

BUILDING TEAM ALIGNMENT



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Most teams that want to improve their effectiveness want to dive right into talking about team dynamics and individual behaviors. I guess that's natural if nasty conflict is commonplace or if passive-aggressive behavior is the norm. Everyone is in such a hurry to make it feel better and to get something done.

Unfortunately, it's impossible to talk about what is good or bad behavior without knowing what the team is trying to accomplish. So before getting to dynamics, it's critical to spend some time on creating alignment around the purpose of the team. Alignment is the extent to which individual team members engage in coordinated activities that are linked to the goals of the organization.

This resource provides a step-by-step guide to creating alignment on your team.

STEP 1 LOOK OUTSIDE

Most teams are too disconnected from the outside world to know what they need to be doing.

The first series of questions you need to ask is about the external environment: How is it changing, and how might those changes impact your team? What you're searching for is what value the organization needs your team to add. This helps define the mandate for the team (more on that in Step 4), which is the crux of team alignment.

You'll be surprised how difficult it is for team members to answer questions about the outside world. Often, when I ask about the opportunities or threats facing the organization or the industry, instead of hearing about key trends outside the organization, answers focus on issues inside. "We have a big opportunity if we could just sell more effectively." "The loss of key members of the team is a major threat to us." Do you see how these are internal issues (i.e., sales capability, retention) rather than salient issues in the environment?

Don't move to the next step until you know what forces are at play outside your organization. If you don't know what's going on in the outside world, you aren't in a position to add the value your organization needs you to add.

Here's how:

Have your team generate a list of as many trends as possible in the following categories. (Note: don't stop to worry if the trends are relevant or not...just go for quantity—ideally, 150-200 trends in total)

I. Societal Trends: What is happening in the world? Are you seeing a rise in the sharing economy, slowing growth in China, obesity, and a growing income gap? Societal trends are often the source of opportunities and threats for organizations whether they are for profit, not-for-profit, or public sector.

2. Industry Trends: What is happening in your industry? Is the market consolidating into a few mammoth players? Is regulation changing how business is transacted? Are the lines blurring between traditionally distinct industries like in the computer hardware and software worlds? You need to be aware of what's going on in your ecosystem.

3. Customer/Consumer Trends: How are your customers'/consumers' needs changing? Are people buying differently than in past? What are the most important value drivers for customers? Have they changed? If you have both customers and consumers, how are their needs converging or diverging?

4. Political & Economic Trends: How are the forces of government affecting your organization? How is the regulatory environment changing? How are currencies fluctuating? What is the availability of capital in your industry or geography? How will the next election play out?

5. Technology Advances: What is now (or will soon be) technologically possible? How have technology advances made things possible that weren't before? How is technology fuelling innovation? What role is technology playing in increasing efficiency? Whatever technology means in your world from fracking in natural gas extraction, remote surgery in healthcare, to the internet of things, technology changes are a major driving force in our world.

6. Internal Trends: If your organization is part of a larger one, how are trends at the parent organization affecting you? What is top of mind for the CEO? Which enterprise-wide initiatives are you expected to take part in?

Simply documenting these trends will spark dozens of ideas for how your team can add more value for your organization. Your team should complete this exercise at least once a year to stay up-to-date on the world around you.

STEP 2 GET ON-SIDE WITH STRATEGY

No team is an island. Figure out what your organization is trying to achieve.

I often hear the word alignment used by team members when discussing problems on their team. They talk about how members of the team aren't aligned to one another. They talk about how they aren't aligned with their boss' view of how things should proceed. They complain that activities aren't aligned with the team's measures or goals.

They seldom talk about a more fundamental form of alignment-is the team aligned to what the organization is trying to do? Somehow in this era of team building, we've lost sight of the fact that the team is an instrument of organizational productivity. A team should not exist for its own edification. It should exist if, and only if, it advances the cause of the organization.

So what is the cause at your organization? How can you become better aligned with it?

Here's how:

1. Get your hands on whatever strategy materials you can find. Search the internet for publicly available documents. See what analysts are saying about your organization. Look at similar information from your competitors' websites. Get a sense of how your organization is carving out a spot in your industry.

