



Playing the Same Tune: ... Leadership acting in harmony

Executive Alignment: a company's fate depends on cooperation between all members of its leadership team.

Among the many challenges facing businesses these days, one of the most pervasive – and costly in terms of missed opportunities to generate desired results – is the inability to successfully drive multiple profit, cost and margin improvement initiatives toward a defined vision.

“I can See Clearly Now, the Rain is Gone. I can See all Obstacles in My Way.”

This musical hit from the 1970s illustrates the importance of seeing the future state clearly and knowing how to navigate the obstacles ahead.

In the beginning stages of any change program, high-level alignment greatly reduces anxiety levels and provides a platform to drive it forward. With that being said, it is extremely important for executive leaders to agree on a course of action if significant change is to occur. Gartner's article, “Avoid These Five Organizational Change Pitfalls”¹ lists five potential mistakes that every executive team should try to avoid:

“Gone are the Dark Clouds that had Me Blind.”



Bob Lutz (USA) former Vice Chairman General Motors Corporation:

“Lacking a common vision is highly detrimental to progress. This is the job of the CEO, which is why vision, creativity, and communication skills rank as key attributes of a successful leader. We cannot expect ‘the troops’ to ponder the direction of the company, discuss possible alternatives, select one, and then serve it up to corporate leadership – which, in this case, would be leading from behind.”

The author correctly points out the need to achieve understanding and acceptance of the new initiative, and to avoid undue haste. But, I would add that too much

effort spent convincing the least capable, or the most recalcitrant, will drastically slow progress while alienating more gifted people who are anxious to move forward. A strong leader recognizes when he or she has enough support and momentum to push the change initiative over the proverbial goal line – doubling back later, if needed, to turn the skeptics and laggards into supporters.

A good leader senses the right pace; too slow, and the excitement and enthusiasm are lost. Moving too fast will engender disharmony and rejection. At the risk of sounding politically incorrect, I do NOT believe a CEO has to convince even the ones that hold out to the bitter end. At some point, it has to be ‘lead, follow, or get out of the way.’ Team members that continue to rebel must be removed.”

¹ <https://www.gartner.com/doc/2833918/avoid-organizational-change-pitfalls>

Lacking a Common Vision

Meaningful change starts with a unified vision. However, if not communicated properly, it can cause disconnect between executives and action teams. The vision and the accompanying plan are what tie all phases of the business transformation together to paint a “big picture” that people can easily understand. Deploying a common vision – one that every level of the organization can comprehend – and aligning everyone’s role in the execution of a well-designed plan will begin the journey toward a brave new world.

Not Leveraging Organizational Change Methodology

Large-scale organizational change initiatives involve highly specialized skills and methods. Choosing a methodology is important because it establishes a universal language, provides a clear understanding of risks, and defines steps and deliverables. When determining the right methodology, executives must consider its flexibility across all projects and take into account cultural differences that affect global organizations.

Change Fatigue

Change programs can quickly spiral out of control, especially if a single stakeholder group becomes inundated with several initiatives at the same time. This form of “change fatigue” can cause workers to resist, and even reject proposed changes. Potential components of change fatigue, such as reorganizations, leadership changes and moving to a new facility must involve careful planning. It must be determined how much change unique stakeholder groups can absorb before moving forward.

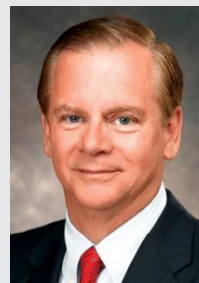
- *A unified vision is the catalyst needed to rapidly implement change initiatives.*



**Brand Pretorius (Africa),
former CEO McCarthy Holdings:**

“In my experience a leadership team only acts in harmony in a change process provided all members commit themselves to the same vision and common objectives. Such a vision should both unify and inspire them. This will only happen provided the realization

thereof delivers meaningful benefits to all. Alignment and harmony will prevail should there be focused, effective leadership from the top, as well as mutual trust and respect and teamwork, as shared values. Lastly, the key enabler of a successful change initiative is a culture that is characterized by courage, competence, adaptability and a bias for action.”



**Bill Johnson (USA),
former CEO H. J. Heinz Company:**

“Dysfunction or misalignment among the C-suite team not only seriously constrains the organization from attaining its performance goals, but, can permeate the entire organization right down to the first-line supervisory ranks. This creates a mixed-message

throughout the employee ranks, and is a significant inhibitor to overall performance.”



**Dr Uwe Franke (Germany),
former CEO BP Europa SE:**

“In my experience the key success factor is to ‘align’ everybody in the organization, but not to ‘streamline’ them. Find the right balance between sameness and diversity and set boundaries with the key vision, mission, principles and targets, but leave enough space, creativity and

diversity in the implementation. Boundaries and space. Otherwise we suffocate people’s motivation. They become afraid of speaking their mind, afraid of being creative. The organization becomes slow and increasingly inefficient. I have seen managers who tried to impose their views and opinions on employees, with bad results. That is not the alignment we are interested in cultivating.”

