

GROWTH RESUMES THROUGH MAPPING AND FIXING A BROKEN ORGANIZATIONAL STRUCTURE

**A case study by Seity Insight*

Why

A fast-growing high-technology company's revenues suffered when its sales people skirted company process and contacted engineers directly to create new products. The sales teams felt they should develop more special products for their customer, many of them "one-off." Pressure for quick turnaround on these spontaneous projects affected communication, as well as the engineers' ability to coordinate existing workloads.

The entire management team became involved, and they wasted a lot of time and energy finger pointing to determine who was responsible for creating the confusion, miscommunication and risk to customers.

How

Thinking the problem was communication; the company hired three consultants to conduct communication workshops. None of these consultants found or solved the real problem.

Seity Insight was brought in because Organization Network Analysis (ONA) offered them a service very different from other consulting offers. They expected the assessment to determine the root cause so they could make changes accordingly.

A follow-up meeting with the VP of Engineering and his direct reports helped define the objective, and gather more information on what they considered as the problem. Once they selected the network and demographic questions to include in the assessment, employees spent an average of 15 minutes answering the online questions.

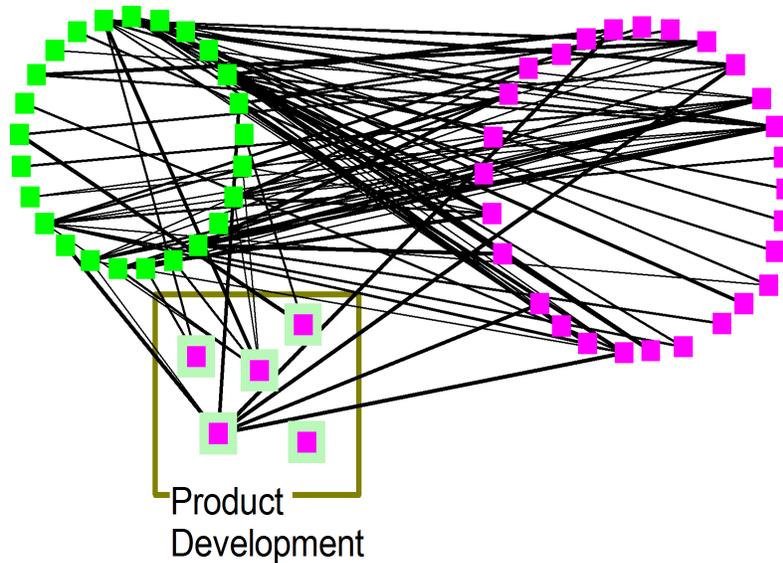
The VP of Engineering and one of his direct reports provided feedback on the initial analysis to help Seity Insight gain more context for the information to share with the executive team.

The final executive presentation meeting schedule was delayed until about three months after the final analysis. This extended the entire analysis to five months from beginning discussions to the final presentation to the executive team.

What

At least 20 highly engaged management people attended the final executive presentation. When Seity Insight showed the results and maps, the CEO made some immediate changes. It surprised him to find out strategy and decision-making was not being pushed down to the lower levels as intended. Communication was pointing to a lack of training and procedures based on the frequency of interaction.

The results helped the company determine the root cause of the sales people going around the process directly to engineers. Their product development team of only five people, mostly made up of management-level employees, could not service the demands from sales. Once they saw the visual of how many communication paths flowed around this group, they immediately expanded the group and redefined their charter. They basically eliminated the bureaucracy made apparent in the analysis.



The management team took the ONA seriously. They realized the number of management layers were overkill for the processes defined. They needed more workers, and fewer people overseeing but not contributing to the hands-on work.

The VP of Engineering met one-to-one with the list of key players identified from the analysis to ensure he didn't lose them. Several were near burnout from helping everyone else, and he wanted to help them choose work they wanted to do and found rewarding.

The Organization Network Analysis exceeded this company's expectations, realizing cost savings by introducing efficiencies and solving a costly issue. Their response to the assessment increased employee satisfaction through a new management focus on communication and more strategic and decision-making involvement, and also retained five key lead engineers on the verge of quitting. The company released six directors, saving close to a million dollars in salaries. Most importantly, it helped them realize their own structure was getting in the way of their growth.

They saw their next step to involve lower levels of management and Human Resources to develop action plans and make changes. They also planned to include the information in their performance management process so they could recognize the right people based on their social-capital contribution.

Sales revenues and company profits can increase if you know how the work actually gets done in your company. Do you know, for sure?

Contact Seity Insight at info@seity.com for a free consultation to help you find out.