

Achieving alignment,
shared purpose and agility

TWO PART TWO PART TWO PART TWO PART TWO PART TWO

This tool will help you:

- put alignment strategies into practice
- identify what your organisation does well and build on your achievements to increase the agility of the HR function and of the organisation as a whole
- plan what else you can do with your people to maximise alignment and shared purpose.



Help using this tool



Navigation

To navigate through chapter headings in the tool, use the bookmarks in Adobe Acrobat Reader.



To navigate through individual pages, use the icons on the bottom right of each page.

Links

[the web](#)

Red links will link you to the CIPD website or an external website.

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i-boxes

i-boxes will open up extra useful information in a panel when you click on them. Click anywhere on the panel to close it again.



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Who is this tool for?

- HR and learning and development professionals who want to align values, behaviours and purpose in their organisation
- HR consultants working with client organisations to build an agile organisation
- Senior managers and HR executives who are committed to embedding shared purpose to achieve sustained organisational performance.

Benefits of using this tool

For you:

- Apply the findings from the leading-edge Shaping the Future research about achieving alignment, organisational agility and shared purpose for sustained organisation performance.
- Review the extent to which management behaviours are encouraging alignment, agility and shared purpose.
- Identify key organisation performance issues where these areas need attention.

For your organisation:

- Establish a process for developing organisational agility.
- Ensure clarity about alignment issues that affect organisational performance.
- Develop sustainable management practices suitable for both challenging economic circumstances and organisational growth situations.

For your people:

- Establish clarity on how they connect with the organisation's purpose.
- Develop an appropriately agile mindset.
- Enable people to understand organisational priorities and the external pressures faced in order to direct and manage themselves with more awareness and with a focus on well-being.

This tool has been written by Simon Turner and Dr Valerie Anderson from the University of Portsmouth.



Toolmap



Introduction

Alignment, shared purpose and agility are all drivers of sustainable organisation performance, and important issues for HR and business leaders to focus attention on, whatever the economic climate. Our [CIPD research](#) has highlighted the importance of these themes for long-term performance, in particular the [Shaping the Future](#) programme of work and the [Next Generation HR](#) research.

This practical tool is the second in a series of four tools which build specifically on the Shaping the Future insights. This programme involved rigorous research over a two-year period and uncovered eight themes that we believe are important for long-term performance.

In this tool we address the three themes of alignment, shared purpose and agility. We address them in separate sections as they are not a perfect fit, however there are obvious overlaps between them which were apparent in the research and are mentioned in this tool where appropriate.

The other tools in the series are:

- [engagement for sustainable organisation performance](#)
- making best use of **performance measures and metrics** (available in autumn 2011)
- **building capability and talent** to meet both short-term and long-term priorities (available in autumn 2011).

We hope this series of tools will help HR practitioners to ensure their organisations are fit for the future, and able to sustain their performance over time, even through testing economic periods.

Figure 1: Four practical tools which build on the Shaping the Future insights



What do we mean by alignment, shared purpose and agility and what key insights did *Shaping the Future* uncover?

What do we mean by alignment?

Alignment is a deceptively simple term that represents a dynamic and complex concept. The term 'alignment' means 'fit', 'linkage' or 'integration' between different features of an organisation. Alignment is as much of a process as it is an outcome, something that is more organic than mechanical. It is a key ingredient in many different features of [*strategic HRM*](#), but very little research has been conducted into this important issue.

Alignment: what were the key findings from *Shaping the Future*?



What is shared purpose?

An organisation's purpose is what it aims for or strives towards; it is the reason for its existence. Shared purpose occurs when this important feature of organisational identity is shared by employees at all levels in the organisation and, where possible, with external stakeholders.

Shared purpose: what were the key findings from *Shaping the Future*?



What do we mean by agility?

Agility occurs when the organisation is able to remain open to new directions and be continually proactive. This requires leaders and followers to have an agile and change-ready mindset and to adapt as appropriate. [*A CIPD podcast*](#) in 2011 illustrated how change-ready mindsets and the skills of individuals, coupled with appropriate structures and systems, can proactively deliver 'generative' agility: defined here as flexibility and a change orientation that is future-focused, creative and which is capable of lasting.

Agility: what were the key findings from *Shaping the Future*?



Find out how Standard Chartered Bank integrates alignment, shared purpose and agility.



What's in this 'Alignment, agility and shared purpose' tool?

This tool builds directly on the Shaping the Future work. It examines what HR professionals can do to get under the surface of these issues in order to enhance organisational performance: re-energise shared purpose where this is necessary, ensure the right level of alignment and develop agility for both challenging economic circumstances and organisational growth situations.

It starts off by setting out why alignment, shared purpose and agility are important. These themes are addressed in three separate instruments, featuring practical exercises, illustrative case study examples and action planning facilities. Although addressed separately, we acknowledge the interdependencies between these themes. You may find some instruments of more relevance to you than others, depending on how much knowledge you already have about the three themes in your organisation. A list of further sources of information that you may find useful are also included at the back of the tool.

Instrument 1: Alignment

This instrument provides an opportunity to explore alignment amongst different groups in your organisation: for example, the degree to which systems and processes fit with organisational priorities, if attitudes and behaviour reflect organisational values, and whether effective integration occurs with both internal and external stakeholders.

Instrument 2: Shared purpose

This instrument enables you to take stock of the organisation's capacity to build shared purpose. It features a range of specific practices and actions that are associated with having a shared sense of purpose and values among people working for the organisation.

Instrument 3: Agility

This instrument provides a framework to assess issues that affect organisational agility, particularly the imperative of finding an appropriate balance between a focus on organisational stability and organisational flexibility.

Action planning

The tool also provides an action planning facility to help you identify and take forward key actions to make a sustained improvement to alignment, shared purpose and agility in your organisation.

We hope this tool is useful in helping you to unpick the complexities of alignment, shared purpose and agility within your organisation and that through the instruments you can draw insight, enabling you to devise a plan of action to drive long-term performance.



