Structural evaluation tool

For your organization suggest at least ten issues or opportunities that are in the pipeline or that might present within two years (or present them with some).

Look at the current or planned structure and assess how the structure would flex and adapt to meet the new situation if it arose. Focus particularly on aspects of planning, controlling, co-ordinating and allocating for each issue or opportunity, and check that enough structural flexibility is in place to ensure that there is continued contribution to the mission, that the work is motivating, and that the social impacts and responsibilities of the organisation are not compromised.

For each issue or opportunity assess and, using the four rules of thumb (planning, controlling, co-ordinating and allocating for each issue or opportunity), decide whether the current or proposed structure will help or hinder solving of the issue or realising the opportunity. If there appears to be a lack of flexibility or adaptability develop a configuration that can cope with changes. This might be by modifying the existing structure, for example specifying roles and accountabilities, or clarifying decision points and co-ordination mechanisms. Or it might be by making more substantial structural changes, for example merging units. (If substantial changes are involved, the exercise is likely to become a full-scale design programme.)

To keep the need for structural flexibility in mind answer the following questions

1. Do you consciously and periodically structure the organisation to reflect the changing priorities of your organisation?

2. If so, have you consciously determined your current organisational structure?

3. Do you have a set of measures that enable you to assess the effectiveness of your current structure?

4. Do you evaluate your organisational structure on its ability to nourish entrepreneurialism, reduce bureaucracy and maintain control?

5. Does your organisation currently have different structures in it?

6. If so, have you identified factors that make these work well and less well?

7. Do you know the advantages and limitations of the structures you could move to?

8. Have you assessed the importance of the structural element in relation to the other elements in the overall organisation design process (e.g. business processes, technology, systems, and capabilities)?

9. Have you considered the costs and benefits of changing the current structure?

10. Do your staff members currently have the skills, knowledge and experience to work in a different structural form?

11. Have you considered the effect that changing your structure will have on internal and external interfaces and boundaries?

12. Have you considered the unintended consequences of changing your structure?

13. Have you considered the risks inherent in changing your structure?

14. Are you able to say what you have learned from past efforts to change your structure?

15. If so, do you have the capability to apply the lessons learned?

Scoring key:

- If more than 75% of your answers (12–15) are "Yes", your company is addressing the challenge of choosing the right organisation structure but keep checking that it is able to maintain flexibility.
- If 50–75% of your answers (8–11) are "Yes" or "Somewhat", there is more work to be done to choose the right structure and keeping it flexible.
- If less than 50% of your answers are either "Yes" or "Somewhat", your company needs to re-evaluate its approach to selecting and adapting an organisational structure.