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The Direction and Alignment (DNA)® Model: Focusing Leadership and Driving Performance

What if we could map the organizational genome—in this case, the complete set of instructions for how leaders lead in an organization and the impact their approach to leadership has on organizational effectiveness? The Direction and Alignment (DNA)® Model described in this paper builds on that metaphor to help organizations better understand the collective mindsets of their leaders—the lenses through which those leaders view, interpret and implement organizational strategies and initiatives. In so doing, the model helps leaders to consider how they can "recode" their thinking to more effectively drive future organizational performance.

The Challenge

Organizational effectiveness in today's business environment involves the ability to get results and at the same time build commitment and enthusiasm among an organization's highly mobile associates, independent business partners, performance-minded investors, and service-demanding customers. It requires an ability to inspire these diverse constituents to function in teams, work in partnerships, and operate in networks.

To accomplish this task, organizations need to establish a common sense of focus and purpose that drives commitment, cooperation, and performance. Developing this type of focused intensity requires us to understand the personality of an organization—how and why people think the way they do, how their thinking impacts motivation and achievement, and how to get them focused on the right issues, opportunities, and processes.

Background

Two dimensions of organizational effectiveness help to frame the challenge of creating focused intensity in organizations: *value* and *uniqueness*. Value may be defined as the essence of an organization's identity—why stakeholders (employees, customers, investors, suppliers, partners, etc.) choose to do business with that organization. Uniqueness refers to the inimitable aspects of the organization that incite stakeholders to continue to stay linked with the organization over time--the things that make the organization special. The most critical challenge facing organizations today may well be the need to ensure a relevant sense of value and uniqueness. And relevance in a world of change means helping an organization to develop both "roots" and "wings."

By "roots" we mean an organization's sense of identity, what it stands for in the marketplace. Research has shown that organizations with a strong sense of identity and a clearly defined set of enduring values tend to prosper and evolve over time. At the heart of

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organizational longevity were healthy roots--a lasting, durable culture that attracted members and encouraged them to strive for success.

"Wings" refers to an organization's ability to change and evolve. Research also has shown that strong "roots" frequently reflect commitment to an established business model. If an organization has strong roots, it may have a tendency to overlook new developments that have the potential to undermine the firmly rooted organization's value and uniqueness in the marketplace. "Wings" are the cultural characteristics and organizational capabilities that enable an organization to change and innovate, to maintain relevance in an ever-evolving world.

So, today's leaders face a complex task: helping their organization to maintain relevance to existing stakeholders, all of whom have become committed to an organization's current capabilities and values, and at the same time helping to evolve what the organization stands for in order to maintain relevance and uniqueness in a changing competitive environment. Either extreme, hanging on to traditional views and models for too long, or throwing out the wisdom of experience in favor of only new ideas, will result in disaster. Yet, a simple compromise somewhere in the middle is equally likely to breed mediocrity and the loss of uniqueness. True resolution of this dilemma requires that leaders learn how to blend the best of the old and the potential of the new into an evolving organizational order, one that attracts stakeholders at all levels, inspires commitment, and drives both relevance and effectiveness.

The Measure

The Direction and Alignment (DNA)® Model is based on a visual metaphor—the DNA double helix. The model holds that the backbone of organizational effectiveness is directly related to the way leaders think and behave in an organization. That backbone is a product of the organization's roots—its history and operating capabilities, and its wings—its orientation to change and innovation. Think of roots and wings as the two intertwining strands of an organization's DNA. Those two strands are connected by a three letter code, SLC, that links our history to our future. Those letters stand for *Strategy*, *Leadership* and *Culture*. Each letter of an organization's genetic code is comprised of three essential elements. Strategy is comprised of perspectives toward *innovation*, *talent* and *infrastructure*. Leadership is comprised of perspectives toward *hindsight*, *insight* and *foresight*. Culture is comprised of perspectives towards *aspiration*, *accountability* and *initiative*. Each of these nine essential elements can be defined by a set of "base pairs" or essential viewpoints held by leaders that guide their interpretation of organizational strategy, leadership, and culture.

