ODF
Organization Design Forum

Todd Christian: Hi everybody, I'm Todd Christian, I get to be our facilitator/host. I usually have a fairly light touch on these things, but, we have had our advisory board members talk a little bit this week online about a juicy question or topic. We do these forums about twice a year and it's great to just hear from these thought leaders in the field about what they're noticing about the theory and practice organization design and what are the implications for us as Org Design practitioners. The topic that came up this week as we had quick chats over email was about speed. How do we do our jobs most effectively in an environment where speed is at a premium, and now people are talking about agile and moving more quickly when we traditionally have had longer duration processes just to get clear about capabilities and how we're going to organize around them. So I'm going to turn it over to the advisory board. I'm going to ask, each of you guys and gals to introduce yourself, just a 30 second introduction of who you are and then we'll come back and start the chat. Does that sound good? All right. How about I'll just do the roll call. Craig, could you start?

Craig McGee: Good morning. Craig McGee. I have my own independent private consulting firm that specializes primarily in organizations to align the organization change and organization effectiveness. I've been involved with ODF since about 1992 in various roles and am currently a member of the advisory board and also support the Practitioner Development Team.

Dick Axelrod: I'm Dick Axelrod, a design practitioner. We're located in Chicago, been a long time member of ODF. Don't remember when I really first came on the scene. I've written several books on organizational change.

Amy Kates: Hi. Hello everyone. Joining from Manhattan and New York City, I'm with KatesKesler Organization Consulting. KK is a design firm and so I know many of the names on the list. We come to the Jay Galbraith's school of org design. Excited to be here with this group of friends and colleagues.

Stu Winby: I'm located here in Palo Alto. We're about a block off the Stanford campus and I've been doing organizational strategy and design and innovation and technology "forever", sort of in the front end of that process since I started. And, like Amy, I've worked a lot with, with Jay Galbraith and Eric Trust and some of the guys that have been around for a long time. So I've been fortunate in that way.

Sue Mohrman: I'm from the University of Southern California. I am a research professor there and do research in the area of Org design and, on the side some consulting, but mostly research. I'm a co-director of Center for Effective Organizations with Chris Worley who is also a participant in ODF from time to time. We are now a 20 year old organization design education program that consists of two parts, a strategic overview of design in practicum when you work with people trying to design projects and, in the course of doing that, have had amazing exposure. Some of you may have actually gone through that. Just recently I wrote an article that looked through the history all the way from scripture to today, I was just amazed at the amount of change in design that has occurred in organizations largely enabled by technologies. And when I look back over the last 40 years, we haven't seen anything yet

because what's happened because of new technologies, it's going to be more different than they are right now. And, I think we should be ready for a really exciting ride.

Todd Christian: Excellent. So, you actually kind of got us started with this theme that we talked about earlier this week. Maybe you could give us a little bit of framing about the dilemmas you were seeing around speed.

Sue Mohrman: I suggested speed be an issue, because we just finished our strategic organization design workshop a week ago and, once again, we really had lots of discussions about impatient managers, and they are hearing now about problems, not just the capabilities but don't really have a sense of what that means. They don't really have a sense of what it takes to effectively change your operating model and don't have any patients, really, with getting together the very people who have to make it work and figure out how it works. And the fact that it's multi-phased, and is probably a two to five year project even if you thought of transformation, of course, we now know the pace . So they're really concerned, and at almost every break people were talking about how to do this in their organization, where they have impatient managers.

Sue Mohrman: We know it's the right model, for some Galbraith's is the right model, participant of design is the right model. . . how do you accelerate it so that you actually can keep up with the pressures that are on the company and keep up with the impatience of the management who really have to sponsor this stuff. That's a big dilemma. I think we know a lot about how we think, we know a lot about the processes that will result in effective implementation. I don't think we know a lot about how to build this under the capabilities of an organization so it becomes routine to the organization. So that's the thing that's been on my mind a lot lately.

Dick Axelrod: I think a couple of things based on what she just said. I think we run into, in some ways, the cultural artifact to speed in a, you learn about an organization by trying to change it. And so, I think, as I look at our work, where the keys rise and fall, is in building the internal capability so that people could really move with it in a way that works for the organization. We can do things like, you know, participative design conference model, but it's, can you build the internal capability to do these things so that it's not just an event.

