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Digital Article / Strategy

# What Leaders Get Wrong About Strategic Alignment

A survey of 400 executives identifies the most common mistakes—and how to avoid them. *by Jonathan Trevor*

Published on HBR.org / January 14, 2026 / Reprint [H08ZC8](#)



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**Few executives would disagree that strategic alignment—the careful arrangement of a company’s core value drivers, including its market strategy, capabilities, people, technologies, culture, structure, processes, and systems—is essential. All other things being equal, the best-aligned enterprises tend to be the best performing. Yet, misalignment is widespread and persistent, hindering enterprise performance. What are leaders getting wrong?**

To address this question, I surveyed around 400 executives in 2025, spanning all major industries and geographies. The analysis of the results is ongoing, but several initial findings are noteworthy. Ninety-one percent of respondents agreed that strategic alignment is a critical driver of business success. Yet fewer than one in seven strongly agreed that their organization was aligned. In other words, many leaders recognize the problem—but can't seem to solve it.

This gap matters for enterprise performance. The executives who said their organization was strategically aligned were much more likely to outperform those perceived as poorly aligned. Some 86% of participants who “strongly agreed” that their company was strategically aligned also reported meeting (44%) or exceeding (42%) their financial performance targets. Likewise, 56% of respondents who “strongly agreed” that their company was strategically aligned also reported that their company performed above their industry's average. Conversely, 77% of those who “strongly disagreed” that their enterprise was strategically aligned reported below-target financial performance.

Importantly, the survey also revealed that, when alignment falters, the same stubborn symptoms emerge (in rank order):

1. **Collaboration breaks down.** Silos form and cross-functional work becomes harder just when it's most needed.
2. **Change stalls.** Resistance sets in as teams cling to legacy ways of working.
3. **Execution falters.** Even the best strategies lose momentum if middle layers of the organization don't translate intent into action.
4. **Trust erodes.** Competing agendas emerge, creating turf wars and internal friction that undermine a sense of common purpose.

These patterns suggest that misalignment is not an operational failure—it's primarily a *leadership one*. Leaders who treat alignment as a one-

off project, rather than a continuous discipline, quickly find themselves back where they started.

What can executives do to improve their odds of success? This survey, the related [body of thought leadership I cover in my book](#), and my experience coaching senior executives—much of which has directly benefited organizations such as the international charity [Save the Children](#)—point to several common mistakes in strategic alignment and to proven ways to elevate it as a top leadership concern.

### The Most Common Strategic Alignment Mistakes

There are three common leadership failures that explain why misalignment rates are so high:

**No one owns it.** It is often the case that enterprise-wide strategic alignment is rarely owned—by anyone. Even though the survey’s findings indicate that executives are well aware of the importance of strategic alignment, and many appreciate the risks of misalignment and the threat it poses to sustainable performance, fewer are clear about who is responsible for ensuring that the enterprise’s business strategy aligns with its purpose, and that its organizational capabilities align with the chosen strategy.

When asked who is responsible for ensuring strategic alignment, the two most common responses I hear from the groups I work with, whether they are senior executives or front-line staff, are “the CEO” and “the board,” or “everybody.” Both answers are problematic. Relying on an individual or a few individuals in large, complex enterprises often leads to misalignment because they do not (and cannot) operate with complete information. Moreover, top-down strategic decisions can easily get “lost in the middle” and fail to be executed as intended. Equally, when “everybody” is responsible for an enterprise’s strategic

alignment, it can mean that nobody is. Strategic alignment is the ultimate leadership concern and *should* be a priority for all leaders, regardless of their level.

**It's not a priority.** Even when there is clear accountability for strategic alignment, it still requires discipline to ensure it remains a top priority, or it risks being neglected. For instance, survey respondents reported discussing strategic alignment topics less often than they thought they should. On average, 9% never discuss it, 16% discuss it once a year, 15% biannually, and 31% quarterly. Overall, 56% felt that they should ideally discuss strategic alignment monthly or more frequently, compared to the 30% who currently do so.

What explains the gap? Individuals and groups of leaders frequently cite pressure to deliver results, being time-poor, and firefighting as the most common reasons they, understandably, neglect strategic alignment considerations.

**Leaders don't think systemically.** I have taught strategic alignment to thousands of executives from nearly every country and industry. Occasionally, I receive comments like, "Well, yeah, it's obvious now you've said it." Strategic alignment *is* intuitively appealing. It makes perfect sense in retrospect. Still, many executives do not naturally think in this way. Often, for very understandable reasons, operational considerations dominate, parochial concerns distract, and tactical reasoning confounds more strategic thinking.

Similarly, many leaders wrongly believe they are already achieving strategic alignment. Oftentimes in the many workshops I've led, the more senior a leader is, the more likely they are to view their firm's strategy positively compared to subordinates (when subordinates are honest). Proximity to decision-making is linked to positivity; those

further from the center tend to view its outcomes more pessimistically or negatively. This issue is even more pronounced in highly complex organizations, where maintaining a high level of alignment is much more difficult.

### **Make Strategic Alignment a Leadership Discipline**

Like physical fitness, strategic alignment is easier to maintain than to regain.

As such, it should be an enduring leadership discipline that prompts and frames the questions leaders at all levels ask, the conversations they have, and the strategic choices they collectively unite behind. So, how should leaders think about strategic alignment to improve their enterprise's performance?

