



# Realizing the Benefits of an Organization Redesign

*Reed Deshler, Principal*

## A client-focused firm specializing in...

*Strategy and Marketplace Differentiation*

*Diagnosis and Assessment*

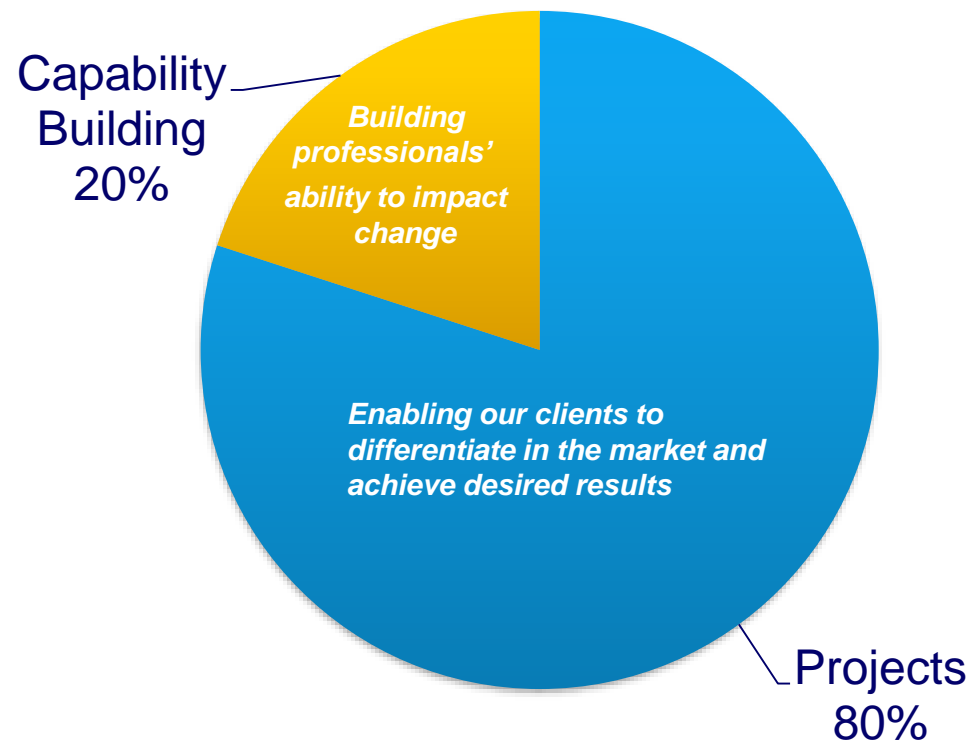
*Organization Design*

*Change Leadership*

*Leadership Alignment*

**To drive differentiation through alignment**

## Work Breakdown



- What role do leaders need to play in **implementing a successful organization redesign**?
- How do **HR practitioners** and other partners **contribute to success**?
- How do you ensure people are engaged at a tactical level so that **behaviors and performance measurably change**?
- What techniques help ensure the acceptance and **adoption of the proposed organizational changes** so that investments in the redesign effort aren't lost?

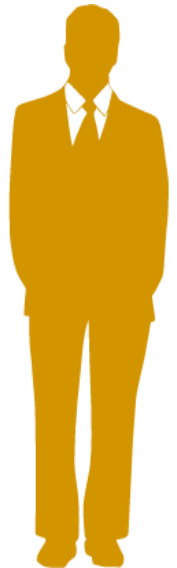
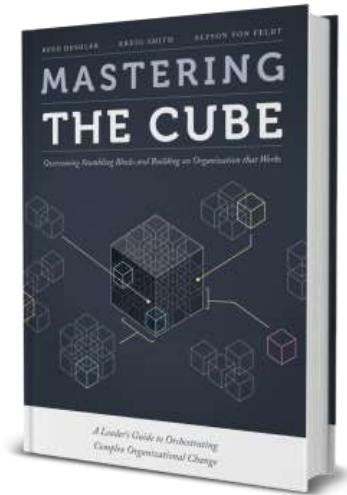


“Our belief is that all enterprise leaders should consider themselves alignment leaders along with the other roles they play.”



“We call this role the **Chief Alignment Officer**...and believe “they must...attend to the health and effectiveness of the[ir] organizations...”

