

Alignment diagnosis (adapted from Pfeffer 1998)

This is a 5-step process. Do it with your design teams when you think they have got the full design ready.

Step 1 Consider all the elements of your redesign, including

- vision/purpose/mission
- objectives for the next year or two
- strategies for achieving the objectives
- boundaries
- principles
- skills and competencies needed
- reward and recognition systems
- new ways of working
- market proposition and customers
- processes
- communications
- culture
- technologies and systems

Step 2 Plot these (together with any other critical elements) on the vertical and horizontal axis of a grid, to form a matrix (Figure 1).

Figure 1: Alignment matrix

	Purpose	Objectives	Strategy	Etc
Purpose	x			
Objectives		x		
Strategy			x	
Etc				

Step 3 Assess the extent to which these are internally consistent (logically related to each other) and externally consistent in aiming to produce the performance necessary for the effective implementation of your strategy.

You can do this by answering the following question: "Does each element of the organization fit with each other element to make all work in the best possible way? (And how do you know this?)". You can use a simple rating scheme for this as there may not be clear-cut yes/no answers.

For example - a strategy based on fast cycle times and being first to market with new products or services requires from employees a sense of time, urgency, and ability to innovate. Your reward and recognition systems therefore must specifically reward people for demonstrating these competencies. Your new ways of working must encourage people to be able to use these competencies in the workplace, and so on.

Step 4 Where there are indicators of misalignment, break down the elements into more specific components and identify where the misalignment is. For example, you have noted that your reward and recognition systems do not square with your strategy of fast cycle times. You need to find out where the problem lies. Ask what skills and behaviours are needed to deliver fast cycle times. On a second matrix, (Figure 2) list these out. Note where (and where not) the reward and

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recognition system supports those skills and behaviours you need.

Figure 2: Alignment specifics

	Teamwork	Problem Solving	Caring	Flexibility	etc
Reward and recognition					

Having identified, perhaps, that the reward and recognition system does not support teamwork (which you have identified is required to deliver a strategy of fast cycle times) you might then ask what other elements of the re-design do (or do not) support teamwork.

Step 5 Continue the diagnosis as far as you need to uncover the major elements of misalignment