

# BEST PRACTICES FOR SUCCESSFUL REORGANIZATIONS

Going Beyond The Organization Chart

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Supriya Desai, Managing Principal









#### Session objectives

Gain insight into best practices specific to designing, implementing and supporting reorganizations:

- 1. Focus on the desired outcomes before the design outcomes
- Apply multi-disciplinary thinking to reorganizing; the org chart is only the beginning
- 3. Don't be afraid to fail and learn; just do it quickly and intentionally.
- 4. Coach leaders to personally engage and then make a real and longterm impact before, during and after reorganizing.
- 5. Do the "less sexy" work first. (Sorry, but at least you won't be!)





#### Reorganizations between 2010-15

All of the top 10 companies headquartered in NJ have reorganized in the past 5 years:

- American Standard Companies
- 2. ADP, Inc.
- 3. Avaya
- 4. Avis Budget Group
- 5. Becton Dickinson

- 6. Bed Bath & Beyond
- 7. Benjamin Moore & Co.
- 8. Bradco Supply
- 9. Burlington Coat Factory
- 10. Campbell Soup Company

Source: http://www.ranker.com/list/companies-headquartered-in-new-jersey/the-working-man





#### Impact on performance

"Corporate reorganizations are risky investments of time, energy and resources, and many do little to improve the business.

A...Bain & Company study of 57 major reorganizations found that fewer than one third produced any meaningful improvement in performance. Some actually destroyed value."

"The Key To Successful Corporate Reorganization," Forbes.com





### **Best practice 1:** Focus on the desired business outcomes before the org design outcomes

Businesses run on decisions small and large

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A successful reorganization helps people running the business make better decisions faster, and execute them more effectively





## **Best practice 2:** Bring multi-disciplinary thinking to go beyond the org chart

"Creating the right kind of organization...requires an integrated approach that considers all of the parts together and is targeted at producing an organization that is ready, willing and able to change."

Built to Change, Edward Lawler and Christopher Worley, 2006





### **Best practice 3:** Fail quickly, intentionally and to learn

"I don't think our leaders really understood the downstream impacts of changing the organizational structure – and now that people are in their new roles, we're suffering the consequences."

Client & Line of Business Program Manager in an Enterprise Reorganization





## **Best practice 4:** Coach leaders to personally engage people, impact long-term results

"Without credible communication, and a lot of it, the hearts and minds of the troops are never captured."

"Leading Change," John Kotter, Harvard Business Review, 1995





#### Best practice 5: Do the less "sexy" work first

Vision

**Outcomes** 

Strategy

Roadmap

**Team** 

Leaders

**Trusted Advisor** 

### Additional Discussion/Q&A

Thank you!

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Supriya Desai, Managing Principal • +1 (201) 650-3873 • <a href="mailto:supriya@ascadvisory.co">supriya@ascadvisory.co</a>

• www.linkedin.com/in/supriyadesai