Craig McGee: I think you're right, it's not an event. And I think about what she was doing with, you know, the adaptive (de-line) workshops that are reconfigurable, that you bring the right people together in order to address an issue and then you find out that you've got another issue that you need to address, but it requires a different network of people. And I think that starts building that competency in an organization to bring the right people together, addressing the issue, and then move on to address other issues that are going to react to that.

Stu Winby: Let me back up just a little bit from that into the strategy space because maybe if we talk about speed, you know, I think that you speak in terms of "time to market" is always a major issue, how do you get products and processes to market. I think number two, in this environment, is anything that does help you get time to value, in other words, if you can create value and the time that it takes you to create that value, how do you do that? The third one I think of, in terms of speed, is the issue with digital. Connecting digital strategies that are connecting you to customers and getting perpetual feedback. As Craig is saying, do you have to take that data and sort of reconfigure your operating model to respond to those needs?

Stu Winby: So that's a speed issue. How do you organize around those three? And there's probably more than that, but those are three predominant sort of speed pressures on the organization. How do you design the organization in a way to deal with that and don't just say one more thing and then I'll stop here. I think there's a current preoccupation and love affair with agile teams and, all of us on this call have seen this before many, many times. What happens is, and I'll give just one very simple example . . . years ago when we did systemic redesign and you'd get these huge performance improvements in plants. It became fetish and then you'd see books coming out on self-managing teams and it had nothing to do with the design. It was just one feature of the design. It didn't have anything to do with changing the management processes and changing the reward structures and changing all those things. And so we're seeing a lot of the same thing right now and we've seen this over and over again and these agile teams were born out of software product development. So they're very useful in terms of an alternative to a traditional waterfall process. And it's useful in the product development process. It does lower your risk and improve your speed, but what's happening is that that model now is being used for all project management capabilities, which is fine, but it doesn't hit a lot of the things that will really improve the business for speed, like the way that your executives are organized and management processes are organized. I think what Craig is saying is that you've got to have the processes able to reconfigure very, very quickly around management processes and some of these other kinds of things or you're going to run into trouble. So anyway, I, I get into these pontificating kind of things so let me just stop there.

Sue Mohrman: There's a question from the audience asking, "Is there anything about agile that is still relevant, and what is relevant and I don't know. I know Craig that may not be that we talk about that. But, we probably should address that at some point.

Craig McGee: I want to react to Stu's comment, and there is an underlying DNA around these half-agile organizations know they, they're not bound by those traditional management processes. There's this culture of collaboration and flexibility that's inherent in the organization that allows it to make these responses.

Amy Kates: There's two different things here. One is designing the organizations to be faster and the other is the idea of the design process being faster. And I think agile has a role, actually, in the design process. What I've been talking to our clients about is how do you think about design as something that is more iterative and you start using it to practice what you want to become. So for example, if the initial assessment is this organization that seeks to collaborate more, let's do the design work in a very structured way, you know, with lots of small teams and how they come together and integrate. If it's about being more transparent, it's about helping the leadership team communicate more. If it's about we don't make decisions fast enough. Then use the design process to actually practice how we're going to make design decisions. And I think this idea of sprints of iterating, of testing design ideas actually creates a lot of energy in the design process. So you know, I'm not dogmatic about anything and I think it's just bring it in where it's useful. That said, I would stew on agile is not the answer to all design issues anymore. And it's a team design issue. It's a tool, not an organization design tool. OK.

Dick Axelrod: Good. If you have participated, if the organization needs to collaborate more than the design process has to be a collaborative, it needs speed than it needs to be fast. And what you do in that is you give people a sample of what possible. So in the design they learn something and have an experience of what the future might look like.

Stu Winby: Yeah, go back a little bit. Generally the issue about a agile teams is that when you have a certain amount of uncertainty in the organization and lack of predictability and clarity, you move more

