INFO 8990

Culture, Roles and Structure in Digital Industries

ASSIGNMENT 1

Designing an Organization for Change

Submitted By,

Group 4

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**I. Introduction:**

1. **Purpose of the report**

The purpose of this report is to provide recommendations for the management team of a small organization (SME) that develops business software, with 150 employees and revenues of $75 million per year, which is expected to grow at 8% per annum. The SME recognizes the need for new executives to accommodate new developments in the field but is constrained by budget considerations. The report will cover the new technologies or issues such as Cybersecurity, Privacy, Emerging technologies for products and infrastructure, and Hybrid workplace. The report will provide recommendations on how to add to and reorganize the management team to address these new technologies or issues. The report will also address the questions such as Over the next 5 years what positions can be deleted? Or what functions could be shifted from some executives to others? What changes to the management team do you recommend? Will these changes add to the revenue of the company? What other benefits will they add to the company? What will the consequences of not making changes? Is there some other way to accomplish them? Finally, the report will provide a conclusion with final recommendations for the management team.

1. **Overview of the SME**

The SME is a small organization that develops business software with 150 employees and revenues of $75 million per year. The organization is expected to grow at 8% per annum. The current executive positions within the organization include a CEO, CFO, Chief Information Officer (CIO), VP of Software Development, Chief Research Scientist, and VP of HR and Training. The management team recognizes the possible need for new executives with respect to new developments in the field, however, they are constrained by budget considerations.

1. **New Technologies or issues:**

The SME is facing new technologies or issues such as:

1. Cybersecurity:

With the increasing use of technology in business operations, it is crucial to ensure the security of the organization's data and systems. This includes protecting against cyber-attacks, data breaches, and unauthorized access to sensitive information.

2. Privacy:

The organization must also ensure compliance with privacy regulations and protect the personal data of customers, employees, and other stakeholders.

3. Emerging technologies for products:

The organization must stay current with new technologies such as digital assistants and other new types of products to remain competitive in the market.

4.Emerging technologies for infrastructure:

The organization must also consider new technologies such as cloud services, edge computing, and remote work as they can offer more efficient and cost-effective solutions for the organization.

5. Hybrid workplace:

The organization must also consider the implications of a hybrid workplace, where employees work both remotely and, in the office, and the necessary technologies and systems to support this.

1. **Questions to be addressed.**

• Over the next 5 years what positions can be deleted? Or what functions could be shifted from some executives to others?

• What changes to the management team do you recommend?

• Will these changes add to the revenue of the company?

• What other benefits will they add to the company?

• What will the consequences of not making changes?

• Is there some other way to accomplish them?

**II. Recommendations**

**A. Changes to the management team**

Changes to management system in response to the identified problems are as below:

**1. Over the next 5 years what positions can be deleted? Or what functions could be shifted from some executives to others?**

-> Over the next 5 years, it is difficult to say with certainty which positions can be deleted, or which functions can be shifted from some executives to others. This will depend on the specific needs of the company and the developments in the industry. However, some possible considerations for streamlining the management team include:

1. Monitoring the effectiveness of the newly created positions, such as the CSO, Director of Cloud Services, and Director of Hybrid Workplace, to determine if they are necessary to continue in the long-term.

2. Evaluating the responsibilities of the CEO and CFO to determine if any functions can be consolidated or shifted to other executives.

3. Assessing the workloads of the other executives and determining if any positions can be combined or eliminated.

4. Keeping an eye on the development of new technologies and industry trends to determine if the company needs to create new positions or eliminate existing ones.

It's important to note that any decision to eliminate or shift positions should be made with careful consideration and with the long-term goals of the company in mind.

**2. What changes to the management team do you recommend?**

-> Based on the new technologies and issues identified in the scenario, I recommend the following changes to the management team:

1. Appoint a Chief Security Officer (CSO) or a Director of Security to oversee the organization's cybersecurity efforts and ensure compliance with relevant regulations.

2. Appoint a Chief Privacy Officer (CPO) or a Director of Privacy to ensure compliance with privacy regulations and protect personal data.

3. Appoint a Chief Innovation Officer (CIO) to research and implement new technologies in products and services.

4. Appoint a Chief Technology Officer (CTO) or a Director of Technology to manage the organization's technology infrastructure and ensure it is up to date and efficient.

5. Appoint a Director of Workforce Strategy to manage the hybrid workplace and implement the necessary technologies and systems to support it.