“Leader[s]...should feel the strong support of a **change partner** who can chart a road map for any scale of [change], facilitate discussions, and provide tools for moving firmly and rapidly to build out capabilities across all the six sides of the organizational cube.”





## Alignment Leader...

**Makes Choices & Trade-offs**

**Ensures Alignment**

**Drives Change**

**Builds Capability**



## Change Partner...

**Diagnosis**

**Tools/Process**

**Thought Partner/Sounding Board**

**Marks the Path**

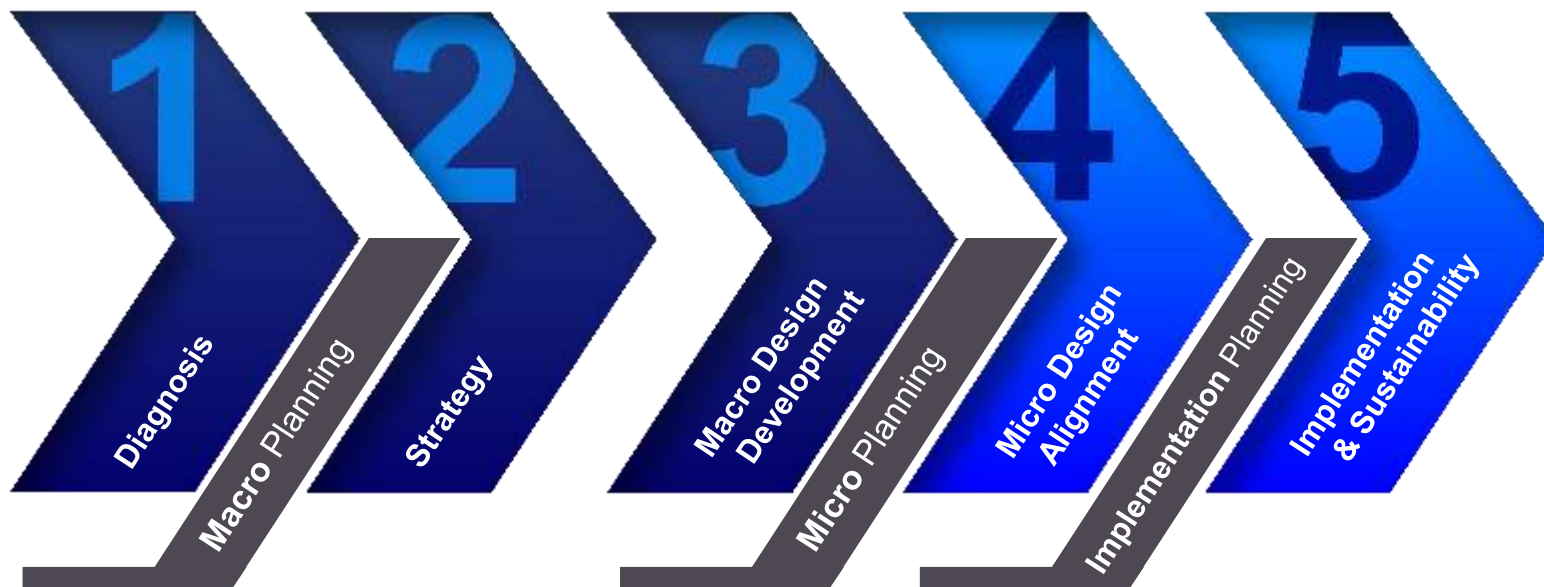
# Five Steps to Implementing a Successful Organization Redesign



# Five Steps to Implementing a Successful Organization Redesign



### Alignment Leadership



How will the initiative be set up for success?

How does your organization intend to “win”?

How should work and resources be configured to best enable strategy?

How will the new organization work?  
What choices need to be redesigned to drive strategy?

How will we effectively transition to the new design and realize results?