towards an agile kind of capability because it helps you adapt and it helps you learn very quickly. So the organization, in general, is organized hierarchically for a predictable, repeatable, efficient system and generally most organizations have a large part of their organization that needs to be predictable and efficient. So that part of the organization you wouldn't take a lean operating model and then stick an agile system in there because you'd make it less efficient. You make it more adaptive but less efficient. So generally most of these organizations, particularly the older organizations, need to continue with an operating model that's very efficient. But at the same time there's a certain amount of uncertainty. Yeah. Well I think that. So if the technology is shifting, either it shifts. If you're getting disrupted technology, either you feel it at the infrastructure level, which is not a bad deal because you can recover pretty fast. You don't have to have agile teams. You could add, give everybody's cell phones or ipads (or whatever it may be at the infrastructure level), but if you get disrupted at the operating level, which is your operating model, then that's going to require more agile. You'll probably want to implement agile teams. You'd probably want to implement all sorts of things in your operating model, but if you get disrupted at the business model level, then that's very, very serious and you're going to have to have a huge transformation which is going to be much more than just agile teams. It's going to have to be a redesign of your fundamental business model of your company, how you deliver value. So I think that what I'm just trying to convey here, is that for all our listeners, is that if we're going to be organization designers, we need to think much more systemically and not then kind of in a naïve way that there's a boxed solution out there of teams. It really takes a design process to be able to figure out what organizational model is required other than just teams systems to be able to be effective adaptive system.

Craig McGee: I'm wondering if these are really the role of the designer because I think some of these are strategic choices. I'm looking at Amazon first. They started as an online retailer, then they bought Whole Foods and they moved into the kind of the food area. Now they're looking at creating their own shipping capability, and I think they're kind of high level strategic choices that I don't know that we designers make. We facilitate that and make sure our leaders are making those kinds of choices. Then once we have that clarity, then I think there is very clearly a role for designers to then say, OK, how can we best design the organization to execute that strategy?

Stu Winby: I agree

Todd Christian: A lot of the questions that we're getting are actually about the consulting challenge in it. How are you working with leaders to get through this understanding? I think that's a good question for you guys to have a dialogue about.

Stu Winby: Well, I've got to respond to that. In order to really do this kind of work, you have to work with the senior team, you have to work with the CEO and his team and one of the reasons why is because, in my opinion, the pivot point, the focal point, the leverage point for speed is really how the senior team makes decisions, how they're organized and how they're structured for agility and speed. So when you put in teams, it's a tactical capability bolt-on, but it's really not a systemic capability that has to happen with the executives. So the consulting, generally, I know this sounds tough because a lot of the entry of consulting is not necessarily with your senior team, but the amount of change with the senior team is pretty significant it's the best place to enter. I can talk about that in a lot of detail, but anyway, that's my reaction.

Amy Kates: I'd like to build on that. And just to agree, Greg and I do a lot of working on an enterprise level on operating models and I just want to underscore what Stu was saying, that before you can decide

anything, you'll just have to really have alignment on the operating model of the organization, how the parts fit together - what we need to leverage and where we need autonomy and we want agility. The difference between the local agility and enterprise agility. So that work with the executive team is to have them align on the relationship of the parts of the organization - markets, functions, business units, all the capabilities that are going to cut across digital, etc, is fundamental. And I think that is a frustration when you're working at a level, you know, down in the organization and you're trying to optimize something when there isn't clarity around how we can make decisions really across the big interfaces of our organization.

Stu Winby: Yeah. Let me give an example of an agile executive team. Like if you did that analysis of all the pieces in the organization, what are the things that we've seen? And to just give an idea of what this could look like, is that if you do a (ratio) with all the members of the executive team, you start to realize that the decisions seemed to fall into, into nodes. In other words, there's a lot of decisions that fall into two or three people, not the whole team. But if you notice how the executive team meets, they generally meet as large organization and they try to make decisions. Meaning in other words, six, eight, 10. I've had as many as 19 people in the executive team. Um, but if you talk to the CEO, the CEO will say the best way for me to make fast, accurate decisions is just to work with one or two people that really own these decisions.

