

Strategic alignment –
how communicators
can change the face
of leadership



STRATEGIC ALIGNMENT GLOBAL STUDY 2018

AUTHORS;

WAYNE ASPLAND & ZORA ARTIS GAICD, SCMP, FAMI, CPM

The dirty little secret and the great big opportunity

There's a dirty little secret at the heart of many of the world's organizations.

It's an issue that has been hinted at by a stream of leadership research and commentary over many years.

And it's an issue that is easily spotted, simply by observing an organization's silos, empires and politics.

But, despite this, it's also an issue that's often swept under the carpet.

Put simply, many of the world's organizations... both large and small... aren't strategically aligned.

Their people aren't working together to achieve common, organization's goals.

In fact, research suggests that most employees don't even know what their organizations strategy and goals are.

The same applies to organizational purpose, brand, culture and values as well.

This issue is an important one for the world's communicators for two reasons.

First, as we shall see shortly, strategic alignment is critical to leadership and organizational success.

And second, like any issue, this lack of strategic alignment presents a significant opportunity for those who get on the front foot and fix it. And, in this case, the people who are best placed to drive strategic alignment across an organization are communicators.

By leading the drive for strategic alignment, communicators can make a material difference to their organization's strength by helping leaders bring everyone together on a common, shared journey.

They can literally change the face of leadership.

And, in doing so, they can dramatically increase the value they provide to both the organization and its leadership.

Purpose and Methodology

The purpose of this research paper is to consider strategic alignment from a communication perspective.

- Is there an issue? Are the world's organizations strategically aligned?
- If so, where are the road blocks?
- What can communicators do to create more aligned organizations?

This research was conducted by two Corporate Communicators from Melbourne, Australia:

- **Zora Artis**, GAICD, SCMP, FAMI, CPM, the CEO of 3AC
- **Wayne Aspland**, the Principal of The Content Factory.

The dirty little secret and the great big opportunity (cont.)

The research involved a survey of 227 communicators over the period from June to July 2018. The majority (80%) of respondents were senior level communicators in organizations from less than 50 to more than 1 million employees. Communicators from across the globe participated, with 46% from North America, 43% from Asia Pacific, 10% from Europe/Middle East and 1% from Africa.

This survey was made possible by the support and endorsement of the IABC Foundation. The IABC Foundation is a not-for-profit support corporation established by the International Association of Business Communicators (IABC).

What is strategic alignment?

There's a breath-taking scene in part two of the Queen documentary, *Days of Our Lives*¹. It shows thousands of concert-goers clapping as one while Queen performs one of their greatest hits, Radio Gaga. It then cuts to record producer, Dave Richards, who recalls a fascinating comment made by Queen's iconic lead singer, Freddie Mercury:

"Freddie said, what we do is like the Olympics. It's people believing in you and everyone behind you and everyone doing the same thing together. That's Olympics. And, he said, that's what we do."

And that, in an organizational context, is what strategic alignment is all about.

Before outlining the findings of this study, it is worth explaining what strategic alignment is and why it is important.

Put simply, strategic alignment is about unity: the ability to bring people together.

It's about ensuring that all your people (and partners) are 'on the same page' – working together, doing the right things and moving in the same (the right) direction.

And it's about ensuring that all your customers and stakeholders have a clear understanding of who you are and what you are doing for them.

The strategic alignment playbook

Another, more detailed, way to describe strategic alignment is to consider our strategic alignment playbook.



¹ Globe Productions for British Broadcasting Corporation, Queen: *Days of Our Lives*, directed by Matt O'Casey, released 27 June, 2011.

What is strategic alignment? (cont.)

Every organization has a story. This story is really a journey and it can be described by answering three questions.

Who are you?

This is essentially the starting point – your identity and the forces driving you forward. In truth, there are many ways of capturing this story. Some companies define themselves by their brand, purpose, values, value proposition or culture. And, of course, many companies use a combination of these to define their identity.

All these options are valid. It's really about how you choose to define yourselves. If you are using a combination, however, there is one important rule to remember.

You are one organisation. You only have one story.

Everything needs to integrate perfectly. If there is any sign of conflict or confusion in the way you describe yourself, achieving alignment will be extremely difficult.

Where are you going?

This is where you see your current journey taking you – your destination. It's defined by your vision, goals and KPIs.

How will you get there?

These are the steps that you will be taking to reach your destination. They are defined at the highest level by your corporate strategy and then, in increasing detail, by your corporate, team and individual plans.

What does strategic alignment look like?

So, that is your story. The real goal of strategic alignment is to embed this story so that it effectively becomes the organization's DNA or heartbeat.

This involves ensuring that everyone:

- **Gets the story...** They understand it
- **Buys the story...** They believe it. It makes sense
- **Shares the story...** They are able to (and want to) talk about it
- **And, ultimately, lives the story...** It underpins their actions and decision-making.

Important to leaders, communicators and the future

There is a vast body of evidence to show that strategic alignment is critical not just to communicators, but to leaders and the future as well.

In other words, it's important and if research is to be believed, everybody knows it.

In 2015, McKinsey & Company conducted a survey to understand the priorities of corporate executives as they 'ascend' to the C-suite.² As part of this survey, McKinsey asked respondents to rate the importance of a range of different transitional activities. These included identifying opportunities, culture measurement or changes, building the right team and adapting personally for the role.

Given how important each of these tasks undoubtedly is, it might come as a surprise to read which activity got the gong as the most important of them all (admittedly... only just).

The most important activity was rated to be 'Creating a shared vision and alignment around strategic direction across the organization'. 87% rated it as either extremely (44%) or very (43%) important.

In other words, the survey found that strategic alignment was the single most important thing an incoming member of the C-suite could do.

Unfortunately, nothing that matters comes easy... in life or in business. McKinsey's survey also found that 'Creating a shared vision and alignment around strategic direction across the organization' was the second most difficult of all these transition activities. It was pipped at the post by 'Implementing material changes to organizational culture, as needed'.

This highlights another key reality of strategic alignment. It isn't a 'quick fix' tactical exercise. It requires constant, concerted effort over a long period of time.

And, if you take the pressure off, you'll lose alignment in a heartbeat.

Why? Because people are people.

² Rajiv Chandran, Hortense de la Boutetiere, Carolyn Dewar, McKinsey & Company, 'Ascending to the C-suite', April 2015, <https://www.mckinsey.com/featured-insights/leadership/ascending-to-the-c-suite>

Important to leaders, communicators and the future (cont.)

Important to the future

As we will see shortly, the research suggests that many organizations out there who aren't strategically aligned.

That being the case, just how fundamental is it? After all, these organizations seem to be getting by fine without it.

There are two answers to that question.

The first is, 'no, they're not'. No organization can operate to its full potential if its people are blind to the big picture and moving in different directions. That organization will never be as effective or efficient or agile or engaging as it could be.

The second concerns change. We live in a world of rapid change. And it's only going to keep accelerating. The faster the world becomes, the more we need a platform to hold us steady and to help us accelerate while still maintaining a level of cohesion and certainty.

A good example of this is decentralised decision making, which many believe will be critical if organizations are to achieve the agility they need in the future. In fact, many of today's more contemporary leadership practices, such as Agile, Lean and Holacracy, already rely to some degree on decentralised decision making.

The point is that to enable decentralised decision making, people – all your people – need context. They need to understand the 'big picture' if they're to make decisions that contribute to, rather than hamper, achievement of the organization's goals.

Another good example involves analytics. A May 2018 McKinsey study suggested that 'aligning on strategy' is the first thing leaders need to do if they are to optimize their analytics investments.³

Important to communicators

Strategic alignment is also important to communicators. In fact, the *Gatehouse 2018 State of the Sector* survey reported that 'enabling employees to understand the strategy, vision and values of the organization' was one of the top two most prevalent internal communication activities. At the same time, 'communicating strategy, values, purpose' was voted as the number one priority for the coming year.⁴

This result shouldn't be surprising. After all, the counsel that communicators provide and the relationships, programs and content they create all have a vital role to play in bringing people across the organization together.

In saying this, strategic alignment is significant to external marketing and communication as well. Fundamentally, we are talking here about custodianship of the organization's story and that must be aligned both internally and externally. After all, as already mentioned, you are one organization. Ultimately, you only have one story.

