

Organising for Outcomes

* **Health Warning:** rigid, one-size-fits-all, forced Org Design seriously harms you and others around you

There is no playbook or blueprint

Organisational evolution, in context



What *are* you optimising for?

"Every organisation is perfectly designed
to get the results it gets" Arthur W. Jones



What do you *want* to optimise for?

Do you know what outcomes you want?

Are they being *measured*?

Pattern: Focus on Outcomes



Better Value Sooner Safer Happier



Antipatterns:



- Rigid, one-size-fits-all, forced playbook, no alignment to measurable outcomes
- Org Design = Transformation. The Spotify Model = Agility!
- Cost cutting led Org Design (Spans and Layers 2.0)



How did we get here?





1.9 million years ago

Multidisciplinary Team
aka “Tribe”

252 years ago

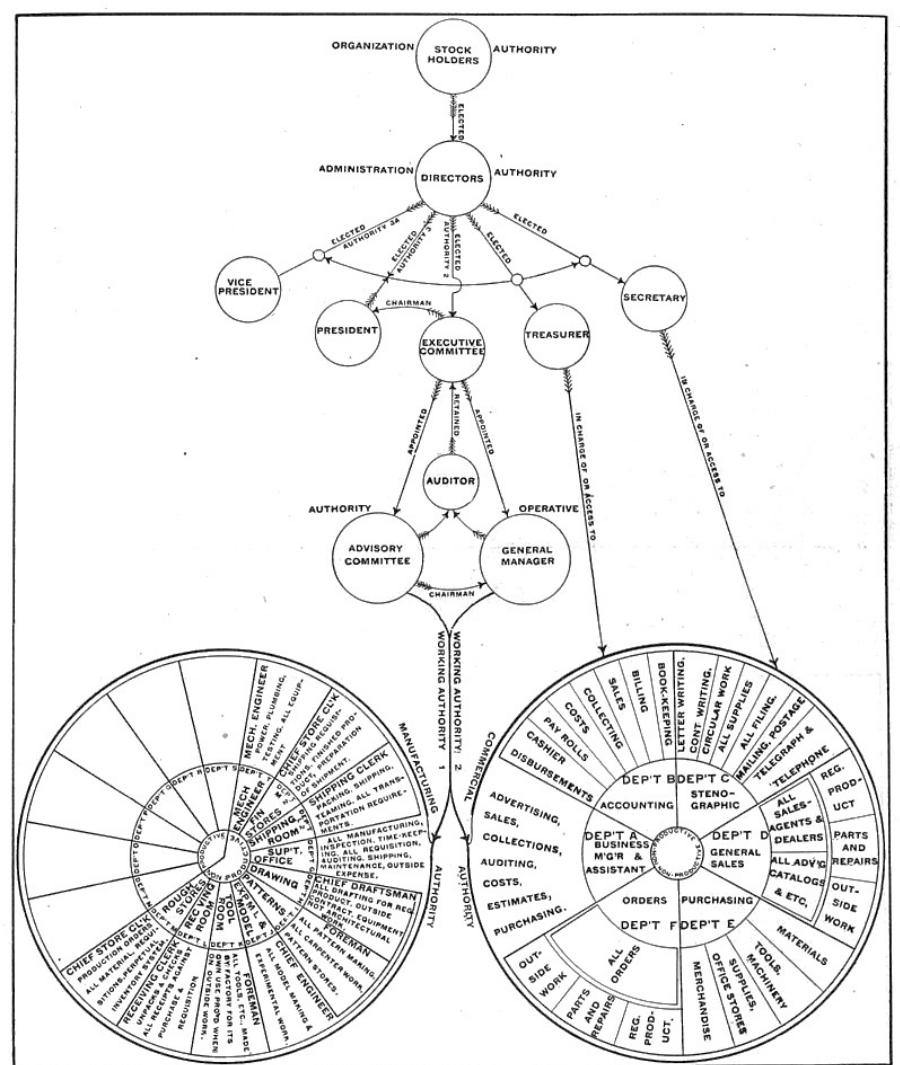


Full Stack Team
Domestic Cotton Ops
'You weave it, you wear it'

251 years ago (1771)



Crompton Mills
First Factory System at Scale
Division of Labour



1905

“Organising a Factory”

Clinton Edgar Woods

"Chart authorities simply and graphically, so that every workman knows to whom he is responsible.

