

Alignment is
not a destination.
It is a discipline
of continuous
adaptation.

The Inside World

Aligning the Organization to Execute and Endure



THE CHALLENGE

Understanding the environment and choosing how to compete are essential. But neither is enough.

The real challenge is aligning the inside world to deliver the strategy.



THE PRINCIPLE

Strategy sets the direction. Capabilities determine what it takes to win. People, structure, culture and systems enable those capabilities. Alignment turns strategy into results.

FROM STRATEGY TO CAPABILITIES

Once we decide how to compete, we must identify the few capabilities that matter most.



Innovation



Speed



Customer Intimacy



Operational Excellence



Brand Strength



Process Efficiency

★ Key capabilities are not everything we do. They are the few things we must excel at to win.

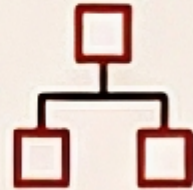
ENABLED BY ORGANIZATIONAL ALIGNMENT

Our organization must be designed to enable those key capabilities and, in turn, deliver the strategy.



PEOPLE

Skills, talent, leadership and incentives that drive the right behaviors.



STRUCTURE

Roles, responsibilities, coordination and decision rights that enable execution.



CULTURE

Values, norms and behaviors that shape how work gets done.



SYSTEMS

Processes, tools, information and governance that reinforce alignment and performance.

✓ Alignment is not a structure. It is the coherence between all four elements in service of the capabilities that matter.

THE ALIGNMENT JOURNEY



1. OUTSIDE WORLD

The environment shapes the game. We observe, scan and interpret forces, trends and changes.



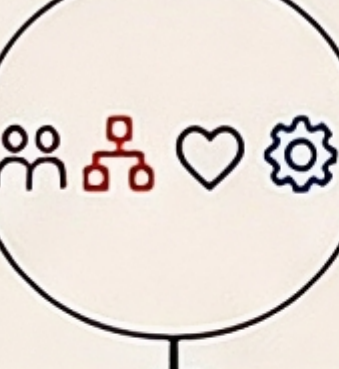
2. STRATEGY

We choose where to play and how to win. (Context + Content)



3. KEY CAPABILITIES

The few critical capabilities that enable us to win.



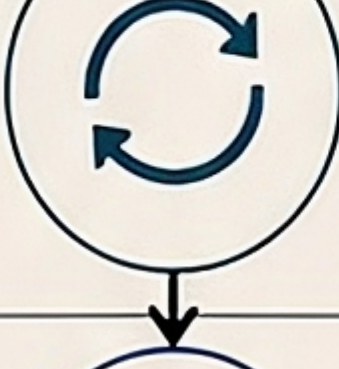
4. ORGANIZATIONAL ALIGNMENT

Our organization must be designed to enable those key capabilities and in turn, deliver the strategy.



5. EXECUTION

We mobilize the organization to deliver our strategy.



6. ADAPTATION

We learn, adapt and realign as the environment and circumstances evolve.



7. LONG-TERM PERFORMANCE

Sustainable performance through continuous alignment and disciplined execution.



KEY TAKEAWAYS

- Strategy without alignment is intention. Alignment without strategy is motion.
- Capabilities are the bridge between strategy and execution.
- People, structure, culture and systems must enable those capabilities.
- Alignment is a dynamic discipline, not a one-time design.



COMMON MISALIGNMENTS

- ✗ Strategy not matched by capabilities.
- ✗ Capabilities not supported by the organization.
- ✗ People incentivized for the wrong behaviors.
- ✗ Systems and processes that undermine execution.



A SIMPLE TEST

- Ask of any strategic priority:
- ✓ Do we have the capabilities to win?
 - ✓ Is our organization designed to enable those capabilities?
 - ✓ Are our people, systems and culture reinforcing the strategy?
 - ✓ Are we adapting as conditions change?

