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LEADING ALIGNMENT

To Enable Ownership, Collaboration, and Effectiveness

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INTRODUCTION
Leadership Alignment

In business, it seems like alignment is quickly becoming "the new black."

Organisations have been exploring new forms of leadership in the age of digital/agile. The pandemic has exacerbated the difficulties of keeping teams on the same page and revealed the challenges of misaligned organisations. With people working almost exclusively on a remote basis in many enterprises, the need to be much more intentional about alignment has never been greater.

One would argue that the nature of organisations has always been to create alignment across functions, teams, and people, and this is true. However, alignment - and how it is understood - has evolved. In this e-book, we analyse how it has changed for operational excellence, strategy, and leadership.

First, we reflect on the more traditional alignment approach based on planning and control, and how this is now almost obsolete in the age of digital business and agility. We then review what alignment looks like in modern organisations, and how to work with alignment today.

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01

Alignment, a standard feature of business

The nature of enterprises is to create alignment:

> Alignment to the needs of customers

> Alignment of the core departments and business units

> Alignment of people and teams to collaborate towards shared goals

In business, alignment helps coordinate the activities of the parts to achieve the outcomes of the whole. Traditionally, management has been at the epicentre of this coordination. Managers get annual objectives from their hierarchy, which they then negotiate (especially when their compensation is linked to those) until an agreed exchange of scope coverage against allocation of resources (financial, human, technology, etc.) is agreed.

Managers then spend the rest of the year driving their team(s) to execute on the expectations set. Conventional wisdom gives sufficient incentive to managers (by ways of bonus or promotion), to motivate them to get the results needed.

One level below, projects get defined. Estimation, planning and commitment to deliver the projects on time, all become factors of alignment. People organise to meet the plan and the delivery milestones. The plan becomes the unifying banner. The project is controlled through RAG (Red/Amber/Green) status reporting, and PMOs (Project Management Office) collate a view of status across the organisation's project portfolio for senior management, as a means of aligning the top of the organisation to the level driving their execution.

In many organisations, this set-up (budgets, projects, management control) is the fabric of the way alignment drives execution of the strategy set by leadership. We should observe this is not a strong form of alignment as the people doing the work are mainly executing as opposed to having any meaningful involvement in shaping the work. Their actual motivators are primarily based on the fear of failure and its implications in terms of compensation or career prospects. The 'system' is operating this way because it seems to have worked in the past, and individuals support the system for their own reasons:

> Senior management likes having somebody accountable that they can go to for updates (or blame).

> Some employees enjoy the simplicity of being told what they need to do, which in turn supports leadership that instructs what to do.

Then came digital, globalisation, agile and COVID…

Obsolescence of the traditional alignment model

The traditional alignment model worked fine for work that is repetitive and follows clear standards, work that mainly needs to be produced. It worked for almost a couple of centuries since the industrial revolution, which was the beginning of mass production.

In the second half of the 20th century, the TPS (Toyota Production System) and Lean Thinking with their focus on Kaizen (continuous improvements) challenged the mass-production organisation chains, based on the traditional management approach known as Taylorism.

Kaizen developed the concept that the people doing the work were also the best people to improve how the work was performed, and the quality of the resulting products. The employees were not only supposed to do; they were also allowed to think.

Toyota demonstrated the worth of Kaizen by becoming the biggest carmaker in the world within a few decades. Since then, the whole automotive industry and most manufacturers have had to adapt and realign to Lean Thinking principles.

The journey continues with the emergence of computing and the era of digital technology. Some call it the Digital Revolution. In this new landscape, the traditional approaches to work and alignment need a big shake-up.

We talk of it being about "knowledge work". The characteristics of knowledge work are:

- People doing the work have an element of input on how the work gets done and what it will eventually produce.

- The work requires that the workers think and do continually.

- People doing the work know more about the details than their managers.

- People doing the work need advanced skills that they need to keep up-to-date.

