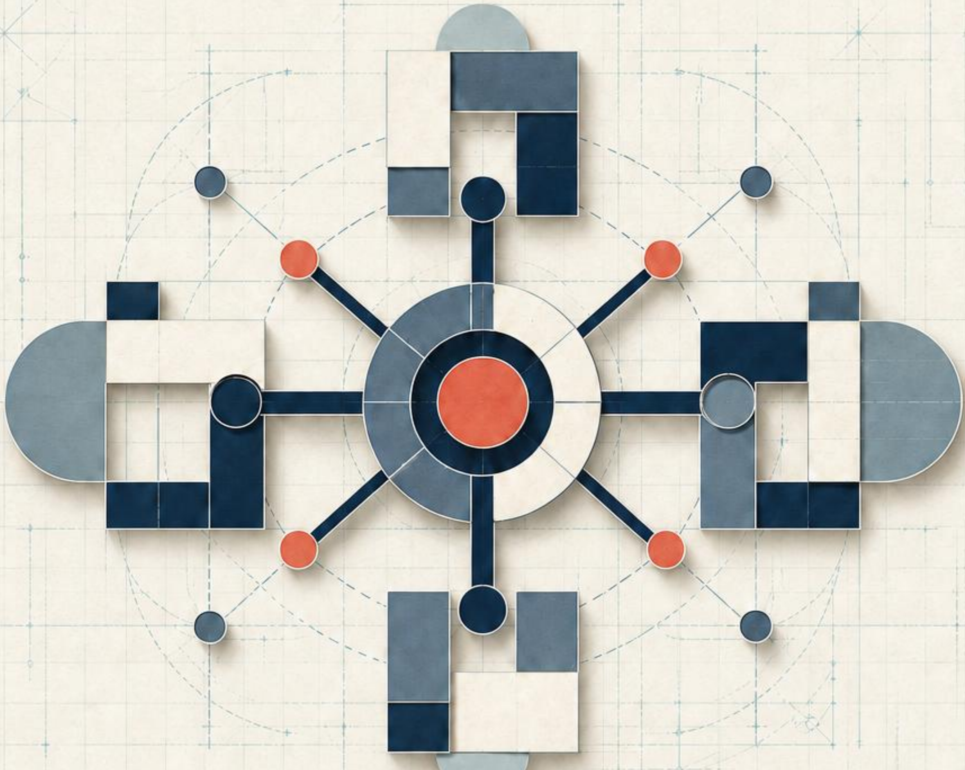
WHO DESIGNED YOUR ORGANISATION?



HOW TO BUILD AN ORGANISATION THAT WORKS RIGHT FIRST TIME

THE COMPLETE BLUEPRINT

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EXPERTIVITY TECHNOLOGIES

Who Designed Your Organisation?
How to Build an Organisation That Works Right First Time
The Complete Blueprint

Contents

The Fast Track Through This Book

This book is designed for the busy manager—and the speed reader. If time is limited, begin with the Executive Summary and then follow the highlighted passages throughout the book. Together, they provide a quick route through the central argument, the key ideas and their practical implications.

When something catches your attention, turn to the surrounding pages for the fuller explanation. Read the book from beginning to end, use it as a reference, or grasp its essentials at speed. The route you take is yours.

Executive Summary

The question "Who designed your organization?" sounds as though it should have a straightforward answer. In a young business, the answer might appear to be the founder. In a larger organization, it might be the chief executive, the executive team or those responsible for strategy, organisational design, processes, and technology.

> *In practice, few organizations have been designed as complete systems.*

Most contain a great deal of deliberate design. Strategies are developed, structures established, responsibilities allocated, processes documented, technologies implemented and performance measures introduced. Each part may have been designed competently by people with considerable expertise. The difficulty is that the parts are often designed at different times, by different groups, in response to different priorities and under different circumstances.

> *The organization that exists today is therefore rarely the product of one coherent design decision. It is the accumulated result of its history.*

That history includes growth, changing customer expectations, new products, reorganizations, regulatory demands, acquisitions, outsourcing decisions, technology programs, management initiatives and countless practical responses to immediate problems. Many of those decisions were entirely reasonable when they were made. Their combined effect, however, can produce an organization that is increasingly difficult and expensive to operate, manage and change.

> *This book explains how that happens and presents a more deliberate approach to designing, managing and continually improving the organization as one connected system.*

The central argument

A successful business must do two things well.

First, it must understand what customers are trying to achieve and develop an offer they will choose.

Second, it must build an organization capable of reaching those customers and delivering what it has promised—effectively, efficiently, reliably and profitably.