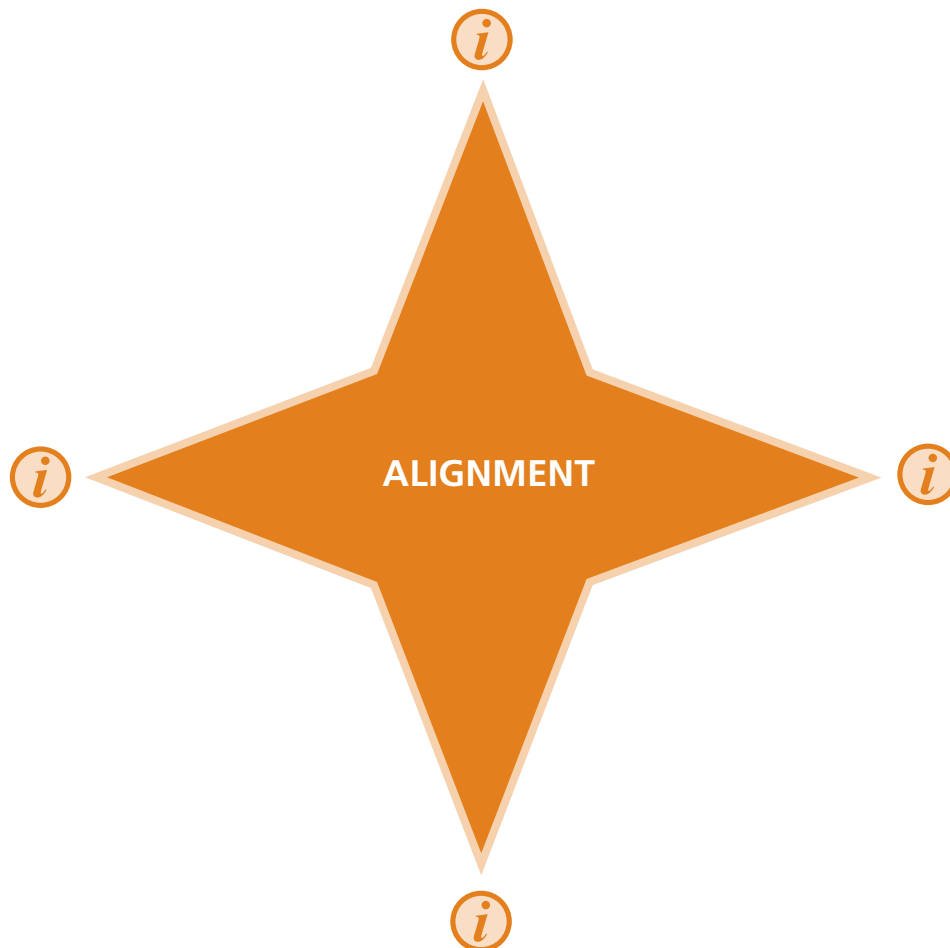
Instrument 1: Alignment

What do we mean by alignment?

We define alignment as: perceptions of consistency, fit, links or integration between the values, behaviours or objectives of different stakeholders, both internal and external and with the organisation purpose.

The *Shaping the Future* research indicates four main requirements for achieving alignment, which impact on organisation performance. These are illustrated in Figure 2.

Figure 2: Components of alignment



Find out more about the different components of alignment.



Alignment is a process rather than a predetermined 'outcome' and as such, alignment 'check-ups' are an important activity for an effective HR function. An alignment check-up can help you to assess the different stakeholder groups in the organisation and examine the extent to which processes, values and behaviours for each group 'fit' with the organisation's priorities and strategic expectations.

This instrument focuses on each of the four main requirements or characteristics of alignment illustrated in Figure 2.

Vertical alignment, through the organisation, as well as horizontal alignment between different levels of activity is important. This instrument enables you to identify up to three different groups within the organisation, think about them separately and then consider the alignment between them.

Each statement in the check-up requires a response ranging from strongly agree to strongly disagree. Strongly agree responses suggest a high level of alignment, whereas strongly disagree responses suggest a low level of alignment. There are no right or wrong answers as the appropriate level of alignment will be largely determined by your organisational context. It's important to remember that although organisational alignment – between the values, behaviours and with the organisation purpose – is critical, too strong or rigid alignment can block performance, overemphasise short-term needs and stifle agility. To prevent this, alignment must be balanced with flexibility to enable the organisation to morph and change as required.



Alignment check-up

Groups of staff in your organisation for whom this is a priority:

1
2
3

Aspect of alignment	Group	Agree 5	4	3	2	Disagree 1
Links to higher-level objectives						
People are clear about their role and the performance levels expected of them.	1	☒	☐	☐	☐	☐
	2	☒	☐	☐	☐	☐
	3	☒	☐	☐	☐	☐
People understand how their role fits with the responsibilities of others.	1	☒	☐	☐	☐	☐
	2	☒	☐	☐	☐	☐
	3	☒	☐	☐	☐	☐
People understand the contribution they are making to organisational objectives.	1	☒	☐	☐	☐	☐
	2	☒	☐	☐	☐	☐
	3	☒	☐	☐	☐	☐
Values, attitudes and behaviour						
People are clear about the behaviours expected of them in achieving their objectives.	1	☒	☐	☐	☐	☐
	2	☒	☐	☐	☐	☐
	3	☒	☐	☐	☐	☐
Values and attitudes are aligned with each other and support critical behaviours, such as customer service or innovation.	1	☒	☐	☐	☐	☐
	2	☒	☐	☐	☐	☐
	3	☒	☐	☐	☐	☐
Systems and processes						
People feel that organisational systems are 'in sync' with their objectives.	1	☒	☐	☐	☐	☐
	2	☒	☐	☐	☐	☐
	3	☒	☐	☐	☐	☐
People believe they are given space to try new ideas or ways of doing things.	1	☒	☐	☐	☐	☐
	2	☒	☐	☐	☐	☐
	3	☒	☐	☐	☐	☐
Internal and external integration						
Knowledge-sharing enables people to learn from one another.	1	☒	☐	☐	☐	☐
	2	☒	☐	☐	☐	☐
	3	☒	☐	☐	☐	☐
Cross-functional working enables people to learn from others' experiences.	1	☒	☐	☐	☐	☐
	2	☒	☐	☐	☐	☐
	3	☒	☐	☐	☐	☐
People watch for changes within the external world that might impact on the organisation.	1	☒	☐	☐	☐	☐
	2	☒	☐	☐	☐	☐
	3	☒	☐	☐	☐	☐



Alignment: action planning

1 Take a few minutes to reflect on your responses to the statements in the alignment check-up.
What insights can you draw from this information?