In this new context, the traditional alignment approach does not work. In a past role, I worked for an organisation that was specialised in fixed-price technology projects. The art was in estimating minute details, buffering well and driving a strong focus on the timeline. Unfortunately, projects sometimes turn sour. Estimations are done upfront, at the point of least possible knowledge. **No matter how long you spend analysing, estimating and planning, once the plan gets confronted with the unfolding uncertainties, usually it does not stack up. The business environment also changes throughout the course of a project, and a rigid attitude focused on timescales and deadlines often results in unsuitable outcomes.**

If, like me, you have spent much of your career in Information Technology, you will also know how feeble a plan or a status report can get when the project manager attempts to "manage upwards". You would also have experienced how misalignment increases when delivery teams struggle to meet timelines, and how alignment explodes once the RAG status goes Red.

As desirable it may sound to plan certainty out of inherently volatile situations, it is also entirely misguided in the age of digital. It is a result of organisations aiming to shoehorn the way they traditionally have aligned into the new world of knowledge work.

Let's review how traditional alignment breaks down in digital:

▸ Senior leadership needs to consult with people doing the work to assess scope, feasibility and size. Considerable time is often diverted to the design phase to satisfy stakeholders that behind the planning is sufficient analysis.

▸ The time spent doing the above does not come for free. It is time not spent on delivering working software, which is what brings the real value to the end-users.

▸ When the stakes are high, much buffering happens at multiple levels. As most projects will consume any buffering available, it is a sure way of inflating project costs.

▸ The number that comes out of the analysis is often way above the expected range and follows several rescoping exercises, which add to the costs of planning, with no valuable learnings or software yet delivered.

▸ Although the effort is supposed to clarify alignment on the steps, the whole process tends to create frustrations and more misalignments in how people understand what is happening and what should happen next.

▸ Misalignment continues through project delivery. Anxiety about not living up to expectations sparks a climate of fear where people would rather delay than deliver bad news.

Though the above sounds terrible for delivering work, this misalignment has worse consequences in how organisations can remain competitive in the digital economy:

▸ **The approach compromises operational excellence by cutting corners.** People are afraid to deliver bad news about further delays and end up compromising on what nobody sees until it is too late, i.e. quality. Over time, poor quality adds up to 'Tech debt', which slows down the ability to make changes to the software because of the increased scrutiny to maintain production stability.

▸ **Teams have little autonomy and are not encouraged to take initiative.** In turn, managers find they have to control execution closely and maintain a substantial management oversight hierarchy, thus inflating the mid-management layer.

▸ As the senior leadership sets the strategy, and the people only execute, **the business misses opportunities for emergent innovation and exaptation.**

▸ **The rigidity of the organisation limits the ability to pivot when the business needs to.**

▸ In general, **work lacks purpose, and the lack of autonomy becomes a turn-off for talent.** It leads to attrition and recruiting becomes harder.

▸ **Decline through talent starvation is likely to become a severe issue for businesses.** Some companies are already at that point, where no talented software engineer would consider working for them. New generations of graduates are also more attracted by startups and big-tech than traditional blue-chips.

There is a pressing need for change in organisations. Even if many companies would not self-identify as "technology businesses", digital is either becoming integral to their value chains, or it has the potential to disrupt them. For instance, Airbnb challenged the whole hotel industry, without owning any hotel rooms at all (essentially an all-digital business model).

Many have thought that adopting 'agile ways-of-working' was the answer. Unfortunately, agile, implemented in a traditional overarching landscape. rarely offers the desired impact. It becomes method-driven and ritualistic,and fails to address the structural issues that stand in the way of the outcome of agility. **COVID and remote working have also exacerbated the challenges of alignment and engagement.**

By now, I imagine that you must be wondering: if traditional alignment through planning and control is no longer fit for the digital economy, then what is? How do we need to rethink alignment in the digital age?

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Realigning to a new model

With the prevalence of knowledge work in the digital economy, the world needs to reconsider approaches to alignment in modern organisations. Let's explore what such an alignment can look like.

The modern organisation is an organisation where:

▸ Work flows seamlessly through its value chains, and the value chains have integrated the digital technologies fully.

▸ Technology is not a hindrance. Production is stable, and there is no anxiety about the frequent delivering of software to it.

▸ The enterprise keeps in sync with technology advances and modernizes continually.

▸ The teams work autonomously in a flat hierarchy. They make decisions by themselves, and, more often than not, they choose the right ones.

▸ There is a healthy balance: the volume of work-in-progress is balanced with capacity so that people can work optimally.

▸ Teams are loosely connected yet operate coherently synchronized with each other.