A Slow Start

Employees must believe change starts on day one of the implementation. A sound organizational change plan puts measures in place to account for the delicate state of behaviors and skills learned during the initial phase of the project. The critical period of the change program where new habits are learned and old ones are forgotten is called “habituation.” During this time, there is a risk that productivity will be low while frustration runs high. To avoid this, motivational tools should be used to sustain the new working environment. Extra time and resources must be built into the plan to support this delicate phase.

Failing to recognize paces of change

Everyone is unique in their ability to handle the rate of change. Also known as “change cadence,” the failure by the organization’s executive management to recognize that organizational change happens one person at a time risks causing vital communications to fall flat across a wide audience. The process is similar to a cross-country race – not everyone runs at the same pace. For example, a message with detour instructions delivered to the front of the pack will not be received by those that are far behind. Communication strategies must account for everyone at different points in the journey towards change.

- *Radical changes in the market are not the end of the world. Team ownership of effective solutions is the key.*
- *Alignment between the C-suite and company culture will facilitate successful change.*



Jean Peyrelevade (France): former CEO Credit Lyonnais:

“Leading includes being able to see a future destination, communicating that to the organization that you lead, and taking the time and having the patience to build the consensus around that and make it a shared vision. It is true that some amount of forcing it through may be required, if time and patience don’t yield the necessary alignment in a reasonable amount of time, but, that should be a last resort. When I was leading large financial organisations, one of my preferred mottos was, ‘The only real powers of a CEO are his words’. This is more than an executive-suite exercise. It is especially important that time be taken to ensure that the sergeants (first line management) get, understand and are able to communicate the vision to the line-employee. This manager has more impact on daily performance than any other.”



Michael Miles (UK), former CEO Cathay Pacific:

“The Chief Executive of a large organization serving a diverse mix of customers, and employing a large, diverse employee base, is faced with the very complex challenge of communicating a vision and getting alignment to that vision that is understood, is shared, and resonates across the various languages and cultures served by the organization. This takes more time and patience to get installed, but, is even more essential in order to provide a consistent, seamless and high quality level of customer service.”



The Honorable Sheila Bair (USA), former Chairman Federal Deposit Insurance Corporation:

“Change Fatigue” is a particular problem in government, where organizational leadership can change with each election cycle. The best way to overcome cynicism and resistance is to develop a thoughtful, well-targeted plan and then make the case to your workforce that the changes will create lasting benefits for them and their organization. You have to prove the merits.”

“It’s Gonna Be a Bright, Bright Sunshiny Day”

A sunshiny day in a commercial or business organization is a company with profitable operations, happy customers, motivated and inspired employees, and properly rewarded shareholders. There are many factors that influence this, but without a shared vision and aligned executives, managers, supervisors and employees, the chances of reaching a desired future state are extremely low.

- *Ironing out differences between senior executives and the board will set the wheels of change in motion.*



Carlos del Solar (Peru) former President of Hunt Oil Peru:

“When management teams meet to review operations, the different points of view often come from managers who can become blinded by their own functional role in the company, and aren’t able to step back and see the larger picture.

There’s an old saying, ‘Where you stand depends on where you sit.’ For example, the CFO may see all issues through the lens of the budget and financial plan. Similarly, the head of sales may feel that his ambitious plans for growth are being constrained by an overly-cautious CFO. In cases like this, it can sometimes be valuable for the CEO to retain outside help to move the discussion and debate away from opinion to something more fact-based.”



David Eldon (Asia), former Chairman and CEO HSBC Asia:

“Financial services organizations, especially those with large retail branch networks, must spend an appropriate amount of time with the customer-facing staff to ensure that the desired customer experience is achieved. All companies want a positive customer experience,

but this is especially critical in high-volume, high-touch environments like retail banks. This includes not only the skills to do the job required, but the ‘soft’ skills of attitude, empathy and courtesy.”



Frank Feder (Brazil), former CEO Alcoa Latin America:

“Significant change in an organization hardly comes around by a single initiative – multiple vectors are needed. In order to ensure alignment of the top leadership team, typically comprised of multiple individuals, always start by sharing the overall plan with the one

or two who will act as the catalysts toward action. Those one or two will be instrumental in converting others and attaining movement in the desired direction.”



Jose Pablo Arellano (Chile), former CEO Codelco:

“Top management teams are monitored by their direct reports, as well as others in the management ranks, for signs of disagreement on direction, strategy, tactics, etc. If there are signs of disagreement or conflict in these important matters, it can significantly

disrupt a company’s progress toward its objectives. This is so important that it is incumbent on the chief executive to take the time to achieve the desired alignment. If patience doesn’t yield the desired results, then more direct action may be required, including replacing the manager who can’t be brought into alignment.”

For other Global Advisory Board Insights – [click here](#).