

Having trouble viewing this email? [Click here](#)

the TOTAL ALIGNMENT *Update*

4th Quarter 2009



We are pleased to share advances in Total Alignment concepts and their application worldwide. We hope you will find the information valuable. We look forward to your feedback and suggestions.

CEDE Congress Focuses on Positive Leadership

In This Issue

[CEDE Conference in Spain](#)

[Riaz Khadem Delivers A Plenary Address](#)

[Total Alignment - The Solution to Cascading Balanced Scorecard](#)

[News](#)

[Media](#)

[Crisis and Innovation](#)

News

On October 28th Dr. Khadem addressed 400 directors and managers of Human Resources at the



Some 1,300 CEOs and leaders from the public and private sectors of Spain gathered in Pamplona on October 29-30 to attend the congress of the Confederación Española de Directivos y Ejecutivos (CEDE). The purpose of the congress was to provide a forum for the interchange of knowledge and experience of the business leaders in Spain and to focus on how positive leadership could provide an effective response to the economic crisis that has adversely impacted Spain.

Dignitaries and leaders that addressed the conference included the following: La Infanta Doña Cristina, Princess of Spain, Miguel Sanz Sesma, the governor of Navarra, Yolanda Barcina, the mayor of Pamplona, Rodrigo de Rato, former head of the IMF, Jacques Attali, the consultant to Nicolas Sarkozy, José María Aracama, the CEO of Development Society of Navarra, John Scott, the president of KPMG, Pedro Villar, the CEO of Grupo Atento, Fernando Ruiz, the president of Deloitte, and Juan Zufiría, Executive president of IBM in Spain, Portugal, Greece and Israel.

The prince of Asturias, Felipe de Borbón y Grecia closed the congress on Friday, October 30th.

The speakers presented impressive analyses of the factors that have contributed to the economic crisis in Spain and called for a positive approach to overcome the challenge of the future.

Riaz Khadem Delivers a Plenary Address at the CEDE Congress

[Management Forum](#) in Madrid.

Dr. Khadem spoke to a group of 30 business leaders in Bilbao, Spain on October 22nd. He spoke about [Crisis and Innovation](#).

During October and November, Thomson Reuters published a series of four articles about Total Alignment in its website : www.legaltoday.com.

Press Release

Dr. Khadem is scheduled to visit Spain in January and Mexico in February 2010.

He will meet with CEOs and business leaders during his visits to learn how they are weathering the economic crisis. He will share with them the new management model which helps navigate the organization through change, as described in [Total Alignment](#).

Spain
January 24-30

Mexico City & Monterrey, Mexico

February 15-19

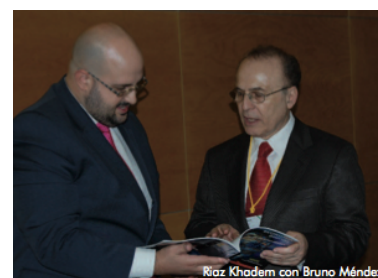
For an appointment with Dr. Khadem, contact us through our website: www.totalalignment.com

In the Media

Spain's major business newspaper, *Expansión*,

published the article [Vertical Alignment Paves the Way to Success](#) by Yovanna Blanco Reinosa, the editor.

Spain's Journal, Consumer Management published an interview of Riaz Khadem with its editor, Bruno Méndez, in its November-December issue on [Information and Trust](#).



CEDE PICTURES



[Dr. Riaz Khadem spoke at the CEDE congress](#) and then joined a distinguished panel to answer questions. Members of the panel were: Enrique Goñi, the Director General of Caja de Navarra, Juan Zufiria, the Executive president of IBM in Spain, and Fernando Ruiz, the president of Deloitte. Dr. Khadem's talk proposed changes in the leadership paradigm necessary for Spanish companies to increase their competitive advantage in the European business community. In response to some of the key challenges raised by other speakers, he talked about how to define individual accountability in organizations and how to align it with vision and strategy. He also pointed out the critical

need to align compensation with performance. He emphasized that this is an historical juncture for Spain and the moment of opportunity to address some of the systemic issues that have contributed to the crisis.

