

- FranklySpeaking

The paper you put in front of *your board.*

What an alignment investigation is, what it costs, what the board receives at the end of it, and what happens if nothing changes. Written to be tabled, not rewritten.

How to use this document.

This pack is written for the executive who has decided the work is worth doing and now has to get it approved. Section 01 is the recommendation. Sections 02 to 08 are the supporting paper. Section 09 is the approval page.

Nothing in here needs rewriting to be tabled. If your board papers use a house template, sections 01, 05 and 06 lift out cleanly on their own.

01 **The recommendation**
One page. The decision being asked for, and why now.

02 **What the problem looks like**
The five conditions that make an investigation worth running.

03 **What this is, and what it is not**
Read against audit, consulting and a permanent hire.

04 **The method**
Where it comes from, and why the findings hold up in front of a board.

05 **How the work runs**
Four phases, 12–16 weeks, and what happens in each.

06 **What the board receives**
Four documents, and what each one is for.

07 **Cost, and the alternative**
Priced against the executive appointment this work replaces.

08 **Terms, confidentiality and risk**
The four conditions agreed before a fee is quoted.

09 **The approval page**
A resolution the board can adopt as written.

The decision being asked for.

IN ONE SENTENCE

That the board approve an independent alignment investigation, running 12 to 16 weeks, ending in a written finding and a costed intervention, sponsored by an executive with the authority to act on whatever it finds.

WHY NOW

The same remedy has been applied to this problem more than twice and the problem has returned each time. That pattern is the signal. If changing the structure were the fix, it would have worked on the first attempt.

WHAT IS BEING BOUGHT

Not a report on what should happen. A finding on what is actually happening, traced through dated evidence, plus the intervention that closes it. The engagement has a fixed scope, a fixed fee and an end date, all agreed before it starts.

WHAT IS NOT BEING BOUGHT

- An assessment of any individual. Blame sits outside the terms of reference, in writing
- A strategy. The strategy is an input, not the subject
- Delivery hands. If the business needs execution capacity rather than a diagnosis, this is the wrong instrument
- A document supporting a decision already taken. That request is declined

THE ASK

APPROVE SCOPE

An alignment investigation across the defences named in section 05, with the terms of reference at section 08.

APPROVE BUDGET

From US\$35,000, fixed at scoping. See section 07 for how the range is set and what moves it.

**CONFIRM
SPONSOR**

The executive who will receive the finding and has the authority to act on it, named in the resolution at section 09.

**NOTE
STANDSTILL**

No restructuring of the areas in scope during phase one, because it changes the evidence.

A preliminary report is produced before any of this, at no fee, from a 90-minute session with the sponsoring executive. If that session concludes this is not an alignment problem, the written position says so and the matter ends there.

What the problem looks like from the inside.

Sector is the easy part. What decides whether an investigation is worth running is the condition the business is in. These five are the ones that matter.

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- 01 **The same remedy has been tried more than twice.** A reporting line restructured three times, a process redesigned twice, a leadership offsite held every year on the same theme. Each attempt was competent. The problem came back.
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- 02 **There is agreement in the room and different funding outside it.** The executive committee signs off a direction. What actually gets budgeted, staffed and prioritised does not match it, and neither side experiences that as a disagreement.
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- 03 **Good analysis is already on the shelf.** A consultancy report, an internal review, a culture survey. The analysis is sound. Nothing moved. That usually means the diagnosis named a symptom.
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- 04 **Explanations arrive one at a time.** Five senior departures with five separate reasons. Four missed quarters with four different causes. Read individually, each is plausible. Read together, they are one pattern.
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- 05 **A failure here would be public within hours.** Somebody else's ability to operate depends on this business. That raises the cost of a misaligned leadership team above what the business itself carries.
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Where we would decline

An honest board paper says what the instrument does not do. FranklySpeaking declines work where:

- One function is underperforming against a plan that is clear and agreed. That is a management problem

- Two people disagree and need mediation. That is a different discipline
 - The board wants a document to support a decision it has already taken
 - The team has already decided who is to blame
 - The programme needs delivery hands rather than a diagnosis
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Not one person in these businesses was hiding anything. That is what makes the problem hard to see.

What this is, and what it is not.

Every alternative below is capable, and most boards will have used at least one of them. The distinction is not quality. It is what each instrument is built to examine.