There is then no loop-hole through which a
neglectful workman, foreman or executive
can crawl no longer does he have the
excuse that he 'thought somebody else was
going to do it.' "



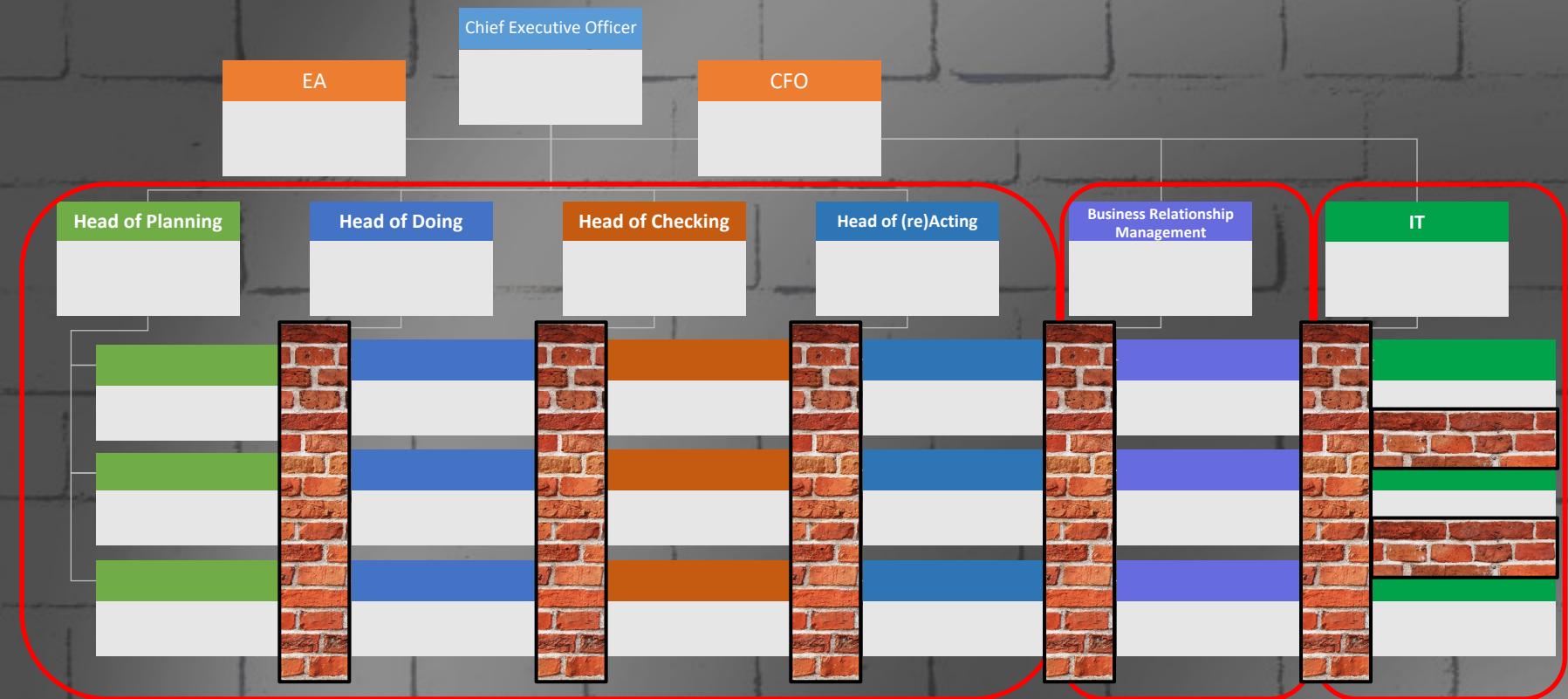




Today?