## Initiation

*1-2 Weeks*

- Charter the implementation work
- Identify team members
- Define roles
- Set-up change structure

## Change & Implementation Planning

*2-8 weeks*

- Assess the changes to work, roles/people, & technology/tools
- Build the change plan
- Build the process launch plan
- Build the people launch plan
- Build the technology dependency plan

Integrate as the journey management plan

## Realization

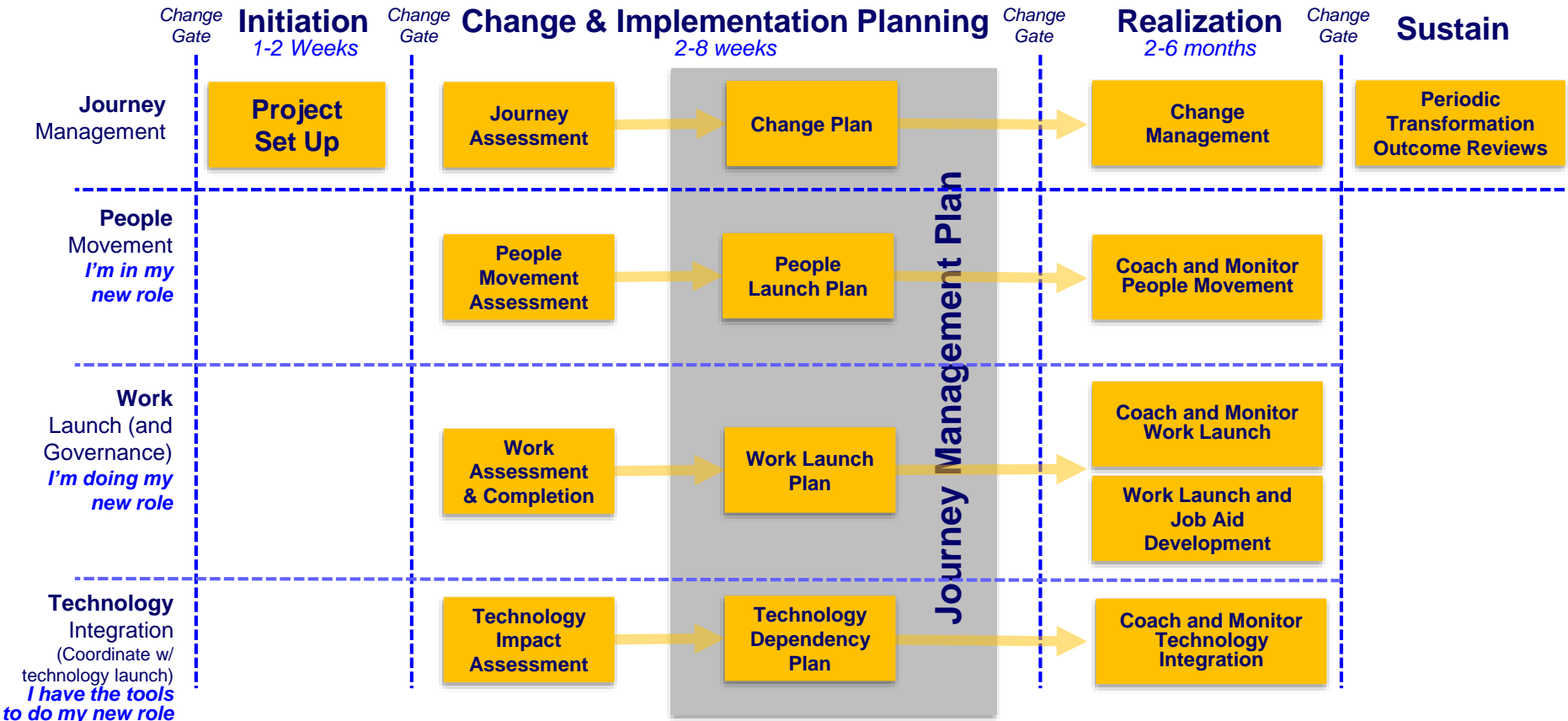
*2-6 months*

- Develop job aids
- Conduct training
- Transition work and people
- Coach and monitor movements/transitions