- The strategy offers much clarity on the direction(s) but equally supports the contribution of new ideas. As such, the strategy is not only top-down but also bottom-up.

- The organisation offers a strong sense of purpose and supports the contributions and explorations of ideas.

- Innovation happens and flows. The enterprise can pivot when it spots new opportunities.

- The organisation skillfully works with divergence/convergence to explore possibilities leveraging the cognitive diversity of its employees.

- The organisation attracts and retains talents better than its competitors to ensure continued ability to perform in the digital space.

Though the above offers multiple possibilities from which to explore alignment, we are going to focus on three key aspects:

- Alignment to operational excellence

- Systemic alignment and leadership

- Strategic alignment

Alignment through operational excellence

In car manufacturing, it is relatively straightforward to spot shortfalls in operational excellence. Insufficient attention to quality will result in a product that will fall short of looking good or functioning correctly. Good quality has a price, and low quality has an even worse cost. Repairs and product recalls are highly costly to address for manufacturers. **An even worse impact is the perception of the customers that results from those.**

In digital, quality is harder to visualise, until it is generally too late, i.e. stability issues and release effort creep in overtime until it becomes unbearable. **Digital is in the virtual space, which means for many managers, there is nothing to see. They have to rely on the teams putting their skills and controls in place to achieve a standard of quality.** Nurturing a culture of operational excellence can be developed using some of the Kaizen practices mentioned above.

It is not so much about assuring that the teams work at the expected standards but engaging them into improving and raising the bar. When people have to think about how to improve something, they have to develop much more knowledge about it. **Engaging teams in Kaizen activities is a way to drive alignment to operational excellence.** Kaizen usually takes the form of a weekly huddle where the team discusses improvements that they have imagined and consider putting those into action or early experimentation. In the true spirit of Kaizen, it goes beyond the weekly session. Kaizen is continual and relentless. Knowledge workers are engaged not only with doing the work but also thinking about how it can be improved.

Operational excellence in digital should be regarded as a multi-dimensional consideration. Technical solutions rarely succeed in isolation in digital. **The dimensions are:**

▸ Solutions, that should be accompanied by

▸ Associated Practices aligned to them.

▸ Competencies of the people to work with them.

▸ Leadership adjustments.

Trying to process those four dimensions in sync with each other requires constant alignment. This means applying agility - in mind and in practice. It is essential to create small increments of progress mixing the four dimensions in step with each other. In all likelihood, if pressed too hard, in isolation, on any one of the dimensions, change would likely snap right back into place.

There is no secret formula to make operational excellence work healthily in organisations. It is a question of creating new forms of alignment:

▸ Alignment to continually improve using Kaizen.

▸ Alignment of solutions / practices / competencies / leadership.

▸ Alignment to progressing with small-sliced increments of value.

▸ Visualisation of progress to the results for continuous alignment.

Systemic alignment and leadership

Organisations, or systems of work, are often organized from the principal enterprise functions of Business/Sales, Marketing, Finance, IT, etc. Work has to go through the silos of the organisation to get processed. For delivery teams however, this means structural impediments to the alignment of the flow of work.

Many years ago, I remembered watching an interview with **Edgard Grospiron**, the first freestyle-mogul ski Olympic champion. The sport consisted of skiing very fast through a mogul field while keeping ski to snow contact during the descent through the sharp bumps, which are called moguls.

Grospiron explained that his approach to a mogul field was to imagine how the water would flow through it. Rather than focusing on the obstacles, he was focusing on the path through them. It paid off for him with a gold Olympic medal and the status of a national hero in France. In business, it is not that different. Flow is an essential consideration for alignment. Traditional organisations are like mogul fields to get anything done. Each obstacle of a policy, a process, a control team has a good reason to exist in its own right, and people performing their roles are diligent at them. It is only when we take an end-to-end systemic view that the obstacles become visible. These obstacles need to be removed to improve alignment, which in turn improves effectiveness and results.

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A first step is to align the organisation to the flow of the work, which we call Value Streams. Like Edgard Grospiron, who was imagining how the water would flow through the mogul field, the leadership needs to look at how the work happens and align teams accordingly. In doing so, they connect people who benefit from the effort (customers, users, the business) with people doing the work (operational staff, engineers, digital specialists). In practice, when trying to establish better flow, we have to look at what steps or controls are getting in the way of progress and arrange the teams so that all those capabilities are built into the team. If somebody can stand in the way of the flow of the team, they should be aligned to interact with the team!