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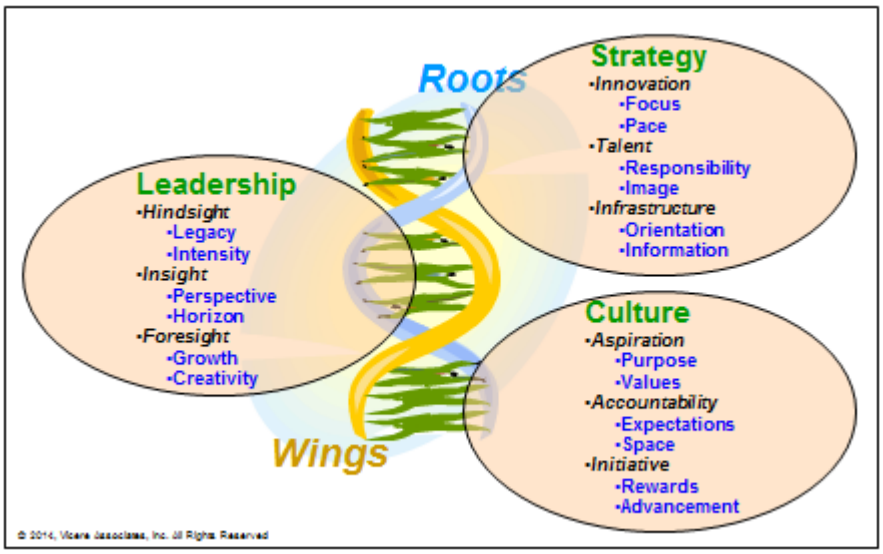
The Direction and Alignment Model



The DNA model as portrayed above has been operationalized in the Strategy Leadership Culture Questionnaire (SLCQ®). This survey is the basis of a simple but powerful process that enables us to gather data on the perceptions of leaders with regard to the 18 critical dimensions of organizational effectiveness. The data are analyzed and a summary profile is created to provide a foundation for discussions that lead to the establishment of action plans to enhance and improve organizational performance. The results of the SLCQ® can help leaders engage their organizations in critical dialogue and facilitate direction-setting processes that lead to enhanced performance and sustained success.

Through careful research and discussions with thousands of leaders and managers worldwide, the critical dimensions of organizational "DNA" as defined above have been broken down into the set of measurable components depicted in The Direction and Alignment (DNA)® Model. The SLCQ® operationalizes the model. By responding to a series of eighteen questions, respondents indicate their perceptions of their organization with regard to each dimension. The data generated by the SLCQ® helps to profile the collective wisdom of the organization—the way members think about strategy, leadership, and culture--and the potential impact those perceptions have on member behavior, organizational performance, and initiative implementation.

The dimensions measured by the SLCQ® and their definitions are:

Strategy is the way we approach doing business including our orientation toward *innovation*--how we create new competitive space, *talent*--how we cultivate human assets, and *infrastructure*--how we leverage resources and information. Each of the three critical components of strategy is framed by two essential elements:

> ***Innovation*** involves the interface of *focus*—the extent to which the organization is more prone towards analysis or towards experimentation; and *pace*—the extent to which the organization tends to act at a more deliberate or a more rapid pace.

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Talent involves the interface of *responsibility*—the extent to which job assignments across the organization tend to be broad or limited in scale and/or scope; and *image*—the extent to which the organization is perceived as a leader or a follower.

Infrastructure involves the interface of *orientation*—whether the organization has a tendency towards partnering or towards going it alone; and *information*—the extent to which the organization views information as a source of control or as a source of learning.

Leadership is the way we direct the organization including *hindsight*--knowing where we've been, *insight*--our awareness of where we are, and *foresight*--our sense of where we're going. Each of the three critical components of leadership is framed by two essential elements:

Hindsight involves the interface of *legacy*—the extent to which there exists a focus on either protecting or on evolving the organization's legacy; and *intensity*—the extent to which the organization tends to exhibit a sense of excitement or a sense of reserve.

Insight involves the interface of *perspective*—the extent to which the organization is more focused on potential or on performance; and *horizon*—the extent to which the organization tends to look more to the future or more to the past.

Foresight involves the interface of *growth*—the extent to which the organization places greater value on growth of profits or on growth of market share; and *creativity*—the extent to which the organization places more value on doing things better or on doing things differently.

Culture includes the forces that shape the way we think and behave in the organization including *aspiration*--commitment to a direction throughout the organization, *accountability*--the degree to which people feel accountable for meeting performance expectations, and *initiative*--the degree to which people are willing to take action to ensure success. Each of the three critical components of culture is framed by two essential elements:

Aspiration involves the interface of *purpose*—the degree of clarity that exists around the organization's overarching aspiration; and *values*—the degree of definition to the values that guide the pursuit of purpose by organizational members.

Accountability involves the interface of *expectations*—the degree of clarity between the organization and individuals within it regarding performance expectations; and *space*—the degree to which individuals within the organization have broad or narrow boundaries around how they do their jobs.