## Sustain

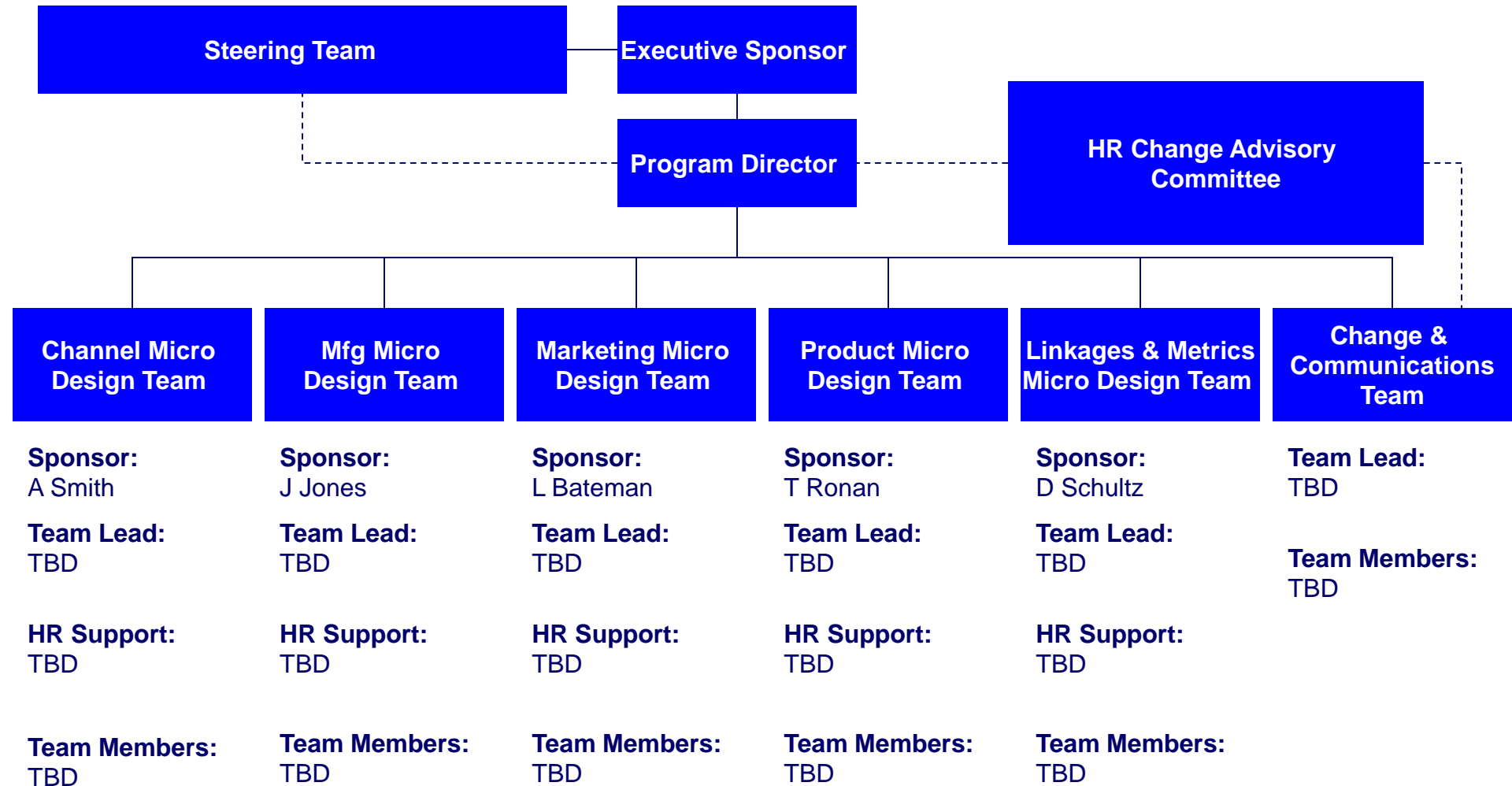
- Sustain momentum
- Update and adjust change actions/tactics
- Measure performance