Taking this first step: changing the whole system to prioritize value streams is difficult work. It turns organisations upside down, from vertical functions to horizontal flows of value, but when done, much of the structural friction to getting work done is removed.

Of course, such a realignment of the system is never made possible half-heartedly, adding labels and terminology, new rules or processes. Teams would only continue operating the same way in the new model and complain that the changes have introduced a further tax (of time) on doing their work. Organisations need to consider parallel adjustments to practices, competencies and leadership for such changes to be feasible and fruitful. **As a golden rule, alignment starts by involving people in realignment discussions to co-create their path forward - a unique path for every individual and team.**

People will quite readily explain what stops them aligning and contribute ideas about what would support. Asking questions to find alignment and misalignment is an informative and revealing process. It challenges assumptions, especially those of leaders not involved in the day-to-day work, and helps people build the shared understanding that accelerates change.

As alignment to the value stream takes shape, leaders and managers hold the keys to enabling autonomy within and between the teams. For managers used to control, this can be a daunting evolution. Autonomy means that work happens with shared control. They can feel redundant from the only role they have ever known.

The manager role changes to the role of leader as enabler:

▸ **To continually create the conditions** for people in teams to take more decision-making responsibility so work can flow seamlessly.

▸ **Recognise everyone as a leader**: the term management implies a rank and authority over the rest of the work system. In digital/ agile, such a concept is becoming deprecated because we aim to place responsibility and leadership in everybody in their area of competence.

▸ **Coach individuals to step up:** More senior leadership should stimulate the environment and create the conditions for people to step up. It equates to leadership taking a coaching stance to enable others.

Many leaders are uncomfortable shifting their approach and it takes faith, courage, and time to do this. The difficulties of digital transformations and agile adoption are a testament to how hard making such a shift is. Many would have worked decades to get to their position, and now, we ask them to relinquish control whilst their management still holds them accountable to meet the set yearly expectations. So, it is a journey to take step by step, aligning to the new ways-of-working incrementally, so all can adapt, develop, and gain confidence.

Such journeys can require "unlearning" before any new learning can take place. In practice, we ask leaders to observe and reflect on the unintended consequences of traditional ways-of-working, then explore alternative options and how those could lead to better outcomes. We help them probe those alternatives and progressively build the confidence of working differently.

In parallel, we would also work with teams to take on this newly offered freedom and responsibilities. When a work-system has found its alignment, a part can only change if the other elements shift accordingly, and both find a new balance. Evolution of the relationships between people is something that has to be coached systemically.

In traditional systems, people are used to going via the manager to handle difficult situations with their colleagues. Managers become the mediators of tensions and bickering between individuals. It is time-consuming for managers to keep this in check. Moving from manager to leader involves taking a system relationship view of alignment and supporting all to be more skillful in working with conflict.

Conflict is not to be avoided, prevented or tamed. Conflict is a sign of something trying to happen. It is an inevitable consequence of emergence in human work systems.

Conflict is the source of diverse points of view and the stem of innovation. But this only happens if people learn to listen, value diverse voices and constructively explore alternative solutions. Finding alignment through conflict is an essential feature of systemic alignment and a skillset that leaders, teams and people should develop.

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Strategic alignment

Once the organisation starts aligning to the flow, teams can develop more autonomy, which is the right time to start involving them in strategy development. Teams will only grow their confidence in taking their own decisions if they can make the right choices more often than not when it matters. If they repeatedly make bad decisions, management is likely to step in and, in effect, remove the autonomy. Instead, in those instances, the leadership should ask this simple question: **"If the team was not able to make the right choices given what they knew, what further context (or competencies) do they need to make the right choices?".**

Any loss of confidence in the early days of autonomy will see the team growing shyness and retreating quite comfortably into having decisions made for them. A few too many false starts and the transformation efforts quickly stall.

Because most people aren't familiar with strategy development work, many will feel the 'imposter syndrome' and resist it:

▸ "Writing the strategy is something that the bosses do, not us!"