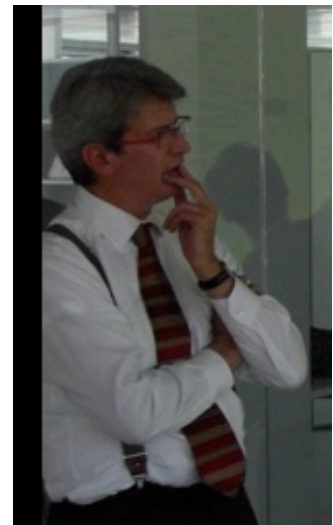
Crecento!, the representative for Total Alignment in Spain and Portugal, sponsored a popular 'coffee corner' at the conference which became a gathering place for those wanting to chat and share a cup of coffee.



Total Alignment - the Solution to Cascading the Balanced Scorecard

Many organizations have implemented Balanced Scorecard for the top levels of their businesses and produced strategy maps at the corporate and business unit levels. Now, their challenge lies in cascading their scorecard to the lower level of their organizations. The questions they are confronted with are whether additional strategy maps are needed at each level, who should be responsible for each KPI, and how long should the cascade process take before everyone is covered?

The challenge of cascading lies in assigning accountability for the lead and lag indicators emerging from the strategy maps to the right levels and the right people in the organization. Also, assigning strategic initiatives to the right person becomes significant. Should strategic initiatives be assigned to persons we know can do the job thereby ending up with a few executive that have too many initiatives and others who have none, or should strategic initiatives be assigned to those who should do the job given the right level of support and training thereby building capacity in the organization? Further, once the strategic initiatives are assigned, how can one ensure excellent execution?



**TOTAL
ALIGNMENT**

Through conversation with the CEO and directors of businesses in Spain, Mexico and Colombia, and visits to Balanced Scorecard sites we are finding that Total Alignment methodologies provide the solution to the Balanced Scorecard cascade. Our consultants spend two days on site to demonstrate the process that begins with the existing Balanced Scorecard maps and produces an individual scorecard for each person in the organization - scorecards that reflect accountability for the right KPIs and the right strategic initiatives at the right levels and the right people.

*The
Management
Model
for innovation*

VISIT US AT

www.TotalAlignment.com

CRISIS AND INNOVATION

By Riaz & Linda Khadem

The Need for Innovation

Ernst & Young's London news release of June 15, 2009 gives us a picture of how the global recession has impacted the business community. Based on the study of executives at 570 leading global companies, the report states that the global recession has permanently changed the rules of the game for companies worldwide and that 88% of companies are now reporting that their operating model has been altered by recession.

From our perspective, the economic crisis can actually have a positive effect as it forces a re-examination in long-standing assumptions - and could trigger a new wave of innovation. Many business leaders are engaging in profound rethinking in order to figure out new strategies to help their companies deal with the new rules of engagement, new bases for competition, and new patterns of consumption. As the environment has changed so dramatically, it is clear that new and innovative thinking will now be key to success. But, how can we encourage and sustain innovation in our organizations?

The Process of Innovation

While it is impossible to describe the exact process that produces innovation, the characteristics that make up the creative process are known. From our observations, the creativity of the mind is enhanced when it focuses on a need or a problem. The greater the depth of understanding of the problem, the greater is the probability of a creative solution emerging. Once the problem is imprinted in the mind, whether or not one is consciously aware, the mind keeps working on it until a solution emerges. The solution could come from associating an insight from an external source or from past experience. The insight could be an idea received from a co-worker, or triggered by an event, or a sudden realization of a natural law or a social principle. Often, the insight is in the form of a pattern one has previously observed or a pattern that emerges when a new idea is added to one's frame of reference. It is impossible to predict when the moment of creativity will come or what exact sequence of events would produce it. Yet, when it happens, we know that innovation has occurred. It is a thrilling moment and the idea is born. Many of the past great discoveries have resulted from just such a process.

Fostering Innovation

Can innovation be fostered in an organization? Can we expedite the process? Several excellent companies have made progress in this area. One example is Cisco Systems, as reported in the September 2009 issue of the Harvard Business Review in the article, Inside Cisco's Search for the Next Big Idea, by Guido Jouret. Cisco Systems embarked in 2007 on a project to find the Next Big Idea that would leverage its leadership position in Internet technology. Cisco engaged 2500

innovators in 104 countries. The project resulted in 1,200 distinct ideas that were then narrowed down to 40. Cisco encouraged innovators to join forces while rewarding those who won the I-Prize. The interesting conclusion was that despite the competition for the prize, 70% of the final 40 ideas belonged to innovators that joined forces. Cisco's experience shows a correlation between collaboration and innovation.