³ Peter Bisson, Bryce Hall, Brian McCarthy, and Khaled Rifai, 'Breaking away: The secrets to scaling analytics', May 2018, <https://www.mckinsey.com/business-functions/mckinsey-analytics/our-insights/breaking-away-the-secrets-to-scaling-analytics>

⁴ Gatehouse, 'State of the Sector Volume 10, 2018', <https://www.gatehouse.co.uk/stateofthesector/>

The blind spot

Hopefully, we have established the importance of strategic alignment. Unfortunately, despite a clear understanding of its importance, there is significant evidence to suggest that organizations have a major blind spot when it comes to achieving alignment.

As we've already said, you can see it in the silos, empires and politics that exist in most organizations. You can see it in the data that underlies many employee surveys.

And you can see it in a long list of leadership studies, including the following.

In preparing his 2004 book, *The 8th Habit*, Stephen Covey worked with Harris Interactive to survey 23,000 people about their relationship with their employer. His findings led to what must be one of business literature's greatest ever analogies⁵:

"If, say, a soccer team had these same scores, only four of the 11 players on the field would know which goal is theirs. Only two of the 11 would care. Only two of the 11 would know what position they play and know exactly what they are supposed to do. And all but two players would, in some way, be competing against their own team members rather than the opponent."

Similarly, an eight-year longitudinal study conducted by Donald Sull of MIT found that 'failure to align' was the greatest challenge to executing a company's strategy. At the same time, it found that a key contributor to this failure to align was a lack of understanding⁶:

"Only 55% of the middle managers we have surveyed can name even one of their company's top five priorities. In other words, when the leaders charged with explaining strategy to the troops are given five chances to list their company's strategic objectives, nearly half fail to get even one right."

This issue was summed up well by Patrick Lencioni, the noted author and management consultant. In a 2014 article for Inc. magazine⁷, Patrick said:

"I have yet to meet members of a leadership team who I thought lacked the intelligence or the domain expertise required to be successful. I've met many, however, who failed to foster organizational health. Their companies were riddled with politics, various forms of dysfunction, and general confusion about their direction and mission. As a result, they couldn't leverage much of that vaunted intelligence."

⁵ The 8th Habit: From Effectiveness to Greatness, Stephen R. Covey, 2004 Free Press

⁶ Donald Sull, Rebecca Homkes, Charles Sull, 'Why Strategy Execution Unravels – and What to Do About It', Harvard Business Review, March 2015, <https://hbr.org/2015/03/why-strategy-execution-unravelsand-what-to-do-about-it>

⁷ Patrick Lencioni, Inc. Magazine, 'Why You Shouldn't Worry About Being Smart', <https://www.inc.com/magazine/201410/patrick-lencioni/smarts-are-not-necessary-for-success.html>

The blind spot (cont.)

This lack of understanding and alignment raises some questions that get to the heart of why strategic alignment is important.

- How can an organization achieve its goals when nobody knows what they are?
- How can an organization deliver on its strategy when nobody gets it?
- How can an organization become more agile and collaborative if people don't have a common decision making framework?
- How can an organization engage its employees and stakeholders when they don't know what they're engaging with?
- On top of this, how can an organization lay claim to being 'purpose-led' or 'values-led' (as many do) when hardly anyone knows what their employer's purpose and values are?

That, at the end of the day, is why strategic alignment is so important to organizational success. An organization simply can't operate at its peak if it's not aligned.



Are our organizations aligned?

Are our organizations aligned?

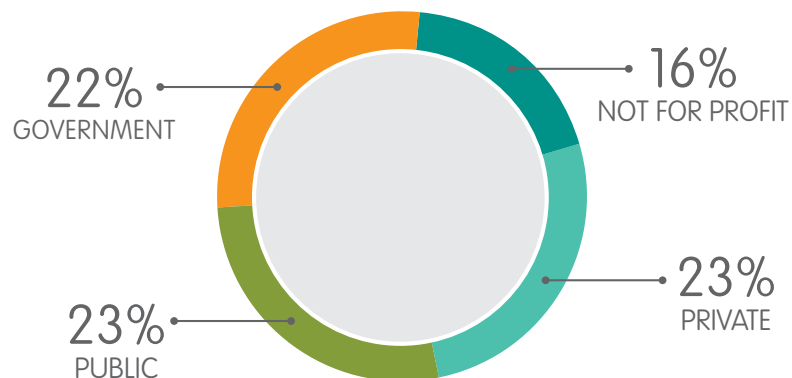
When we first decided to produce this white paper, we were keen to conduct a survey to try and understand the state of strategic alignment around the world.

It is a topic that, as far as we know, has never been specifically researched before, despite its clear importance.

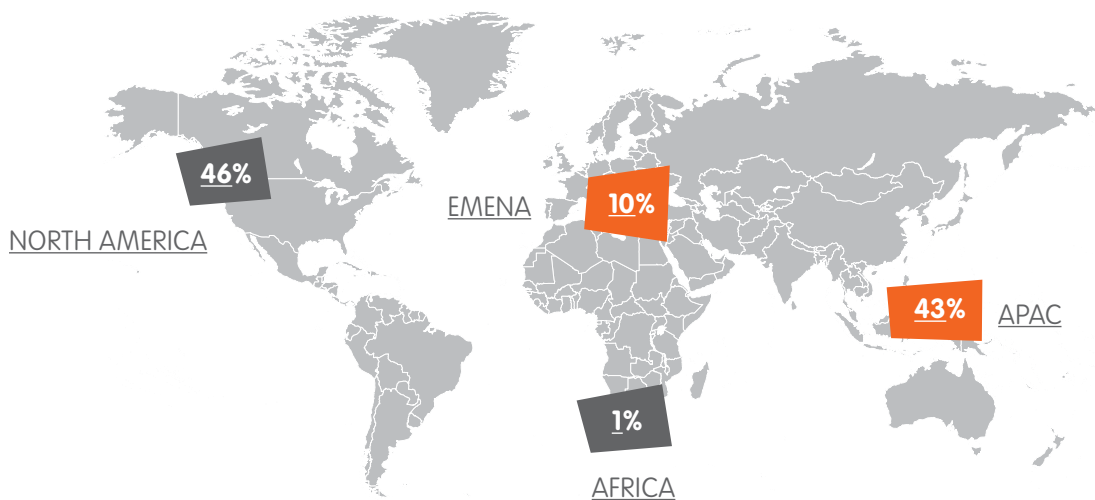
We were very fortunate in this respect, to gain the support of the IABC Foundation. We were also very thankful to receive a diverse range of viewpoints from 227 communicators:



TYPE OF ORGANIZATION



RESPONDENTS' REGIONS



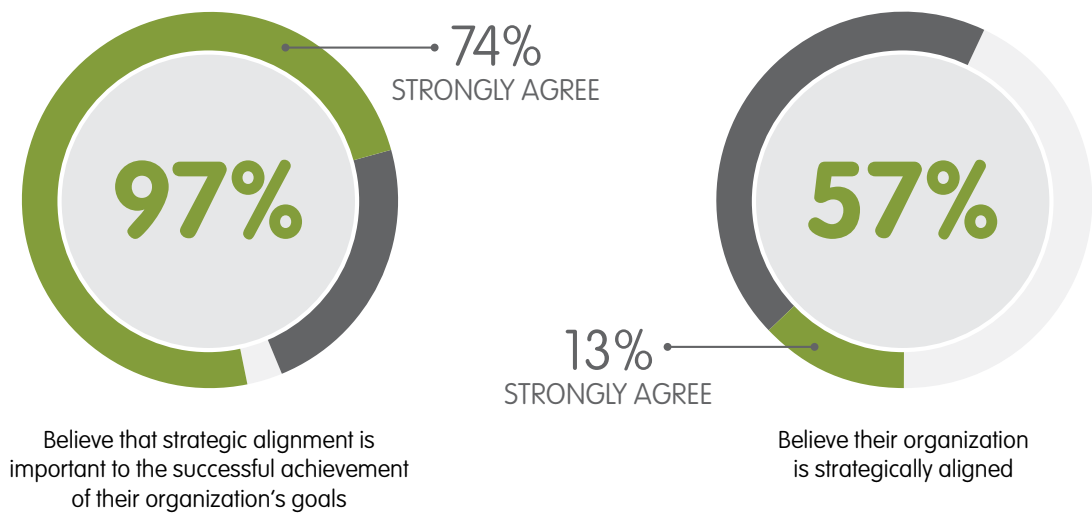
Are our organizations aligned? (cont.)