▸ "Discussing the strategy is too conceptual, can you not just tell me what I should do?"

▸ "Too many meetings, can I go back to coding?"

For people used to operating under duress of command, freedom of making their own choices is equally as daunting as staying within the boundaries that have been set for them. Involving the system into the strategy won't be a slam-dunk because it sounds like a good idea. We need to invite the people in the strategic process, by starting to adapt the format to what the audience feels comfortable with. Almost doing strategy by stealth!

Engaging people in the strategic process also implies that they will do more than consume the roadmap and plan its execution. If that was the model, it is not empowering. People need to bring their knowledge to the table to enrich the discussions, collectively decide on priorities and the best course of action and create buy-in and alignment through the process of having such conversations.

In practice, all parts of the system should engage in defining its strategy. The strategies would be interrelated from the structural relationships across the system of work. The Product strategy or the system level strategy would provide the overarching umbrella and create the ultimate coherence from the parts to the whole. An element of the strategy will cascade top down, i.e. from the whole to the parts; this is the model that we have traditionally aligned to, and it is needed to align broader systemic changes. It is equally crucial to implement a bottom-up flow that will work from the parts and contribute to the whole. This flow contributes to:

- Validation of understanding
- Feasibility
- Experimentation

- Emergence
- Execution
- Coherence and alignment

To facilitate the journey of engaging with the strategy, it is worthwhile introducing supporting tools such as the xMatrix that will work at any fractal level and connect the ambitions rigorously and coherently to the execution. Note - the xMatrix is a strategy deployment tool that connects True North, Aspirations, Strategies, Measures and Tactics. It enables to establish a coherent lineage between execution and intent and enables alignment across the organisation as part of the strategy deployment process.

In distributed systems of work (i.e. system of work where teams have more autonomy over their decisions) , the strategy becomes an essential alignment tool. In traditional organisations, the strategy was done centrally and rolled-out into execution in a planning cycle. The planning held the coherence of the system. In more distributed systems, we cannot rely as much on the planning because the pace of change is higher. When the conditions change, the system should adapt accordingly without having to go through a whole cycle. it is more local to each part of the system. The drive comes bottom-up, guided by the overarching coherence of the strategy. **It is essential, therefore that people fully understand how strategy relates to their unique team context and how they will collaborate to deliver the strategy together.** This is what alignment is all about today. The strategy becomes two-way, which enables the emergence of new practices and ideas in support of excellence or experimentation and growth.

Alignment in COVID times

As one of the most disruptive events of 2020 and probably of the past few decades, it is difficult to ignore COVID when talking about alignment. The lockdown situations that governments had to impose on their populations and businesses have led to extended periods of remote work, physically (and socially) distanced from colleagues. Never has alignment mattered more than in a situation where it would not otherwise happen naturally. Remote work requires intentionality behind every interaction.

The principles of aligning to a more systemic view of the organisation and creating alignment through distributing leadership, strategy and unifying behind the efforts of operational excellence, have never taken a more definite meaning. When such clarity exists in the system, it will carry actionable, valuable meaning even under lockdown conditions.

COVID is not the time to pause change efforts, quite the opposite; it is the time to accelerate them.

03

Working with alignment

The previous sections of this article have made a case to place alignment firmly on the leadership agenda. Although businesses have always been about organizing alignment, new ways to achieve alignment in the modern enterprise bring together multiple dimensions:

▶ Structural alignment of the organization with flow.

▶ Operational excellence and alignment of solutions, practices, competencies, and leadership – with incremental updates on an ongoing basis.

▶ Strategic alignment through the distribution and translation of the strategy as it applies across the system.

▶ Distribution of the leadership across the system-of-work, bringing the decisions as close as possible to where the work happens—encouraging all to take leadership.

Revealing the alignment gaps in the system-of-work

With any systemic work, the first step is to reveal the system to itself; in this instance, the alignment gaps. Unless the system recognises a misalignment, the people will not invest in the effort to start solving it. Some alignment gaps may be visible to the trained eye when exploring the system of work but because misalignment is essentially between people, many are unconscious and unknown.

