

Worlds Apart: Aligning Company Strategy and Talent

By Gordon Peterson & Todd Lapidus

CEOs and other senior leaders frequently talk about alignment—yet alignment usually does not improve. Conversations about alignment tend to be fuzzy—both managers and employees emerge without a concrete sense of what needs to be done or how. This paper sketches out distinctions and a methodology that will produce more positive outcomes around alignment of company strategy and talent.

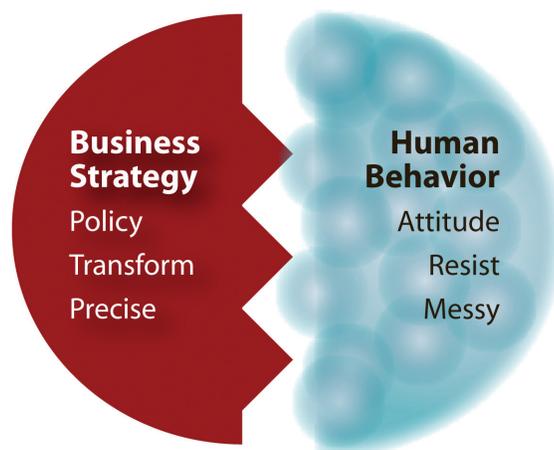
Our objective here is to redefine alignment and change the way it is used in strategic work. Based on our experience, we have identified a useful way of understanding the gap between human behavior and the performance demanded by organizations. With this new vision, we offer a set of practices to create and maintain dynamic, value-adding alignment, or what we call The Alignment Threshold™.

We begin with the most basic, yet the most naturally antagonistic ingredients in a successful business: planning and human talent (see *Figure 1* below). How far apart are strategic business plans and human behavior? Organizations are defined by their policy—the written and unwritten rules, including missions, values and corporate cultures. On the other hand, most human beings are emotionally driven, bringing attitudes, feelings and habits to the workplace. Emotions cannot be easily controlled or routinely optimized, yet we all know they are a tremendous source of energy and creativity.

Vibrant organizations create structures that help them transform when faced with uncertainty or shifting marketplace forces. By contrast, people are creatures of habit: we build nests and enjoy stability. Habits to support stability are often wasteful and costly in a business environment.

Most organizations are designed to be precise, well-oiled machines whose success is measured by metrics of efficiency and effectiveness. Employees, however, live messy lives full of clutter and residue, with fragments of memory and accumulated personal tension.

Figure 1: Worlds Apart



The friction created by these opposing forces within organizations leaves many employees battered and struggling. It can have a measurable impact on customers who experience inconsistencies with the brand, and on profits from eroding loyalty. Employees become irritable, thoughtless and detached. A typical reaction to this scenario is to protect margins by cutting operating costs, including reducing workforce size and development. The remaining staff is then overworked and often feels underappreciated. What may have begun as a creative community starts morphing into a survival zone.

Three straightforward questions will help businesses move out of this undesirable position. The answers launch the practices we are advocating and produce a solid foundation for realigning company strategy with the workforce:

1. What roles unquestionably drive our long-term competitive advantage and revenue growth?
2. What roles are unique to our organization and at the heart of our brand's promise?
3. Do we have the talent we need to execute well and achieve our business strategy?

These questions begin an assessment of talent strategy. Where are you today in answering them?

The Alignment Threshold™

Winning organizations recognize and respect the intersection between business strategy and human behavior—what we call The Alignment Threshold™. The key point here is that workforce requirements must emerge from the foundational, competitive strengths of the business, not from a business budgeting process. How do you get there? How do you know you've arrived?

The Alignment Threshold is a dynamic zone, not a specific destination achieved through a one-time event. In our practice, we see that three critical steps are necessary each time a business plan is created or updated. They build on the answers to the above questions and start to nourish a relationship of mutual connection between the business strategy and the people who give it value.

Step 1: Translate Your Business Strategy into Organizational Capabilities

Step 2: Identify Your Workforce Requirements

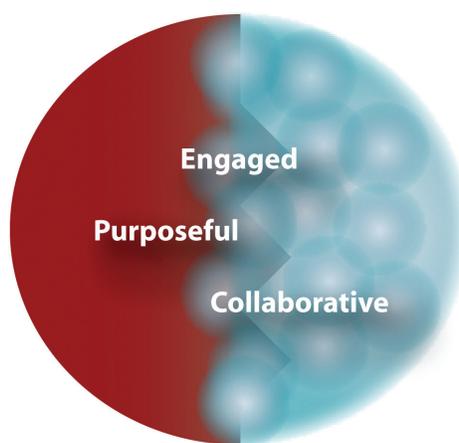
Step 3: Implement a Talent Strategy

Firms operating in The Alignment Threshold build bridges between their strategies and the people who must deliver by translating long-range business plans into organizational capabilities and by identifying workforce requirements that support the strategies. They personalize strategies by defining the day-to-day work that must be done and carving them into challenging, rewarding roles that leverage employees' strengths and maximize their contributions. Finally, successful firms implement a talent strategy process to identify, develop and deploy critical talent throughout the organization. Building this process provides stability of workforce culture and consistent renewal based on changing demands and resources.

Linking talent and strategy allows firms the flexibility to change dynamically in response to market conditions. Investing the time to take these three steps will ensure that strategic plans can be continually fertilized by the insights and innovative practices of well-matched talent. This process will personify your business strategy and the "people" implications of strategic plans will move to top-of-mind for your leaders.

You'll know you're in The Alignment Threshold when, 1) You talk about talent in new and profound ways, and 2) Your employees are uncommonly engaged, purposeful and collaborative.

Figure 2: The Alignment Threshold™



Through this article we hope we've challenged you to look at your organization from a new perspective. If you come to the conclusion that you're not where you need to be, then a good place to start is to ask yourself the questions we've posed here.

C³ Helps Clients Tackle These Tough Issues

C³ understands and honors the value of our clients' organizational histories and their unique circumstances. Just as our clients continually strive to enhance their capabilities, so, too, does C³.

We are delighted to welcome Gordon Peterson to the C³ team. He draws on broad experience in sales, marketing, and human resources that gives him expertise in focusing a firm's vision and objectives into optimal organizational capabilities. He is widely sought after for his skills in persuasion and facilitation that help executives develop and execute talent strategy. Gordon's biography can be found here: <http://www.c3corp.com/pages/people/peterson.html>

Over the coming months, C³ will explore The Alignment Threshold™ in greater detail through a series of articles.

- March 15, in "What Are You Leading With?" we dive into three strategic platforms that all organizations must focus on: customer experience, product innovation and operational efficiency.

- June 15, “*Customer-Centric Learning and Development Philosophy*,” describes firms adhering to The Alignment Threshold.
- August 15, in “*Identifying and Developing Your Future Leaders*,” we discuss how high potential equals high maintenance.

C³ invites you to contact us should you desire assistance tackling these tough issues.

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