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ORGANISATIONAL ALIGNMENT: GETTING YOUR DUCKS IN A ROW

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MANAGEMENT ISSUES

ORGANISATIONAL ALIGNMENT: GETTING YOUR DUCKS IN A ROW

Achieving organisational alignment has numerous benefits, particularly in regards to improving customer experience. John Dawson provides practical tips on how to get it right.



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One of the biggest barriers to the delivery of a really satisfying customer experience is a lack of alignment in the organisation the customer is dealing with. Its people, products/services and processes are not fully aligned or integrated to be able to deliver the experience. This article is about some of the common causes of misalignment and how to get your “ducks in a row”. (For more on customer experience, see my article in *Journal* Vol 36, Issue 4).

The following statistics tell us there is a lot of value in being fully aligned to deliver a really satisfying customer experience, consistently:

- 86 per cent of consumers will pay up to 25 per cent more for a better customer experience.
- 89 per cent of consumers begin doing business with, or purchasing from, a competitor following a poor customer experience.¹

In our work with clients, the problem often arises at a similar point in the process. Firstly, we undertake research to establish their customers’ expectations from a world-class supplier, then we complete the touchline and touchpoint mapping. Next, we look at the ability of the organisation to deliver the required experience and this is where we bump into some of the common problems associated with lack of organisational alignment.

Let’s look at some examples of these alignment problems and some solutions.

MULTIPLE AND/OR LEGACY INFORMATION AND COMMUNICATIONS TECHNOLOGY (ICT) SYSTEMS

Working with the Australian operations of an international business providing mobile phone services, we found call centre staff struggling to provide seamless service to customers. The information needed to handle customer enquiries was scattered across four different software systems. This had happened because the business had grown locally through acquisitions.

The solution here is capital investment or a move to the cloud. Legacy systems incapable of dealing with current demands have plagued some parts of the insurance industry, but as the need for a technological interface with the customer has become a driving force, these older systems are being replaced.

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PROCESS MAPPING

Too often we find a reliance on procedure manuals full of wordy text-based advice or instructions that staff are expected to use. These manuals can be very difficult to follow, especially when people are under time pressure to get things done. At other times, we find the manuals have not been kept up-to-date when changes have been made in the systems they are meant to explain.

Either way, the result frequently is that teams, or even individuals, decide for themselves the best way to run a process. This means the same process will be handled differently by various individuals or teams, which has serious implications for the consistent delivery of a customer experience and probably also for compliance.

The solution is to construct clear process maps that use flow charts to show every step in a process. The benefits of flow charts over text-based manuals include:

- Flow charts can be understood quickly and easily.
- It is easier to train new staff using flow charts.
- If you’re thinking about making a change to the process, the flow chart quickly identifies the upstream and downstream effects of the change.

MANAGING CORE PROCESSES

Most businesses have around half-a-dozen core processes where various units or departments contribute to some part of the process. For an insurer, handling new business could be an example, where the overall process runs from quoting through to eventual policy issue and collection of premium.

We've seen examples of a lack of alignment in these core processes in many organisations, including insurers. Here's an example we dealt with in the tertiary education sector, where the enrolment of students is carried out by the administration unit, but delivery of education is by the academics. Because the enrolment

data didn't flow quickly and efficiently from administration to the academics, students, administration staff and the academics were all frustrated by the need for multiple enquiries about enrolment status. This obviously created a very poor customer experience.

The best approach here is:

- Identify the end goal of the process in terms of what it's designed to deliver to the customer.
- Work backwards from the end goal to determine what each business unit or team has to achieve to contribute to the end goal and make that their subsidiary goal.
- Make a senior manager accountable for each core process. This means monitoring the process, resolving any issues or disputes at boundaries between business units and advocating any improvements needed in the process to deliver better customer outcomes.

“Sometimes we can see what we think is the root cause but, in fact, further investigation shows that it is only a symptom of the underlying cause.”



CAPTURE

Capture any type of document from any location.

PROCESS

Revolutionise your processes, help your organisation run much faster and more efficiently.

ACCESS

Make your content available to the people that need it wherever they are, from almost any device or application.