Stu Winby: So if you say, well, why don't we formalize that so you can increase your speed, what do you mean by that? Well, let's take all the decisions and let's organize them into little nodes of deliberations. So in other words, these three guys are responsible for this body of decision making and they work those decisions so you don't have to meet with the whole team. What you do is you meet with those three, just reduce your cycle time of decision making. And then what we do is we hook an agile team onto that decision body. So the CEO meets with two of their people around a certain area, could be policy, it could be technology, it could be supply chain or whatever it is, with one or two, three people. They learn how to deliberate, which is not making the decision. It's basically problem solving. And then what they do is they take the deliberation and they put it into an agile team that's already prepared, already in place, and that agile team takes that deliberation and works the data, the analysis of it in one day, and then pushes back that analysis back to the deliberation team. And, now they're risk of decision making has gone down because they have all the stakeholders in that agile structure involved to be able to reduce risk, to create more data. So you'll have a more intelligible decision within a couple of days. And now they take the data and the second thing is they moved to strategic choice, which is the allocation of resources based on the data that little node created. So now they're allocating resources, which is a management process. It's not an agile team, it's a management decision, processes, the allocation of resources. And then that team, what Craig was saying, forms and moves, uses a decision accelerator or a network to bring all the people associated with that decision into a room as a network, and that network reconfigures that decision and comes up with a milestone and a milestone plan, a plan to execute that decision in a short amount of time and they can do that the following week. So now they have a plan with all the stakeholders involved in the company that come up with a plan of record or resource allocation project and now the resource allocation could happen with that team parallel to the parent structure that has all the fixed optimization structures in place. So now you have an agile capability that's really working fast, but you don't do it by putting teams in the operating model and you do it by working with the executive team. It'll have a chance to respond in the optimization model to be able to respond effectively because it's built for optimization, it is not built for learning and high predictive, high adaptive capabilities, but it starts with them. It doesn't start with the team that's in level three, level four, the operating model doesn't, it won't work that way.

Craig McGee: The notion of the ambidextrous organization that you talked about has always made a lot of sense. But Sue, I'm wondering if what you're hearing from some of your participants is kinda the reaction of the corporate immune system that tends to, when these experiments happen and innovations occur, that it kind of bumps up against kind of the optimization model and the traditional systems. You've got any thoughts on that Sue?

Sue Mohrman: Yeah, I think that's definitely true. We're on a journey that's going to require that we are able to escape from the assumptions in the past. Here's what I worry about. I think all of us can analyze this to death. You know, we understand what you just said, Craig, is something I bet you've dealt with your entire career, and I have too, and no matter whether it's at the executive level, whether it's at, you know, plant level, wherever it is, people have their assumptions and their ways of doing things, and they have a hard time even envisioning, the organizations Stu just talked about, and the ones that, that we have tried to help them create. I think all that's true and I think we can come up with lots of reasons and, I guarantee you everybody sitting in my class can come up with that reason.

Sue Mohrman: They know that it is really, really baked into the way people think. I think it's even cognitively baked into their neural connections. So, the question I think our field has to address is what you do that is actually able to help that way of seeing transition, and in a short enough time that the manager isn't gone before you even get started with the real work. I think every one of us probably has had great success with a two year, three year transition. The tech gets turned over to internal people, the CEO gets replaced. Everything goes back to those neural connections that are extraordinarily deeply build into people. The new person's coming in and wants control. I mean it's almost like we need a cultural lobotomy of your entire business system.

Sue Mohrman: I did a little thought, experiment last night. Actually one of my students sent me a video and it showed a car being manufactured in a plant that was totally robotic. I saw no human beings in a five minute video and then it went to a different plant where there were people that were doing the welding and all that. And for five minutes I watched people running around and then I started thinking about if you actually, I think the world is moving to the former, so what structure do you need around that? What decision making processes are needed? Who's left, what do they do because I think that's where almost everybody's having to move, and after the announcement this morning Amazon is going into delivering healthcare products to hospitals and clinics and so forth. I Bet McKesson and about three other companies that are saying, we have to totally, totally change ourselves almost immediately because Amazon's going to be there and we're going to eat our lunch. And how you do that in our lifetime? To me that is the challenge our group faces because we know what the problems are. Do we have any approaches to be able to deal with that?

Amy Kates: As she was saying it's really a very important type. John (Monroe?) has been working on this and hear a lot of our clients talk about when real automation and artificial intelligence, machine learning comes, not just in a manufacturing plant, but it's in the R&D & the marketing department, is going to fundamentally change the nature of work. I had a fascinating project in January when I was in Singapore working with the government. They have a national strategy, a competitive strategy as a nation, which they had before they were manufacturing, and then they were a hub of Internet, multinational companies. They are losing out to Shanghai, they don't have any natural resources, so they want to become the most connected digital smart country, be a, not a hotbed of creating innovation, but a place where the test innovation and they want to come, which means I have to change their government and how all the agencies work together and that's some of the work I was doing. But what was interesting was meetings with some of the permanent secretaries, what was on their mind is how are we going to

keep people busy. We have five and a half million citizens and all of the multinationals that are talking to us or saying, we're going to still be here, but we're not going to have a whole lot of jobs and the public sector cannot absorb them. And I think this is going to be the same issue in the United States. They're thinking about it. I don't know if we are.