The helicopter view looks good

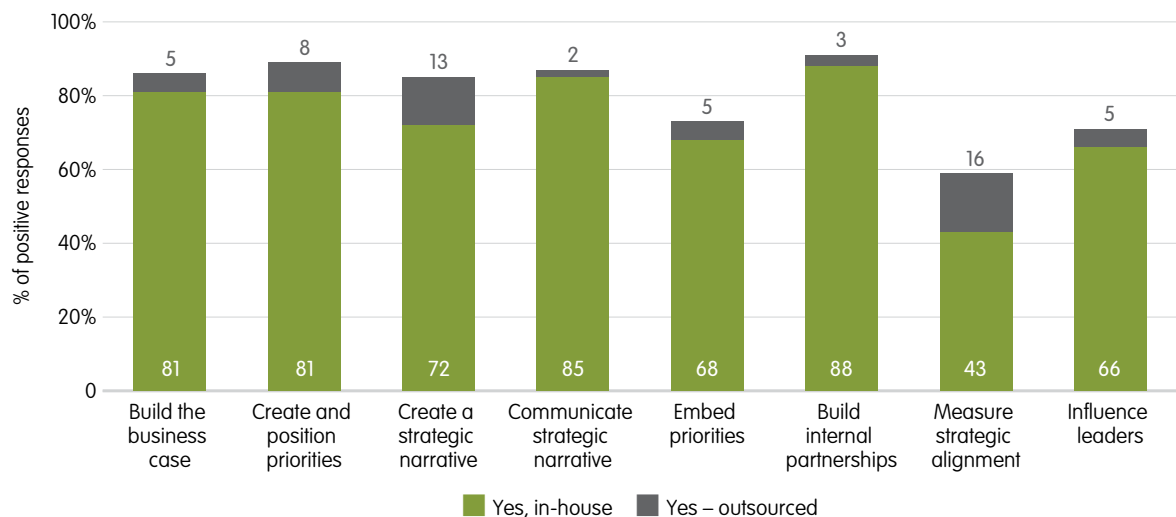
At a high level, there seems to be a lot of support for strategic alignment. In fact, the respondents were almost unanimous in their belief that strategic alignment is important to an organization's success.

There also seems to be quite a bit of positive sentiment surrounding the topic. You can see this in two ways.

First, well over half the respondents agreed that their organization is strategically aligned (although only 13% strongly agreed). This, of course, may not seem to be an ideal result. It is, however, a lot better than the surveys mentioned in the previous chapter would suggest.



Second, communicators felt certain that they had the skills needed to drive strategic alignment.



Are our organizations aligned? (cont.)

The only exceptions to this were:

- A substantial level of uncertainty about the ability to measure strategic alignment
- A less pronounced level of uncertainty about embedding an organization's priorities and influencing leaders.

A closer inspection reveals serious gaps.

So, the helicopter view looks good.

However, things aren't so good 'under the hood'. When you look more closely at the components of strategic alignment, some serious gaps begin to emerge.

To create a picture that might describe an organization's level of strategic alignment, we asked three sets of questions.

First, we asked participants whether they felt that people across their organization believed their purpose, vision, values and strategy were key to the way they do business.

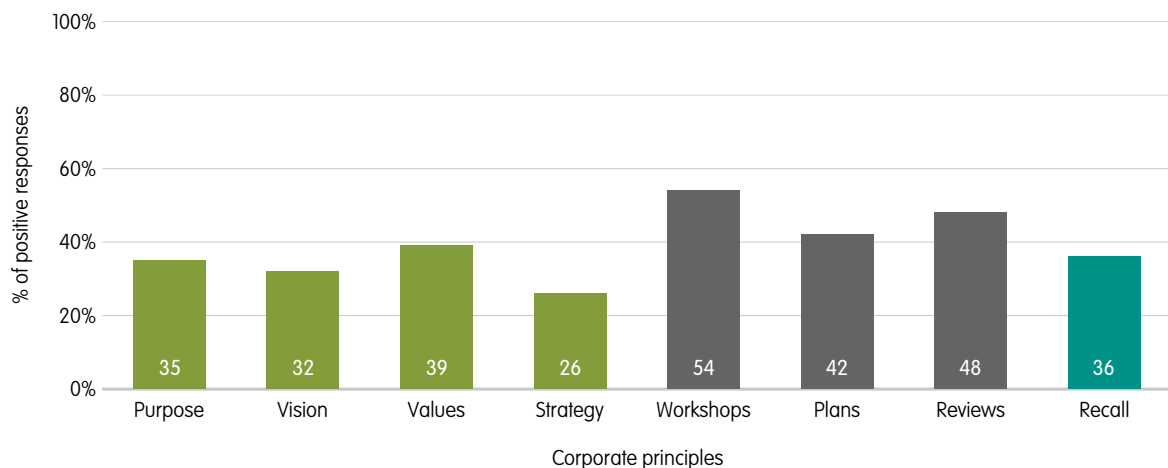
We then posed three operational scenarios to the participants:

- At team meetings and workshops, my immediate manager always references organizational priorities
- At our organization, every employees' team and individual plan aligns clearly with organizational priorities
- We are required to discuss our organizational priorities in individual performance review meetings.

Finally, we asked a recall question "If you asked 50 randomly chosen colleagues to articulate your organization's purpose, values, vision, corporate strategy and what your brand stands for, how many do you believe could answer correctly from memory?"

Are our organizations aligned? (cont.)

In response to these questions, participants told us that relatively few of their organizations are aligned to their corporate strategy and principles.



It is worth pausing to reflect on some of these results.

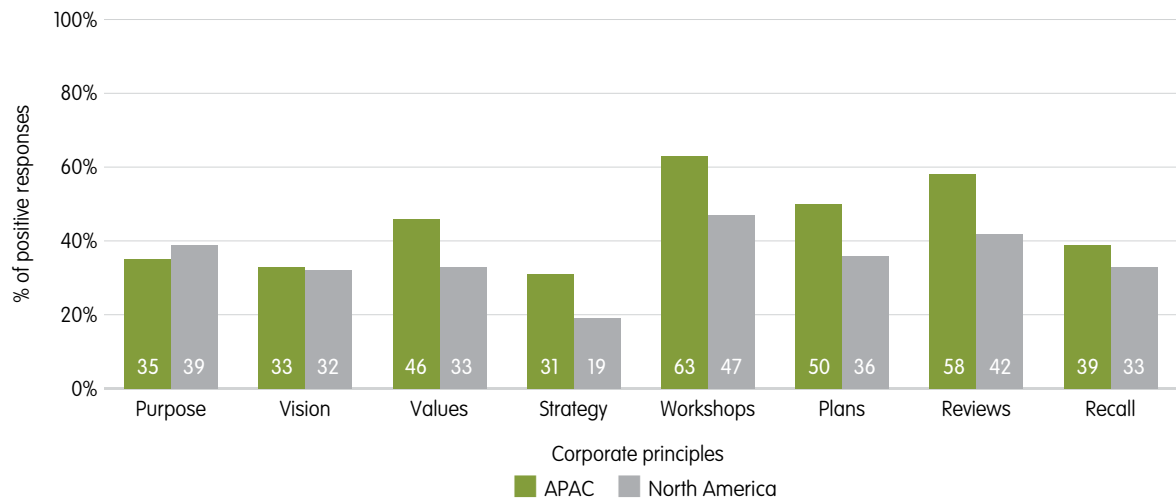
- Only 26% of respondents feel that their colleagues see the corporate strategy as key to the way they do business
- Only 42% feel that their colleague's team and individual plans clearly align with organizational priorities
- And, overall, respondents believe that only 36% of their colleagues would be able to recall their corporate story. That equates to only 18 out of every 50 colleagues.

It is also worth noting that, while the trend remains the same, there is quite a bit of difference across regions. Unfortunately, we do not have enough data to make a meaningful observation about Europe, Africa or South America.

We can, however, draw a comparison between the Asia Pacific (APAC) region and North America.

Are our organizations aligned? (cont.)