Initiative involves the interface of *rewards*—the extent to which rewards are directly or indirectly tied to the achievement of expectations within the organization; and *advancement*—the extent to which criteria for advancement within the organization are either unclear or clear.

The Assessment

The SLCQ® questionnaire is a simple but powerful process that enables us to gather data on the perceptions of organizational members with regard to each of the critical dimensions

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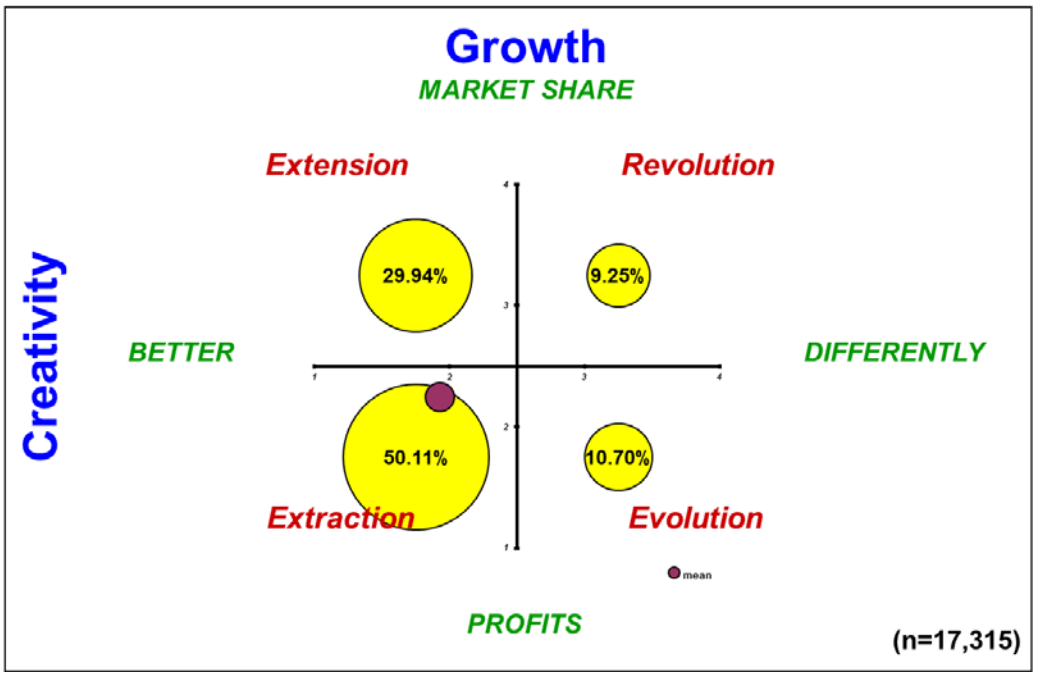
of organizational effectiveness described above. By responding to each of the 18 items on the SLCQ® questionnaire, participants indicate their personal view of the current state of the organization. The data are analyzed and a summary profile is created. That profile is then used to provide a foundation for discussion leading to the establishment of action plans that can enhance and improve organizational performance. Debriefing sessions are designed in tandem with the client and built to address the client's critical needs and desired outcomes.

The Output

Data collected through the SLCQ® process are summarized, analyzed, and presented to the client in a series of nine matrices. Those matrices become the basis for a series of related discussions, co-designed with the client, that are designed to help the sponsoring organization to both interpret the data and build a plan of action for leveraging strengths and addressing challenges. A sample matrix for the ***innovation*** component of ***Strategy*** appears below.

Sample Summary Matrix



The matrices help to package the results in a simple, easy-to-visualize format. Data are analyzed and arrayed across four quadrants within each of the nine matrices. Each quadrant has an assigned designation derived from our research. Results from the nine matrices are combined into a profile as shown below. That profile becomes the basis for discussion, interpretation, and action planning exercises. Definitions of the quadrant designations appear in the appendix at the end of this document.

