Running a Business: Organizational Attitude and Alignment By Bruce McTague

Part 1: Organizational Attitude - Scared versus Fearless



The Original Fearless Leader

I have always believed people in business are at their best when they are fearless. And I believe looking back I have always tried to manage my staff and businesses by encouraging fearlessness.

What do I mean by fearlessness? Do what's right. Say what's right. Don't worry, you won't lose your job. Don't worry, you won't lose the business.

Sure. Sometimes this attitude can put everyone on the team in a tough spot (but that's kinda why someone like me gets paid the big bucks to protect them). But the alternative is employees running scared and looking over their shoulders.

And today it seems most employees are running scared.

I fear we have companies running scared when of all times we need to be fearless. It is not difficult to understand given the current economy. But I believe being scared is something managers and companies should be focused on now. To me this is a time when we should be encouraging employees to be looking forward fearlessly seeking the right path for success and opportunities. Not only will it make your company stand out but I also believe it is the key to getting the economy back on track (ok. one of the keys).

Employees running scared are investing wasted energy worrying.

Employees running scared invest energy in non business related things (cruising job sites & networking).

Employees running scared cannot be happy (and happiness is a completely underrated characteristic of productivity).

Of course not all employees have that DNA (and American business culture doesn't necessarily encourage "do the same job great without seeking promotion"). And I am not proposing you can

get an entire organization in this mindset (or you want to). You will always have the "I am going to do my job and whatever makes my boss and people happy" staff. And that's cool. All organizations need a mix. You always need that core of people who just get the shit done. But I would argue even these people would perform better if they weren't running scared.

Creating the shift.

The challenge today is to get more employees fearless. Notice I didn't say "safe." Safe is defensive. Fearless is offensive in tone. By making that point I am also pointing out how huge an effort something like this will take today.

Getting people from safe to fearless is about creating energy.

Getting people from scared to fearless is about reversing energy.

It all starts at the top. The upper management needs to walk the walk. But it doesn't end there because middle management has to buy in, and live it and not just say it. It won't happen overnight and it won't happen with everyone. The key is to create a backbone of attitude throughout the organization that will steady everyone when there are moments of "digression" (which will happen). Good luck. Be fearless.





Running a Business Part 1 was about organizational attitude. Part 2 is about organizational alignment. An organizational alignment is getting people believing and doing the same things. This doesn't mean you are seeking clones. The best organizations are decentralized autonomous centralized focused organizations. Okay. That means ground employees can have some autonomy to listen & respond but they do so within an accepted focused belief/action infrastructure.

So. I am writing about this because beyond attitude the biggest failing I have seen in businesses throughout my career is lack of alignment within an organization.

Let me explain what I mean specifically by alignment. (1) Alignment is that everybody understands functionally what the organization absolutely must deliver day in and day out. And it is nice if they understand the "why" (the vision) but the functional aspect is the core to alignment. Understanding of this can help all levels prioritize what is right and what is wrong. It also insures externally people never get confused. (2) A common vocabulary of terms and thinking process. A common way to speak about what the company does and how it acts.

I sometimes refer to alignment as "purposeful fragmentation." Alignment permits the parts of the organization (departments, divisions, etc.) to maintain some autonomy yet always be grounded in what is ultimately important to the organization.

Typical problems for alignment:

The Pendulum.

The more the leader is unfocused (and unfocused can simply mean lack of consistency) the larger the swing with on the ground employees. A swinging organization is one wasting energy in trying to meet shifting objectives. Even worse in a pendulum situation the leader, because the transgressions are so minor in their eyes, often doesn't recognize the repercussions of their actions (and blames the organization).

The Crack.

A crack in agreement in upper leadership becomes crevasses by the time it reaches individual departments. Maybe the executive leadership team is split on vision and what is important. It may be a minor disagreement. It may be only one or two of the 12 person executive team. In the end it creates inefficient crevasses in the organization where individual groups "do their own thing."

The Marbles

It may be the leader is talking with marbles in his/her mouth and no one understands but I don't call it the marbles because of that.

The leader is unclear. Maybe they are so aspirational no one is clear what they are supposed to do. Maybe they are clear but no one understands. Maybe they are perfectly clear but unfocused. Regardless. The organization becomes like marbles dumped on a table. Everyone rolling every which way in whatever direction their particular lay of the land dictates the way to go.