As the chart below shows, there is a notable difference between the two regions, with APAC ahead in general. This is particularly the case for the operational elements (workshops, plans and reviews).



Results like this paint a picture that is quite counter to so much you read about in organizational literature. In fact, they feel a bit like Stephen Covey's 'soccer team' analogy being told all over again... 14 years later.

We're not walking the talk.

This begs an obvious question. Why are the results so poor? Especially when respondents claim that the capabilities to build strategic alignment are readily available. Respondents told us that the road to achieving strategic alignment is full of potholes:

- 35% report that they struggle with a lack of senior leadership or middle management buy-in
- 44% report that they lack a clear strategic narrative or, alternatively, they have multiple narratives that don't line up
- 44% report that their organization has an overly tactical, rather than strategic, focus
- 31% report that they don't have the available resources or expertise to drive strategic alignment
- And more than half – 54% – report that they work for a siloed organization where team and corporate strategies are disconnected.

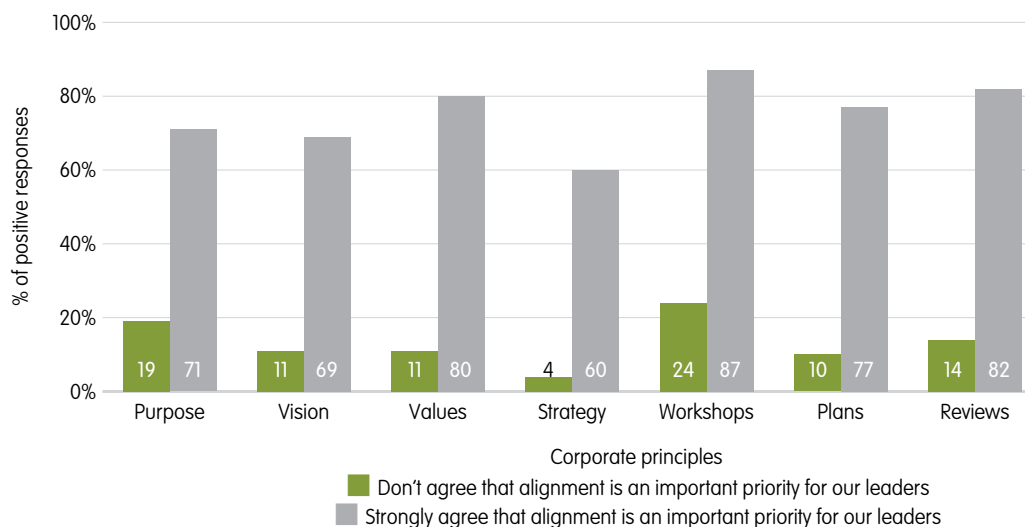
So, it would seem – at least, on the surface – that there are a range of issues making strategic alignment difficult.

When we dug further into the results, however, it became obvious that there is actually a single, disturbing problem underlying all of them.

Are our organizations aligned? (cont.)

Unfortunately, the results suggest that organizations fail to align due to a lack of commitment. In particular, the results suggested that:

- CEOs and Executive teams aren't committed to strategic alignment
- And, in practice (surprisingly), neither are communicators.



The chart above looks at the reported characteristics of strategic alignment in two scenarios:

- Where the respondent **disagrees or strongly disagrees** that strategic alignment is an important priority for their leaders
- Where the respondent **strongly agrees** that strategic alignment is an important priority for their leaders.

It's important to note that 'leaders' refers not just to the Executive, but to the Senior Leadership of the organization as well. Senior Leadership members have a vital role to play.

The contrast between the two results is self-explanatory. When people disagree, the positive response is extremely poor. Consider the fact that only 4% of the respondents in this category feel that their colleagues see corporate strategy as key to the way their organization does business.

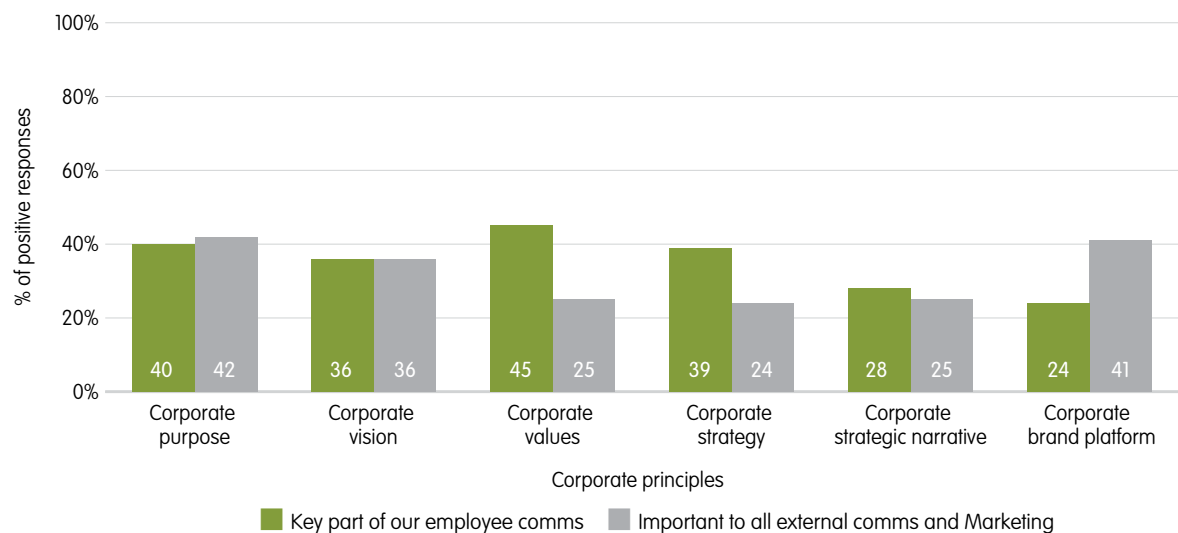
On the flip side, when people strongly agree, the results are high. Unfortunately, the number of people reporting that they strongly agree is poor – only about 40 in total. In other words, not many leaders are supporters of strategic alignment.

Incidentally, we chose 'strongly agree' on its own because those who merely agree report relative mediocre characteristics. This suggests that **leaders need to be strong, overt supporters and drivers if alignment is to be achieved.**

Are our organizations aligned? (cont.)

The bottom line is that leadership support clearly has a powerful impact on strategic alignment. Unfortunately, however, that leadership support is often missing.

However, lack of leadership support isn't the only key issue. There is another issue at play here. And that, unfortunately, is a lack of commitment from communicators.



If there is one genuine surprise in the findings of this study, this is it.

These results suggest that, despite all the talk (and there's an enormous amount of it globally), communicators and marketers aren't really prioritising the communication and embedding of their organization's guiding principles – their purpose, vision, values, brand and strategy.



The great big opportunity

The great big opportunity

There are two ways of viewing these results.

The negative view is to simply lament them.

The positive view is to realise they present an enormous opportunity for communicators.

That opportunity is to begin treating strategic alignment as an important communication – and organizational – deliverable. In other words:

- Embrace the fact that a united organization has a far stronger future than a tactical, siloed one – particularly in these times of rapid change
- Advocate for strategic alignment and convince others in your organization, particularly your leaders, to do the same
- Begin prioritising strategic alignment as a key part of your internal and external communications and engagement programs. Maybe, instead of saying “our job is to communicate the strategy,” try saying “our job is to drive strategic alignment”.