THE INSTRUMENTS COMPARED

INSTRUMENT	WHAT IT EXAMINES	WHAT IT CANNOT REACH
Internal audit	Whether practice matches policy	Whether the policy describes what leadership actually believes it is doing
Strategy consultancy	The document and the operating model	What the team believed when it acted, which is where the divergence lives
Culture or engagement survey	How people feel, in aggregate	Which specific decision the feeling produced, and what it cost
Executive coaching	An individual's effectiveness	Conditions that would defeat any capable individual in that seat
A permanent hire	Whatever the role is mandated to own	The hierarchy the role reports into, which is the thing being examined
Alignment investigation	The distance between what leadership believes and what is true	Anything that requires delivery capacity rather than a finding

The structural point

Every internal instrument on that list reports into the hierarchy being examined. That is not a criticism of the people holding those roles. It is the reason none of them can produce this particular finding, and it is the whole argument for an external inquiry with a board-level sponsor.

A permanent hire is an expensive way to fix a temporary problem.

Where it comes from, and why it holds up.

The method is adapted from accident investigation, a discipline built for exactly this situation: capable people, following the rules, producing an outcome none of them chose.

WHAT EACH DISCIPLINE CONTRIBUTES

DISCIPLINE	FIELD	WHAT IT GIVES US
ICAO Annex 13	Civil aviation	How to trace a chain of causes with blame formally kept out of the terms of reference
Human factors analysis	Aviation and medicine	Separating the immediate trigger from the conditions already in place before it
Barrier analysis	Process safety	Treating an organisation as layers of defence, and asking where the gaps line up
Root cause analysis	Manufacturing	The discipline of not stopping at the first answer that sounds sufficient

The five defences

Every business relies on five defences to stop a decision going wrong quietly. A problem that gets through one is normal. A problem that gets through all five is a structural condition, and that is what an investigation is looking for.

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|-------|---|
| 01 | Strategy. Whether the direction is understood the same way by the people funding it and the people executing it. |
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| 02 | Communication. Whether decisions travel with the reasoning attached, or arrive as instructions. |
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| 03 | Trust. Whether raising a problem early costs the person raising it anything. |
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| 04 | Accountability. Whether a decision has a named owner and a date, or a committee and an intention. |

05 **Escalation.** Whether there is a route upward with a stated time to respond, rather than a route with no clock on it.

The rule of evidence

Nothing is treated as fact until something independent supports it: a second person saying the same thing without prompting, a document, or a number. A single account is a lead, not a finding. This is the rule that makes the report defensible when an executive disputes it in the room.

Work out what a capable team believed when it acted, then find the conditions that made that belief reasonable.

Four phases. 12 to 16 weeks.

The same four phases every time. The scope changes; the sequence does not, because the order is what keeps the finding traceable.

PHASE 01

WEEKS 1–3

Establish the record

Board packs, minutes, budgets, exit interviews, incident reports and the organisation chart people actually use, read as evidence rather than as reporting.

Deliverable: a dated timeline of the decisions in scope, and the questions the record cannot answer.

PHASE 02

WEEKS 3–8

Sessions

One-to-one sessions across the leadership team and the layer below it. The same question set in every session, so the answers can be compared. Nothing is attributed to anyone.

Deliverable: the comparison, and the points where two accounts of the same decision diverge.

PHASE 03

WEEKS 8–12

Reconstruction

The decisions that matter are rebuilt: what each person believed at the time, what they were working from, and why that belief was reasonable given what reached them.

Deliverable: the finding, with the chain traced and dated.

PHASE 04

WEEKS 12–16

Intervention and register

The changes that close the gaps, each with a named owner, a date and a way to tell whether it worked. Scored so the board can watch movement rather than take a view.

Deliverable: the alignment register, and the session that hands it over.

What the business has to provide

- Access to the record listed in phase one, including the parts that are uncomfortable
- Calendar time: roughly 90 minutes per person in scope, once

- A sponsor who takes the fortnightly update and does not brief the outcome ahead of it
 - A standstill on restructuring the areas in scope during phase one
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Phase two sessions are the part most executives worry about. In practice they are the part people ask to extend. The question set is the same in every session and nothing is attributed, which is what makes them work.

Four documents.

01 END OF PHASE 1	The timeline Every decision in scope, dated, with who took it and what they were working from. Usually the first time the sequence has been assembled in one place.
02 END OF PHASE 3	The findings report What is happening, why it is reasonable from where each person sits, and what it is costing. Includes the parts that were uncomfortable to write. Structure set out in the report structure document.
03 END OF PHASE 4	The alignment register Each gap with a reference, a named owner, a severity and detectability score, and a status. Re-scored quarterly if the board takes the oversight option.
04 END OF PHASE 4	The intervention plan The changes that close each gap, sequenced, with the cost of each and the way to tell whether it worked.