Often people in the system would have grown to accept misalignment as simply part of 'life in business' or as part of the organizational culture. And because people and contexts are unique, we should not approach the situation with a 'recipe' or an advisory / consulting eye, but with a coaching stance, helping people identify their alignment challenges and assist them with fixing those. In the process, they will build the skills and "muscles" to sustain progress. We are not bringing a fix to the situation but allowing the people to take a step-up and learn to have proper alignment conversations. It is human and personal, even at a systemic level, and it is more of a coaching journey than an expert solution. Coaching journeys start with helping the leadership or the team system take a reflective view of the situation: revealing the system to itself.

This revealing can take the form of facilitated systemic conversations. These are coached sessions that put the people of the system in conversation, revealing the diversity of views and work with what emerges.

There are specialist tools such as Mirror Mirror that help structure the approach to the "system-entry." (i.e. the initial reveal in the system). Mirror Mirror's Full Picture and Quick Scan products are well-suited to work with teams, teams of teams and leadership teams. It usefully combines a set format that offers structure for emergence. It visualises the range of answers, not just an average score, which is excellent input for gauging alignment opportunities. It also offers an organization-wide product called Panorama that maps the extent to which teams are aligned with the organization's priorities. This shows which teams need alignment attention.

Another tool called SenseMaker®, from Cognitive Edge, allows making mass sense by pulse surveying a vast audience (e.g. a business unit or the whole company) on a topic. SenseMaker® is mainly an emergent tool. The taxonomies are present to help filter and navigate the narratives. SenseMaker® allows the surfacing of what's in the system of work and often calls out erroneous perceptions and assumptions made by leaders.

MirrorMirror and SenseMaker® are compatible and complementary for system entry. Once we know what we are looking at, we can establish coaching journeys that will help leaders, teams and individuals understand and become actors of change. The first alignment of working with alignment is about getting on the same page about the challenges.

Systemic Coaching as a means to Alignment

As we improve alignment, we can also consider other ways to support progress. By definition, alignment will involve multiple parties, partnerships, teams, or teams of teams. It is about relationships, and it is essentially systemic. Leaders can be coached around how they can enable alignment within their teams, and practically, it is best to coach the system relationships within teams or across teams rather than individuals one-to-one.

Systemic coaching, also known as Organisation and System Relationship Coaching (ORSC), is a coaching approach focused on teams (as the "system") and more specifically on the relationships between people and entities. The second step consists of understanding the landscape of the system's entities (teams, virtual teams, leadership team, team of teams, etc.) and engage them in a coaching plan.

To support organisational alignment, we map the system entities that make up the organisation, then draw the relationships between the teams, or key individuals in those systems, and understand what outcomes are to be expected from the relationships.

Taking a systemic relationship approach between the connections allows for designing of the system of work - in collaboration - from the outset. The traditional alternate method is to establish a RACI (Responsible / Accountable / Consulted / Informed) at a role level. A RACI tends to be overly prescriptive and ends up dividing the work and the responsibilities. Then comes the blame game: "I did my job; they did not…".

Establishing a system of work anchored in relationship alignment from the start drives collaboration. People are in relationships to achieve outcomes. Letting them work out how they want to play their relationship is the best way to get them to think it through, and place intentionality in the alignment. We recently facilitated a re-organisation in a large business unit of a bank; we purposefully did not define it down to the last mile. We coached people in the relationships to figure out the finer details of their connections. It achieved more relevance, better buy-in and faster leadership emergence. In addition to coaching the relationships, we extended it in the context of strategy and operational excellence.

Dancing with the three levels of reality

We tend to see alignment as something one dimensional and black and white. People are doing what we wanted them to do, or they are not. But alignment is not about people thinking the same thing - it is about cognitive and behavioural complementarity. It is multi-dimensional and sometimes ambiguous too. Coaches and leadership have to build the competences to work with different dimensions: the three levels of reality.

The ORSC framework defines three levels of reality as:

1. **Consensus reality:** What we generally accept to be the factual reality.

2. **Dreaming:** What we make-up and imagine.

3. **Sentient essence:** What is felt down to the deep core of the individual or the system.

People would initially think that they mostly live in reality, but they could not be further from the truth. Everybody travels through those levels all the time. In any situation, the brain quickly gathers the facts (reality), then starts making up the risks, possibilities, scenarios and hypothesis (dreaming) while juggling between rationalising the situation (still dreaming) and consulting with what the guts have to say (sentient essence). All this computing happens between our hands, brain and heart all the time. For any action we take, we would have thought of multiple options and filtered through them. As a matter of facts, we spend a large part of our time making things up in the Dreaming state.