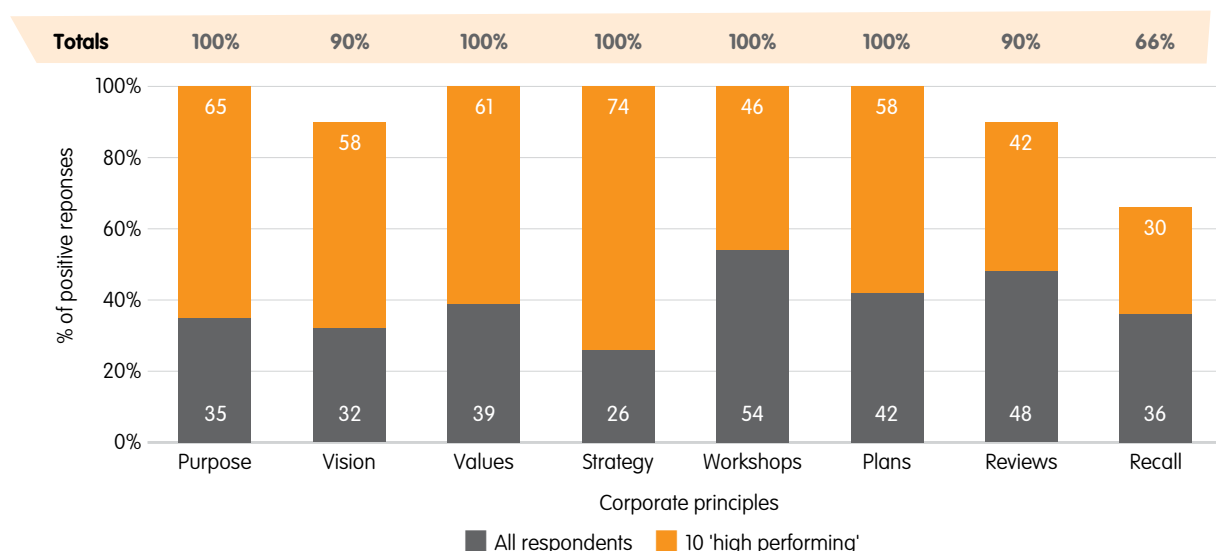
If you do these things, you have an enormous opportunity to unite your organization.

The best way to explain this opportunity is to explain what a strategically aligned, high performing organization looks like.

And we can do that because, of the 227 communicators who responded to this study, ten strongly agreed that:

- their people see the organization’s strategic narrative as key to the way they do business
- their CEO, Executive and Senior Leadership team all see strategic alignment as an important priority.

The chart below shows their levels of alignment compared to all respondents.

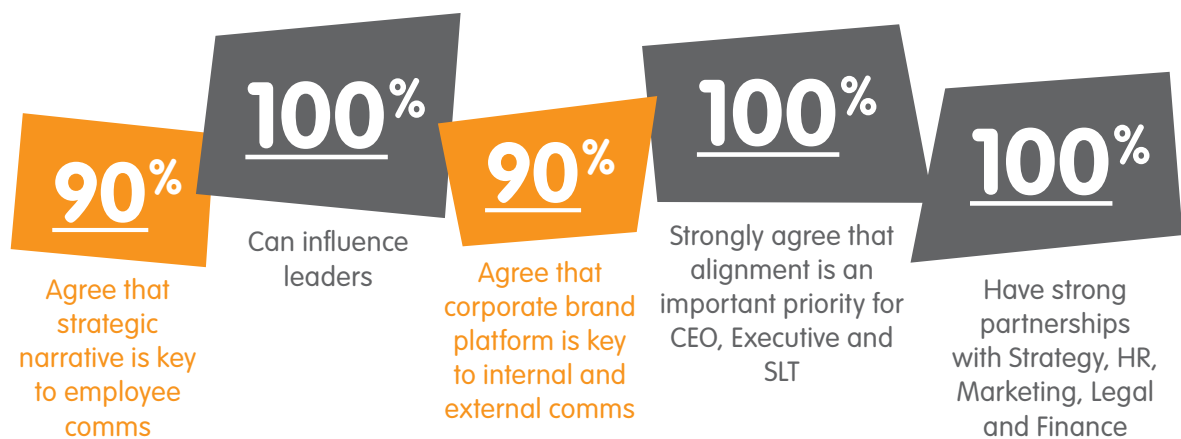


The great big opportunity (cont.)

In other words, these ten organizations report complete alignment on almost every measure – far above the results for all organizations.

And they have a number of other positive traits in common as well, as the chart below shows.

WHAT THE HIGH PERFORMERS ARE SAYING



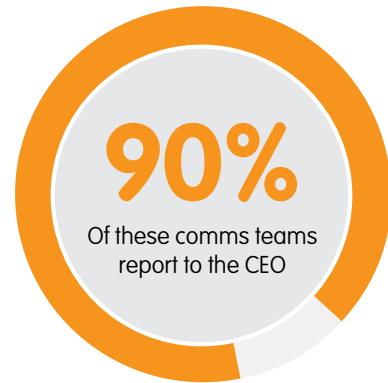
These common traits effectively show what communicators need to do if they wish to drive strategic alignment in their organization.

- They need to treat it as a priority for internal communications, external communications and marketing
- They need to create, communicate and embed a single strategic narrative across the organization
- They need to influence and support the organization's leaders to ensure they become strong advocates for, and drivers of, strategic alignment
- They need to understand their brand and embed it into the culture and the way they behave and communicate
- And they need to build strong partnerships with Strategy, HR, Legal, Marketing and Finance to ensure that the narrative is embedded into strategy, planning, reporting, performance management and, possibly, professional development programs.

The great big opportunity (cont.)

In wrapping up the findings, this study made one other fascinating observation about the ten 'high performing' respondents.

ONE LAST POINT TO CLOSE...



Nine of them work in companies where the Communication team reports to the CEO.
A case for a seat at the table if we ever saw one!



How can you build
strategic alignment?

How can you build strategic alignment?

In all, five key steps to strategic alignment have been identified. These come from a combination of three sources:

1. The results of this study, including case studies
2. Extensive secondary research over a number of years
3. The professional experience of the authors.

FIVE STEPS FOR CREATING STRATEGIC ALIGNMENT



In this white paper, we are providing a top line introduction to each of these five steps. A more detailed explanation of each will be provided in future publications.

1. Understand your organization

This particular piece of advice will be nothing new to communicators. That's because knowledge and understanding underpin the success of every communications initiative.

To really engage people, understand their needs and, ultimately, influence them, it is vital that you are able to talk on their level. This is about **business acumen**, it's about being able to understand and talk to:

- The CEO and Executive
- And sales
- And marketing
- And the analysts
- And the strategists and planners
- And HR
- And IT
- And risk
- And finance.

To really bring them together, we need to understand them completely.

How can you build strategic alignment? (cont.)

There are a number of models for achieving this across a communication team. One compelling method is to make individuals responsible for working with and understanding a particular business unit and/or issue that is pertinent to their role. Make them responsible not just for building a personal understanding, but for sharing it with the team. This has three benefits:

- It makes the requirement more compelling and valuable for the individual
- It helps to broaden the team's understanding of the organization
- It acts as a series of briefings to senior team members, who require a broader understanding.

2. Unite your leaders

If you have ever studied a set of employee engagement survey results (not the Powerpoint, but the spreadsheets of data behind it), there is a good chance you've seen the following.

Pick a statement like 'I understand my organization's strategy' and study the feedback by job level or seniority of the respondent. What you will often find is:

- Members of the Executive team agree with the statement almost to a person (90% to 100%). No surprise there. They probably created the strategy
- Similarly, members of the Senior Leadership will generally have a high level of understanding (claimed, anyway). Again, they got to attend the two or three day offsite
- Below the Senior Leadership team, the results will often 'fall of a cliff' – 40%, 50% or perhaps even lower.

This demonstrates two important issues:

1. That, to drive strategic alignment, you need **unwavering support and action** not just from the CEO and Executive, but from Senior Leaders and Managers as well. They need to approve activity and budgets. And they need to support and driving alignment consistently, even if it means changing the way they lead
2. That driving the understanding needed to support strategic alignment is extraordinarily difficult. It requires not just a focus on Executives, but a broader focus on:
 - The relationship between the Executive and Senior Leaders
 - The understanding, confidence and belief in the story across the Executive and Senior Leadership

How can you build strategic alignment? (cont.)

- Senior leader skills – their ability to present the story and contextualise it for their teams
- Ongoing communication, education and embedding. The story must be constantly reinforced across all channels, including face to face.

3. Nail your narrative

This is another topic that requires extensive coverage. In short, however, if you want people 'get, buy, share and live' your narrative, it needs to be three things:

- **Simple:** Many strategic narratives fail because they are too long or complex to understand and/or remember. People need to be able to contextualise and internalise the narrative, so (at least at the top level) it needs to be short and very simple
- **Credible:** At the same time, people need to be able to believe the narrative. It needs to make sense to them
- **Inspiring:** Finally, the narrative needs to be inspiring if it's to capture hearts and minds.

This might seem relatively straightforward, but it isn't. That's because these characteristics contain two 'traps'.