2 Identify areas of strength indicated in your 'check-up'. How might these form a basis for future development?

3 Identify key areas or groups of staff where you think improvement to alignment is a priority.
What actions could HR take to make a positive difference?

What you note down here will be automatically transferred to the action planning process at the end of this tool.



Find out how NHS Dumfries and Galloway tackled alignment.



Instrument 2: Shared purpose

What do we mean by shared purpose?

An organisation's purpose is what it aims for or strives towards; it is the reason for its existence. Shared purpose occurs when this important feature of organisational identity is shared by employees at all levels in the organisation and, where possible, with external stakeholders.

Although clarity of purpose for the organisation is important, it will not deliver sustained performance unless members of the organisation 'sign up' to it so that the purpose is shared by all employees working for the organisation and, if possible, by external stakeholders.

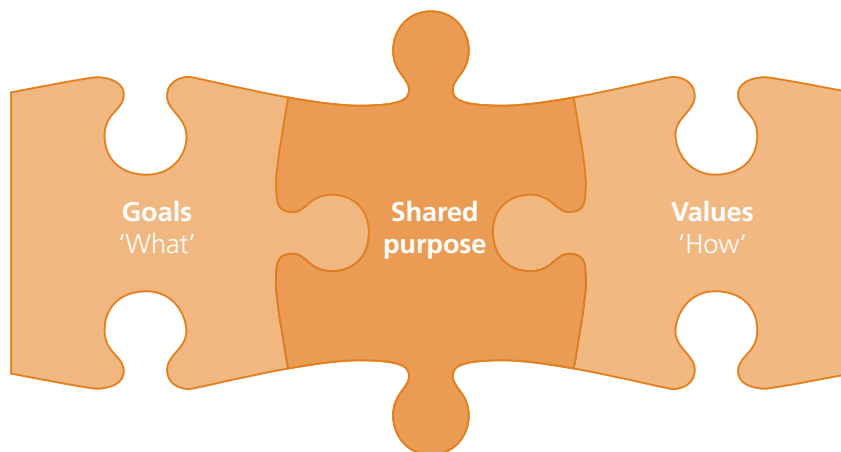
The Shaping the Future research found that:

- shared purpose is strongest when employees emotionally connect with it
- it is stronger when integrated into targets and performance
- shared purpose should be leveraged through periods of uncertainty and change.

The close inter-relationship between an organisation's purpose, values and goals

CIPD survey research into [*shared purpose*](#) highlights its potential to encourage and stimulate employees. The survey showed the important relationships between organisational purpose, values and goals at individual, departmental and corporate levels (Figure 3).

Figure 3: Link between shared purpose, values and goals



Find out more about the link
between shared purpose, values
and goals.



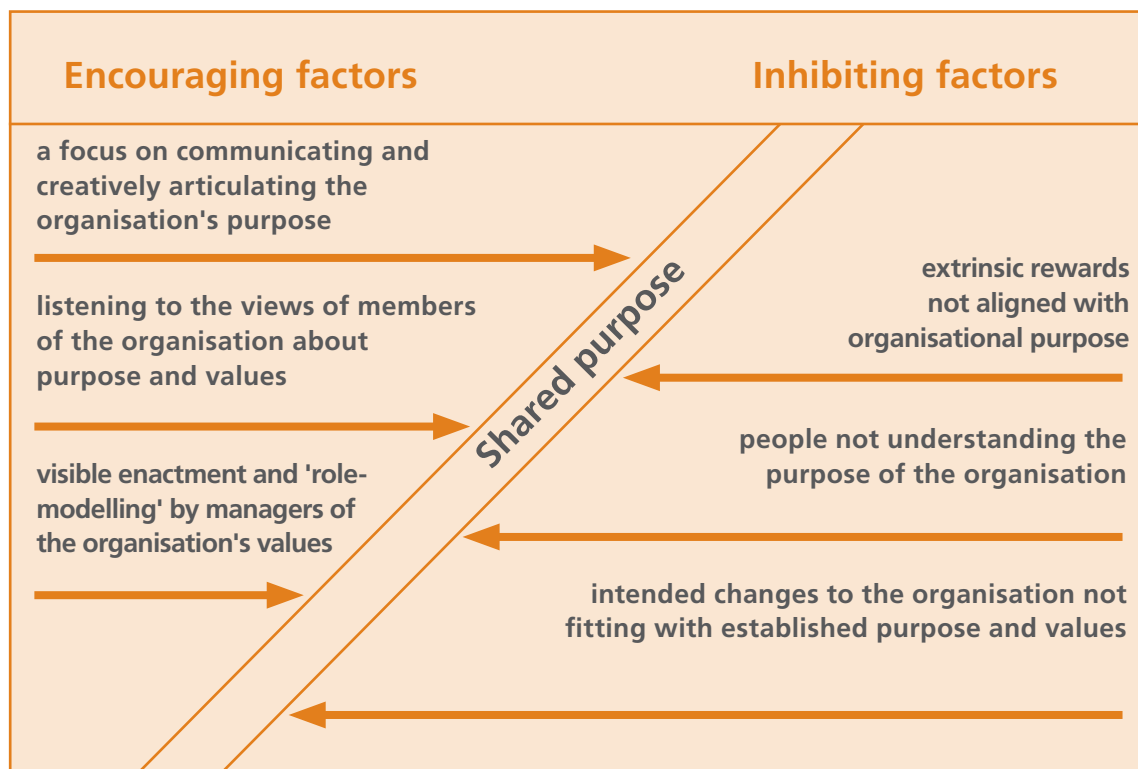
The shared purpose survey found that employees are more likely to emotionally connect to a purpose which relates to providing a service to customers and the community. It highlights how employees' feelings towards a purpose solely focused on making profits for shareholders and owners are generally negative. In such circumstances, although employees appreciate that a focus on investors may be necessary in the long term, without a social basis for organisational purpose they tend to feel demotivated and less committed to their organisation. [Corporate social responsibility and the HR role](#) provides some further food for thought on this challenging issue.