## Implementation & Sustainability Journey Management



# Five Steps to Implementing a Successful Organization Redesign





Responsibilities	Time Commitment	Team Composition
<ul style="list-style-type: none"> <li>Develop design recommendations</li> <li>Ensure alignment of design recommendations to the intent of the Phase 1 design</li> <li>Seek Steering Team endorsement of design recommendations</li> <li>Strive to redesign all organization support to facilitate changed/improved organization capabilities</li> <li>Track the financial and headcount implications of recommendations</li> <li>Follow the design principles and criteria set during Phase 1 of the design effort</li> <li>Surface human resource-related questions/issues to the HR/Change/Communications Working Team for guidance and support</li> <li>Adhere to project schedules and timelines</li> <li>Raise cross-domain issues/risks to the Program Director for resolution</li> </ul>	May range from 10-75%	<ul style="list-style-type: none"> <li>Sponsor (10% or more)</li> <li>Team Lead (75%)</li> <li>OE Consultant (75%)</li> <li>Compensation Consultant/Specialist</li> <li>Staffing Consultant/Specialist</li> <li>HR Business Partner</li> <li>Team Members (50%)</li> </ul>
		<b>Meetings</b> <p>Meetings will be work sessions where the micro design recommendations are made</p> <p>Design sessions will typically be facilitated using the tools and approaches of this project by OE or other facilitator</p>

## Specific Roles & Responsibilities

### Sponsor

- Mobilize and oversee the micro design efforts of Phase 2 within the domain
- Ensure appropriate selection of Micro Design Team members
- Negotiate with functional managers to make team members available to support the design efforts
- Approve Micro Design Team recommendations for review by the Steering Team
- Ensure all HR, communications and change issues are identified for the domain and managed

### Team Lead

- Organize and lead the micro design efforts within the domain
- Plan and partner with the OE Consultant to establish the Micro Design Team's timeline, approach, and work activities
- Responsible for managing the project activities and schedule and ensuring deliverables are completed
- Regularly report project status and issues to the Program Director
- Recognize and escalate cross-cutting organizational issues (e.g., HR, change, communications) to the HR/Change/Communications Working Team for assistance
- Learn the design approach and tools and ensure team's activities conform
- Remove obstacles for the team and negotiate with the appropriate people involved to come to an agreement
- Attend project status meetings as scheduled by the Program Director and highlight progress/issues of MDT
- Identify and estimate resource requirements and work with Sponsor to obtain needed resources

### OE Consultant (Design Facilitator)

- Ensure intent of Phase 1 design is incorporated into Micro Design Team's recommendations and thinking
- Challenge team members to design "differentiating" capabilities to enable strategy
- Provide organization design expertise including tools and methodologies to the Micro Design Team
- Prepare and facilitate Micro Design Team work sessions
- Provide direction on the output/deliverables to be produced (including format and content)
- Educate Micro Design Team and Sponsor on organization design tools, concepts, principles, and approaches

## Specific Roles & Responsibilities

### HR Support (HR Business Partner, Compensation Consultant/ Specialist, Staffing Specialist)

- Attend and actively participate in scheduled design work sessions
- Provide subject matter expertise and support in functional area to assist in the completion of deliverables
- Serve in a similar capacity as that of Team HR member

### Team Members

- Attend and actively participate in scheduled design work sessions
- Provide subject matter expertise in functional area to advance the design work and completion of deliverables
- Ensure key stakeholder requirements are met in the new design (this does not necessarily mean that how those requirements are met have to remain the same as today)
- Complete assigned tasks according to the guidelines established by the Team Lead or OE Consultant
- Ensure a high degree of teamwork within the project
- Exhibit flexibility in dealing with unexpected events, proactively managing change as it happens

Purpose: Guide the transformation effort and ensure alignment among workstreams

- Sets overall direction in alignment with sponsor intent
- Holds final decision rights
- Provides guidance, input and feedback to Executive Sponsor, Core Integration Team
- Resolves escalated integration issues

Name	Area

**Other Teams might include:**

- Core Project Team
- Change/Communications Team
- Work stream Teams



# Journey Management Core Team Jump Start Agenda

Activity	Purpose	Estimated Time	Who
<b>Welcome and introductions</b>	Get to know each other and specific roles and involvement to date in project	15 min	All
<b>Review agenda and goals</b>	Ensure everyone is aligned on purpose and tailor needs to group, understand scope of project.	15 min	All
<b>Review Org Design Principles</b>	Understand key activities and purpose of org design from start to fully implemented	15 min	All
<b>Review work-to-date</b>	Review and align on work that has been completed so far, identify gaps, determine how gaps affect the agenda	1-2 hours	All
<b>Review / develop design activities</b>	Review and develop PM plans for the project	2-5 hours	All (PM Focused)
<b>Wrap-Up</b>	Review parking lot, determine next steps, review objectives	30 min	All