The first, as any communicator will tell you, is that simplicity is actually really hard... especially when many stakeholders are involved.

The second is that it's easy to inspire someone with a grand vision or a great purpose or values. That is, until you realise they have to be credible... they have to be real... as well!

4. Champion alignment

If a company is to align, someone needs to champion it. This, ultimately must be the responsibility of Communications. We shouldn't, however, just see this as a responsibility. It is also an enormous opportunity for Communications teams, as outlined earlier.

Apart from championing with the Executive and Senior Leaders (and, ultimately the whole organization), there are two sides to this.

The first, of course, is to ensure the organization's story is **constantly reinforced** through communication, education and discussion.

No narrative or story will cascade itself. You have to push... and push hard.

The second is, to ensure the narrative becomes **embedded** across the organization, it needs to become part of:

- Individual planning
- Goal setting

How can you build strategic alignment? (cont.)

- Performance reviews
- Operational measurement
- And, ideally, professional development.

To achieve this requires a close relationship with, and the ability to influence, HR, Finance, Strategy and Operations. At the same time, for obvious reasons, marketers and communicators need to work very closely on issues of strategic alignment and brand.

You therefore need to champion alignment with all these groups. This will be easier if you have Executive support (and almost impossible if you don't).

5. Don't stop

Finally, as mentioned earlier, strategic alignment isn't a one-off tactical exercise. It needs to be one of the pillars that underpins all your communications. It also needs to be regularly measured, with the results highlighted.

The moment you stop focusing on alignment, you will lose it – no matter how aligned you were to begin with.

In closing

For many years now, 'a seat at the table' has been a clarion call of the communications profession.

Unfortunately, 'a seat at the table' isn't something that's given to you. You have to earn it.

Which is where strategic alignment comes in.

We began this study with a strong belief in the need to strengthen strategic alignment.

We now finish it with the belief that strategic alignment must become a major organizational priority.

And, as stated at the outset, we firmly believe that **strategic alignment can help communicators change the shape of leadership, the effectiveness of their organisations and the standing of the profession...** all at once.

Thank you.



Communicators' learnings
from successful alignment

Communicators' learnings from successful alignment

We've gathered case studies from senior communication leaders who can attest the positive outcomes that effective and strategic communication can deliver when strategically aligned in the organization. We are grateful to these leaders, their organizations or their clients for sharing their experience and learnings in this paper.

Case studies:

- 1** **Serco Group plc**
Aligning words with behaviors and actions
- 2** **Aurecon**
Building brand from the inside out
- 3** **Sappi Limited**
One Sappi, an interconnected paradigm
- 4** **Yarra Valley Water**
Purpose-led transformation
- 5** **Walmart Stores Inc**
Bringing to life Associate Opportunity
- 6** **BDC**
Transforming brand perception

CASE STUDY:

1

Aligning words with behaviors and actions

With thanks to Robert Smith, Serco
Director Business Compliance and Ethics
Jane Mitchell, Director, JL&M, Karian and Box

Background and context:

Serco Group plc is a public service provider and a FTSE 250 company. It operates in five sectors; Justice & Immigration, Defence, Transport, Citizens' Services and Health. It also operates across four geographic regions; North America, UK and Europe, the Middle East and Asia Pacific. The company employed over 50,000 employees worldwide and in 2016, it was two years into a five-year turnaround plan. It was focused on becoming the best managed company in the sector, and one of the foundation pillars for achieving this was to build, A Place People are Proud to Work. Central to achieving that was the launch of the new Serco values and making people proud to be a part of the company again.

Role of communicators:

With the full backing of the CEO and Executive Committee, senior communicators developed a communications and engagement strategy and rollout plan. This began with the four values; Trust, Care, Innovation and Pride being launched at a series of inaugural Top 250 Divisional Leadership events. To launch the values, imagery that celebrated the achievements of Serco colleagues at work was used to great effect. Leaders were introduced to the values and their meaning in a half day discussion led by the CEO and during which they were invited to explore what they felt was needed to bring them to life. In table conversations, leaders were asked to join the dots between values and strategy.

What was undertaken to ensure successful strategic alignment?

The result of the leadership dialogue was to provide clear themes and direction for the content of the values toolkit. In a first plenary of

the leadership conference, the leaders identified critical elements of a best-managed company; aims and enablers. These were explored further as they identified a series of do's and don'ts for behaviors. This first engagement with leaders set the tone for the values engagement program that was then rolled out across the company.

The do's and don'ts were critical in joining dots between strategic intent and the importance of the values. They were incorporated into several elements of the materials; not least a booklet distributed to everyone entitled 'People make it happen' and just as critically linked to the company leadership model. The values narrative produced in 10, 5 and 2-minute versions, reinforced Serco's strategic aims and provided a consistent language across the company. In addition, and using key influencers and communications champions, each region and sector contributed to, and was then, provided with a full communications toolkit that included posters, videos, interactive workshop and team

CASE STUDY:

1 Aligning words with behaviors and actions (cont.)

With thanks to Robert Smith, Serco
Director Business Compliance and Ethics
Jane Mitchell, Director, JL&M, Karian and Box

briefing sessions, ideas for celebrating values exemplars and so on. The annual Pulse awards were re-categorised to showcase the four values and each member of the Exec Team became torch bearers for reinforcing the value of the company values. The Serco Code of Conduct has been re-released with the revised values

narratives and crucially, the behaviors now incorporated (<https://www.serco.com/about/culture-and-values>). In short, connecting the dots between words, actions and behaviors at a corporate, regional and local level was and continues to be critical to the company's success.

Top three lessons:

1

Whatever it takes, make sure that your top team and key influencers are not only engaged but actively supportive in launching, endorsing and maintaining involvement in core programs.

2

Understand your strategic dots and connect them when rolling out any transformation program – companies and employees remain blighted by initiatives. Do everyone a favor and put your program into relevant and understandable context.

3

Always put yourself in your audience's shoes and let them have appropriately creative, fun, interactive and informative ways of making sure the message hits home in language they understand. They deserve that care and when you get it right the rewards are immense.

CASE STUDY:

2

Future Ready by design

With thanks to Danielle Bond,
Head of Global Marketing & Communications

Background and context:

Aurecon is a global engineering and infrastructure advisory company. Privately owned by 7,500 employees, Aurecon formed in 2009 with the merger of Africon, Connell Wagner and Ninham Shand. Operating across APAC, the Middle East and Africa, it services markets in Aviation, Construction, Data & Telecommunications, Defence, Energy, Government, Health, Manufacturing, Property, Resources, Transport and Water. The context of the alignment issue was a business transformation Aurecon's Global CEO, Giam Swiegers, embarked on in early 2015. At the heart of this was a strategy for Aurecon to become 'Future Ready by design' to achieve scale and international reach. At the time, the firm had a big reputation for engineering but had not been thriving financially. Engineering companies had to define the future, not just respond to it and Aurecon had to lead in order to be the disruptor, not the disrupted. To do this, the company would have to build a culture of collaboration and innovation, commit to leadership development, and significantly invest in digital capability.

Role of communicators:

Underpinning the transformation was a global strategy, The Aurecon Blueprint, which was launched in 2015 and was updated every year. 'Future Ready by design' was the way in which they transformed Aurecon across three pillars of Innovation, Digital and Eminence.

Marketing & Communications' (M&C) job was multifaceted but at its heart was the alignment of all internal and external M&C programs around the Future Ready by design strategy to ensure it was a success. Some of the key ways in which this was done:

1. Support the leadership to communicate the 'The Aurecon Blueprint' and 'Future Ready by design' strategy
2. Embed the strategy and the three pillars across all internal communications and engagement programs
3. Execute a number of 'Big Rock' programs which advanced each of the three pillars; internally and externally. A few examples:
 - *Innovation*: Launched the Just Imagine blog to differentially position Aurecon in the consulting engineering sector. The blog attracted huge internal followership which helped build their innovation culture to 'just imagine'
 - *Digital*: Developed a multi-year digital content marketing program which positioned the brand externally but also built internal understanding of how digital is transforming the company, their industry and their clients' industries
 - *Eminence*: Built a multi-channel internal and external Eminence program that celebrates their visible experts and most exemplar projects. It differentially positions

CASE STUDY:

2 Future Ready by design (cont.)

With thanks to Danielle Bond,
Head of Global Marketing & Communications

the brand externally but also builds ‘pride in the jumper’ and a shared sense of purpose that what they do matters

- Evolve the Aurecon brand to reflect ‘Future Ready by design’ across all touch points.