How can you develop a shared sense of organisation purpose?

CIPD [research](#) found that successful organisations use a range of practical activities that will contribute towards developing a shared sense of purpose among employees. The research highlighted factors that engender shared purpose as well as factors that inhibit it (Figure 4).

We have developed an instrument, comprising two steps, to help you build a shared sense of purpose in your organisation. Step 1 enables you to assess obstacles to achieving shared purpose that may be present in your organisation. Step 2 offers some options to consider which might improve or restore shared purpose. These are based on the factors identified in Figure 4.

Figure 4: Factors that encourage and inhibit shared purpose



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Step 1

Step 1 of this instrument enables you to assess obstacles to achieving shared purpose that may be present in your organisation. First decide whether to focus on the organisation as a whole, or a specific business unit, team or group.

Named organisation, business unit, team or group:

Obstacles to achieving shared purpose	Agree 1	2	3	4	Disagree 5
Communication					
People do not know what the organisational purpose is.	☒	☐	☐	☐	☐
Senior management does not talk with those lower down.	☒	☐	☐	☐	☐
People do not see how their roles and goals can contribute to achieving the organisation's purpose.	☒	☐	☐	☐	☐
Employees feel remote from the stated organisational purpose.	☒	☐	☐	☐	☐
Listening					
Opportunities for meaningful consultation are not provided.	☒	☐	☐	☐	☐
Organisational communications feature top-down demands and requests and do not feature upward messages.	☒	☐	☐	☐	☐
Front-line managers say they do not know how to communicate the purpose.	☒	☐	☐	☐	☐
Values and behaviour					
Important changes are required that do not readily fit with the stated purpose and values of the organisation.	☒	☐	☐	☐	☐
The organisation (team or group) habitually operates or manages in a way that does not follow or reflect the organisation's values.	☒	☐	☐	☐	☐
Managers are not role-modelling the declared organisational values.	☒	☐	☐	☐	☐
Management focus on achieving engagement through extrinsic rewards such as pay and bonuses and neglect issues leading to an emotional attachment to the organisation's purpose.	☒	☐	☐	☐	☐



Step 1 reflections

Take a moment to reflect on your responses to step 1 of this instrument. A high number of 'agree' responses suggests the organisational purpose is not shared by employees.

1 Can you identify areas where improvement is a priority?

2 Can you identify areas of strength where obstacles have been overcome?



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Step 2

Step 2 of this instrument offers some options to consider which might improve or restore shared purpose. These are based on the factors identified in Figure 4. Assess the options presented here and identify which are priorities for your organisation in order to restore or enhance your organisation purpose. There is also a space at the bottom of each section for you to add further ideas.

Named organisation, business unit, team or group:

Options for improving or restoring shared purpose	High priority 5	4	3	2	Low priority 1
Communication					
Re-energise, restate or revise organisational purpose.	☒	☐	☐	☐	☐
A clearer and more detailed understanding provided by senior management of what the organisation's purpose is.	☒	☐	☐	☐	☐
Face-to-face briefings, large group interventions or front-line manager sessions.	☒	☐	☐	☐	☐
Ground the vision and strategy in clear goals to be achieved and explain how employees' roles contribute to delivering those goals.	☒	☐	☐	☐	☐
Communicate and celebrate progress towards the achievement of organisation goals.	☒	☐	☐	☐	☐
Other ideas you may have:	☒	☐	☐	☐	☐
Listening					
Senior management listening and acting on employee views where possible.	☒	☐	☐	☐	☐
Meaningful consultation with staff.	☒	☐	☐	☐	☐
Invest in employee voice strategies to build involvement and dialogue.	☒	☐	☐	☐	☐
Provide a variety of ways for employees to feed their views and opinions upwards.	☒	☐	☐	☐	☐
Other ideas you may have:	☒	☐	☐	☐	☐
Values and behaviour					
Operate and manage in a way that follows and reflects the organisation's vision and values.	☒	☐	☐	☐	☐
More training for middle managers to ensure they operate in a way that is consistent with and promotes the organisation's values and behaviours.	☒	☐	☐	☐	☐
Reward those who appropriately role-model the organisation's vision and values.	☒	☐	☐	☐	☐
Find ways to 'bring the organisation purpose to life' for employees.	☒	☐	☐	☐	☐
Other ideas you may have:	☒	☐	☐	☐	☐



From reflection to action

Take a few minutes to reflect on your responses to the statements in both parts of this instrument.

- Build on your reflections from step 1 of this instrument and think about areas where obstacles to shared purpose *need to be overcome*.

- Identify areas of strength where obstacles have been overcome. Can this learning be shared with other parts of the organisation?

- From your responses to step 2 of this instrument, what insight can you draw?

- What are the priority actions that HR need to take to make a positive difference to fostering a sense of shared purpose in your organisation.

What you enter into this box will be automatically transferred to the action planning section towards the end of this tool.



Find out how Royal National Lifeboat Institution (RNLI) has tackled issues of shared purpose for sustainable performance.