Stu Winby: Well, let me, just respond to what Sue and Amy were saying just real quick. I go over to the Stanford campus every Wednesday and I work with the media lab. These are all sort of Silicon Valley companies that are all doing R&D in it, and fundamentally AI. And a lot of it has to do with an organization. And here's the reality that's happening right now. Really, really what's happening. The amount of avatars, robots that are being developed. We're talking about developing personas, developing how do you design for empathy? How do you design for approachability? And these avatars and robots will very shortly ,not years from now, be a coworker that you have in your team. They'll be in stores, they'll be everywhere. And the design of these capabilities are actually, and this is going to sound like heresy, but the design of these capabilities are almost more human than humans because they've designed, they put sensors in the eyes that can look at you and they have tons of data - if they see a smirk, if they see puzzlement, and they can take that data and respond back and say, Hey Craig, you look puzzled. What? Tell me what you're thinking. So in other words, the amount of intelligence, emotional intelligence that is being designed into these capabilities is just amazing. So in the short run, when you design your agile system for speed, you're gonna have a machine, a robot, that you'll call Sally or Frank that soon will be a member of that team you work with. And what I'm talking about is not very far off. I mean this is like very soon. So we have to, as designers start thinking about how do you take that type of technology and integrate that into the kind of things that we're having in this conversation. And that, you know, of course begs the question of, "is that going to eliminate work?" How is it going to change jobs?

Sue Mohrman: There's so many levels of analysis that you have to look at this from. I think we're here today to talk about the org design issues. If you just take those and not the societal implications and all that, which clearly companies are going to have to start taking into account, right? They're gonna start thinking about, we don't know how that's going to happen, but governments that don't figure out how to hold companies accountable for having a plan about all that, are going to find themselves with huge pools of unemployed people, like eighty percent of their population. That's too much. Fifty percent of the population. And so they're going to have to do that. But if we just look at the design issues, the design issues are incredible because these systems have to be programmed. Values are programmed into them. They have to be improved. They break down, you know, etc. What does the new organization look like now that you build in the speed of change of your operating organization to fit with the speed of development of the technological capabilities? That are your competitors can come in from the ground up . . . Amazon's going to enter the pharmaceutical delivery as warehousing and delivering market with a fully automated warehouse. They don't have to change to that. They've now learned how to do it right so they can disrupt just about anybody. How does McKesson or any other Cardinal or whoever, how do they actually change the fundamental change at the speed they're going to have to? Or do we just say it's going to be a world where companies just go out of business because companies that can do to a new way come in and take their place? And, I guess, what we believe is you can change organizations, and you can develop capabilities, and you can design for that. Maybe even our beliefs are obsolete.

Craig McGee: What you're talking about, Sue, what struck me right there, its Socio Technical Systems principles. You know, turns in the (Tavistock?) people found that technology alone isn't going to improve organizations. And I think there still is this notion around, we've got all this technology driving us forward, but are we looking at the social systems adequately?

Sue Mohrman: And, I go back to speed, because that's the process. I think for STS, I was weaned into that, that's, that was part of my genetic code and it isn't a fast process. Right? And that's the problem is how do you take that way of making changes and accelerate it?

Todd Christian: I'd love to hear you guys elaborate on a little bit. What are you currently doing to deal with this? How are you helping facilitate the process more quickly or are you able to get more traction in following a process?

Dick Axelrod: Our answer to that was The Conference Model approach - where you get large groups of people to do what the small groups decide. But as fast as that is given the environment, it's not fast enough. And so what we're struggling with, I don't have the answer to this. So you get all this turbulence out there in the environment and you've got these organizations that were the stubbornness of the culture. I keep running up against that. And we know that some of these things require thoughtful deliberation. So I think it's probably more things like what Stu was talking about. How we build, how we design our own processes for speed without giving up on the thoughtful deliberations that are required for good design.