6. Re-assign the responsibilities of existing executives to align with the new technologies and issues. For example, the CFO could be responsible for the accounting, finance, and sales and marketing functions. The CIO could be responsible for the infrastructure and cybersecurity functions. The VP of Software Development could be responsible for the development and testing functions. The Chief Research Scientist could be responsible for research and innovation functions. The VP of HR and Training could be responsible for the human resources and training functions.

It is important to note that these changes may need to be re-evaluated as the organization's needs evolve and new technologies and issues arise.

**3. Will these changes add to the revenue of the company?**

->The changes recommended to the management team have the potential to add to the revenue of the company by several ways:

1. Improved cybersecurity: By appointing a CSO or Director of Security, the organization can ensure compliance with relevant regulations, protect against cyber-attacks, and reduce the risk of data breaches, which can lead to financial losses and reputational damage.

2. Improved privacy: By appointing a CPO or Director of Privacy, the organization can ensure compliance with privacy regulations, protect personal data, and build trust with customers, which can lead to increased sales and revenue.

3. Innovation and new products: By appointing a CIO or Director of Innovation, the organization can research and implement new technologies, develop new products and services, and gain a competitive edge in the market, which can lead to increased sales and revenue.

4. Improved technology infrastructure: By appointing a CTO or Director of Technology, the organization can manage the organization's technology infrastructure and ensure it is up to date and efficient, which can lead to cost savings and increased productivity, and ultimately increased revenue.

5. Hybrid workplace: By appointing a Director of Workforce Strategy, the organization can manage the hybrid workplace and implement the necessary technologies and systems to support it, which can lead to cost savings and increased productivity, and ultimately increased revenue.

It is important to note that these changes may need to be re-evaluated as the organization's needs evolve and new technologies and issues arise, and the organizations will need to consider the cost of adding these new positions, and how it will impact the revenue.

**4. What other benefits will they add to the company?**

The changes recommended to the management team will bring several other advantages to the company, such as:

1. Enhanced cybersecurity: By having a CSO or Director of Security, the company can guarantee compliance with applicable regulations and industry standards, safeguard against cyber-attacks, and lower the risk of data breaches, which can result in financial losses and reputational harm. This can assist in protecting the company's assets and reputation and attracting new customers, as well as enhancing the trust of existing customers.

2.Improved privacy: By having a CPO or Director of Privacy, the company can guarantee compliance with privacy regulations and industry standards, protect personal data, and establish trust with customers, which can lead to increased sales and revenue.

3.Innovation and new products: By having a CIO or Director of Innovation, the company can research and implement new technologies, develop new products and services, and gain a competitive edge in the market, which can lead to increased sales and revenue.

4.More efficient technology infrastructure: By having a CTO or Director of Technology, the company can manage the company's technology infrastructure and make sure it is up to date and efficient, which can lead to cost savings and increased productivity, and ultimately increased revenue.

5.Hybrid workplace: By having a Director of Workforce Strategy, the company can manage the hybrid workplace and implement the necessary technologies and systems to support it, which can lead to cost savings and increased productivity, and ultimately increased revenue. This can assist in attracting and retaining the best talent, increasing job satisfaction, and enhancing the overall work-life balance of employees.

6.Improved management: By reorganizing the management team, the company can make sure that the right people are in the right roles, and that everyone has a clear understanding of their responsibilities and how they contribute to the company's goals. This can lead to improved communication, increased collaboration, and better decision-making, which can assist in enhancing the overall performance of the company.

It is important to note that these advantages will vary depending on the specific changes made to the management team and the company's goals, objectives, and challenges. It will be crucial for the management team to regularly evaluate and adjust the changes as the company's needs evolve.

**5. What will the consequences of not making changes?**

If the SME does not make changes to its management team to accommodate the new technologies and issues, it may face several consequences, including:

1.Cybersecurity risks: Without a dedicated CSO or Director of Security, the company may be more vulnerable to cyber-attacks and data breaches, which can result in financial losses, reputational damage, and non-compliance with regulations and industry standards.

2.Privacy risks: Without a CPO or Director of Privacy, the company may be more vulnerable to privacy violations and regulatory fines, and may lose the trust of customers.

3.Lack of innovation and new products: Without a CIO or Director of Innovation, the company may be at a disadvantage compared to competitors who are able to research and implement new technologies and develop new products and services.

4.Inefficient technology infrastructure: Without a CTO or Director of Technology, the company may have an outdated and inefficient technology infrastructure, which can lead to increased costs and decreased productivity.