Instrument 3: Agility

What do we mean by agility?

Agility is the ability to stay open to new directions and be continually proactive, helping to assess the limits or indeed risks of existing approaches and ensuring that leaders and followers have an agile and change-ready mindset to keep moving, changing, adapting.

In contexts where organisational change is required, it is easy to confuse a one-off reaction for proactive agility. However, a one-off reactive change may soon become ineffective as it is easy for the organisation to revert back to its steady state when the pressure eases. The term 'generative agility' is used here to describe a future-oriented, creative approach to change that is capable of enduring. It requires a change-ready mindset, individuals who are equipped with skills for the future, and the structures and systems to deliver lasting adaptive strategies.

Three important elements underpin generative agility:

- a future-oriented organisational purpose
- an appreciation of the value of skill development for future capability
- structures and systems that are open to change as well as stability.

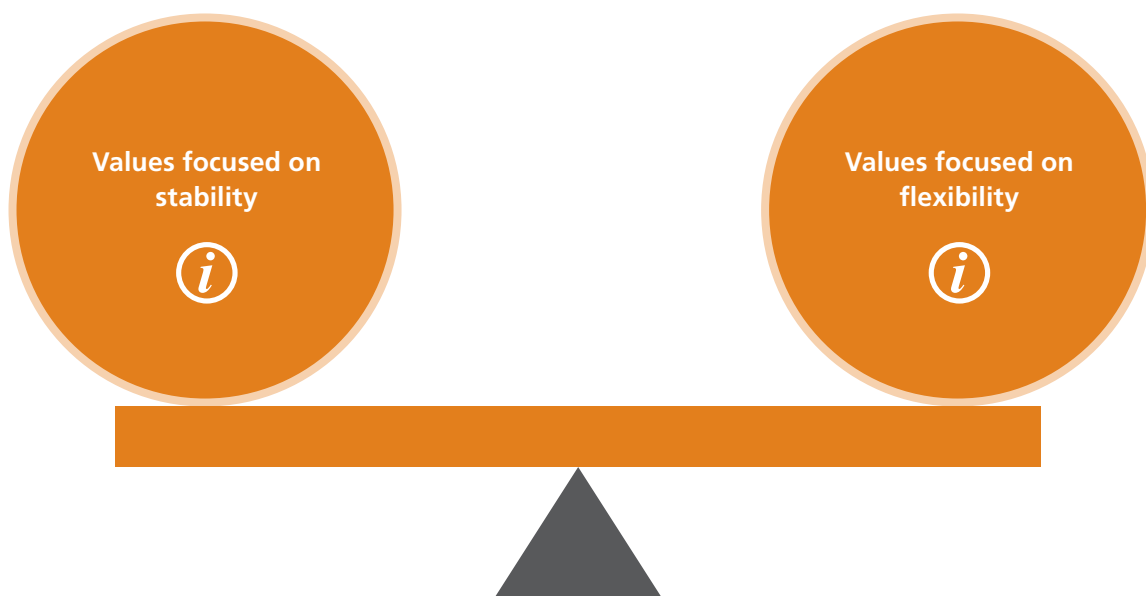


Find out how the Big Lottery Fund used knowledge-sharing to enhance organisational agility and change-readiness.



However, change for change's sake is rarely in an organisation's best interests. Generative agility involves balancing a focus on flexibility with maintaining a stable basis and cohesiveness from which the organisation can operate. Therefore, generative ability requires a balance between a focus on organisational stability and organisational flexibility (Figure 5).

Figure 5: Achieving the right balance between stability and flexibility



Finding the right balance between stability and flexibility

We have developed a diagnostic to help you to assess the extent to which your organisation is agile, effectively underpinning the need for flexibility with the appropriate level of stability. The items in the diagnostic below make use of insights from research into strategic leadership, organisational agility and the role of values in strategy included in the 'Further reading' section. Our CIPD work indicates that key agility issues for HR to address include, among others: work design, training and development, organisational culture and communication processes.

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Choose the focus of your check-up (the organisation as a whole; a specific business unit; specific staff groupings) and think about the extent to which your organisation is focused on firstly stability, and then flexibility.

There are no 'right or wrong' responses here; the important thing is to find the right balance between the necessity for stability and flexibility for your organisational context. You will then be asked to use your responses in these diagnostics to consider this balance.

Unit or staff group being considered

A focus on stability

Values focused on stability	Strongly agree 5	4	3	2	Strongly disagree 1
There are lots of written rules in our organisation.	☐	☐	☐	☐	☐
The organisation ensures that employees know and follow the rules.	☐	☐	☐	☐	☐
Detailed job descriptions are provided.	☐	☐	☐	☐	☐
Managers insist on people reaching demanding standards.	☐	☐	☐	☐	☐
Results and performance metrics are reported and monitored systematically.	☐	☐	☐	☐	☐
Ambitious aims for growth and service-level delivery are a core feature of organisational activity.	☐	☐	☐	☐	☐
The organisation strives to outperform others in the same field.	☐	☐	☐	☐	☐
Results count in our organisation.	☐	☐	☐	☐	☐
The organisation's focus is on the bottom line.	☐	☐	☐	☐	☐



Unit or staff group being considered

A focus on flexibility

Values focused on flexibility	Strongly agree 5	4	3	2	Strongly disagree 1
The organisation constantly looks to innovate.	☐	☐	☐	☐	☐
Organisational responsiveness and agility are valued.	☐	☐	☐	☐	☐
We value 'change-ready' people with open minds and new ideas, and people are encouraged to work across boundaries, sharing knowledge.	☐	☐	☐	☐	☐
We systematically consider the dedication and initiative of organisational members when considering and deciding upon reward.	☐	☐	☐	☐	☐
People are valued on the basis of their committed membership of the organisation.	☐	☐	☐	☐	☐
People are encouraged to stay open to new directions, assessing the limits or indeed risks of existing approaches.	☐	☐	☐	☐	☐
The organisation accepts that mistakes can happen and they can provide opportunities for learning.	☐	☐	☐	☐	☐
The organisation invests in developing people's skills for the long term.	☐	☐	☐	☐	☐
Senior management and line managers exhibit trust in employees and empower people to proactively adapt to changing circumstances.	☐	☐	☐	☐	☐



Reflection

Take some time to reflect on your responses to the diagnostics above.

