Leading the leaders

The best thinking on building C-Suite alignment with the CEOs Vision

"I don't know. What do you want to do?"

Inside any consistently successful company, everyone is pursuing one goal with one set of beliefs. This only ever happens because the CEO has set a strategic Vision specifically to inspire and guide people. It also depends on the leadership team being aligned with that Vision- both vertically and amongst each other.

But more than that, though, in an increasingly volatile, fast-moving and unpredictable world, you'll see in those consistently successful companies that the leadership teams have greater responsibility for taking the decisions they need to seize opportunities and keep leading.

This is why C-suite alignment is crucial when undertaking any adjustment or clarification of your company's Vision. Not only is it the first step in identifying obstacles and resistance across your organisation, it is fundamental in creating effective advocates for transformation.

For that reason, this short summary is focused on this specialist but important area. In the following pages we'll share some of the knowledge base we've found useful as we've helped our clients to focus on their Vision, build momentum and see returns on the £500m+ of investments they've made while working with us.

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The importance of forming a Guiding Coalition

Few people have studied organisational change in as much depth as Harvard Business School professor John Kotter. In **Leading Change: Why Transformation Efforts Fail,** he identifies 8 key stages of change that the most successful companies have all gone through.

He talks about the need for everyone to feel a sense of urgency, the importance of over communication and the critical role of creating a Vision (for more on this, see our earlier summary: **25 years of thinking about Vision**). In his words, "Without a sensible vision, a transformation effort can easily dissolve into a list of confusing and incompatible projects that can take the organisation nowhere at all."

But he's strongest when he talks about the need to create a powerful guiding coalition.

Having the CEO as an active supporter is essential – but it's equally important to have a mixed group of key people coming together to build – *together* - a shared commitment to excellence.

Key point: One often overlooked discovery is that in consistently successful companies, the guiding coalition includes members who are not part of senior management. The coalition moves faster and is more effective because it is given permission to operate outside of the normal hierarchy.

Top-down alignment isn't enough. You need horizontal alignment as well.

MIT lecturer Donald Sull and co point out in **Why Strategy Execution Unravels and What to Do About It,** that two-thirds of the planned strategy still never happens. Why?

Key point: While alignment might exist *within* departments, there is often a failure by the CEO to ensure cross-divisional alignment. This leads to delayed deliverables, duplication or unravelling of efforts, missed opportunities and letting promises to customers slip. The solution is to make sure, as we do with our clients, that the various leaders within the company are brought together and- *together*- they co-create the program for how they will achieve the Vision.

> ## "No Gantt chart survives contact with reality"

Someone had to say the A-word

In **Planning Doesn't have to be the Enemy of Agile,** Alessandro Di Flore, makes the point that the 'set and forget' style of management hasn't worked for a long time (if ever). In the volatile and unpredictable world of today, you need to build agility into your planning. In particular, he points out how in a world of almost limitless data, the CEO has to encourage the use of human judgement.

Key point: The CEO must consider multiple conflicting scenarios. This is something we've found particularly powerful, as we've helped build leadership alignment.

Successful alignment is something that goes from top to toe

In **How Aligned is Your Organization?**, the authors look at more than just C-suite alignment and generating buy in. Instead, they look at how the whole chain of the enterprise needs to be aligned. "Well, of course!" might be a response, except the pace and clarity of how the authors describe it make this piece a good generalist introduction.

Let them say the unspeakable.

It turns out that companies are made of people -and people have emotions. In **How Nokia Embraced the Emotional Side of Strategy,** the authors look at how Nokia managed their way out of their near-death experience and went on to successfully refocus their business.

Key point: One of the key discoveries was the importance of rebuilding trust between the CEO and the leadership team by the CEO actively encouraging 'new conversational norms': allowing Board members to speak critically. However, this wasn't a free for all, there were certain Golden Rules to guide engagement, including showing respect to other Board members.

One of the most successful methods we've found in helping leadership teams build alignment is encouraging them to paint out different scenarios. It helps everyone see the role they need to play in the company's success. At Nokia, too, the leadership found it easier to give up their unspoken emotional attachment to the prevailing strategy when they asked people to generate alternatives.

The power of limitations

In this MIT article, **How to Turn a Strategic Vision into Reality**, Donald Sull points out how Southwest has been consistently more successful than other airlines – and not despite its limited budget and operations but because the management actively embrace those limitations.

Key point: Focus on the midterm. As this paper points out, it's easier for leaders to focus themselves and their teams on a future that's imaginable (say 5 years away) rather than some vague, unanchored place in time.

Break it down

Kurt Lewin's famous **Unfreeze-Change-Freeze model** advises leadership teams to break down old ways of thinking before trying to implement change. Your argument for change needs to be able to flex depending on who you're talking to. Head of HR? Focus on personnel. Resistant Finance Director? Point out how the current way of doing things is hurting your bottom line.

Key point: Rather than having two conflicting modes of behaviour existing side by side, Lewin says you need to tackle questions about why the previous system isn't working head on *before* advocating and supporting the new way of doing things.

> ## "Major change is impossible unless the head of the organisation is an active supporter"
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> KOTTER, "LEADING CHANGE: WHY TRANSFORMATION EFFORTS FAIL"

Mastering change

Change Masters is Moss Kanter's name for managers and leadership teams that are at the forefront of change. In her book she describes the 7 key behaviours of successful change masters. They: tune into the environment, use kaleidoscope thinking, communicate a clear Vision, build coalitions, work through teams, persist and persevere and make everyone a hero.

Key point: Your language matters. The most successful managers articulate the company's Vision robustly and emotionally. And in doing so, they excite- and thus empower- other members of their team and those below them.

If you've enjoyed reading these articles or think we've missed any great pieces off the list please email me, **Chris**, and let me know.

If you want to read more about how to create a guiding and inspirational Vision for your company, take a look at **25 Years of Thinking about Vision**.

If you want to see whether your company's guiding narrative is working in aligning your leadership, try our **One Vision Diagnostic Tool**: it takes about 15 minutes and gives you some clear answers.

If there's anything else, or just the occasional question, please email me. **Chris**

> ## "Typically, half of the C-suite cannot connect the dots between strategic priorities"
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> SULL ET AL, "WHY STRATEGY EXECUTION UNRAVELS"

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Verbal Identity is a strategic consultancy specialising in helping the CEOs of luxury brands define their Vision and align their company with it.