**Make alignment *the* strategic concern.** First and foremost, alignment is an essential feature of every high-performing enterprise and *should* be a—if not the—principal strategic concern. Strategic alignment is the organizing logic and leadership blueprint for virtually every aspect of strategic decision-making, from the fundamentals of why an enterprise exists (i.e., its purpose) through to its market strategy (i.e., how it competes), mergers and acquisitions, organizational design (i.e., how it is organized), human resources strategy, and so on. Strategic alignment does not occur naturally or by chance. Leaders should envision the ideally aligned and best-fit-for-purpose version of their enterprise and bring it to life as much as possible over the long term. The more aligned an enterprise is, the more high performing it is likely to be, all other things (such as external factors or simply luck) being equal. Further, misalignment poses an unnecessary and avoidable risk, whether it takes the form of low productivity, a lack of innovation, or a fragmented work environment.

Consider for your organization: How often do you discuss strategic alignment within your teams? Is it viewed as a key aspect of the leadership role? If not, why not, and what are the performance implications? If strategic alignment is not top of mind, enterprise leaders risk becoming hostages to fortune rather than masters of their own destiny.

**See the enterprise as a value chain.** Every enterprise is a value chain, which is only as strong as its weakest link. The first and most fundamental link is the enterprise's purpose, its fundamental *raison d'être*. As outlined in a previous Harvard Business Review article, "[How Aligned is Your Organization](#)," the next four links are *business strategy* (i.e., what the enterprise is trying to win at—in the form of products, services and markets—to fulfill its purpose); *organizational capability* (i.e., what the enterprise needs to be distinctively good at organizationally to win in the external marketplace); *organizational architecture* (i.e., what makes the enterprise good enough to win, in the ideal form of its people, technologies, structures, cultures, and processes); and finally, *management systems* (i.e., what delivers the performance needed to win, in the form of its ideal information technology management systems, human resources management systems, and so on).

Consider for your organization: How aligned are these five links? Is there a weak link in your value chain? Is it your strategy? Perhaps your organizational capability? Or both? You can perform a [simple test](#) to self-diagnose the strength of your strategic alignment and establish leadership priorities to improve it.

**Make deliberate alignment choices.** Each link in the enterprise value chain represents a strategic choice—and a state of high alignment results from the quality of leaders' choices. Out of thousands of

potential options, an organization's leadership must choose the ideal combination of strategy, organizational capabilities, structure, culture, technology, and talent (to name just a few) that best fits its purpose. These strategic choices involve navigating complex trade-offs and placing bets on a case-by-case basis, often with incomplete information. There is no one-size-fits-all solution for all enterprises. Mimicking other companies or blindly following "best practice" is a recipe for misalignment. Your outcome should be a context-specific and coherent set of strategic principles that guide downstream implementation. In an ideally strategically aligned enterprise, all corporate actions are intentional, systematic, and disciplined—including the choice to be unstructured, spontaneous, and experimental.

Consider for your organization: How are you choosing how to align your strategy choices, such as product offerings, to best fulfill your enterprise purpose? What is driving your organizational design choices? Should you embrace a hierarchical or flat organizational structure, for instance? The honest but unhelpful answer is that it depends, of course. The enterprise value chain provides the framework to make sense of such fundamental strategic choices.

**Build alignment muscle.** To make the best possible strategic choices that align their enterprise, leaders must be capable of multi-level, enterprise-wide thinking. In practice, this means being externally focused and attentive to changes in the external environment. It also requires understanding how these changes affect the whole enterprise and all its parts over the short, medium, and long term, including individual lines of business, country operations, and functions. The larger or more dispersed an enterprise is, the more complex it tends to be, making it harder to achieve and maintain a high level of alignment over time. Complexity can be an alignment killer; the antidote is leadership sophistication. This often means systems leadership

capabilities—thinking impersonally about the entire enterprise as a complex adaptive system of many moving and interconnected parts, of which people are just one element—rather than the traditional focus on day-to-day personal or team leadership.

Consider for your organization: Do you have the requisite leadership competencies within your enterprise to achieve and maintain strategic alignment? Can your leaders think at multiple levels, across multiple disciplines, and across multiple time frames?

**Lead alignment collectively.** Securing and maintaining a high state of strategic alignment over the long term should be the collective goal of *all* leadership, regardless of level. When defined as a group, a company's leadership itself forms a system, consisting of different stakeholders operating at various levels, all of whom are responsible for securing alignment on an enterprise-wide basis. One helpful way to think about it is to segment an enterprise's leaders according to those who operate at the level of *principle* (often but not always executive leadership), those who operate at the level of *policy* (typically functional leadership, such as human resources or technology), and, finally, those who operate at the level of *practice* (generally operational leadership, such as front-line team leaders). Principles should inform robust policy, which in turn should inform day-to-day implemented practice—all of which requires leadership aligned at all levels. If an enterprise's leadership is itself misaligned, it cannot hope to lead a highly aligned enterprise.

Consider for your organization: To secure strategic alignment, how clear are your strategic principles, and how well do they inform policy decisions? Is what you aspire to do in principle reflected in your intended policies and, ultimately, implemented in practice? As a company, you may be clear on what you say you do, but do you do what you say in reality?

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A strategically aligned enterprise is ultimately the outcome of effective leadership. To secure high enterprise performance, leaders must first look to themselves, the degree to which they take ownership for strategic alignment, give it the attention it deserves, and, most importantly, think about it in the right way.

*Jonathan Trevor thanks Professor Kazuhiro Asakawa of Keio University, Xianlingchen Wang of the University of Oxford, and Sam Ridgway for helping to analyze survey results and for providing guidance.*

*This article was originally published online on January 14, 2026.*



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