1 To what extent is a focus on stability balanced effectively with a focus on flexibility?

2 What could this balance mean for your ability to adapt to changing organisation needs?

3 Might different parts of the organisation be differently balanced and what effect does this have?

What you note down here will be automatically transferred to the action planning process at the end of this tool.

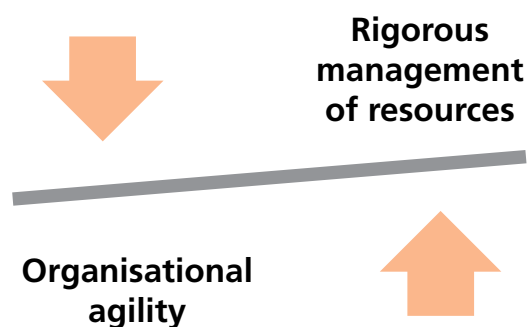


What other factors should you consider when embedding agility in your organisation?

The *Shaping the Future* research highlights the challenge of achieving agility when the rigorous management of resources is also a priority.

With fewer resources available, our *Shaping the Future* case studies were embracing the need to be more innovative and creative to do more with less.

Figure 6: The tension between empowering people yet setting clear parameters for action



This research also pointed to two critical factors that have the potential to undermine efforts to promote agility. Firstly, it is important to appreciate the organisation's history, as people's previous experience of change can affect how 'change-ready' they are. Secondly, employees need to have a good understanding of the current challenges the organisation faces as well as its overall goals and vision. Promoting this understanding among the workforce as a whole is a necessary step in encouraging employee 'buy-in' to the necessary changes facing the organisation and making the right decisions for the organisation in the long run.



Find out how Pfizer (Grange Castle) has addressed the challenge of balancing the need for greater consistency in processes with the need for agility.



What's HR's role in developing a truly agile organisation?

Researchers from Cornell University (Dyer and Shafer 1998) have shown how an aligned approach to a range of HR processes can engender agile attributes within your organisation. They propose six areas that HR needs to focus on to develop an agile workforce (Figure 7).

Figure 7: HR processes for agility



Consider the extent to which these HR processes support agility in your organisational context. The link below provides further information about how to develop agility through each of these processes.



Find out more about how to develop agility through HR processes.



Drawing insight to inform action

Consider your responses to the activities you have completed so far in this instrument, especially the HR activities associated with the achievement of organisational agility. What insight can you draw from this information to inform action?

If you feel you do not have sufficient information to answer some of the questions below, make a note here, so that further data-gathering can form part of your action plan.

1 Pinpoint parts of the organisation where stability and flexibility are off balance. What can HR do to address this balance, ensuring the organisation is agile enough to change and adapt as required?

2 Identify areas of strength that other parts of the organisation can learn from. How can this learning and good practice be shared most effectively?

3 Determine the priority issues for senior leaders to address. How can HR most effectively contribute?

What you note down here will be automatically transferred to the action planning process at the end of this tool.



Your action plan

You can use this part of the tool to review your responses to the instruments in this practical tool, get a deeper understanding of key organisational issues and hence draw insights which will help you plan your next steps. Because alignment, shared purpose and agility are important organisation-wide issues, it is important that line managers and senior leaders are involved in identifying priority issues and actions.

In addition, alignment, agility and shared purpose are grounded in social interaction within the organisation; they are two-way and dynamic issues. Therefore it is important to appreciate the best of what is already happening and to apply insights from good practice to address improvement areas and create a more aligned and agile future for the organisation.

If you have not already added ideas for action elsewhere in this tool, you can add your ideas here.

Instrument 1: Alignment

Instrument 2: Shared purpose



Instrument 3: Agility

Having considered the information above, what are your immediate priorities for action?

	Priority for action	Support/resources needed for effective action
1		
2		
3		

Useful related CIPD resources

CIPD. (2011) [*Shaping the Future: Sustainable organisation performance: what really makes the difference?*](#)

CIPD. (2011) [*Shared purpose podcast*](#).

CIPD. (2010) [*Shared purpose: the golden thread?*](#) Survey report.

CIPD. (2009) [*Shared purpose and sustainable organisation performance*](#). Research insight.

CIPD. (2008) [*Human capital management: introducing and operating human capital management processes*](#). Practical tool.



Further reading and references

DYER, L. and SHAFER, R.A. (1998) *From human resource strategy to organizational effectiveness: lessons from research on organizational agility*. Centre for Advanced Human Resource Studies (CAHRS) CAHRS Working Paper Series. Paper 125. Available online at: <http://digitalcommons.ilr.cornell.edu/cahrswp/125>

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KATHURIA, R., JOSHI, M. and PORTH, S. (2007) Organizational alignment and performance: past, present and future. *Management Decision*. Vol 45, No 3. pp503–517.

THOMPSON, K.R. and MATHYNS, N.J. (2008) The aligned balanced scorecard: an improved tool for building high performance organisations. *Organizational Dynamics*. Vol 34, No 7. pp378–393.

WILLIAMS, S.L. (2002) Strategic planning and organizational values: links to alignment. *Human Resource Development International*. Vol 5, No 2. pp217–233.



Case study

Standard Chartered Bank's Hong Kong business has been operating for more than 150 years and currently has more than 5,500 employees. Standard Chartered (HK) featured prominently in the CIPD's *Shaping the Future* project. The research showed a common feeling amongst employees that the bank was largely successful in riding out the financial consequences of the collapse of well-known investment banks in 2008. Standard Chartered (HK) has achieved sustained year-on-year growth – although its activities have been affected by the aftermath of the crisis in the financial markets. There is increased regulation and a particular need to keep growing consumer confidence in banking, which Standard Chartered is doing through concentrating on getting the basics of banking right.