2. Invite members of the organization's leadership to come and talk to your team. Ask them questions such as:

- What are the 3 most important priorities for our organization?
- How will we give ourselves an advantage relative to other organizations in our industry?
- What are the most important things a team like ours should be paying attention to?

3. Force yourself to define how your team adds value for the customer. And before you start talking about internal customers—there is no such thing! Every single team in the organization should be able to describe how they add value for the real, end customer. Whether that value is direct or indirect, you should be able to think of ways you can add more value for the customer.

4. Summarize what you’ve learned in about the external environment and the organization’s strategy in this table.

Past Business Environment	Previous Strategy
Emerging Business Environment	Future Strategy

As with Step 1, you should be reconnecting with the organization’s strategy at least once each year. Do it more frequently if there have been rapid changes in your industry or new members in the leadership ranks. This knowledge will help you understand the role your team can play in executing strategy.

STEP 3 FIGURE OUT YOUR VALUE

Stop wasting time adding value that others can add. And don't miss key accountabilities you should be delivering on. You need to figure out the unique value of your team.

If the water cooler buzz is any indication, people in organizations are overworked, stressed, and fed up. At the same time, studies show that strategy execution rates are down below 20%. The problem is not too little time (when has anyone had more than 24 hours in a day or 7 days in a week?). The problem is too little clarity about what matters and what doesn't.

To improve the alignment on your team, you need to figure out what your organization is counting on you to deliver and what is just low value work that seeps in to available time. My favorite description of the difference is still Dr. Joseph Juran's "vital few and trivial many."

Here's how:

1. Go back to your notes from Steps 1 and 2. Determine the **most significant opportunities** that come from the evolving environment and the organization's strategy. Then look at the **most significant risks**.
2. List the things that your team can do to capitalize on the opportunities? To mitigate threats?
3. Add to the list by reviewing your notes on the needs of the customer (from Step 2). What can your team add to the constant quest to add value for customers?

4. What other sources of unique value does your team provide? Can you look to leading practices within your function in other organizations? What are the world's best retailers doing? What are the most effective new marketing approaches? How can Finance support the business in ways that other teams can't? How is Human Resources adding value on issues such as productivity or culture transformation?

At the end of this step, you should have a list of 10-20 substantial contributions that your team is uniquely positioned to make. Some of these items might be obvious to the team. Some should be new insights about things you need to pay attention to. Either way, it's a good list to keep close at hand to remind you of the "vital few."

STEP 4 SET YOUR TEAM MANDATE

Alignment is about more than a shared sense of purpose within the team. You need to articulate the mandate of your team so everyone knows your role.

Human Capital Institute surveyed 50 large corporations. They asked them to describe the factors affecting team effectiveness in their organizations. One of the most interesting findings was the number of open-ended comments about the struggle of improving effectiveness between teams.

To address the challenge of inter-team effectiveness, teams need a tool for improving alignment with the broader organization. One of the best ways to do this is to articulate a team mandate.

A team mandate is a statement that brings together the different elements of unique value into a concise, clear definition of what the team exists to accomplish. The mandate is NOT the same as a strategy or a plan. Plans describe the overall accountability of the members of the team or the department.

A mandate is a statement that addresses only what the team must do together. What does the team co-create? Why does the team meet?

Here's how:

1. Take your list of unique value items from Step 3.
2. Remove the items that are addressed by a single member or a small subgroup of the team without requiring input from the rest of the team. Those items don't belong in the mandate.
3. Review the list and categorize it into major themes. You should have no more than three or four major themes.

4. From that set, develop a list of 5 verbs that best describe what you should be doing and 5 nouns that describe what you should be paying attention to.


5. Summarize your activity into a simple statement you can share with others outside your team.



Sample: Investment Firm: Portfolio Analysis Team

By integrating diverse information about the global economy, market trends, and asset performance, we provide guidance on buy/sell decisions to support our investment departments in optimizing the long-term performance of our funds.

At the end of Step 4, you should have a statement you can use to communicate with other organizational stakeholders. This is a very useful tool in demonstrating your value and in negotiating priorities and workload.



STEP 5 FIGURE OUT THE IMPERATIVES

Knowing what your team needs to do is good. Understanding what it will take to make it happen is even better.