What was undertaken to ensure successful strategic alignment?

Aurecon’s leadership created a number of key groups that led the transformation across the company. Their role was to lead and to drive engagement and alignment across all parts of the business. An Executive Committee was supported by the L40 (a global leadership cohort), an E40 (an emerging leader cohort in each of the regions) and an i40 (innovation champion cohorts in each of the regions).

Every year the company undertook internal research – first amongst owners, but more recently with all staff – to assess support for the strategy. Outcomes of this research drove change.

Aurecon also set – and measured – performance and development goals aligned with The Aurecon Blueprint for teams and individuals. M&C, like every team in the business, ensured that their plans aligned with the company strategy.

What is important to understand is that the ‘Future Ready by design’ strategy and its three pillars have become the foundation for how the company executes its strategy. All parts of the business are challenged to become ‘Future Ready by design’. It isn’t just the client-facing teams of engineers and advisors, but all support functions across Aurecon.

Top three lessons:

1

Leadership

2

Leadership

3

Leadership

The transformation of Aurecon has been successful because the leaders were aligned, engaged and excited about the journey. They made choices about what the company would and wouldn’t do. M&C’s job was to support them, build engagement and excitement for the transformation.

As Danielle put it “We would not have been successful if we were the tail wagging the dog. We have been successful because we had an inspiring leadership who challenged us to do things differently.”

CASE STUDY:

3**One Sappi, an interconnected paradigm**

With thanks to André Oberholzer,
Group Head Corporate Affairs

Background and context:

Sappi Limited is one of the world's foremost pulp and paper companies headquartered in South Africa. Established in 1936, it has 12,000 staff and a footprint across Africa, Australasia, China, Europe, USA, Central and South America. Since 2006 the business had been focused on right-sizing through debt reduction and strengthening its balance sheet. Staff had worked hard and the market was asking what's next? In 2014, the new CEO focused the leadership team's efforts on crafting a clear five year growth strategy. This was launched in 2015 at the global management conference with the concept of 'Intentional Evolution' to communicate the journey ahead.

Role of communicators:

The Group Head Corporate Affairs worked with the new CEO to map out his strategic vision and plan how to execute it. This enabled them to ensure that all the strategic elements were aligned and part of a coherent whole.

The corporate affairs team created the visual identity, One Sappi, and all the elements required for both the launch and the subsequent roll-out. This included design, messaging, launch and roll-out planning as well as logistics for global distribution of printed materials; creation of videos, printed material in four languages (English, Dutch, German, Finnish), presentation decks, wall posters, launch newsletters and newsletter content; intranet content, adjustment to brand guidelines and corporate identity, branded items, and integration of messages into financial results presentations, annual and sustainability reports and the positioning of the company in all external and internal communications.

The team has also provided regular quarterly and annual market and employee updates on the progress made towards their Vision2020 targets.

The theme is carried through all global and regional management conferences and production site briefings, as well as on-boarding for new employees. All newly acquired businesses were integrated into the process and management provided with communication support and counsel throughout.

What was undertaken to ensure successful strategic alignment?

All the elements were developed in conjunction with each other and launched as an integrated package. It did take some convincing to show that the communication would be more effective if they held back and did a big-bang launch at the management conference, given that this was almost a year into the new CEO's term. The results confirmed that this was the correct decision.

CASE STUDY:

3 One Sappi, an interconnected paradigm (cont.)

With thanks to André Oberholzer,
Group Head Corporate Affairs

Critical to alignment was the fact that the leadership team worked together from the outset to develop all the elements and to give constant feedback. Also, individual options were tested and worked on by teams from the businesses.

Everyone understood that it would not be business as usual but also that change would be driven from the top team and carefully managed.

The biggest change has been to recognize that Sappi delivers to the market as four business units and not as three regions. Stating this publicly helped drive collaboration. Additionally, Sappi introduced the concept of Shared Services, first within regions and then across the group to break down the old silos.

Top three lessons:

1

Beyond leadership and communications, include as many HR people as possible at the start as they are, in practise, the people who can help embed and drive messages and change through their training and other interactions with employees.

2

After the initial roll-out (and based on feedback), provide leaders with a toolbox which unpacks in more detail and provides more clarity on what the overall concepts and messages mean and how to evaluate success. Andre expressed "In our case, everyone loved and bought into the One Sappi concept, but when it got to detailed execution they missed some guidance – as they put it "what should *One Sappi* look like", "how will we know when we are succeeding".

3

Part of our success was to establish a new visual language which has longevity, flexibility and could be further developed. This enabled Sappi to stop other free-standing initiatives and design briefs in favor of elements which all drew inspiration from the new visual style. Where regions had very much done their own thing this helped bring home the message that into the future they are first One Sappi.



CASE STUDY:

4

Purpose-led transformation

With thanks to Matt Balfe,
Divisional Manager Customer and Community Strategy

Background and context:

Yarra Valley Water (YVW) is the largest retail water business providing essential water and sanitation services to over 1.8 million people and over 50,000 businesses in Melbourne, Australia. It's a state government-owned entity managing over \$4B of infrastructure and assets and employing 600 people. By 2014, YVW was in the throes of an industry-wide productivity review, an exhaustive IT overhaul, a major office relocation and its long-serving Managing Director had stepped down. The new Managing Director seized on the opportunity to reinvigorate the organization, drive stronger employee engagement and performance through a purpose-led transformation. They needed a galvanising call to action.

Role of communicators:

The small internal communications team of three played a critical role in embedding the new strategy and driving higher levels of engagement amongst staff.

The communicators helped to keep the purpose-led strategy alive, tell the story of the strategy and reinforce it so the employees could relate to it in a meaningful way.

They developed a communications strategy to affect change on three levels: create high levels of awareness and buy-in, drive high levels of engagement and promote growth of constructive behavioral styles. The strategy had measurable objectives that were evaluated on an ongoing basis.

Having a diverse workforce meant that there was no one size fits all solution, so it was important to understand the context of how employees would consume and understand the messages.

YVW invested heavily in overhauling the outmoded communication channels launching a new intranet, podcasts, monthly video messages from the Managing Director, newsletters, internal digital screens, internal blogs.

The team completely redesigned the induction program, Code of Conduct, including whole day immersive strategy orientation days for new employees that help them to understand YVW's purpose and strategic commitments. Reward and recognition programs were redesigned, twice-yearly all staff strategy update events, and KPIs are tracked across all six strategic commitments. To aid the understanding of individual contribution to the strategy, a visual 'My Contribution' tool was created and forums were conducted for employees and leaders to further develop a sense of how their work really matters.

Management communication tools were developed to ensure managers' interactions with staff were supporting the organization's purpose and strategic commitments.

CASE STUDY:

4

Purpose-led transformation (cont.)

With thanks to Matt Balfe,
Divisional Manager Customer and Community Strategy

What was undertaken to ensure successful strategic alignment?

The success of the transformation required a dynamic internal communications approach that was endorsed by the Executive leadership. Together they led a series of collaborative world-cafe sessions across the whole organization to define their purpose. These open and interactive sessions allowed every employee to have a say on who YVW was as an organisation and what was fundamentally important to them, the organization and the community.

Along with the insights from these sessions, additional benchmark research was undertaken to develop six strategic commitments designed to resonate with everyone from the treatment plant to the boardroom.

The successful communication strategy aligned to the purpose-led strategy by being structured into three broad areas:

1. Initiation – introduced existing staff to the new purpose and strategic commitments at launch time, as well as integrating the purpose into the induction processes for new staff
2. Integration – helped employees understand how their own work fits in with the purpose and strategic commitments. Embedded the campaign messages across the employee lifecycle from recruitment through exit
3. Ongoing awareness – ensured the organizational purpose and strategic commitments are front of mind for staff on a day-to-day basis.

The YVW Chairman said “Internal communications is the nerve center of our strategy. Without them I don’t think we would have the performance that we’ve achieved.”

Top three lessons:

1

Cross-functional collaboration by internal communications with strategy, organizational development and the Executive must be hand-in-glove from the get go.