Current State for many organisations



"The Business"

"Product"

"Eng"



Current State for many organisations

In the context of unique change:

Feast to famine
Work waiting

Incentive: 'done my bit'
Inhumane (cog)

not optimising for
Better Value, Sooner, Safer & Happier

"The Business"

"Product"

"Eng"



We've come full circle...



Tribes



So, what Patterns might help?





Culture Eats Strategy For Breakfast



**Incentives Eat Everything
Continuously**

Work has changed but our brains haven't

Our brains are wired for survival

1. Incentive (seek)
2. Threat (avoid)

Threat > Incentive (Loss Aversion)

Pattern: intentional about \uparrow Incentive & \downarrow Threat

Antipattern: accidentally \uparrow Threat & \downarrow Incentive



Incentive
(implicit &
explicit)

may or
may not

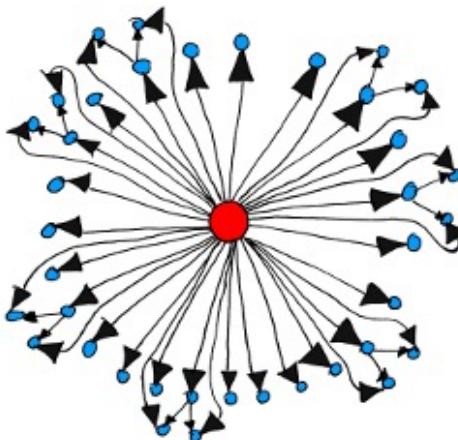
Structure

- (1) Formal
- (2) Actual team
- (3) Social graph
- (Get sh*t done)

Behaviours



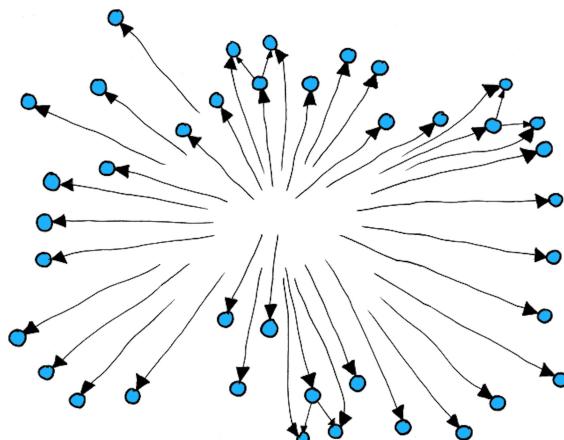
Company A



MANU CORNET



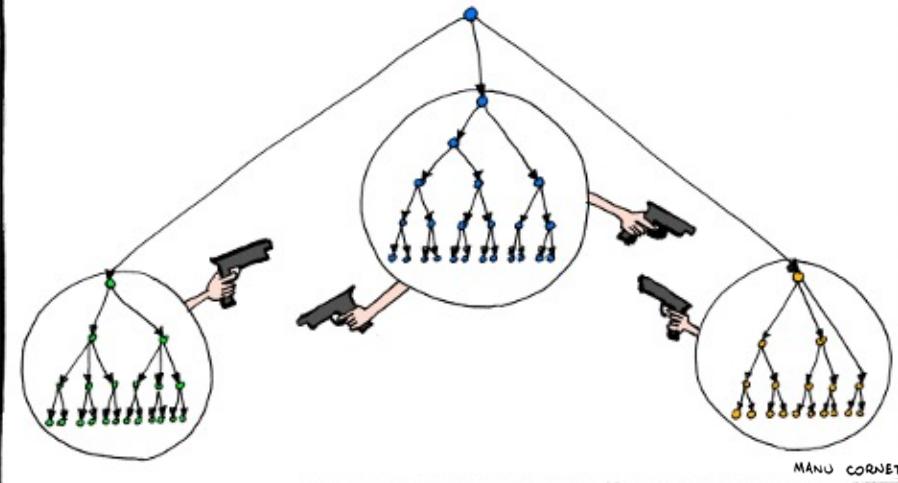
Company A (updated)