Culture of Innovation

Beyond collaboration, several other characteristics are necessary to establish a culture of innovation. They include motivation, openness, freedom from fear, and the attitude of learning. Motivation can have an impact on creativity as discussed in *Creativity Theories and Themes*, by Mark Runco. He states that reinforcement or encouragement motivates a person to be creative. However, it is intrinsic not extrinsic motivation that really causes creativity. Hence, inner motivation is what we want to increase, and the important drivers of inner motivation are involvement and empowerment.

Empowerment goes beyond telling someone that he or she now has power to do something. It is effective when a person assumes responsibility and accountability for specific tasks and has the requisite freedom to act. True empowerment isn't something bestowed on someone else - it is rather self-bestowed by individuals assuming ownership themselves. An organizational culture that fosters inner motivation has empowerment at its core.

Other characteristics of a culture of innovation are openness, freedom from fear, and learning. A person is open when his mind is free to accept uncensored input. In order to establish a culture of innovation, people should be allowed to express ideas freely even if those ideas challenge sacred assumptions. Related to openness is freedom from fear - not only in expressing ones views but also from making mistakes. Minor mistakes should even be encouraged as long as they result in learning. Openness increases learning and the posture of learning encourages openness. In a true learning mode success and failure become outdated concepts. What really matters is the learning that takes place - learning about what worked and what needs to change.

Establishing a Culture of Innovation

How can an environment of innovation be fostered and established? Many organizations have become more successful at establishing such a culture as their future existence depends on it. We support the initiative of these organizations and wish to offer an additional practical model for establishing such a culture based on our book *Total Alignment*.

The Alignment Process as described in this book, together with the twin cascading processes of Team Review and Vertical Review, manifest the characteristics of a culture of innovation. The alignment process establishes empowerment and ownership and gives each individual a sense of purpose and unique mission - a sense of mission that fosters intrinsic motivation.

The team review process fosters openness, brainstorming and collaboration on specific needs or problems. Team review is upward focused in the sense that members of a natural team are focused on the needs at one level higher than their own. This focus replaces the defensiveness so often experienced in teams, with genuine participation and collaboration.

The vertical review process, on the other hand, is downward focused and allows each individual to spend the necessary time, one on one, with his or her boss. Through this process, each individual receives genuine coaching and input. When the vertical review conversation is conducted in a supportive and encouraging manner, the collaboration between the two participants releases energies conducive to creativity.

At the heart of both the team review and vertical review processes is the learning model of consultation, action, and reflection. This model, introduced and field tested in the worldwide Bahá'í community, establishes a culture of openness and learning. The model begins with consultation to identify and explore solutions to issues. The second step is action to implement the plan that emerged from consultation. Finally reflection will ensure that learning takes place from the process. This model discourages action without consultation, or consultation without action or action without review and reflection.

Crisis and Innovation

The economic crisis has permanently changed the rules of the game for many businesses across the globe. These businesses are finding it increasingly difficult to survive and thrive without innovation. We believe that innovation can be the byproduct of a culture of creativity that should be introduced into the organization by design. It is a culture of openness and freedom to make mistakes and is characterized by empowerment, collaboration, and learning. Companies that are able to

successfully introduce these characteristics through the many layers of their organizations will reap the benefits of increased creative thinking resulting in innovative solutions at all levels and by many individuals.

The new management model, introduced in our book Total Alignment with its unique characteristics of individual accountability and cascading team reviews and vertical reviews, serves as a candidate for releasing creativity and promoting innovation throughout the organization.

Infotrac, Inc.
Atlanta, GA USA
<http://www.totalalignment.com>
<http://www.riazkhadem.com>

[Forward email](#)



Este correo electrónico ha sido enviado a nkhadem@infotrac.com
por nkhadem@infotrac.com | [Actualizar perfil/dirección de correo electrónico](#) | Eliminación instantánea con [SafeUnsubscribe™](#) | [Política de privacidad](#).

Infotrac, Inc. | Home of Total Alignment and One Page Management | Atlanta | GA | USA