If people travel those levels all the time, so does the alignment. The coaching and the leadership equally have to adapt their range to those three levels.

Applying the three levels of reality in practice

You may recognise this situation. You are in a creative workshop, and you come up with brilliant ideas, albeit slightly wacky. A nay-sayer in the room spoils the fun, throwing menial logistical spanners in the works at every aspect of your suggestion. You are both operating in different dimensions. You are in the Dreaming level; he/she is in the Consensus Reality level. The workshop is a disaster. When facilitating an alignment workshop, the coach/facilitator needs to intentionally bring the participants in the relevant zone and hold them there so genuine conversations can happen.

In business, we would slightly readjust the definition of the levels:

> **The Reality level** - where factual evidence comes from to feed the discussion. It is also where the next step actions will materialise.

> **The Imaginary level** - where we consider possibilities and options. It is the place to discuss strategy.

> **The Purpose level** - where people connect intuitively. It is difficult to put it into words, but if it clicks, you know it. If it doesn't, progressing the other two levels will feel like pushing water uphill!

Now let's consider the levels of reality when working with the aspects of operational excellence, strategy and systemic leadership covered through this article.

OPERATIONAL EXCELLENCE

Operational excellence seems to exist mostly on the Reality level. After all, excellence is about standards, and it should be factual whether the teams are delivering to the expected standards or not. This appreciation of operational excellence is fair enough in a simplistic context. But most contexts are not so evident. Sometimes the standards are not so clear-cut, the context in which they were established has changed, the technology has evolved, the people's skills have not progressed at the same rate, people could not possibly spare the time to read all the documentation, etc.

We may assess operational excellence in terms of outcomes in the Reality level, but working with operational excellence requires playing on all three levels like this:

▸ **Reality** - Document evolving standards, create a cadence of sessions to discuss quality, take next step actions on improvements we can identify

▸ **Imaginary** - Imagine what's possible when quality can be granted, define quality goals and ambitions, establish narratives and heuristics for people to apply in their context and make better decisions.

▸ **Purpose** - Quality is a direct reflection of the craft and pride of the engineering profession. How do people feel when they are not able to achieve quality? How can they develop a duty of care and excellence to grant quality?

STRATEGY

Working with the strategy is mainly in the Imaginary space. The strategy is full of imagined possibilities where we dream big and make plans to achieve those. It inspires and gives a sense of direction. However. one regular comment from the people who work in engineering teams is that the strategy feels too conceptual: it is not so meaningful and can be met with cynicism. With flatter hierarchies, this is addressed as team members take part in the strategy development process.

Here's how the three levels relate to strategy:

> **Reality - Establish a landscape awareness of the organisation and the industry to get everybody on the same page.**
> Techniques like Wardley Mapping can be beneficial to support such an exercise. Reality also extends to the perspective that some of the answers already exist but are not visible:

> ▸ People doing the work may have great ideas for product evolution, exaptation, or improvements, but they don't have a channel to offer their voice.

> ▸ Strategic patterns exist when you take the time to identify them, but leaders do not have the time to invest and prefer following the recipes from their incumbent advisory.

> ▸ Weak signals go unmonitored for so long that they become blind spots.

> **Imaginary - Strategy firmly belongs to this space for imagining the possibilities.** Many tools and frameworks exist in support. The challenge is to use those well:

>> ▸ There is a tendency to go into elaborating tangible details as soon as people identify a worthwhile avenue. It has the effect of bringing the discussion into Reality and shutting off the Imaginary. We can prevent such premature convergence by keeping to a coarse level and insisting on optionality/experiments.

>> ▸ The process of working on strategy should allow for a level of healthy divergence and optionality before bringing any convergence into it. Maximising the cognitive diversity of the teams and Complex facilitation techniques support well the creatively divergent effort.

> **Purpose - Strategy often starts by defining a purpose to act as a True North for the rest.** It satisfies the human need for meaning and identity. It offers a more profound, longer-lasting alignment with the employees and customers of the business. But purpose can also overdo it when it is so narrow that it does not allow the possibility to explore the potential of the present.