# Five Steps to Implementing a Successful Organization Redesign



# “Real” Change Leader Characteristics



# Becoming a “Real” Change Leader

Manager	Leader	Real Change Leader
Copes with operational complexity	Copes with change and uncertainty	Scopes out the preferred future
Focuses team on goals	Creates personal line-of-sight to mission	Aligns organization to strategy
Focuses on present operations and past performance	Anticipates the future	Creates a differentiated, aligned future
Communicates performance expectations and standards	Communicates direction and strategy	Communicates direction, strategy and the path forward
Creates order and consistency	Creates ability to be competitive and innovative	Creates incentive to embrace competitive and innovative behaviors
Focuses on planning, budgeting, goal setting	Focuses on setting a direction and developing strategies	Enrolls people in the new strategic direction; walks the talk
Organizes people to accomplish the work	Aligns people with the vision	Creates the conditions where people can fulfill and achieve the vision
Addresses tactical concerns	Addresses strategic concerns	Integrates strategic (macro) and tactical (micro)
Measures, tracks, and reinforces performance	Motivates, inspires, and engages others in creating the vision	Tracks and shares progress toward reaching the shared vision
Relies on control mechanisms to identify and correct performance gaps	Relies on energized, motivated and inspired workforce	Relies on engaged workforce and stakeholders
Administers policies and rules	Offers guidance, coaching and insight	Realigns organization choices to shift performance capabilities
Focuses on improving job performance	Personally develops and mentors others	Identifies and develops other Alignment Leaders
Develops high performance team	Creates cross-functional teams to accomplish work	Establishes linking mechanisms to sustain change

“The ability to simplify means to eliminate the unnecessary so that the necessary may speak.”

Hans Hoffman

**Communication  
Needs**

**CORE MESSAGE**

Simple, Concise

**Communication  
Delivery**

Detailed,  
Complex

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# Five Steps to Implementing a Successful Organization Redesign



# Know Your Outcomes

**Business Outcomes**



=

**The Change**



+

**Degree of Implementation**



+

**Behavior Change**

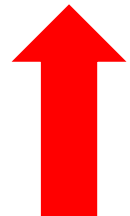


What results  
do you want to  
change?

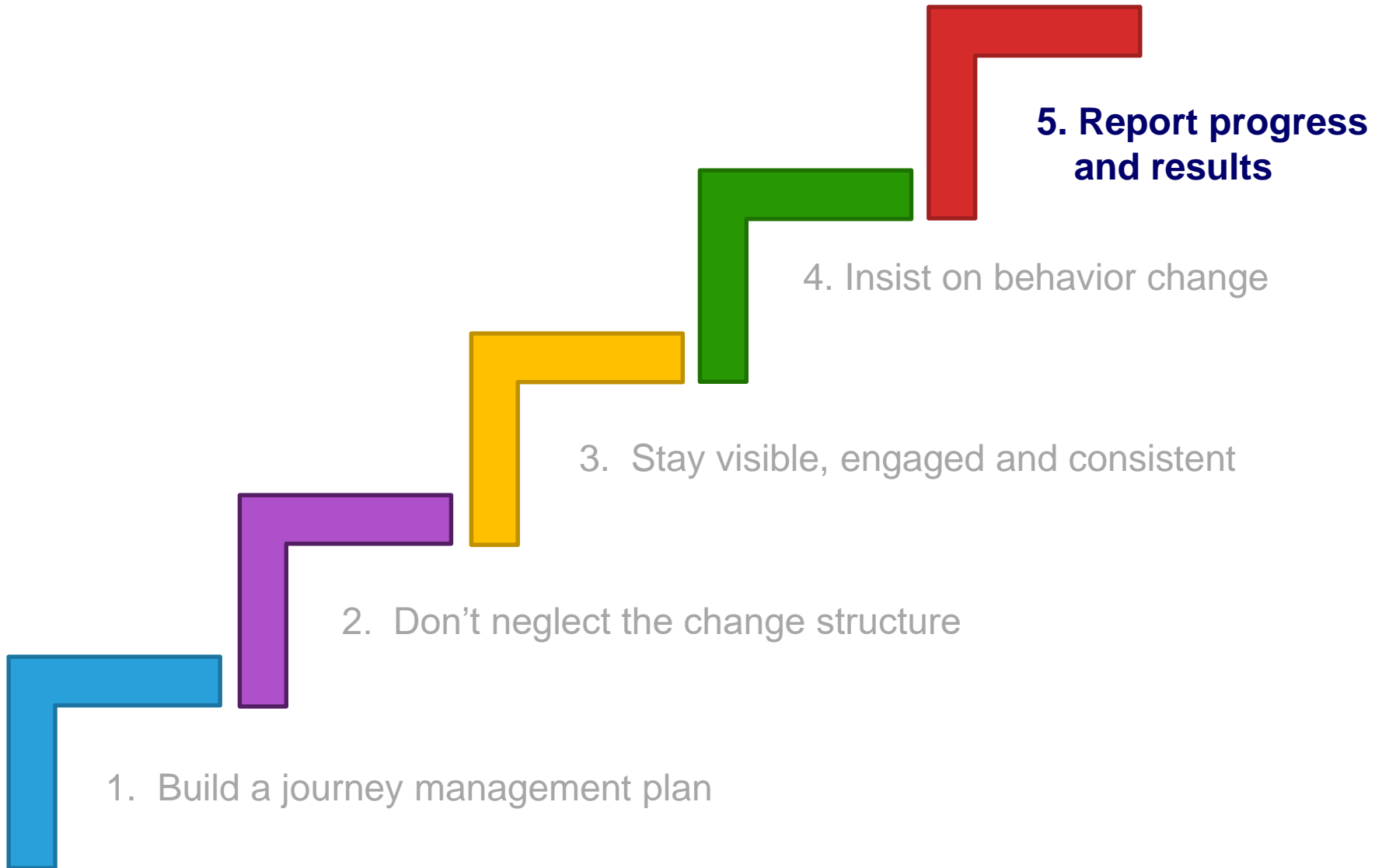
What  
guardrails do  
you have?

