



For Managers, Principals, Team Leaders and Internal Consultants
 Author: Henry Blatman

Issue No 11: Evaluating the structure of your business

Sent to subscribers periodically throughout the year.
 Please pass on **be your best** to people in your network.
 To change your email address, give feedback or be removed
 from this list please reply to this email address.

Word count for this issue: 990 words
 Approximate time to read: 4 1/2 minutes

Evaluating the structure of your business

Structure allows organisations, and the various groups within them, to function efficiently and effectively. I am interested in discussing 'structure' because, at a base level, human beings need a sense of direction and organisation in our lives – it makes us feel that we belong. On the other hand, there is an innate need to be free from rigidity and to be able to make our own decisions and do things the way we think they should be done.

The challenge for the modern manager is to be able to be effective in managing the tension between this need for structure and the desire to be free and creative, whilst also recognising the differences between individuals.

I would love to be able to say that there is no need to have structure, however, structure in organisations sets processes and procedures, allocates responsibilities, monitors performance, assists with decision making and ultimately, smoothes the path to achieve results. I once read a book by Stephen King (the popular author) in which he describes the disciplined and structured approach he takes to writing and how common this is for a majority of authors and artists. So even the most creative people use structure to get the job done.

I have observed that lack of structure can and does lead to low motivation, late and inappropriate decisions, conflict, political battles, low productivity, and a generally poor response to what is happening in the marketplace.

Even a well-performing company needs to regularly review its structure to ensure that it meets the current needs of the business.

Tell-tale signs that may signal a need to review your organisation's structure

- Decisions are long in coming or not made at all.
- Decisions are inconsistent and at times make no sense.
- People are unsure of what it expected of them.

- ❑ Good people are threatening to resign.
- ❑ A manager is hiding and not available to carry out his role
- ❑ A manager (or a small group of people) are heavily involved in all aspects of the business creating bottlenecks or preventing capable people from progressing in the organisation.
- ❑ One or more people are frequently working long hours to keep up.
- ❑ There is continuing conflict within teams and between groups.
- ❑ The organisation is structured around personalities rather than what is required for the organisation.
- ❑ People are operating as 'lone rangers' or in 'pods' to the exclusion of others which maybe preventing effective completion of tasks.
- ❑ Costs are rising rapidly.
- ❑ There is too much bureaucracy making the process slow and clunky.
- ❑ Profit is low or there are losses.
- ❑ No one knows whether the company is trading profitably or not.

Changing your structure – some suggested steps

The first thing to do is take personalities out of the equation. The process must override the personalities. The best way of doing this is to start with a clean sheet and ask yourself what is the best structure for the organisation now and into the foreseeable future. Think about what positions you need to have your business run well and who would they be reporting to. What would be the main tasks of the roles.

Involve all senior people in the conversation and then select those suitable to fill the roles. This is the point where you need to have courage as the exercise will sometimes find that you need to move someone from their existing role to something with less responsibility. Always keep in mind the question, 'what is best for your business?'

Job Descriptions

Once new appointments have been made, even if it's the same person in the role, spend time with each person and redo the job description to fit into the newly cast roles. Job descriptions provide clear functions and boundaries.

The effort put into articulating functions and job roles is a signal to your team that you are very serious about making changes.

I recently worked with a client and we took 2 months from the recasting of the structure to actually implement it. During that time, we had many meetings to go through the structure and job descriptions with not only managers and staff members, but also with the stakeholders of those roles.

The managing director was present in all of those meetings and did not take a single phone call, answer an email or get distracted in any way. He sent a clear signal that he was serious about the change and knew that people's roles were vital to get right. How often would this happen in today's business world? Suffice to say, the new structure is working well and giving this company a platform to grow by around 40% over the next three years.

Implementation

It is vital to keep people informed during the process of the restructure to avoid gossip and misinformation.

At an appropriate time, announce the change to the wider company. It may be appropriate to give the change a name or slogan but make sure it's one that is action-oriented and states the intent of the change. Ask yourself, "What's the key thing we need to change in

the next 6 months". If, for example, it's a greater focus on the customer, you might choose to brand the change something like "Customer First".

Key Take Aways

- Good structure helps complete the tasks of the organisation effectively.
- Take time out to go through a checklist to assess the effectiveness of your structure.
- If change is necessary, start with assessing the most appropriate structure. Avoid fitting people to roles. Decide on the role and then decide who fits it.
- Involve key members of the team in any restructure and spend time demonstrating your commitment, as a leader, to the change.
- Keep people informed and when complete, roll out the new structure to the wider organisation.
- Brand the roll out with a name to give it added momentum.

"Build it and they will come" From the film "Field of Dreams"

Henry Blatman
Leadership and Performance Coach
Ph: 61 3 9699 7771