5.Difficulty in managing the hybrid workplace: Without a Director of Workforce Strategy, the company may have difficulty managing the hybrid workplace and implementing the necessary technologies and systems to support it, which can lead to decreased productivity, higher turnover, and difficulty in attracting and retaining top talent.

6.Poor management: Without reorganizing the management team, the company may have poor communication, low collaboration, and poor decision-making, which can lead to decreased productivity and performance.

It is important to note that these consequences can vary depending on the specific changes that are needed and the company's goals, objectives, and challenges. However, not making changes to the management team can put the company at a disadvantage and affect its ability to compete in the market and achieve its goals.

**6) Is there some other way to accomplish them?**

-> There may be other ways to accomplish the objectives of accommodating the SME's management team to accommodate new technologies and issues, such as:

1.Outsourcing: The company may outsource certain functions or positions, such as cybersecurity, privacy, and technology infrastructure, to specialized firms or consultants. This can save the company money on salaries and benefits, but it can also lead to lack of control and less alignment with the company's goals and objectives.

2.Training and development: The company may invest in training and development programs for existing executives and employees to acquire the necessary skills and knowledge to manage new technologies and issues. This can be a cost-effective solution, but it may take longer to see results and the training may not be as effective as hiring specialized executives.

3.Mergers and acquisitions: The company may acquire or merge with another company that has the necessary management skills and expertise to accommodate new technologies and issues. This can be a fast way to acquire new skills and knowledge, but it can also be risky and expensive.

4.Partnership: The company may form strategic partnerships with other companies or organizations that have the necessary management skills and expertise. This can be a cost-effective solution, but it can also lead to conflicts of interest and less control over the partnership.

It is important to note that the best way to accomplish the objectives of reorganizing the management team will depend on the specific circumstances and goals of the SME, and that a combination of these options may also be used to achieve the desired outcomes.

**III. Conclusion:**

1. **Summary of findings**

In summary, the findings of this report indicate that the SME's management team needs to be restructured in order to accommodate new technologies and issues, such as cybersecurity, privacy, and emerging technologies for products and infrastructure. The recommended changes include the creation of new executive positions, such as a Chief Cybersecurity Officer, a Chief Privacy Officer, and a Chief Digital Officer, as well as the restructuring of existing positions, such as the CIO and the VP of Software Development. These changes will add to the revenue of the company by allowing it to better compete in the digital marketplace and better protect its assets and customers, and will also provide other benefits, such as improved efficiency, compliance, and customer satisfaction. Failure to make these changes will put the company at risk for cyber-attacks, data breaches, and non-compliance with regulations, as well as limit its ability to innovate and grow.

**B. Final recommendations**

The final recommendations of this report are as follows:

1. Create a new executive position of Chief Cybersecurity Officer (CCO) to lead the company's cybersecurity efforts and ensure compliance with industry standards and regulations.

2. Create a new executive position of Chief Privacy Officer (CPO) to lead the company's privacy efforts and ensure compliance with data protection laws and regulations.

3. Create a new executive position of Chief Digital Officer (CDO) to lead the company's digital initiatives, including the development of digital products and services, and the adoption of emerging technologies such as cloud, edge, and remote work.

4. Restructure the CIO position to focus on infrastructure and technology strategy, and assign the management of cybersecurity and privacy to the CCO and CPO, respectively.

5. Restructure the VP of Software Development position to include a focus on digital product development and emerging technologies, and assign the management of testing to another executive or department.

6. Re-evaluate the role of the Chief Research Scientist to ensure that it aligns with the company's strategic objectives and digital initiatives.

7. Review and update the company's policies and procedures to ensure compliance with cybersecurity, privacy, and digital regulations.

8. Invest in training and development programs for employees to ensure that they have the necessary skills and knowledge to support the company's digital initiatives and emerging technologies.

9. Monitor industry trends and developments to ensure that the company stays ahead of the curve and remains competitive in the digital marketplace.

10.Continuously review and adjust the management structure as needed to ensure that it is aligned with the company's strategic objectives and digital initiatives.

11. Consider other alternatives such as outsourcing, mergers and acquisitions, or partnerships to support the company's digital initiatives and emerging technologies.

**IV. References**

1. "Cybersecurity framework." National Institute of Standards and Technology, 2020.

2. "General Data Protection Regulation (GDPR)." European Commission, 2021.

3. "Cloud computing for business." World Economic Forum, 2020.