How committed are  
you and your  
organization to making  
the changes needed?

What does good  
look like?



# Five Steps to Implementing a Successful Organization Redesign





## Periodic Transformation Outcome Reviews: Heat Map

- + Good Progress
- Complete
- In Progress
- At Risk / Behind
- Not Started
- Not Applicable

	Diagnosis & Assessment (Do we know what the problem/opportunity is?)	Strategy & Macro Design (Do we have a blueprint?)	Micro Design (Have we aligned the detailed organizing choices?)	Journey Management (Have we implemented/installed the design choices?)	Behavior/performance changes (Has behavior/performance changed in a noticeable way?)	Action Planning
Organization			-	-	-	
Design Area #1			-	-	-	
Design Area #2				+	+	
Design Area #3			-	-	-	
Organization			+	+	+	
Design Area #1				+	+	
Design Area #2			+	+	+	

## Key

Not Started On Track At Risk Off Track Complete

- xx

### Current Status & Ongoing Activities

Overall Status:  On track

- xx

### Risks & Decisions

#### Risks:

- xx

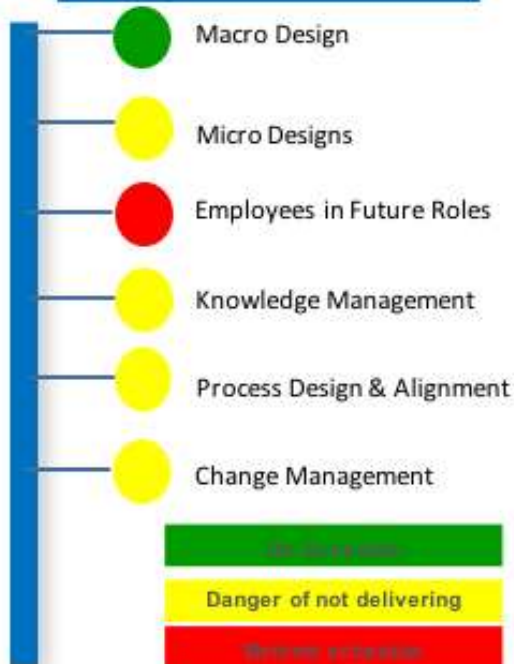
#### Decisions:

- xx

### Next Steps

- xx

## Transformation Heatmap



## Current Workstreams

Implement Organization Structure  
Execute Administrative Changes  
Deploy Processes  
Institutionalize Operational Cadence  
Manage the Change