> *A strong offer creates an opportunity. The organization determines whether that opportunity becomes sustained business performance.*

Customers do not experience the business as a collection of departments, systems, suppliers and management responsibilities. They experience the combined result. Employees also work across the boundaries between those components, whether or not the organization chart acknowledges those connections.

The performance of the business therefore depends not only on the quality of its individual parts but on how well those parts work together.

This creates a fundamental management challenge. Organisations need specialist functions because specialisation concentrates expertise. They need structures because responsibilities must be clear. They need processes, technology, information, controls and measures because work must be coordinated and managed at scale.

Yet specialisation also creates boundaries. Each function develops its own priorities, language, systems, measures and professional practices. Individual components can perform well while the organization as a whole remains slow, fragmented, expensive or difficult for customers and employees to navigate.

The problem is not necessarily that the parts are poor.

> *It is that the parts do not always add up to the whole the business needs.*

How today's organization was created

Most organisational complexity was not deliberately chosen. It accumulated.

A process introduced to solve an urgent problem becomes the starting point for the next change. A control created in response to a particular failure remains after the original circumstances have disappeared. A technology platform is added without fully replacing the one that preceded it. A new function assumes responsibility for work that overlaps with existing roles. An acquisition introduces another set of processes, systems and assumptions. Outsourcing changes who performs an activity without removing the organization's dependence upon it.

Over time, temporary solutions become permanent arrangements. Capable people bridge gaps, create workarounds and use personal relationships to keep the business moving. Their efforts are valuable, but they can also conceal weaknesses in the underlying system.

Drawing on the idea of technical debt in software, this book describes the accumulated burden created by management decisions, compromises and workarounds as operational debt.

Operational debt appears as unnecessary activity, duplication, delay, avoidable risk, conflicting priorities, manual intervention, repeated correction and management attention consumed by problems that should not need to exist. It reduces the time and energy available for customers, growth and improvement.

> *Understanding how this debt accumulated is not an exercise in allocating blame.*

It allows management to distinguish between arrangements that remain valuable, those that need to be improved and those whose original purpose has disappeared.

Designing the business as a system

The organization that exists today provides evidence about what has worked, what has failed and what management has learned. It should not automatically become the specification for the future.

The book therefore introduces a different starting point:

> *Knowing what we know now, what organization would we choose to design?*

This does not mean ignoring practical constraints or imagining an organization that could never exist. It means temporarily creating enough distance from the present to ask what the business genuinely needs to accomplish before deciding which existing structures, processes, technologies and roles should be preserved.

The first step is to understand the current organization as it is actually experienced—not only as it appears in process maps, organization charts and management reports. Workarounds, recurring problems, unwanted demand and the knowledge held by employees are all important sources of information about the real system.

The next step is to define what the business needs to do in terms of outcomes, functions and capabilities rather than immediately describing familiar solutions. A Finance department, customer-service team, approval process or technology platform may be necessary, but each is already a proposed answer. Management must first understand the value or function it is intended to provide.

This distinction opens the possibility of better design. It allows the business to decide which capabilities are essential, how they should connect and whether they should be provided internally, shared across the organization or obtained from external partners.

From disjointed decisions to Concurrent Management

Many organisational problems arise not because expertise is absent, but because the necessary expertise enters decisions at different times.

Strategy develops a direction. Finance examines the economics. Organisational designers consider structure. Process specialists design workflows. Technology teams implement systems. Data specialists establish information requirements. Risk and Compliance add controls. Operations and frontline teams then discover what the combined arrangement means in practice.

> *Each contribution may be competent. The difficulty lies in the sequence.*

By the time one group encounters a decision made elsewhere, important assumptions may already have become embedded. A customer promise has been made, a budget committed, a structure announced or a technology selected. Later involvement can improve implementation, but it may be too late to shape the underlying design without costly rework.

The alternative developed in this book is Concurrent Management.

Concurrent Management applies the principles of concurrent design across the organization. It brings together the people responsible for interdependent parts of the business while important decisions can still be influenced.

Its central question is:

> *Who needs to make this decision together, and what information do they need to make it well?*

This does not mean that everybody participates in every decision, nor does it replace accountability with consensus. It means identifying the perspectives that are materially affected by a decision and involving them at the point when their knowledge can improve it.

A concurrent approach allows implications for customers, operations, processes, technology, information, people, finance, risk and external partners to be considered together. Problems that would otherwise appear during implementation can be identified earlier, when they are less expensive and easier to resolve.

> *Concurrency is therefore both a design principle and a management philosophy. It continues after the initial design because the organization and its environment continue to change.*

The management architecture

Managing the organization as a connected system does not require every decision to move upwards. It requires clearer ownership of the relationships through which performance is created.

