



STRATEGY TO EXECUTION: TEAM ALIGNMENT

Is your team aligned with your strategic intent?

A key component to effectively executing your strategic plan is ensuring team alignment with your strategic objectives. Buy-in at all levels is critical to your ability to execute. Creating and maintaining that alignment is a key responsibility of the CEO, yet one that is too often neglected or misunderstood.



In this edition of *Executive Issues & Insights*, we explore key insights drawn from the extensive C-suite and Board

experiences of the NextLevel team on how to create and maintain team alignment with your strategic intent.

NEXTLEVEL CASE STUDY

Strategic process brings B2B equipment company back to profitability

A handheld computer and optical scanning equipment company was losing revenue and falling behind the competition, which had leapfrogged its lead product line. It had also recently lost a contract for a second product line that leadership had hoped would be the foundation for the future. Complicating matters, two headquarters on opposite sides of the country were in charge of different product lines.

The CEO, now a NextLevel partner, initiated a strategic planning process. First, he interviewed all 1,500 employees, in small groups, to solicit ideas on the challenges and opportunities facing the company. From these interviews he constructed a straw man to use as a catalyst in the strategic process.

He assembled a team of direct reports and key contributors from throughout the company and presented them with

(more)

NEXTLEVEL INSIGHTS

Team Alignment is the CEO's Responsibility

One of the CEO's most important jobs is achieving alignment with the Board, investors and the executive team, and driving that alignment through the company so the company can execute. Once alignment is achieved, the CEO's job becomes managing and maintaining that alignment. This is critical to enabling the company to execute effectively.

Look for team cohesion over individual talent

Having the right people on your strategic planning team and in your company is important. But having a team that pulls in the same direction is more important than having individual superstars. This doesn't mean everyone has to think the same way; creative dissent is important. It does mean key stakeholders from all segments of the company are working from a shared understanding and toward a common goal.

Create alignment through participative planning

A leader can create the appearance of alignment through charisma or dictating, but it's illusory. The way to create true alignment is by involving stakeholders from the earliest stages of planning. By allowing the team to work together to plan and execute, to achieve objectives and overcome obstacles, they take ownership of the results.

(more)



(continued)

the straw man as a base. From there they refined the situation analysis, strategic options, gaps, strategic objectives and action plans. Once a basic plan was together, the team held strategic sessions with the broader management team and with the Board of Directors. After soliciting input from all these groups, the team developed a final strategic plan.

The plan included eight to ten objectives the company needed to meet to bring it back to profitability. These included rebuilding the product line, closing down one headquarters and consolidating operations at the other headquarters. The company also sold off several divisions that were no longer strategic.

Though these were difficult decisions, the core people in the company were aligned with the plan due to the participative process. The company, which had dropped from \$225 million in revenue to \$140 million, returned to \$175 million in revenue. It also recaptured brand and market leadership, and improved EBITDA from -\$16 million to \$20 million annually. It was eventually sold to a private equity firm.

(continued)

Reinforce understanding through active two-way communication

Your strategy team will spend time each month reviewing performance, planning for improvement and solving problems. You'll come away with a clearer vision of what was, what is and what will be happening, and communicate this throughout the organization. But to ensure that you've communicated clearly, you need to follow up to check for understanding by asking questions and listening closely to the feedback.

The employee review and coaching process can be an alignment tool

Working with employees at a personal level during the appraisal process is an opportunity to create alignment. You can learn what work they are proudest of, what their career aspirations are, where they feel most aligned with the organization and where they feel not well aligned. Then you can identify and plan actions that help the employees achieve those career aspirations in ways that are in sync with the company's goals as well.

Opportunities and a good work environment are often the best motivators

Offering incentives to employees for performance can be tricky. Any formal incentives should have a strong tie to a KPI of success. But recognize that even without formal incentives, the strongest motivator is often having a positive, uplifting, collaborative environment with opportunities for growth, where people share common values and feel they are driving toward a common goal.

**“TRUE ALIGNMENT REQUIRES BUY-IN AND
SENSE OF OWNERSHIP BY ALL.”**

**The time and effort invested in
participative planning pays off in
true team alignment.**

KEYS TO CREATING AND MAINTAINING TEAM ALIGNMENT

- **Your CEO:** Does he or she take responsibility for developing team alignment?
- **Your team:** Have you prioritized cohesion over individual superstars?
- **Your planning process:** Have you created true alignment through participation?
- **Your communication:** Are you actively listening to ensure a shared understanding?
- **Your human resources development:** Are you using it to foster employee alignment?
- **Your work environment:** Have you created the kind of environment that offers growth and opportunities?

More Information

To learn more about how NextLevel can help you create and maintain team alignment with your strategic intent, call us at (800) 833-NEXT or email info@nlbev.com.

