

The Challenge: Continuous Disruption and Transformation of Global Market Organizational Optimization and Organizational Design

- In an effort to define and organize center of excellence and reduce redundant operational activities in a very siloed and brand driven cultured organization. The focus of innovation developing the knowledge and capability within the organization was paramount.
- Of the 20+ brands under the organization each brand had different processes and rules, which were at best disjointed, duplicative and inefficient to consolidation and merging. Many of the legacy brands were allowed to continue this behavior for years due to the culture of being a legacy brand.
- The Board, CEO and stakeholders were aware of these issues and wanted a new way forward.

The Technique: Organizational design transformation process

- Org-ology led analysis and requirements gathering globally: analyzed current work processes and procedures using the lens of “People, Process, and Technology”.
- Broke work into three core projects running in sync: Merger and consolidation for initial centers of excellence (merging various organizational functions), Establishing centers of excellence (building a new organizational structure), and Transformation (implementing new branded clusters to identify, coordinate and remove more redundant processes).
- Analysis identified large training needs in project management and financial modeling and much higher-than-typical communications requirements.
- The CEO and Board mandated that all initial activities must be completed within 12 months and show defined results and create a repeatable process to be utilized by internal resources.

Intervention

- Roll-out of the organizational structural designs followed transformational organizational design best practices. Simultaneously the newly-merged functions were designed.
- The transformation phases were timed as much possible to reduce the disruption to ongoing activities. Some areas of realignment:
 - Talent Acquisition (right people in the right positions at the right time) was done with union involvement (in various countries) to ensure buy-in and commitment.
 - Defining Processing Systems (merging technologies and defining requirements of new technologies) Merging processes, data and stakeholders posed a challenge, as they were both legacy and new acquisitions but differed in approach and thresholds.
- Change management: to transform staff behavior key influencers in high visibility roles were trained as process experts. This tactic made the new organizations and their processes appear more attractive, smarter and effective than the prior organizational structure.

Results

- The projects were successfully completed on-time and on-budget globally. A significant reduction in operating expenses has transformed into a steep rise in share and equity return.
- Knowledge Transfer and Transformation: the organizations changed how they worked. The new structures were streamlined; consistent financial monitoring and oversight of the modern process. This process has been repeated to continue to achieve continuous results and with

stood audits and stress tests.

- Organizational Redesign: The organization has been recognized as a fortune 100 “Great Places to Work” in independent surveys. Meaning that the organizational structures put in place resonate with staff as effective and useful.
- Modern organizational processes and structures were established: for example, organizational leaders could for the first time be innovative, agile and adaptable in their planning and proactively identify disruption, and be the disruptor instead of being disrupted.