Strategic priorities and core purpose

Across the business people are clear about Standard Chartered's mission: to be 'the world's best international bank leading the way in Asia, Africa and the Middle East'. There are clear organisational goals and priorities acting as 'road signs'. The consistency of the strategy, core purpose and organisational values are perceived as strengths, and the top team works hard to reinforce them through events such as 'town hall meetings'.

Employees feel the bank was supportive during the difficult times and they are proud to say they work for what they perceive to be a stable bank with a good position in Hong Kong.

Shared purpose

There is a clear sense of purpose shared amongst employees. Many have developed an emotional connection to the bank, heightened by the 'Here for Good' campaign, which has generated a shared motivation and engagement to 'go the extra mile'.

Visibility of senior leaders

The high visibility of leaders is positively reported by staff and is maintained through explicit role-modelling by seniors. Over the past year employees say they have noticed a step-change in communications with the CEO and other senior leaders using a much more personal style, talking about their family and experiences outside of work as well as formal messages.

You can read more about this case in the CIPD *Shaping the Future* report.

[CLOSE](#)



Case study

NHS Dumfries and Galloway serves 149,000 residents and employs 5,000 people across an area of 2,400 square miles. The board has embarked on an ambitious modernisation programme and has undertaken a number of major change initiatives, including significant restructuring of job roles and responsibilities. The CIPD [*Shaping the Future*](#) project investigated issues of alignment and shared purpose in the context of these changes.

Strategic priorities have remained stable in NHS Dumfries and Galloway. However, although the research showed clearly that strategic priorities still hinge around the four cornerstones of quality, finance, service and people, it showed how difficult economic circumstances had increased the organisation's focus on costs and efficiency. Nonetheless members of the leadership team are committed to ensuring that short-term financial pressures do not dominate the long-term vision.

The research found a strong sense of shared purpose at all levels, with many unsolicited comments about how positive people feel to be working for an organisation that carries out a vital service in the community and has such a positive impact on the population. This sense of shared purpose supports other enablers of performance such as role clarity, communication, and respect and recognition. This sense of alignment has been further encouraged in NHS Dumfries and Galloway through its Delivering Dynamic Improvement (DDI) programme, a knowledge-sharing, cross-functional learning and continuous improvement programme designed to get the organisation to work across professional boundaries on the common goal of patient experience.

You can read more about this case in the CIPD [*Shaping the Future*](#) report.

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Case study

Royal National Lifeboat Institution (RNLI)

Organisational purpose and vision

RNLI is an agile organisation. Since its founding in 1824 it has expanded the range of services it offers but its core purpose remains the same: it is 'the charity that saves lives at sea'. This unifying purpose underpins the organisation's vision, values and strategic and operational priorities. The organisation's vision is 'to be recognised universally as the most effective, innovative and dependable lifeboat and lifeguard service'. Almost 1,300 staff work at the RNLI and 5,000 volunteers work as lifeboat crew, shore helpers and trustees as well as in various fundraising roles.

The organisation operates a long-term planning timeframe but a major challenge is to maintain adequate financial reserves as the RNLI does not receive any central funding. Innovative fundraising is vital and the general public give to RNLI because they respect the work that lifeboat crews do; lifeboat crews are perceived to be courageous, selfless and independent. A clear set of performance targets underpin operational targets and are published in the organisation's strategic plan so that vision, values and strategic and operational priorities are maintained in alignment.

Aligned to the organisation's core values is the drive to maintain a strong volunteer ethos and this enables the organisation to prioritise spending on areas that allow it to achieve its core purpose rather than on salary and wage overheads.

Shared purpose

A strong connection with the organisation's purpose is visible in the lifeboat stations; staff and volunteers in lifeboat stations invest energy in making sure that the lifeboats and other essential lifesaving equipment are kept in peak condition ready to be put into action at all times and in all conditions. Having such a clear purpose has helped the organisation maintain a continuing supply of staff, both volunteers and employees, and staff turnover is particularly low, averaging around 9%.

However, away from the lifeboat stations staff may find it harder to appreciate the impact of their individual contribution on the wider purpose of saving lives at sea. To address this, a number of changes have been introduced by the HR and training team. These include: creating development opportunities for staff working in support roles to spend time experiencing what life in a lifeboat station is like; encouraging staff and volunteers working in lifeboat stations to share stories of their work with staff and volunteers in other parts of the organisation; and using more visual communication approaches to bring the business of saving lives at sea more alive for everyone, such as the TV/video footage used to promote the 'Train One Save Many' fundraising campaign.

[Continued](#)



Shared purpose is a strategic issue for the HR function, who are working to:

- ensure a continuing supply of highly skilled volunteers who are capable of filling operational and fundraising roles in the future
- ensure more-transparent career development frameworks
- develop a competency framework that reflects organisational values and will underpin recruitment, performance management and development activities for staff in all roles
- deliver a performance management system that reflects the need for personal excellence through focusing on continuous improvement to ensure enhanced organisational efficiency and effectiveness
- building line manager capability so that managers are more skilful in creating an environment where all volunteers and staff perform at their best and continue to connect with the organisation's purpose.

You can find out more about this case from the [*Shared purpose and sustainable organisation performance*](#) research insight.

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Case study

The Big Lottery Fund (BIG) was established in 2004 following a merger of the New Opportunities Fund and the Communities Fund. BIG currently distributes around £600 million of lottery funds to projects connected to health, education, environment and charitable purposes. The organisation's vision is to channel funding into areas that will bring real improvements to communities and the lives of people most in need; this clear organisational purpose is underpinned by shared values and clear objectives. Everyone's individual objectives in their appraisal link to a corporate objective, which links into the strategic corporate plan and the strategic framework.