SYSTEMIC LEADERSHIP

Our last consideration, systemic leadership, would align principally to the Purpose level. Showing up as an effective systemic leader has to be self-evident in the behaviour that leaders present and the structures they use. The behaviour can't be fake; it has to feel genuine - this is the challenge of many Agile transformations. The teams have moved to work in an Agile fashion, but the work initiation has not changed, it is still based on projects with scope and deadlines. The people doing the work are left wondering: "what was the purpose of all this?".

▶ **Reality** - The main question is whether the leadership is showing up with the teams in a way that would be congruent to what they are preaching. Leaders also need to make a concerted effort to demonstrate in practice how systemic leadership materialises.

▶ **Imaginary** - As mentioned earlier, for the system to operate with more autonomy, they should regularly put intentionality in their relationships. It is achieved by regularly reflecting on how the team is functioning: "Are we the team we wanted to be?". Team alliances and regular check-ins are also supporting how the team sees itself becoming better.

▶ **Purpose** - Working on the purpose is more about the "being" than the "doing". Such work often materialises in setting up values that are heuristics to live the purpose.

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In conclusion...

Alignment is not a new thing: enterprises have always been about organizing harmony to achieve goals. Now recently, Digital has challenged businesses as they have had to integrate the technology dimension as well as adapt more quickly to changing landscapes.

Digital is not just about Digital either, it has led to globalisation, more complex and diverse organizations, and major societal changes. Complexity and speed of change will continue with software taking a bigger part in everyday products and services (software is much faster to change). Responsibility and sustainability will also develop to become an integral part of the business mix, adding yet more complexity.

Enterprises and leaders have to align of practices and competencies to work with this evolving complexity. Digital change has wholly shifted what is required of alignment today, and with it, leadership has been redefined.

In the past, the organisational model had 'the centre' doing the thinking, and the rest focusing on execution by following plans. In the modern digital business era, everybody is invited to LEAD ALIGNMENT and think at the same time. Leadership becomes distributed.

The real challenge is that distribution should not mean dilution. Leaders do not all disappear; they deploy systemic skills to enable the system for flow, stimulate excellence, guide direction through strategy, and most importantly, engage and empower people.

Digital and complexity has only just started. The role of the new leader is to continually align the system of work with the evolving direction, solutions, practices, and competencies.

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About the Author

Philippe Guenet

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Independent Executive and Team Coach with a focus on Digital leadership and agility. With a Systemic coaching background, Philippe focuses on alignment in the work system by developing relationships, flow, strategic coherence and operational excellence. Philippe works with change initiatives in large organisations and financial services as well as startups looking for the right set-up through their growth. Philippe is a Digital native, seasoned Lean-Agile practitioner, former executive, ICF/ORSC certified coach and founder of the Digital Leadership meetup.

About Henko

Philippe founded Henko with the view that digital change was not only disrupting clients, but it was also changing the traditional support system of professional services. In the early years of digital, clients needed solutions and capacity in technology. Now, they need to build in-house competencies and leadership. In support of this transition, clients need a new breed of support services that effectively mix coaching in the context of a better flow, operational excellence, digital strategy and better people engagement and teamwork. In short, a coaching partner that supports alignment where it matters. We are Henko!

www.henko.co.uk   www.lead-digital.org

About the Editor

Lindsay Uittenbogaard

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Lindsay Uittenbogaard began her career leading start-ups before moving to communication leadership positions with multinational organisations in the energy, IT, and telecommunication industries. It was the stark contrast between working in micro and macro business environments – and the missing area that she spotted around alignment - that led her to found Mirror Mirror in 2016. This has been her sole focus since. An IABC Accredited Business Communicator, Lindsay is also a certified member of the Reputation Institute and a published author in the Gower Handbook on Internal Communication 2008.

About Mirror Mirror

Mirror Mirror supports teams with cognitive and behavioural alignment so they can become more effective. It adds clarity, engagement, and ownership. And it takes out conflict, cost, and risk.

www.mirrormirroralignment.com

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ORSC - ORGANISATION AND RELATIONSHIP SYSTEM COACHINGORSC

crruk.com

crrglobal.com

WARDLEY MAPS - MAPPING FOR STRATEGY

medium.com/wardleymaps

leadingedgeforum.com

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