INTEGRATE

Your business applications are at the heart of your everyday operation, why not intelligently link your documents and data to those applications?

STORE

Consolidate all your important content into one system and solve the problems associated with managing content across a variety of databases, systems and locations.

“... leaders have to take responsibility for creating and maintaining alignment across the organisation.”

COLLABORATION

One of the tools we use to test alignment is the Organisational Alignment Survey², which tests the perceptions of staff about a range of alignment issues. The San Francisco State University conducted an independent review of the results of this instrument across 23,000 respondents from 52 organisations in various industries and 20 countries. One of their key findings was that to ensure the delivery of quality service to customers there must be good cooperation, or collaboration, among all departments in the organisation.

This seems to be common sense, but so often we find this cooperation or collaboration missing. Here's a classic example of a lack of collaboration from our casebook. The marketing department in this large organisation had dreamt up a terrific new service, then organised and launched a strong advertising campaign to inform their target market. Unfortunately, they hadn't told the operations department that this was coming down the pipe. The first that operations knew of this was when customers started phoning the call centre wanting to buy the new service. As you can imagine, this caused chaos internally and bad PR externally.

That's an example of one department – marketing – failing to collaborate, but you'd be surprised (or maybe you wouldn't be) at how often we find people in different departments working on the same or very similar issues with no knowledge of what their colleagues are doing. There's often a "light bulb" moment when we encourage people from different departments to catch up for coffee and chat about what's new in their department.

To improve collaboration, try this:

- Establish regular, brief meetings between departments to share information on any changes or projects in the pipeline.
- Get rid of service level agreements and substitute with partnering concepts (see my article in *Journal* Vol 36, Issue 3).
- Eliminate turf wars and other forms of organisational politics by having your leaders and managers trained in how to manage politics effectively and ethically (see my article in *Journal* Vol 36, Issue 2).

ROOT CAUSES

When you think there is a lack of alignment in some part of your organisation, remember to investigate thoroughly to find the root cause or causes. Sometimes we can see what we think is the root cause but, in fact, further investigation shows that it is only a symptom of the underlying cause.

If you don't find and eliminate the root cause, then the symptoms of non-alignment will keep appearing, so:

- Discuss the issue fully with people on the front-line because they often have the best insights.
- Look for hard data as well as opinions.
- Use the "5 Whys" technique, originally developed by Toyota (see Wikipedia).
- Make evidence-based (not gut-based) decisions about what to change.
- If it's a major change, it's sometimes good to try a pilot project first.

LEADERS RESPONSIBLE FOR ALIGNMENT

When you're investigating problems of alignment, remember the research findings published by two outstanding management thinkers, Joseph Juran and Edwards Deming. They found that 80 to 96 per cent of problems were beyond the control of individual staff members or work groups.³

This means that individuals and work groups only have control over four per cent to 20 per cent of problems. The balance is due to systems, procedures, processes, finance, plans and management decisions. Clearly, leaders have to take responsibility for creating and maintaining alignment across the organisation.

BENEFITS OF ALIGNMENT

If you can get your organisation to the point where your people, systems, processes, services and products are all fully aligned to deliver your intended customer experience consistently, then our research shows that you've greatly increased your prospect of:

- stronger customer loyalty
- more referral business
- increased staff engagement and productivity (because strong alignment makes it easier for them to deliver a satisfying customer experience)
- achieving profit targets.

The other really significant benefit of "getting your ducks in a row" is that communication with your external market and across the organisation becomes much more transparent. Your company becomes a "sense and respond" organisation. By this I mean information flows more quickly and easily so you are able to sense changes in the external market and respond by adapting rapidly. This adds strongly to organisational sustainability and resilience. ■

Notes

¹ RightNow, 2011 Customer Experience Impact Report.

² Persona Global, Organisational Alignment Survey.

³ WE Deming, *Out of the Crisis*, Cambridge, MA: Massachusetts Institute of Technology Press, 1986, and JM Juran, *Managerial Breakthrough: The Book on Improving Management Performance*, 2nd edn, New York, NY: McGraw-Hill, 1995.