Anyway eventually they all do roll off the table and the leader has lost his marbles (sorry. Couldn't resist).

The Exception

The leader suggests the situation dictates an exception. Regardless of the reason for the exception the organization doesn't remember the reason .. they only remember the exception. And one reasonable exception begets another reasonable exception in their minds.

So. What can an organization do to get aligned functionally?

Bookending for alignment

I like a bookend strategy to gain alignment. What this means is great leaders are clear on vision (words and consistent actions) and have on the ground employee understanding. Get those two things straight and inevitably all the books between the bookends will all make sense. In a bookend strategy the Middle managements' job is easier because instead of directing up/down they are managing what they are receiving from the top and underneath. In terms of percentages this means that the leader can be 75% vision and 25% functional/tactical and the on-the-ground organization can be 25% vision and 75% (or even more) functional/tactical. It represents a good mix but aligned on commonalities.

These are the two keys to Alignment:

1. Isolating the organization's Core Competency

Strip away all the emotional aspects and outline in a succinct way what the company/brand delivers from a functional aspect the best, i.e., what is it they are best at. This core competency should be stated as a specific superiority claim of distinction or a distinct focused statement at what the company functional does best.

Many people talk about "isolating the vision or the purpose." Frankly, if the core competency doesn't support whatever vision stated, it is all going to fall apart so you may as well start with what the organization delivers day to day functionally.

The core competency needs to be supported with "reasons to believe":

The reason to believe for the core competency should be focused. Does it have a special ingredient? Is there a pre-emptive endorsement (more NASCAR chief mechanics recommend, more doctors recommend, etc)? Has research shown proof (Volvo crash demonstration)? The preference is to have one focused reason to believe but often a company needs to "bundle" distinct areas of expertise (tastes great, less filling or brighter teeth, fresher breath) to deliver proof of performance. Whatever is decided as the reason to believe it becomes the unassailable mantra throughout the organization from management, innovation, product development, sales, marketing, finance strategy and service.

2. Developing a Company Vocabulary.

When I worked at J Walter Thompson (a global organization with over 200 offices) you could say one or two words or phrases (I am saying we could select from a menu of things) and it locked the audience down. Everyone knew exactly what you were saying. Anywhere in the world in any office (and actually with all clients). Vocabulary was essential in this aspect of alignment. And I am not talking mission or vision or purpose. I am talking nuts and bolts words. Nuts and bolts way. Of thinking and talking. Nuts and bolts that put together the framework of an organization.

I used to get into horrible debates with small company owners and management who used to say "yeah. But we aren't that big. We shouldn't worry about that." This vocabulary aspect is important in all size organizations.

I guess you either understand the value of this or you don't. And maybe it's because everybody wants to title their whizbang process and make it of intergalactic importance but the real importance resides within the process components - the words and phrases and the way it's done.

So maybe it is going to look an awful lot like some other smart guys but who cares. This is not about differentiation by difference this is about differentiation through distinctness (clarity in dealing you're your organization). What you really care about is your own alignment. The ability to have everybody have a common ground internally. Absolutely there are some massive external benefits but consistency on this sort of stuff reaps efficiency and effectiveness benefits (and maybe efficacy benefits but that is just because I wanted to use that word).

To summarize. In my own pea like brain, organizational alignment can be as simple as words and knowing what you are good at. Okay. That's not that simple. But at least its less than three things to do.

Ultimately alignment has several dimensions - physical, emotional and intellectual understanding throughout all levels of the organization (leader to the most junior on-the-ground employee). It ends up being a fine line between alignment and purposeful fragmentation but one worth walking.

About Bruce McTague:

In a career spanning over 20 years, I've been involved with a wide range of industries including packaged goods, restaurant, pharmaceutical, retail, business-to-business and tourism. I won't bore you with all the details, but the bottom line is I have touched so many businesses across so many categories the headline for my career should probably be "Collector of experiences and knowledge."

If you would like some additional work experience details and see what a number of people have said about me, visit my <u>LinkedIn Profile</u> my blog, <u>Enlightened Conflict</u> or contact me directly by <u>email</u> at bruce@brucemctague.com.