MANU CORNET

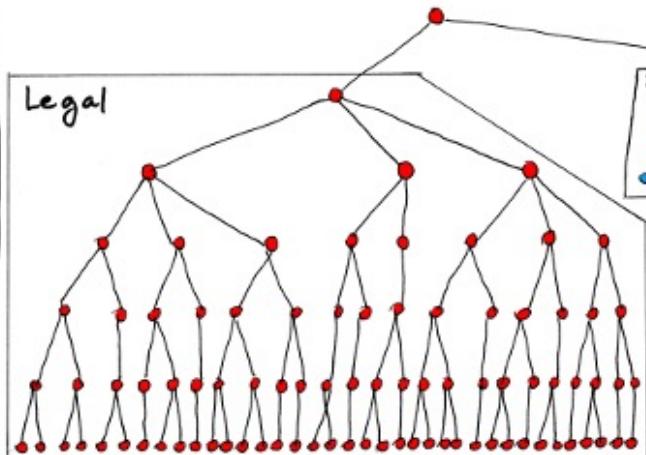


Company B



Company C

Legal

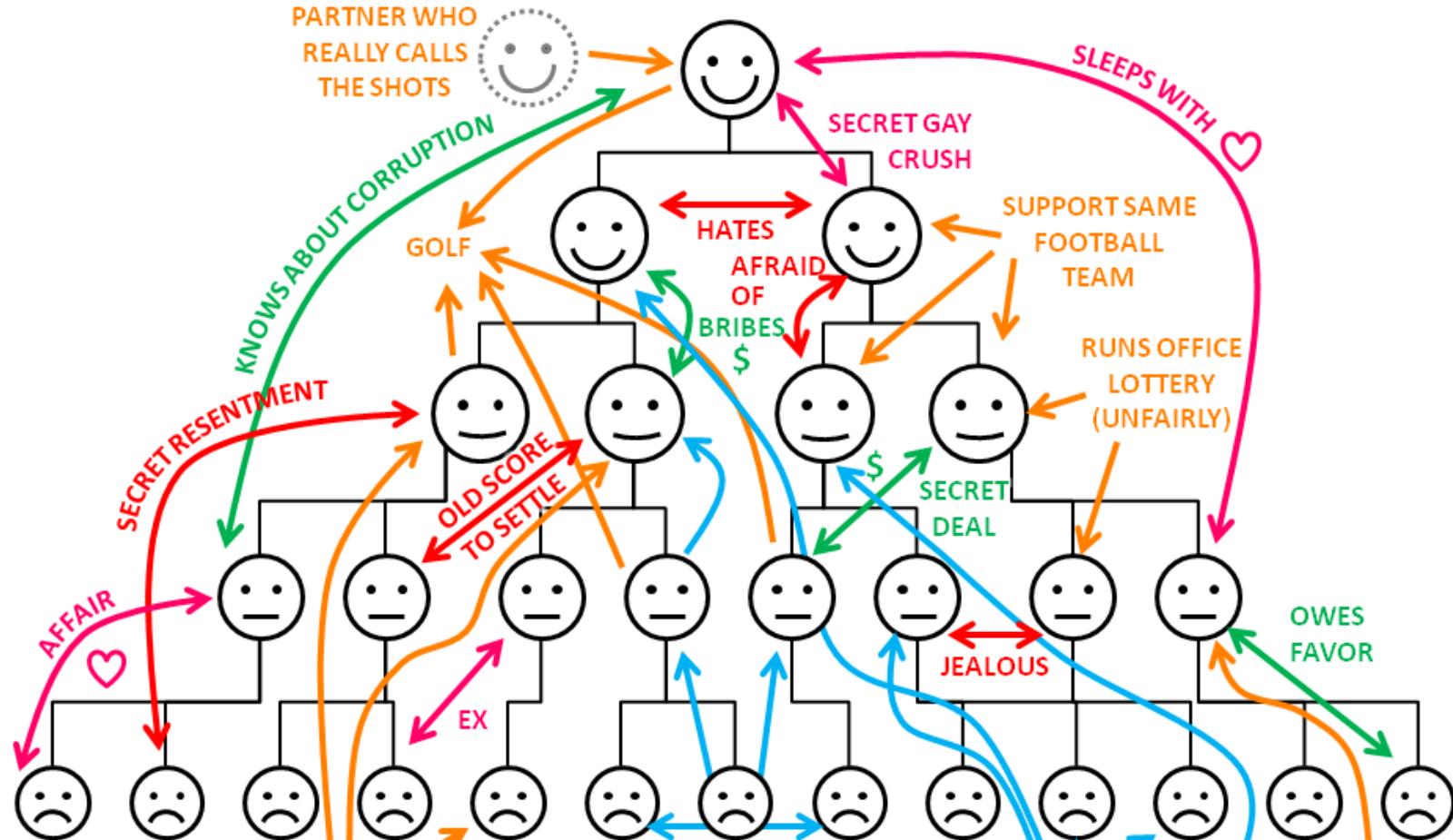


Engineering



MANU CORNET





Antipattern:

Org design or evolution, without being intentional about incentives (go-to) & threats (avoid)

Organising by Value & Flow



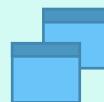
Organising by Value Stream (Tribe, Crew, Fleet...)

Rugby not a relay race!

