RUNZHEIMER -

Executive Search Leadership Consulting

BUSINESS CASE

Old braids or new ways?

What would your company look like if you were to reorganize all departments and teams from scratch? If there were no "old braids" and no "sacred cows". Everything is possible. What would you do differently?

These questions were asked when starting the organizational redesign of an international entity.

The departments had used the long-lasting growth in sales to continuously increase the number of employees. Sales growth almost automatically led to department growth. However, the general manager had the feeling that he was constantly following the old tracks instead of breaking new ground. To do this, the organization had to be shaken up.

Here our work began.

First, a review of the business strategy was carried out. Only if you know where you want to go, you can point the organization in the right direction. This direction was then clearly communicated across all functions and departments were asked to propose their suitable organizational set-up.

We chose the approach of "zero-based budgeting" where everyone designs the future organization from scratch on a blank sheet of paper. An immediate effect was that people started to see the big picture and left their silo. Cross-departmental dependencies were identified and changes coordinated multilaterally. Space was created to challenge each other and form new ways of cooperating. A surprising result was that many of the positions previously described as "necessary" were suddenly no longer needed. In the last step, the tasks were aggregated into positions and filled with the people who were best suited for these tasks.

Giving up headcount and resources is often seen as a loss of meaning and influence in the company. It was therefore important not to look for potential savings or headcount cuts, but for the right organizational structure under the guidance of a neutral partner. The focus on tasks rather than on positions helps to objectify the discussion and to encourage collaborative solutions.

As a result, the redesign of the organization enabled that freed up resources and employees were geared towards strategic priorities, thereby strengthening the company in the long term.

After completion of the project, it was agreed to establish this new approach in thinking and acting in the long term and to carry it out regularly in a trimmed-down version. This way the organization remains alert and open for coming changes.