Who sees what

The sponsor receives everything. The board receives the findings report and the register in full. No version of the findings report exists with the uncomfortable parts removed, and that is agreed in writing before the work starts.

What stays out of the report

- Attribution of any statement made in a session to the person who made it
- An assessment of any individual's competence or suitability
- A recommendation about anybody's employment

Findings are written about conditions and decisions. Where a role has to be named because the decision rights sit there, the role is named and the person is not.

Priced against the appointment you would otherwise make.

We price against the executive hire this work replaces, because that is the decision it is competing with. The fee is fixed at scoping and does not move.

THE ENGAGEMENT

SHAPE	FEE	WHAT IT COVERS
Preliminary report	No fee	90 mins with the sponsoring executive, and a written position at the end of it
Black box review	From US\$35,000	The full investigation and the intervention that closes it, 12–16 weeks
Black box review, group scale	To US\$250,000	A multinational group or a regulator, with more defences in scope
Realignment	By scope	The fix alone, where a sound investigation already exists
Register oversight	Retained	Quarterly re-scoring reported to the board rather than through the executives it measures

What moves the number

How many of the five defences are in scope, how many operating units, and how much of the record has to be reconstructed because it was not written down at the time. Not the seniority of who does the work, and not the number of days.

The comparison

FULLY LOADED ANNUAL COST. MARKET ESTIMATES.

THE HIRE	COST A YEAR	WHY IT CANNOT PRODUCE THE FINDING
Chief Risk Officer	US\$150,000–300,000	Measures compliance against policy, not the distance between what leadership believes and what is true
Transformation Director	US\$120,000–220,000	Owens delivery of the strategy being examined, and reports on milestones rather than assumptions

THE HIRE	COST A YEAR	WHY IT CANNOT PRODUCE THE FINDING
Head of Organisational Development	US\$130,000–250,000	Has the people skills without the mandate to investigate or the language to put a number on it for the board
Strategy consultancy	US\$300,000 upward	Examines the document and the operating model, not what the team actually believed when it acted

We do not quote day rates. A day is not the thing being bought.

Four things agreed before a fee is quoted.

- 01 **Somebody senior enough to act on the finding is sponsoring the work.** If the finding lands with somebody who cannot change what it names, the investigation was an expensive way to produce a document.
 - 02 **Blame sits outside the terms of reference, in writing.** This is not a courtesy. It is the condition that makes people say the thing they would otherwise not say, and without it the sessions produce nothing worth having.
 - 03 **No restructuring during the first phase.** Moving reporting lines mid-investigation changes the evidence and destroys the timeline.
 - 04 **You get the whole findings report.** Including the parts that were uncomfortable to write. There is no second version.
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Confidentiality

Everything produced in the engagement belongs to the client. Cases are published only in disguised form: the client name, the country, the dates, the size of the business and the exact figures are altered; the sector, the mechanism, the sequence and the order of magnitude are not. No detail that would identify a person is published in any form. Where a client clears a figure in writing, it is published with their name attached, and not before.

Data and records

Session notes are held without attribution. Documents provided by the business are returned or destroyed at the close of the engagement, at the client's election, and a written confirmation is issued either way.

The risk of doing nothing

The reason this comes to a board rather than staying with management is that the cost of the condition compounds quietly. Each further attempt at the same remedy consumes budget and credibility, and each one makes the next attempt harder to fund. The businesses in the published record had all tried at least twice before the work started, and in every one of them the cost of the delay exceeded the cost of the investigation by more than an order of magnitude.

A resolution the board can adopt as written.

DRAFT RESOLUTION

That the board approves the commissioning of an independent alignment investigation by FranklySpeaking, on the following basis:

1. The scope covers the defences and operating units set out in the scoping note attached, over a period of 12 to 16 weeks.
2. The fee is fixed at the amount set out in the scoping note and does not vary with the number of days worked.
3. **[Name, role]** is appointed as sponsoring executive, with authority to act on the findings within the delegations already held.
4. Blame and any assessment of individual performance sit outside the terms of reference.
5. No restructuring of the areas in scope will be undertaken during phase one.
6. The board will receive the findings report and the alignment register in full, without amendment.
7. The sponsoring executive will report progress to the board at each scheduled meeting during the engagement.

SPONSORING EXECUTIVE

CHAIR

DATE

BOARD REFERENCE

Before any of this is tabled, the first call costs nothing: 90 mins with the executive who would sponsor the work, ending in a written position on whether an investigation is warranted. Book at cal.com/franklyspeaking/diagnostic.
 FranklySpeaking · Harare and Johannesburg · Working internationally.