Amy Kates: You know, here's a thought. A global company, a very fast growing design issue is role of the center, role of the core, role of the region, role of the markets classic, "how we make decisions and leverage our expertise" but also be fast . . . protect the brand, the logo. We've put together a design team, the organization very, let's be inclusive. And, put together a global team, Europe, North America, Asia. Impossible. Doesn't matter how fast you want to move. We'll get people on the phone at a reasonable time and do the work. So what's interesting is we had the first meeting about how can we do this work in a way that actually will create a clarity, solving the problem. And what they came up with was, I thought ingenious. Every two weeks there's a call, but the call is not the working session. The call is recorded. It's for alignment. It's for information sharing. Because you can't have 20 people on a call/video really, really working. Then the work happens in little groups in between all on one shared documents So no powerpoint, no word, no emails . . . a google drive kind of doc. This has allowed them actually to move very fast and iterate and create ways, and now they're saying, we can do our product launch/work like this, we can do our marketing campaigns like this because we found a way that we are aligning, but moving quickly in small groups. The big unlock was the getting together - it's not what we do, the work, the a value in face to face of sharing online, updating. If you can't be on the call you're expected to read the materials, listen to the call, we keep moving forward. And in six weeks they've made such great progress on the issue, and then creating new ways of work that are now becoming sort of embedded in the organization. So sometimes it's not big things. It's kind of looking at the mechanics of it is - it's still just human beings trying to talk to each other. That hasn't evolved at all.

Stu Winby: We do something very similar. We call it a "stubby pencil" work. What we mean by that is when the team gets together, we very carefully organized our deliberations based on the stubby pencil work, which is the data, so they can move forward very quickly (within an hour) even though you've got eight hours of stubby pencil work in between. If you manage that, you can get the cadence to reduce your cycle time a whole lot. I mean quite a bit. So there's all those kinds of techniques and tools, but the big thing is, as Dick was saying, you're breaking the cultural pattern of how they get things done and it's

different. I used the term the other day, Escape Velocity. The problem is that even though you try to introduce a lot of these things and the system wants to go back to what it feels comfortable with, and particularly the allocation of resources - because the allocation of scarce resources - as you can in one of those deliberations Amy's talking about, they'll say, well why don't we get seven guys to go work on this for two months to do this? It was just going to make that decision and where do you get the resources? Because you have to take those resources from something else that has been planned in another project. So whenever you start moving more towards agile, it always goes back to the allocation of scarce resources and it becomes a major thing, particularly when you're launching to market. When you're launching, the marketing sucks up huge amounts of sales and marketing and other kinds of resources that put the parent structure under threat. So anyway, there's tools and techniques, but they have to be sort of integrated strategically.

Craig McGee: We were doing some work with Google, I was always curious about Google and how they operate - you think about Google and you think about a real fluid, flexible network kind of organization. In working with them, they are really pretty hierarchical, but they're very deliberate around what products they move into, what features they move into in a very methodical. They rely on data a lot, and then make some very deliberate decisions on where to move their resources. The people say that I get moved around every year onto a different project or into a different area, and that it just kind of the norm that they have within that organization. So there is that cultural DNA there that allowed for that fluidity and that constant ongoing shifting of resources.

Stu Winby: I've got a meeting with them this afternoon after this call. I'm gonna go over there in a couple hours. I agree with Craig. I mean I find a lot of the same, same thing. It's really interesting. You have people that are managing global organizations but don't have a lot of experience in how you design systems to coordinate very effectively. They're very good with using a lot, they have a lot of technology tools which are really good tools to be able to improve the information processing. But actually you have to have an organization design when you get to the magnitude and size that they have and they don't have those kinds of skills. The basic block and tackling of organization design, it seems to be missing with their mid level managers. At least that's what I experienced. Kind of what you're saying.

Craig McGee: Yeah. I get the sense that it is more ad hoc, on the fly, somewhat intuitive around here's the groups that need to have here, the working groups we need to have, and let's put people in the working groups. Yep.

Sue Mohrman: What they are is very, very intentional about how they compose teams and about providing the capabilities. I'm sure that's why you were there given that you're one of the best in the world at that area. I think that's something in and of itself that we think about something that could accelerate change capability is to actually increase the capability of people to establish teams and get them to be a full contributing teams very quickly. They don't even really have the technology - I mean everybody thinks they do, but I don't. I don't see change get up and running very fast and companies where you move people around. But that seems to me to be the way of tomorrow's organization. And so I go back to, there's probably a lot of work at every level. This is not just a strategic issue. You can have all those two and threesomes of people that are figuring out which initiatives for the for the strategic leadership teams. And if you've got a company of 50,000 people, that is a huge amount of work that is going to have to be done to take that down and get changed, to do it fast. It's not just design people, it's design people and process people and communications people and technology people, software writers, who are going to have to embody these changes. If these companies are gonna be able to match Amazon, they're going to have to have all that happen at every level in the organization.