At BIG, a lot of effort was put into improving cross-functional working and knowledge-sharing. BIG is continuing to work on streamlining processes yet recognising that if they are too prescriptive, they may impede agility. The organisation is also developing forums for people to exchange ideas and a 'wiki' as a tool for commissioning programmes effectively and as an approach to building learning and assessing outcomes more effectively.

You can read more about this case in the CIPD [*Shaping the Future*](#) report.

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Case study

Pfizer (Grange Castle) operates from one of the largest and fastest growing integrated biotechnological campus sites in Europe resulting from a merger of two organisations: Wyeth and Pfizer. In order to sustain high performance, Pfizer (Grange Castle) has invested in a number of continuous operational improvement and lean transformation projects. However, the speed and intensity of change led to challenges as communication channels became less personal and job roles have been redesigned with a focus on consistency with which comes the challenge of ensuring variety and autonomy. Pfizer are working to balance the need for a consistent workload with the need for agility. They have firmly embedded continuous improvement processes into 'business as usual' and encouraged employees to take full ownership of them. Along with training in continuous improvement processes, Pfizer has invested in training to enable all supervisors and managers to develop and encourage appropriate change-ready mindsets and behaviours.

You can read more about this case in the CIPD [*Shaping the Future*](#) report.

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Components of alignment

Job roles need to be clearly linked to higher-level objectives

Organisational alignment depends on the degree of clarity that individuals have about their own role and the extent to which they understand how this fits with the responsibilities of others. It also matters that there is clarity about the contribution that people are making to both organisational objectives and business success.

Attitudes and behaviours should reflect organisational values

Alignment is more than simply ensuring that objectives 'line up' in a structural way. Objectives need to be clear, not just in terms of what performance levels are expected (outputs), but also the behaviours that are expected from people in achieving them (inputs). Values and attitudes are important shapers of culture and behaviour, so it is important that they are aligned with each other and that they support activities critical to the organisation's performance, such as customer service or innovation.

Management behaviour can be a potential blocker to performance. The CIPD factsheet on [business partnering](#) gives advice on ways HR can work with management-level colleagues to overcome barriers with regards to specific initiatives such as development programmes and information-sharing projects to ensure that management behaviour reflects the espoused values of the organisation.

Systems and processes need to fit with organisational priorities

When systems and processes are not consistent with the organisation's priorities, this can be damaging or demotivating. Employees need the space to try new ideas or ways of doing things and systems must be 'in sync' with the organisation's objectives.

Effective integration occurs with both internal and external stakeholders

Organisations can add value by strategically aligning internal functions to overcome the disabling effects of working in isolated 'silos'. Organisations exist as open systems, open to environmental pressures and demands, so 'boundary scanning' is a necessary activity and knowledge-sharing with external stakeholders and cross-functional working has a significant impact on sustaining performance.

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The close inter-relationship between purpose, values and goals

If sustained performance is to be achieved, attention must focus on:

- **Organisational purpose** – the expression of an organisation's reason for existing. Although purpose is important, the extent to which its purpose is shared by those involved as members of the organisation is crucial. A shared sense of purpose represents the identity of the organisation.
- **Organisational values** – are the 'glue' that holds purpose and goals together. An organisation's values are the beliefs that underpin how it operates. Examples of explicit value statements include: 'Passion for customers' (Hewlett Packard), 'Don't be evil' (Google) and 'We are demanding of ourselves and our colleagues' (Save the Children). However, values are primarily communicated through implicit forms of social interaction within the organisation. [*CIPD research*](#) indicates that senior leaders, board members and trustees must clearly demonstrate that they live the values rather than merely paying 'lip service' to them. The guiding principles that reflect the organisation's highest priorities and underpin the way the organisation operates. Values help define 'how' an organisation wants to achieve its purpose and objectives and enables members of the organisation to respond in an agile, yet appropriate way when things change in the external environment.
- **Organisational goals** – the targets the organisation sets to achieve its overall purpose. Goals define 'what' the organisation will achieve.

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Embedding organisational agility through HR processes

Researchers from Cornell University (Dyer and Shafer 1998) have shown how an aligned approach to a range of HR processes can engender agile attributes within your organisation. They propose six areas that HR needs to focus on to develop an agile workforce:

- **Work design** refers to the way that job roles and assignments are defined. Individual agility is encouraged if people see themselves and their colleagues as 'owners' of their role, take responsibility for results and have some autonomy for their work processes. Work design is often overlooked as an HR activity but it is vital for agility and needs to be integrated with the approaches taken to recruitment and reward.
- **Employee resourcing** requires a balance between the need to 'flex' the numbers and types of employees to adapt to changing business conditions. Resourcing strategies should take into account shared purpose and agile attributes, as well as attributes more associated with technical knowledge and skills.
- **Learning and development** is a key feature of agile organisations with an equitable spread of development opportunities across the organisation, incorporating 'just-in-time' work-based learning as well as off-the-job methods. Agility is more likely to be engendered if development processes emphasise business imperatives, organisational critical success factors, organisational purpose and common performance metrics.
- **Reward strategy** – a *reward strategy* is like a pathway that links the needs of the business and employees with organisational reward policies and practices, explaining those practices in the process. Extrinsic pay and reward policies with clear relevance to performance outcomes, balanced with extensive use of recognition processes to affirm agile attributes shown by individuals and teams, can balance the need for consistency with the requirement for flexibility and adaptation.
- **Work context** refers to the extent to which policy decisions, organisational rules and working conditions stimulate openness or resistance to change. Flexibility, backed up by a culture of personal accountability and trust, are essential features of the work context of an agile organisation.
- **Communication** with and between employees is the HR activity that acts as the 'conduit' which aligns other HR organisational processes relevant to agility. Real-time, relevant and two-way information flows, vertically and horizontally are important for agility. Multiple channels to facilitate communication of new ideas, learning and policy developments are key components of the development of agile and change-ready attributes amongst the organisation's people.

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