

THE CHALLENGE: CONTINUOUS DISRUPTION AND TRANSFORMATION OF GLOBAL MARKET

ORGANIZATIONAL OPTIMIZATION AND ORGANIZATIONAL DESIGN

- The effort was to define and organize a center of excellence and reduce redundant operational activities in a very siloed and brand driven organization culture. Development of 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 global analysis and requirements gathering by analyzing current work processes and procedures using the lens of “People, Process, and Technology.”
- We broke work into three core projects running in sync:
 - Merger and consolidation for initial centers of excellence (merging various organizational functions),
 - Establishment of 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, financial modeling, and much higher-than-typical communications requirements.
- The CEO and Board mandated that all initial activities must be completed within 12 months, show defined results, and create a repeatable process to be utilized by internal resources.

THE INTERVENTION

- Roll-Out: The organizational structural designs followed transformational organizational design best practices. Simultaneously the newly merged functions were designed.
- Transformation Phases: Timing of changed processes was synched as much possible to reduce the disruption to ongoing activities. Some areas of realignment:
 - Talent Acquisition: Placing the right people in the right positions at the right time was done with union involvement (in various countries) to ensure buy-in and commitment; and
 - Defining Processing Systems: Merging technologies and defining requirements of new technologies were tricky. Merging processes and data to meet stakeholders’ needs also posed a challenge, as there were both legacy and new acquisitions with differing approaches and thresholds.
- Change Management: To transform staff behavior, key influencers in high visibility roles were trained as process experts. This tactic made the new organizational structure and processes appear more attractive, smarter, and effective than the prior structure.

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THE RESULTS

- On-Time and On-Budget: The projects were successfully completed globally according to plan. A significant reduction in operating expenses resulted in a steep rise in share and equity return.
- Knowledge Transfer and Transformation: The organization changed how work was performed. The new structures were streamlined using consistent financial monitoring and oversight of the modern process. This process has been repeated to continue to achieve continuous results and withstood audits and stress tests.
- Organizational Redesign: The organization has been recognized as a fortune 100 “Great Places to Work” in independent surveys. This means the organizational structures put in place resonate with staff as effective and useful.
- Innovation Drive: Modern organizational processes and structures were established. For example, organizational leaders could for the first time be inventive, agile, and adaptable in their planning, proactively identify disruption, and be the disruptor instead of being disrupted.