THE ESSENTIAL GUIDE
TO
ORGANISATION DESIGN

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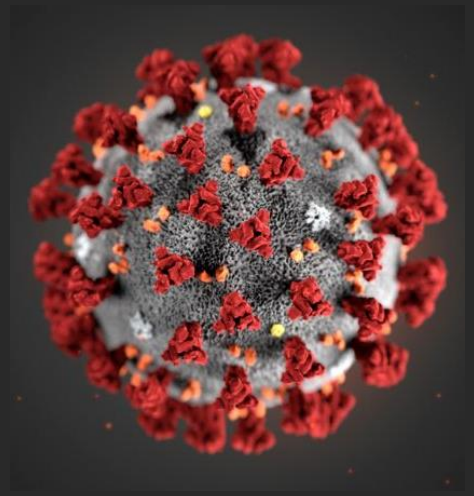
SETTING YOUR BUSINESS UP FOR SUCCESS POST COVID



Having survived waves of uncertainty and disruption, business leaders have been turning their attention to streamlining their organisation whilst ensuring that it is also designed for success.

Cutting costs is the easy bit.

Designing an organisation that is capable of delivering your strategy is far more challenging - but business-critical.

CEOs, CFOs and HRDs are now asking themselves:

- "What will our organisation need to look like to be successful in the future?"
- "What key skills, roles, talent and culture will we need to soar post-pandemic?"
- "What are the secrets to successful and sustainable organisation design?"

I am glad you asked …

ORGANISATION DESIGN STARTS WITH STRATEGY

Organisation Design is so much more than structure. It involves clarifying the organisation's strategy and then designing every aspect of the organisation to make sure it is capable of delivering the required results.

Key Success Factors

- Aligned Leadership
- Genuine Stakeholder Commitment
- Effective Communications

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FUNDAMENTAL QUESTIONS FOR EVERY STAGE

What will success look like?
- Is the strategy credible and clear? (Purpose, Aspiration, Culture, Customer Experience, Priorities)
- Go-to-Market strategy clearly defined?
- Departmental objectives clear?
- Key leadership behaviours been agreed?

STRATEGY

Given the stated Strategy & End Game … define:
- Key success factors
- Key implications and risks
- Key issues holding the business back
- The magic we must retain
- Key things to continue/ stop / start
- OD Guiding Principles & "Non-Negotiables"

- Market Analysis
- Scenario Planning
- SWOT analysis
- Organisation Effectiveness
- Financial Analysis

Step 1: *Assess Market/Customer Demands & Opportunities*

Step 2: *Clarify Strategy & End Game*

Step 3: *Define KSFs & OD Guiding Principles*

Step 4: *Define Core Work & Operating Model*

- What are the core work areas for the future?
- Simplify core activities into high level Operating Model
- Key business processes going forward?
- Gap analysis
- What is the true cost of the work you do?
- Benchmarking against desired end game or industry best practice

EXTERNAL

Evaluation

Strategy, Vision, Goals & Implications

Establishing key issues, priorities & TOM

INTERNAL

Making the new organisation work

Clarifying culture, capabilities, roles & accountabilities

Step 5: *Define Capabilities, Behaviours & Talent*

- Key capabilities the business needs to deliver the strategy
- How equipped are you to deliver those capabilities?
- Key behaviours required for future success vs current culture / behaviours
- Key accountability gaps
- Current talent vs required talent

- Impact assessment
- Key outputs and metrics
- Organisational measures and individual performance targets
- Implementation Planning
- Business case development

Step 8: *Impact, Metrics & Implementation*

Step 7: *Making it work*

Step 6: *Define Roles, Structure Options & Select Structure*

- 'Rules of engagement' to make the new structure work?
- Key integrating mechanisms required:
  - Decision-making processes and committees - remit and membership
  - Corporate governance processes
  - Management forums
  - Communication mechanisms

OPERATIONS

- Key roles and pivotal roles?
- Volume of work required of each role?
- Structure options - pros/ cons of each option?
- Optimum structure to deliver business goals?
- Key implications of this structure ?
- How will you mitigate these implications?
- Will key accountabilities be clear?

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OD SECRETS OF SUCCESS

1. Clarity of what success looks like and why we are doing this.
2. Clarity of the strategic fundamentals: why we exist, for whom, what makes us special and what gives us the right to succeed.
3. Objective & honest assessment of market opportunities and internal strengths & weaknesses.
4. Full understanding of the implications of the planned re-organisation and the 'magic' that needs to retained.
5. Unwavering commitment from the top to deliver the business outcomes required.
6. Involvement and engagement of all key individuals as early as possible in the process.
7. Clear, reliable data upon which to base decisions – and the ability to analyse it at speed (www.orgvue.com).
8. Not being afraid to back-track to early stages of the process when necessary.
9. Shared acknowledgement that no structure is perfect - look at several options and the implications of each.
10. Being prepared to compromise on structure - fully aware of why compromise is necessary and the implications.
11. The behaviour of the Senior Management Team:
    - Cabinet responsibility and genuine trust in one another
    - Leaders putting the best interests of the company ahead of their own personal interest
    - Strong collective desire to make any structure work
    - Confidentiality during the early design phase. Open, honest and genuine engagement afterwards
12. Clear execution and communications plans – well executed
13. Proven Organisation Design methodology and tools

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Change is inevitable. Successful change isn't.

We enable leaders to align their people to a clear strategy and lead the delivery of sustainable change.

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