Value Stream

Value

Long lived Product(s)
Biz + Tech



Outcome Roadmap

Strategy

OKR

OKR

OKR

Value Consumers



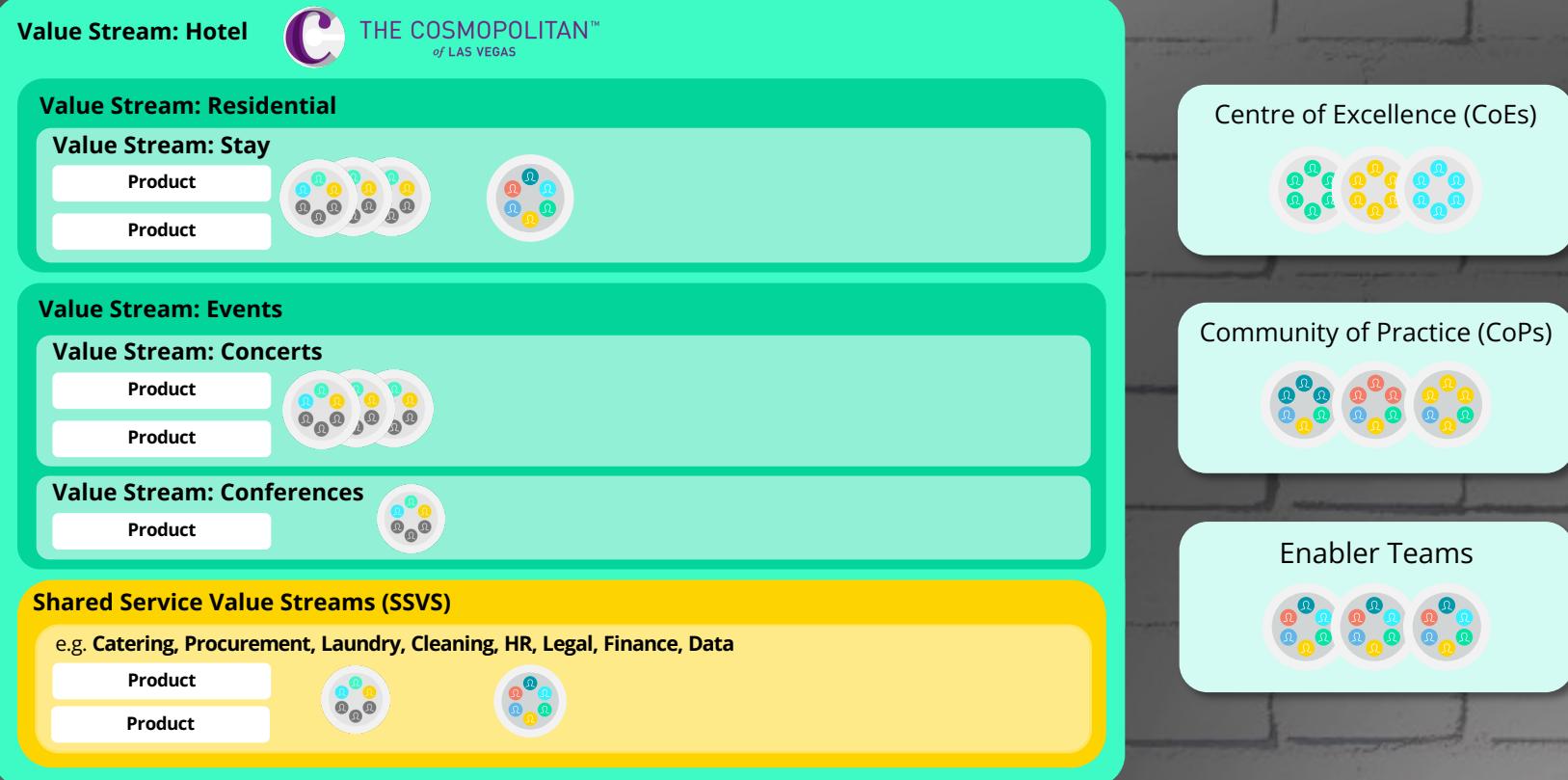
Value Producers (long-lived multidisciplinary teams)



optimise for soonest time to value & learning ➡



Value Streams are nested



Value Streams are nested

Value Stream: Hotel



THE COSMOPOLITAN™
of LAS VEGAS

Value Stream: Residential

Value Stream: Stay

Patterns:

- Use whatever language works for you. Beware, it will stick!

Value Stream: Work

Value Stream: Learn

Use the same word(s) at every level (e.g. Value Stream), to avoid forcing fixed levels. It won't be symmetrical!

Value Stream: Product

Value Stream: Data

- Don't only manage dependencies. Break them

Value Stream: Create

Value Stream: Sell

Start small. Learn by doing. Iterate. It won't be 'right' first time

Shared Service Value Streams (SSVS)

e.g. Catering, Procurement, Laundry, Cleaning, HR, Legal, Finance, Data

Product



Product

Centre of Excellence (CoEs)



Community of Practice (CoPs)