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Sample Summary Profile

The Strategy Leadership Culture Questionnaire (SLCQ®)

Perspective Comparisons, 2014

STRATEGY	*Database*	*Your Profile*	*Comments*
Innovation--We approach business opportunities as a:	Follower/Perfecter		
Talent--Our talent pool tends to foster the development of:	Initiators ~Technical Experts		
Infrastructure--Our approach to business operations is:	Networked ~Isolated		
LEADERSHIP			
Hindsight--In terms of our competitive environment, we see ourselves as:	Prospectors ~Reactors		
Insight--We tend to favor ideas that will:	Gen. Improvements		
Foresight--Our approach to planning is:	Extraction ~Extension		
CULTURE			
Aspiration--Our organization is characterized by a sense of:	Passion		
Accountability--In terms of performance, people here feel:	Challenged		
Initiative--Our organizational climate leads people to feel:	Energized ~Conflicted ~Directed		

~ strong back-up; notable comparison

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In Summary…

What if we could map the organizational genome—in this case, the complete set of instructions for how leaders lead in an organization? The Direction and Alignment (DNA)® Model builds on that metaphor to help leaders better understand their collective mindsets—the lenses through which they view and interpret organizational strategies and initiatives. In doing so, the model helps leaders to consider how they can "recode" their thinking to more effectively drive future organizational performance. The results of the SLCQ® can help leaders engage their organizations in critical dialogue and facilitate direction-setting processes that lead to enhanced performance and sustained success.

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Appendix A
The Strategy Leadership Culture Questionnaire (SLCQ®)

QUADRANT DEFINITIONS

1. Innovation—Creating New Space

We approach business opportunities as a:

a. *First-mover*—Open to experimentation, fast-paced, striving to be on the leading edge, a "rule breaker"
b. *Calculated risk-taker*—Open to carefully researched ideas, committed to "fact-based experimentation"
c. *Fast-follower*—Monitoring trends, looking for opportunities and ideas that fit capabilities and moving quickly to address those opportunities
d. *Follower/Perfecter*—Improving existing products and services, maximizing market potential, changing only when necessary

2. Talent—Cultivating Human Assets

Our talent pool tends to be comprised of:

a. *Initiators*—People who make things happen, get things done, step out front
b. *Operators*—People who effectively run established businesses, who implement effectively
c. *Technical experts*—People who are technical experts in their field
d. *Functionaries*—People who are focused on doing their individual job

3. Infrastructure—Leveraging Logistics and Information

Our approach to business operations is to be:

a. *Networked*—Openly seeking and connecting with partners
b. *In control*—Willing to partner if the partner does it "our way"
c. *Independent*—Preferring to operate independently but open to ideas and seeking input
d. *Isolated*—Preferring to work independently with a strong internal focus

4. Hindsight—Sense of Where We've Been

In terms of our competitive environment, we see ourselves as:

a. *Prospectors*—Actively pursuing opportunities to take the organization to the next level, to move in new directions
b. *Analyzers*—Carefully assessing opportunities to move the organization forward
c. *Defenders*—Aggressively reinforcing and protecting current position
d. *Reactors*—Responding to circumstances as they present themselves

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5. Insight—Awareness of Where We Are

We tend to favor ideas that will:

a. *Create new opportunities*—Looking toward the future, searching for new ideas and directions
b. *Advance current efforts*—Targeting new customers for existing products and services, adding value to current products and services
c. *Generate improvements*—Improving/enhancing established products, services and processes
d. *Maintain focus*—Sustaining current position, maintaining current situation

6. Foresight—Vision of Where We're Going

Our approach to planning is:

a. *Revolution*—Capturing customers and markets with new ideas, products, and services
b. *Extension*—Moving current products and services into new markets, serving new customers with existing products and services
c. *Evolution*—Improving current processes, developing methods to enhance performance
d. *Extraction*—Driving efficiencies, focused on generating the highest possible return on existing assets

7. Aspiration—Encouraging Passion

Our organization is characterized by a sense of:

a. *Passion*—Clear direction and purpose, well-defined guiding values
b. *Anarchy*—Clear purpose but poorly defined guiding values; every person for themselves
c. *Inertia*—Unclear direction and purpose but well-defined values; a sense of what we stand for but not where we're going
d. *Disorder*—No clear direction or purpose, poorly defined values

8. Accountability—Ensuring Performance

When it comes to performance, people feel:

a. *Challenged*—Expectations well-defined with opportunity to structure own approach to work
b. *Focused*—Expectations well-defined, work highly structured/prescribed
c. *Confused*—Expectations poorly defined, work unstructured; not sure where to focus energy
d. *Controlled*—Expectations poorly defined, work highly structured/prescribed

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9. Initiative—Enabling Action

Our organizational climate leads people to feel:

a. *Energized*—Rewards directly linked to performance, criteria for advancement clear
b. *Directed*—Rewards directly linked to performance, criteria for advancement unclear; unsure whether meeting expectations is enough to advance in organization
c. *Dependent*—Rewards not tied to performance, criteria for advancement clear; organization in control of members' fate
d. *Conflicted*—Rewards not tied to performance, criteria for advancement unclear; no clear personal link to job or organization

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