are designed first and foremost to provide an accurate read on our financial performance'