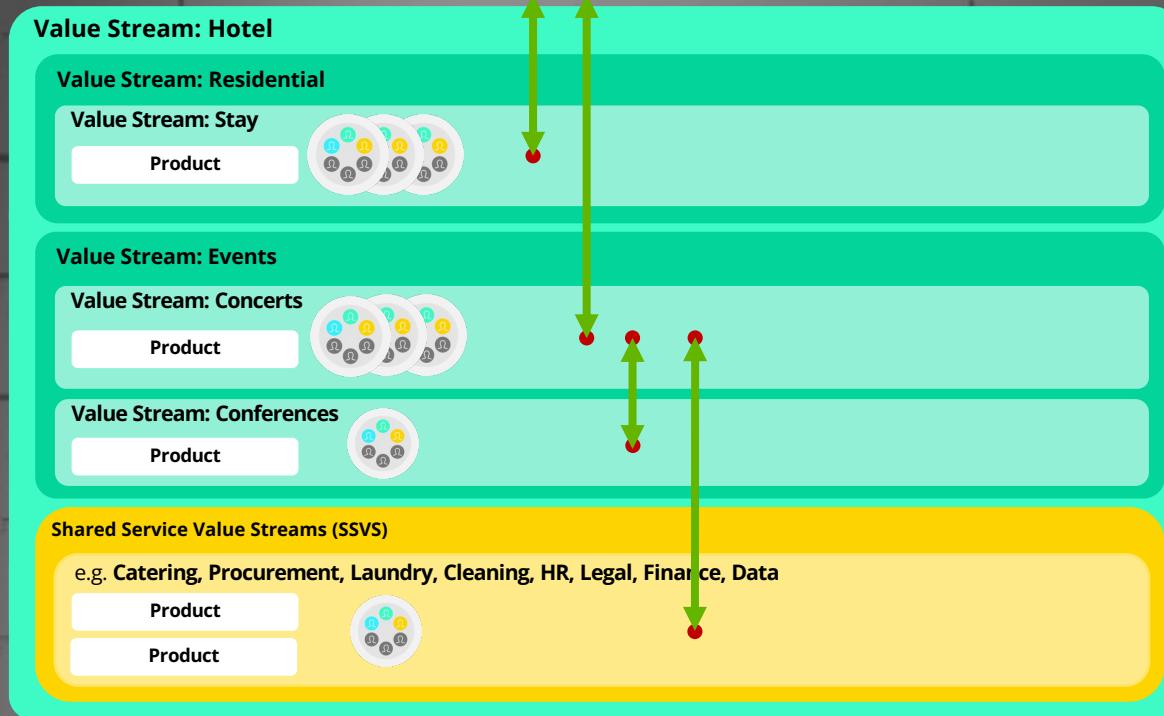
Enabler Teams



Channels serve up the value



Web | Mobile | Store | Branch | Phone
Omni-channel



Patterns:

- Customer Journeys span Value Streams!
- Value Stream Network
- API enabled
- Business arch = People arch = Tech arch



How?





A tale of two orgs



Acme Corp

- ⊗ 12 months, in isolation, designing the perfect org
- ⊗ Further 6 months of job insecurity
- ⊗ Big bang roll out
- ⊗ Combined with cost cutting & redundancies
- ⊗ Top down imposition
- ⊗ Org design rollout done = Transformation done. Support ends
- ⊗ Accidental Incentives and Threat. No focus on behavioural norms
- ⊗ Goldrush for Tribal Leader roles (= power = status = pay)
- ⊗ Lack of consideration of the flow of value and technical architecture
- ⊗ Water Value-Stream Fall: system of work still big batch
- ⊗ Lack of measurable outcomes of the Why for the re-org. Or was it just about cost?



THE VERY BIG CORPORATION OF AMERICA

- The Why for change clearly articulated
- Balanced & measurable outcomes (#BVSSH)
- Incentive: articulated as a priority from ExCo
- Intentional approach to Incentives (go-to) and Threats (minimize)
- Guiding Principles articulated
- Participation invited
- Start small. 'S-curve' adoption
- Business & technical architecture taken into account
- Working out loud. Transparency, communication³, story telling
- All the support functions involved
- Ongoing Ways of Working support provided. Impediments ARE the path.

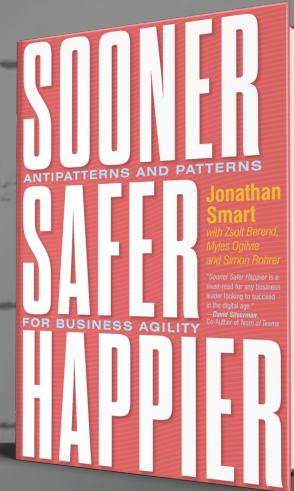


Here's the help I'm looking for

What are your learnings on this journey?

What antipatterns and patterns are you experiencing?





Thank you

soonersaferhappier.com