Having a clear and compelling mandate for your team will immediately increase your sense of purpose and your clarity about what is (and is not) important. The next step is to figure out how the team will need to operate to deliver on the mandate. Hint: it's probably not business-as-usual.

I like to use the word “Imperatives” to describe this list of things to focus on because the word gives the appropriate sense of urgency. These are the things the team **MUST** do to be successful. In some cases, these are things that the team is already doing, but commonly, they are new insights about what it will take to deliver the mandate.

Here's how:

1. Take your mandate from Step 4.
2. Review the mandate and start a list of the things it will take to deliver on the mandate. What do you need to figure out, build, initiate, untangle, or overcome to be successful?
3. Start with how the team will need to work together. Will you need to interact differently? Are there changes required to how often you meet or what you discuss? There are probably two or three major themes that relate to your team functioning.
4. Next, turn to required changes in how the team interacts with other parts of the organization. Are there relationships or collaborations that will be required? Do you need to establish or repair relationships to be successful? You will probably have two or three “nuts to crack” to enlist the support required from outside the team.

Let's return to the example from Step 4 from the Portfolio Analysis Team at an investment company. Their mandate was:

By integrating diverse information about the global economy, market trends, and asset performance, we provide guidance on buy/sell decisions to support our investment departments in optimizing the long-term performance of our funds.

The first four words of their mandate (“by integrating diverse information”) triggered the first imperative. The team had not been doing a good job of integrating the sometimes contradictory information from different sources so that they could provide one opinion to the investment departments. Thus, imperative #1 became: Arrive at One Answer.

A second imperative sprang from the line “we provide guidance.” They realized that they hadn't been doing enough to educate and inform stakeholders. The second imperative was “Inform and Influence.”

The team quickly identified the actions they would need to take to make these imperatives (and their 3 others) a reality.

At the end of Step 5, you will have new insight about what it will take for your team to deliver on its mandate. Some of these things will come naturally, others will require dedicated attention, new skills and resources, and considerable follow-through to become part of the way the team operates. Only once the team makes significant progress on these imperatives will you have a shot at delivering your mandate.

STEP 6 SET THE RULES

Your organization is counting on your team to deliver. Doing so will probably mean changing the way you operate.

Many teams take the positive step of defining the ground rules by which they will operate. Unfortunately, these lists tend to be comprised of vanilla statements about courteous team functioning. There's nothing wrong with these lists, they just aren't connected to the task at hand.

Instead of using a generic list, your team has the opportunity to create the rules of team engagement that link directly to your imperatives.

Here's how:

1. Take your mandate from Step 4 and your list of imperatives from Step 5.
2. Review these outputs and identify some of the implications for how team members behave.
3. Focus on core areas such as communication, decision making, and conflict. Are there new ways you need to interact to be able to add your full value as a team?
4. Take some time to describe what the team de-railers would look like. Are there behaviors that used to be acceptable or tolerated that need to be stopped? What kind of behavior is not acceptable?

Let's return to the Portfolio Analysis Team example. Their mandate was:

By integrating diverse information about the global economy, market trends, and asset performance, we provide guidance on buy/sell decisions to support our investment departments in optimizing the long-term performance of our funds.

One of their imperatives was: "Arrive at One Answer."

This imperative generated lots of discussion about the ground rules. Previously, team members had been sharing their opposing perspectives with people outside the team. This was confusing for the organization because they didn't know which point of view was the official one. The team knew they needed a rule that **conflict happens inside the team**. Opinions are shared with the investment departments once the team has arrived at one answer.

Great thinkers like Stephen Covey and Patrick Lencioni provide wonderful advice for how to behave as individuals and teams. I highly recommend that you read their books and be guided by their wisdom. But when it comes to setting the rules of engagement for your team, abandon the generic and create the rules that will help you do what your team needs to do.

At first, the process of aligning your team might seem foreign. I promise you that each step will provide new insights about what you need to achieve and how you will need to act to achieve it. Your team will see the immediate benefits.

As always, sign up at www.lianedavey.com for more tools and resources and to share your stories of your successes and failures in implementing these ideas.