## Key Updates

Status Begin Date: January 2016

Status End Date: January 2017

### Tactical Next Step Actions:

1. Continue OpCo Alignment Work (shared roles, job descriptions) – Michael, Tony
2. EUC Micro Design – Tony, Stephanie (determine whether global EUC opportunities exist across OpCos)
3. Split – focused on shared buildings and extending contracts to deliver services post split
4. Infrastructure Collaboration – currently supported by Danaher team not available post split
5. People alignment – Utilize gathered FTE information to plan for shared services assignment – Michael, CIOs
6. Finalize Controller, Security organization planning
7. Utilize designed Portfolio Mgmt process to review projects across OpCos

### Upcoming Milestones

- 05/16 EUC Micro Design
- 06/07 Security Micro Design
- 06/13 Data Center Micro Design
- 6/22 ITC#2 Report Outs
- 7/13 H/C re-allocation
- 7/13 ITC#2 Rec. Finalization
- 7/19 SDM Micro Design
- 7/25 Walker/Hulit Update
- 8/XX L1 Presentation

### Interdependencies

1. Business Unit Leadership
2. Service Delivery Manager
3. Split – Fortive/Danaher Network
4. Split – Fortive/Danaher Collaboration

1. Have we been paying attention to the five steps for implementing a successful organization redesign?
2. What adjustments should my organization be making to ensure success?



**Stay tuned for an additional tool**



Let's take a look inside...



## **Design From the Outside In**

Align your strategy around a clear and targeted customer experience. It is critical to continually assess customer needs and experiences to ensure long-term viability and success.



## **Design for Differentiated Delivery**

Know your customers and build strong integrated work processes that meet their needs in just the right way to deliver exceptional value. To differentiate against your competitors, you need more than great products and services; you need different work processes that set you apart.



## **Consider Virtual Delivery Options for Performing Work**

Assess how different types of work can best be delivered. Select the work location that fits the work to be done, the availability of talent and the optimal workflow and time zone.



## **Measure the Whole Process, Not Just the Outputs**

Design measurement systems that are simple, yet complete. Ensure that not all metrics are focused on the outputs of work efforts – focus also on operational and input metrics



## **Align Skills Capabilities with Strategy**

Ensure people processes work for you (not the other way around). If necessary, revamp people selection processes, employee development practices, performance management systems, and reward systems so that they are all align with the ultimate strategic aims of the organization.



## **Build Renewal Mechanisms into Your Daily Operations**

Adopt a formal continuous improvement approach/methodology to ensure constant organizational renewal and address gaps that surface.



## **Develop Alignment Leader® Competencies**

Build Alignment Leader® capabilities throughout your organization. Having an organization full of Alignment Leaders can help achieve the strategic differentiation needed to deliver results in a sustainable way.

## **Follow a Proven Approach**

Use a systematic approach or methodology (like the Cube model) that is proven, repeatable, and scalable.

## **Strive for Aligned Choices, Not Best Practices**

Ensure aligned organization choices over misaligned best practices.



## Thank you!

Ensure your organization  
redesign success:

***66 Organizational Alignment  
Tips for Executives to  
Accelerate Profit and Growth***

Download the app!

<https://66tips.alignorg.com>

or watch your email for the link



*Not in the App stores, only available using this link*



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Reed is an organization catalyst. He works with executive teams and human resources teams to define winning strategies, align organization and business models for success and mobilize employees and stakeholders in the desired direction. A change leader, organization design expert and principal of the management consultancy AlignOrg Solutions, Reed brings multi-dimensional business models to life for Fortune 500 companies, middle-market businesses and non-profits so they can align strategy with operational reality.

Reed is coauthor of *Mastering the Cube: Overcoming Stumbling Blocks and Building an Organization that Works*, a guidebook that Clayton M. Christensen, professor at the Harvard Business School calls, “a great step-by-step manual on defining and changing the design of your company.”

Reed has guided numerous Fortune 500 companies — including Tyco, 3M, Abbott Laboratories, Hertz, Cummins, Medtronic, and Danaher — through change successfully. When companies are looking to propel growth through organizational transformation they call on Reed and his team.

## Connect with Reed



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