Senior leaders must continue to look outward and forward. Teams must remain close to customers and operational reality. Between them, middle managers perform an increasingly important integrative role. They translate direction into executable priorities, connect work across boundaries, reconcile competing demands, develop people and ensure that operational information influences decisions further upstream.

As technology and artificial intelligence reduce the administrative component of management, this connective role becomes more important rather than less. The middle manager moves from being a conduit for information towards becoming an architect of collaboration and a conductor of interdependent work.

Teams are where the organization becomes real. They receive demand, use capacity, make decisions, apply processes and technology, depend upon other teams and produce outcomes needed elsewhere.

> *They are both the principal unit of execution and one of the organization's most important sources of learning.*

At enterprise level, clear responsibility is also required for the major horizontal systems that cross functional boundaries. Process ownership, product ownership, Enterprise Architecture, technology infrastructure, data management and operational leadership must be connected rather than allowed to develop as separate disciplines.

This book proposes an integrating management capability—potentially organized through an Enterprise Execution Council or an appropriately designed Office of the Chief Operating Officer (COO)—to maintain that enterprise-wide view. These are roles and responsibilities, not necessarily additional organisational layers or headcount.

> *The objective is not centralization. It is to make important interdependencies visible so that more decisions can be made confidently at the appropriate level.*

The extended enterprise

The business is larger than the organization shown on its formal structure.

Customer outcomes may depend on employees, suppliers, contractors, outsourced service providers, logistics partners, cloud platforms, professional advisers and AI-enabled services working together. Outsourcing changes who provides a capability; it does not remove the organization's responsibility for the outcome or the dependency created.

Concurrent Management therefore extends beyond the legal boundary of the business. External capabilities must be designed into processes, measures and governance arrangements. Suppliers and partners should be managed according to the role they play in the complete operating system, not simply as a series of separate contracts.

> *The practical boundary of the enterprise follows the creation of value.*

Growth, improvement and redesign

> *Growth tests every aspect of the management system.*

In a small organization, integration often occurs through the founder and a limited number of people who understand most of the business. As the organization grows, personal knowledge and informal coordination become insufficient. The management system must become explicit before complexity overwhelms the people who previously held it together.

> *Acquisition presents an even greater challenge because it does not simply add volume to an existing organization.*

It introduces another operating system, with its own history, capabilities, culture, processes and technologies. Integration must therefore be designed around end-to-end outcomes rather than conducted independently function by function.

> *No design, however thoughtful, will remain perfect. Operational reality will expose incomplete assumptions, changing circumstances and consequences that could not have been anticipated.*

Continuous Improvement converts that experience into better ways of working. It removes unwanted work, reduces variation, builds capability and allows learning to travel beyond the team in which it originated. But improvement must be systemic: making one component more efficient while moving cost or difficulty elsewhere does not improve the enterprise.

Eventually, improvement may no longer be enough. An organization can become very good at refining a system whose underlying assumptions have ceased to be relevant. At that point, management must return to the more fundamental question:

> *Knowing what we know now, would we still design the organization this way?*

This creates a **Concurrent Management Virtuous Cycle:**

- Understand the organization as it actually works.
- Idealize the organization that is now required.
- Define the value, functions and capabilities it must provide.
- Design its interdependent parts concurrently.
- Bridge the gap between the current and desired systems.
- Operate through connected management arrangements.
- Improve continuously from operational evidence.
- Re-idealize when the assumptions underlying the system need to be reconsidered.

The organization's Business User Manual

Most complex products are supplied with guidance explaining how their components work together, how they should be operated and how problems should be addressed. Organisations are rarely documented with the same clarity.

The practical output of Concurrent Management can be understood as a **Business User Manual**: a living description of how the organization creates value, the capabilities upon which it depends, how important decisions are made, how teams and functions connect, how external partners contribute and how operational learning improves the system.

> *It is not a static procedure manual or a collection of process documents. It is the organization's evolving understanding of how the business is intended to work.*

The argument of this book is ultimately straightforward. Organisations do not become coherent simply because every component is managed professionally. Coherence must itself be designed and managed.

When management treats the business as one connected system, it becomes possible to reduce operational debt, make better decisions earlier, strengthen execution and create an organization capable not only of performing well today, but of continuing to become better as its circumstances change.

YOU HAVE REACHED THE END OF THE SAMPLE

Continue reading Who Designed Your Organisation?

The full book follows the argument through thirteen chapters: how organisations come to work the way they do, designing the business as a system, managing it as one system, and managing a changing enterprise.

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