# Is your team structure an anchor or a propeller?

2019 South Dakota Governor's Conference on Tourism

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"A bad system will defeat a good person every time."
- Edwards Demming

# Over the next hour, you'll learn:

- Key principles that shape sound organizational structure decisions.

- How to assess your current organizational structure and determine whether a change needs to be made.

- How to engage your people in the process of making a change to your organization's structure.

# Principles of Organizational Design

# Why having the right organizational structure should be a top leadership priority.
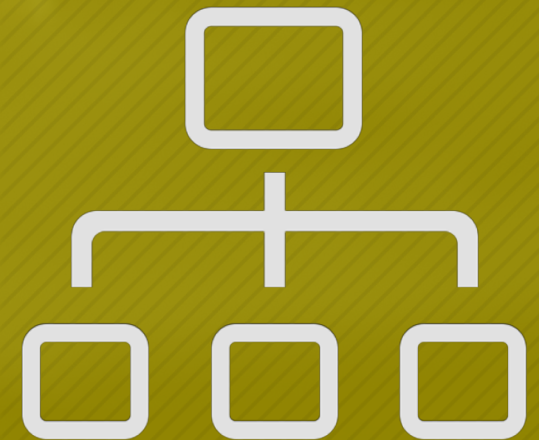
# Organization Structure: Common Mistakes

- The strategy changes, but the structure stays the same.

- Mis-diagnosing structure as an anchor, when it's actually not.

- Asking more of structure than it's capable of delivering. (can solve culture).

- Having the wrong people in the right roles.

- Not balancing the need for autonomy vs. the need for control.

Strategic Direction

Capabilities

Leadership

Talent

Structure

Processes

Rewards

Sustaining a fully effective organization

# Ensure your structure is a propeller rather than an anchor.

Consider the following **five principles** before changing your organizational structure.

**Exhaust all other options first.**

1

2

3

4

5

**Five Principles**
**of Changing Your Organizational Structure**

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**Exhaust all other options first.**

**Start with a clean slate.**

**Five Principles** of Changing Your Organizational Structure

**Exhaust all other options first.**

**Start with a clean slate.**

**Meet in the middle.**

**Five Principles** *of Changing Your Organizational Structure*

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**1** Exhaust all other options first.

**2** Start with a clean slate.

**3** Meet in the middle.

**4** Aim for simplicity.

**5**

Five Principles of Changing Your Organizational Structure

**Exhaust all other options first.** 1

**Start with a clean slate.** 2

**Meet in the middle.** 3

**Aim for simplicity.** 4

**Lead the change.** 5

**Five Principles of Changing Your Organizational Structure**

# Your structure may be an anchor, if…

1. The strategy is right, people are bought in, yet the results aren't following.

2. There is a pattern of mistakes or slow execution.

3. People are confused about their role and the roles of others.

4. Decision-making bottlenecks are piling up.

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Implementation

# Nine-Step Restructure Process

- Step One: Get clear on the range of capabilities

- Step Two: Develop and implement a preliminary communications plan

- Step Three: Conduct structure assessment

- Step Four: Designate a Design Team

- Step Five: Share decision criteria

- Step Six: Develop viable structure scenarios

- Step Seven: Design team to consider staff team input

- Step Eight: Determine implementation phasing

- Step Nine: Implement "high touch" roll out

Assessment

# Sometimes structure gets a bad rap.

**Strategy** → **Capability Needs** → **Structure**

# Case Study



Strategic Direction → Capabilities

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# The Anchor Detector
Is your structure an anchor or propeller?

Assessment Exercise

# 5 minute worksheet
# 5 minute table discussion
# 5 minute group discussion

**Table Questions:**

- Biggest "ah-ha"
- Other issues pinpointed
- Anybody need a structure change?

**Group Questions**

- Did anybody identify an anchor? What's the evidence?
- Did anyone pinpoint other challenges that need to be addressed?

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# Questions?

Thank you

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# ⚓ Anchor Detector

## Dimensions of Organizational Effectiveness
**Please answer the following six questions with YES or NO:**

In support of our strategic direction, my organization:

1. Has the capabilities necessary to execute our mission and achieve our strategic goals.　　　　**YES**　　　　**NO**

2. Has established mechanisms for collaboration.　　　　**YES**　　　　**NO**

3. Has clear and well-understood decision-making processes.　　　　**YES**　　　　**NO**

4. Deliberately rewards behaviors that support our goals.　　　　**YES**　　　　**NO**

5. Has personnel with the skills we need.　　　　**YES**　　　　**NO**

6. Continuously develops our talent.　　　　**YES**　　　　**NO**

## Organizational Challenges
**Answer the following 11 questions on a scale of 1-5, where 1=strongly disagree and 5=strongly agree:**

| | 1 | 2 | 3 | 4 | 5 |
|---|---|---|---|---|---|
| 1. We have a clear vision that inspires and motivates our team members. | 1 | 2 | 3 | 4 | 5 |
| 2. Team members are clear about who is responsible for what. | 1 | 2 | 3 | 4 | 5 |
| 3. Our work outputs are accurate and mistake-free. | 1 | 2 | 3 | 4 | 5 |
| 4. We execute our work effectively and efficiently. | 1 | 2 | 3 | 4 | 5 |
| 5. We coordinate and collaborate seamlessly between roles and departments. | 1 | 2 | 3 | 4 | 5 |
| 6. We make decisions easily and quickly. | 1 | 2 | 3 | 4 | 5 |
| 7. Our processes are streamlined and up-to-date. | 1 | 2 | 3 | 4 | 5 |
| 8. Our team members' roles are each unique and necessary. | 1 | 2 | 3 | 4 | 5 |
| 9. Our stakeholders/customers know who to go to when they have a need. | 1 | 2 | 3 | 4 | 5 |
| 10. Our leaders have seven or fewer direct reports. | 1 | 2 | 3 | 4 | 5 |
| 11. Our lines of communication are clear and effective. | 1 | 2 | 3 | 4 | 5 |

## Dimensions of Organizational Effectiveness

_____No　　　　　_____Yes

Any NO = You might have other issues to solve before you consider a structure change.

## Organizational Challenges

_____Points

Score below 30 = You might need a structure change.