Dick Axelrod: What I really like you said, Amy Edmondson's work on teaming. Where she's talking about, we think about teams is structures, but she's talking about the core skill in the organization is how do I team with other people because I'm on multiple teams. The days of being on just one team are over. So how do I drop into a team where one time I'm a member and another time I'm the leader and the other time I'm just a resource. I think that's the core skill that you're talking about.

Sue Mohrman: Yeah, I think it is too. And, it's sort of interesting because this idea of hierarchy. If you go back to a purely academic look at this, I'm a bit, almost every complexity theorist says that the ultimate, a stable state for a system that wants to continually a improve its outputs as the system is hierarchy. Every complex system becomes hierarchical, because that's the only way to deal with what Stu was talking about, the distribution of resources throughout the system so that the system can actually optimize its accomplishments. And you know, we don't like to believe that I don't think, cause we like autonomy and we like all these things, but if run well, people really like it. And if you ever worked with the big three accounting firms, they are extraordinarily hierarchical. They would die if they didn't teach teaming. If people didn't come in that organization and immediately learn how to team, because they'll be on 15 to 20 teams the first year they're there, with 15 to 20 supervisors, and all different people. And that's really the organization of the future, I think.

Todd Christian: I learned a lesson on our last call about closing. We're going to start to close right now. Um, and I'd love to just get a final thought from each one of you is we check out with the team here.

Stu Winby: Well I'll, I'll say a few things. I think that organization design is being disrupted just like everything else. And, we're in a transition of all of us on this call and all of the audience that are listening, we're in a transition of trying to sort all this out. We're trying to think through what does this new, emerging model of organization design look like. And I think, to Sue's point and also to Craig's point on social technical design, there's some basic operating rules and principles, both ethical and structural that we have learned that are still going to stay with us, but there's also lots of things that are going to start changing that we need. For example, when you design there should be a set of ethical design principles that we're going to need, so that's happening, but we're all in the midst of kind of discovering. I see this call is really a deliberation to learn from each other, to be able to figure out what that new emerging model is.

Dick Axelrod: I would think in these calls I learn as much, as I hope people who listen, learn and it's stimulates my own thinking. I struggle with all the time with these issues and with clients. So it's been extremely useful to hear from the group what we've been talking about, what our struggles are. It stimulated me to think about, well, how am I really doing these things as opposed to how I say I'm doing these things.

Craig McGee: I'm struck by when we had the self-managing work teams, Stu, that whole era. And we started looking at what made some of those sustainable and others not. It kinda came down to there's this underpinning of collaboration, no matter what you do, from a design standpoint, or structure standpoint, if you don't have that basic underpinning of collaboration among people are in the culture that those teams weren't effective. And I'm kind of seeing the same thing around on these adaptive organizations, and flexible organization. That there's a underpinning on just having that collaborative DNA in the organization that allows us to do the design work and the process work. Totally agree.

Amy Kates: I'll say my goodbyes. I love these calls and, look, this is why organization design is so fun for all of us - because it's a puzzle and it's got all of these tensions in complex systems dealing with trying to

help human beings do extraordinary things. It's such great work. I think it's becomes more and more important. And the techniques might change, and we're going to learn. But you know, it's a puzzle and the challenge, and I think that's not going to go away - trying to help people work together.

Sue Mohrman: I'll go to the past, which is to say last time we talked about are the foundational concepts and frameworks and approaches that we've used still useful in today's world? I think today was a sort of a stress test. Do they work in a fast environment? I think all of us actually believe that, we do understand. I agree with what Craig said, that we do understand why everything happens and what we need to do to sort of work around it to get the neuro cells changed and to get people to behave differently. We have to figure out what that looks like in today's world. But I don't think anything I said today says that the concepts and frameworks, the principles of how you get people to actually change how they operate together are different than what we bring to the table.

Todd Christian: I want to thank all of you for making time for this. I know it's a commitment then we schedule these plenty in advance. And I want to thank Tanya, who was the woman behind the curtain on this and making it all work for us. Some people submitted questions both beforehand and during the call, and I hope everybody has a great rest of your day. We'll see you in another six months or so.

Amy Kates: Everyone have a great day.

Sue Mohrman: Welcome guys.