

Workbook

ORGANIZATIONAL STRUCTURES

Designing the Right Kind Of Organization

HOW AN ORGANIZATION IS STRUCTURED—ITS ROLES, PROCESSES AND COORDINATION MECHANISMS—CAN MAKE OR BREAK ITS ABILITY TO ACHIEVE EFFECTIVE BUSINESS TECHNOLOGY MANAGEMENT.

BY FAISAL HOQUE

In seeking the right level of coordination, an organization's design must weigh the extent to which its business strategy and strategic initiatives help set the priorities for business technology, including investments in infrastructure and services, application portfolios and sourcing relationships. At the same time, this design must account for the fact that business technology is increasingly shaping future business strategies, processes and initiatives.

Establishing the appropriate organizational structure will facilitate true coordination between all areas of an enterprise. It will assist companies in exploiting technology-enabled opportunities, often leading to an innovative business strategy that may even result in the differentiation of an organization's product or service offerings.

To be effective, here are a few things an organization must do to get itself in order:

ORGANIZE and manage based on value-creating processes. Do not set up committees for their own sake. Instead, take

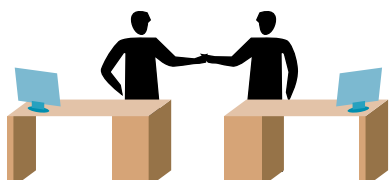


stock of the value-creating processes these organizational structures will support. Remember that the level of complexity associated with an organizational unit will vary based

on the sophistication of the governance network it supports.

Apply a modular organizing logic in designing critical business technology organizational structures. Consider explicitly assigning individual executives to each one of these modular organizational units.

RECOGNIZE that organizational design and change management are critical business technology management capabilities. Organizational design changes



must be managed with care. Strong relationships need to be built with stakeholders.

How can you promote "straight talk" in an environment that values commitment and relationships? How can you lead your team to accept that difficulties along the way are not failures, but rather a normal part of the change process? How will you resolve these rough spots and build on them to fuel the organizational change effort?

DEVELOP bottom-up change agents, as change rarely results solely from a top-down edict. Lower-level employees



must buy in. Cultivating change agents can guarantee their support in selling change to their peers.

Develop your communication strategy and management capability, which have significant implications for evolving organizational structures.

The numerous stakeholders that determine success include the board, senior management team, business technology executives and external partners. Therefore, the entire senior management team is responsible for communications strategy and management. However, the team should be supported by expert communications professionals to ensure the following:

- The communications strategy is based on behavior-based goals and objectives. Who has to do what for this to be successful?
- A path is defined to move target audiences from mere awareness to understanding, commitment and action.
- The plan includes appropriate communications research, channel identification, key messages, timeline and measurements of success.

Faisal Hoque is chairman and CEO of BTM Corporation (www.btmcorporation.com). BTM innovates business models and enhances financial performance by converging business and technology with its products and intellectual property. © 2009 BTM Corporation | info@btmcorporation.com