2

CEO ownership of the change is not negotiable. Transformation at this scale needs to have the leader front the messaging consistently.

3

Embed purpose and strategy in all key HR and internal communication forums and processes throughout the employee lifecycle.

CASE STUDY:

5 Bringing to life Associate Opportunity

With thanks to Jennifer Bice,
Senior Director Internal Communications

Background and context:

Walmart is the world's largest company by revenue and employs 2.3 million employees (associates) across 27 countries. Walmart Stores Inc has more than 4,500 stores across the USA with 1.2 million associates. In 2015, new President and CEO, Doug McMillon announced long term changes to how they approach hiring, training, compensation and scheduling for the store associates as well as a transformation to the store structure. Called the Associate Opportunity – Associate Commitment, these changes were a significant change in strategic direction for the business. It was an opportunity to improve the brand perceptions of Walmart internally and externally in what is a robust competitive environment. This would help Walmart attract and retain the best talent, and improve customer experience, whilst taking the leadership position in the sector on employee conditions and opportunity.

Role of communicators:

The internal and external communicators were the strategists and the engine room for the successful announcement and take-up of the change by associates and external stakeholders including other retailers followed Walmart Stores' lead.

From previous associate research they understood how messages would best resonate with associates who had diverse backgrounds and were in four different time zones. Furthermore, the company had limited capacity to communicate with many directly. They understood that it was critical to tell the associates the news first focusing on the why, the opportunities and that Walmart Stores cared and listened. This had to be done before the announcement was made to the market.

This was a huge strategic and logistical exercise with numerous internal and external challenges that required extensive problem solving, leadership engagement and complex project management by the communicators.

The magnitude of the announcement created many firsts for Walmart:

- Creating modern-day CEO announcement on social media
- TV takeover in the stores, using the TV sales wall as a means to reach associates
- Ensuring that associates could hear or view the announcement across internal and external platforms first or at least at the same time as external stakeholders.

What was undertaken to ensure successful strategic alignment?

Understanding the associates, internal leaders and influencers, the context, the competitive environment and the impact on the market were all key being able to develop a communications strategy and implementation plan that would align with the strategic change.

CASE STUDY:

5 Bringing to life Associate Opportunity (cont.)

With thanks to Jennifer Bice,
Senior Director Internal Communications

Cross-functional collaboration with internal and external communications, HR, the Chief Operations Officer, SVPs and store management helped to ensure efficient and effective project management, and the ability to address implementation challenges.

The clever mix of non-traditional and traditional communication channels including on-the-clock and off-the-clock methods, plus detailed

and widely shared communication action plans and tools.

Clearly defined roles within the communications team to cover fact checking, cadence of messaging, proactive response to associate questions ensured that communication was well aligned for the day of the announcement and the following the announcement.

Top three lessons:

1

Tell employees news first when it affects them. This may not be the most popular approach if it's going to be big and positive external news, but standing strong to make this happen was important – even if it was just 15 minutes ahead of the external announcement

2

When working on significant people-impacting initiatives, positive or negative, a really strong and trusting relationship with the HR team is key.

3

Identify who the primary leadership spokespeople are going to be and what their roles are, and make sure the communication teams (internal and external) know it. This seems obvious, but it can become unclear as the work picks up steam and you could end up with spokespeople who aren't fully briefed. Luckily we didn't have this happen, but it is something to be mindful of.



CASE STUDY:

6

A different kind of bank

With thanks to Michel Bergeron,
Senior Vice President, Marketing and Public Affairs

Background and context:

Established in 1944, BDC is Canada's business development bank devoted exclusively to entrepreneurs. It is Canada's first B-Corp bank. It's fully owned by the federal government but operates at arm's length with a public mandate to help entrepreneurs succeed. BDC has 2,200 employees in 123 business centers across Canada. It offers financing and business advisory, as well as equity and venture capital to almost 60,000 small to medium entrepreneurial businesses. Four years ago, BDC undertook a brand audit which showed that the perceptions of their brand in the market was misaligned with its business aspiration and strategy. It was undifferentiated in the market and more likely to be confused with other brands with similar acronyms. They recognized the opportunity to realign the brand to aspiration and purpose through a major strategic brand transformation.

Role of communicators:

Communicators were at the heart of the project – leading, enabling and engaging throughout.

Engaging independent external agency experts to undertake comprehensive research, distill insights and provide objective advice was important as it allowed the BDC marketing and public affairs team to lead the collaboration process and manage the balance between strategy and creative. This helped to shape the strategy to move from perceptions to aspiration, ideate the creative process, elicit feedback along the way.

BDC mobilised internal and external stakeholders, enlisted and empowered 147 internal brand champions and kept its employees apprised of progress along the journey. They cascaded the launch, first to 150 BDC leaders with the overview of the internal and external launch program, training on the elevator pitch, client and employee experience; then with a full internal launch to employees complete with training on the brand platform and experience.

The launch to the market was managed over 89 local events across Canada and an integrated advertising and PR campaign. Short to long-term metrics were put in place to evaluate BDC performance in through-the-line activity, brand health and overall performance against business objectives.

What was undertaken to ensure successful strategic alignment?

Managing the expectations of the Executive and Board, as well as working closely with other functions within the business along the whole process was critical to establishing buy-in along the transformation journey.

The project was led by the Senior Vice President Marketing and Public Affairs and his team, ensuring a robust governance framework was in place. The team undertook key stakeholder buy-in and engagement, and spearheaded external agency partner collaboration, strategy development, creative development across brand identity, communication and employer platforms, validation, deployment and evaluation.



CASE STUDY:

6

A different kind of bank (cont.)

With thanks to Michel Bergeron,
Senior Vice President, Marketing and Public Affairs

At the heart of the BDC brand are its purpose to help entrepreneurs succeed and customer promise to deliver better business journeys for entrepreneurs. Understanding that the client and employee experiences are the brand experience

underlie the alignment between the strategy, its implementation and the how the employees and clients feel about BDC. Research, training and validation were important factors to help with alignment.

Top three lessons:

1

Engaging stakeholders from the outset and along the journey is vital. In particular framing the brand transformation as pivotal to the success of BDC with leaders. Michel said "Who we are and who do we become drove the corporate strategy".

2

Use research to inform your strategy and validate your assumptions.

3

In defining your delta there needs to be an aspirational element in your brand strategy that is enough of a stretch so that your employees see it as inspirational and achievable.

Thank you

Thank you to all the communicators who took the time to complete the study and share insights from their experience in-house or as consulting communicators. In particular, we would like to express our gratitude to those who shared their success stories and learnings.

Our deepest thanks to the International Association of Business Communicators (IABC) and the IABC Foundation for their endorsement of this study under the Gift of Insights pillar. IABC is a non-profit professional association for business communicators from multiple disciplines across the world. With 10,000 members across 70 countries, IABC's purpose is to advance the profession, create connection and develop strategic communicators. **More information at iabc.com**

For further enquiries about this study or how to create strategic alignment, please contact:

Wayne Aspland +61 417 773 347

Zora Artis +61 410 565 625



WAYNE ASPLAND GRAD DIP BUS
Principal of The Content Factory

Wayne is a strategic thinker, writer and corporate communicator who supports clients across many different sectors. He combines more than 15 years' experience in communications (including head of function), corporate strategy, digital strategy and thought leadership. Wayne has also worked as a sessional lecturer in Communications at Deakin University and is an award-winning past board member of the IABC Victoria chapter. In 2017, Wayne authored a comprehensive and well received discussion paper *The Robots are Coming* which covered the impact of AI on corporate communications.



ZORA ARTIS GAICD, SCMP, FAMI, CPM, MCOMM, MMKTG
CEO and lead strategist of 3AC in Melbourne, Australia

Zora has almost more than three decades of experience in business, marketing, communication, advertising and branding. She is a director on the IABC International Executive Board, a member of the IABC Audit & Risk Committee, a member of the Global Communication Certification Council, IABC APAC region board Vice-Chair, IABC Victoria Past President, IABC Gold Quill winner, a recipient of the IABC 2015 Chairman's Award and a Gold Quill Awards Blue Ribbon Panel evaluator. 3AC is a strategic communications and creative agency with a team of 14 that is focused on helping clients succeed whether it's solving a business problem or leveraging opportunities.

