Want Better Products And More Business Value? Design Better Organizations!

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Great products do 3 things

Intuitively meet customer needs

Achieve business goals

Sustain for the long term
When products aren’t great, it’s often due to some aspect of organization design.

Products are a reflection of their organization.
But what is Organization Design?

- Social Systems Design
- Strategy Design
- Work Design
- Etc, etc, etc...
1760 | Industrial Revolution: scale, centralization
1854 | The first Org Chart was created
1945 | End of WWII: decentralization
1962 | Strategy and Structure ~ Chandler
      | Matrix Mgt. Popularized
1970 | Star Model by Jay Galbraith
1977 | The Socio-Technical Perspective ~ Trist & Murray
1993 | Holacracy created by Brian Robertson
2007 |
Ethos

A company's ethos is the set of moral constraints, modeled by leaders, that govern how work gets done.
Strategy

Customer-centric Vision

Financial & Operational Guardrails

No more than 3 ranked challenges
Structure

Definition of work groups

Roles within groups

Connections between groups
Rewards

Explicit/Implicit

Positive/Negative

Intended/Unintended
Process
Strategy Deployment
Budget Allocation
Feedback & Improvement
People

Incoming

Growth

Leaving
A Few Org. Design Tools

- Strategy Design Canvas
- Rewards Analysis Canvas
- Customer-centric VSM
- Organization Netmap
Customer-centric Vision

Distilled narrative about how people’s lives are improved if your company is successful.

Constraints & Targets

- Financial constraints & targets
- Operational constraints
- Investor goals

https://www.intentionallyadaptive.com/tools
Strategy Design Canvas

The “Big 3” Challenges

Challenge 1
The biggest thing preventing your vision.

Challenge 2
The next biggest thing preventing your vision.

Challenge 3
The last biggest thing preventing your vision.

Metrics & KPIs
- Balanced set of metrics for the Big 3
- Key measures for constraints & targets
- Standard biz health indicators

Customer-centric Vision
- Distilled narrative about how people's lives are improved if your company is successful

Constraints & Targets
- Financial constraints & targets
- Operational constraints
- Strategic goals

External
- Trends & Alternatives
- Industry

Internal
- Value
- Profit
- Key Account

Challenge
- The biggest thing preventing your vision.

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Rewards Analysis Canvas

Desired Outcomes
The results or behaviors you would like to encourage.

Explicit Incentives
- Salary
- Bonus
- Awards
- Promotions
- etc...

Implicit Incentives
- Status
- Reputation
- Responsibilities
- Autonomy
- etc...

Unintended Outcomes
Other results or behaviors that happen due to either explicit or implicit incentives.

Short-term Impacts
Impacts from unintended outcomes that happen to tactical work.

Long-term Impacts
Impacts from unintended outcomes that engrain behavior and become part of the culture.

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Rewards Analysis Canvas

**Explicit Incentives**
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- Bonus
- Awards
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- etc...

**Implicit Incentives**
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Sanitize Your Reward System

- Decouple compensation from performance
- Bonuses: either ditch or profit share
- Create a level-based pay system
- Consider a no-bosses structure
Customer-centric VSM

- Exec
- PMO
- UxR
- Dev
- Rel
- Maint
- Triage
- Mkt Research
- UxR Interviews
- Call
- Cust Sprt

Workflow Activities

Customers & Users

Customer Interactions & Market Sensing Mechanisms

Demo to Strat. Partner

Deploy
Structure Considerations

Hierarchy: remove or align to value flow

Beware of “efficiency” in structure or talent

Remove or reduce dependencies & handoffs

Increase speed of information & feedback
Guiding Principle: Never hold a role accountable for something it doesn’t have authority to control.
Any burning questions?

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