





The wizard of Oz

Dorothy Gale lived on a farm and was swept away to a magical land on a journey full of turmoil and upheaval. But Dorothy ultimately returned home with a new vision, mission and goals. Fear of change often leads organizations and employees into chaos and they focus on their new roles in a way that may affect their productivity. But, should the fear of change keep organizations from tweaking or redesigning their organizational structure?

The journey to “meet the wizard” lies in the will to unlock the real potential of the organization. Organizations need Organization Design (OD) just like the characters in the seminal 1939 movie *The Wizard of Oz* needed courage, a brain, a heart, and a way back home.

The lion was looking for courage

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How ambitious company leaders are and how far they are willing to go depends on, firstly, determining the strategic imperatives that lead, eventually, to a decision of reorganization. Determining a future vision requires courage in itself. Leadership has to decide which areas need immediate intervention and which changes can be made at a later stage. It is detrimental to a company to

define areas to change based on the promise of immediate returns while neglecting other areas to interfere with when the time is right.

Scarecrow needed a brain

Organization Design thinking is still a new process and is therefore not utilized efficiently, if at all, in many organizations. Whether organizations succeed or fail in implementing OD depends on several factors:

- Proper role definition and allocation of authority/decision rights in an effective way that maximizes organizational performance;
- Proper examination of the relationship between organization structure and culture: culture develops around the structure and oftentimes a change in culture requires a change in the firm’s structure; and
- Enhancement of the interactive resources i.e. the mechanisms of communication and collaboration across departments for greater responsiveness and efficiency.

The quality of Human Resource systems is a key success factor because competing in the global market calls for sound Employee Value Proposition that in turn requires reengineering the rewards scheme, the proper deployment and development of human resources and proper use of HR Information Systems.

Tin-Man wanted a heart

Despite the major and positive strategic role that HR plays in an organization, there are still cases in which employee performance measures are not clear and people are still rewarded subjectively. Important HR functions as listed below that are the core of the organization are missing despite their critical contribution to the wellbeing of the workforce: career planning is absent and employee advancement opportunities are scarce, leading to rising employee turnover. Procedures, manuals and Job Descriptions are

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not complete or not representative of reality leading to confused roles and responsibilities. All these are indicators that the “heart” of the organization is not pumping properly: the organization is in danger and in real need for OD intervention.

Building a client-focused organizational structure through the involvement of all stakeholders from project inception to concept and onto implementation also plays a major role in building a successful design backed by best practices and principles but primarily empowered by motivated employees eager to successfully deliver the objectives through a structure that they contributed in designing.

Dorothy Gale wanted a way back home

The key element of OD is ensuring that the organization is appropriately designed to deliver optimal impact in both the short- and long-term.

For organizations to move from the steady to the ready stage, there are steps to be taken. These steps consist of setting the context for the design, assessing the current model and designing the targeted model, identifying major processes, defining measures and governance, implementing and evaluating design, and identifying the tools, blockers and challenges. Organizations should make the most of their existing talent and capabilities: there is a need to agree on the related Talent Management areas that need to be addressed to bring an integrated valuable solution.

Ultimately, the question to be asked is: are organizations ready for OD? Optimizing organization design is one of the most powerful yet underutilized approach available to professionals and executives. Improved organization design can lead to higher employee satisfaction, improved customer experience and better financial performance.

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No house is a home if it is not strong and solid. OD is not simply a drawing with boxes and connecting lines. It requires a process that begins with a vision and the courage to face challenges and turn them into opportunities, a strategy and a brain, which is the most important aspect of OD, and a heart that ensures securing the best talent to appropriately achieve set goals.

And the organization would finally find its way home.

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