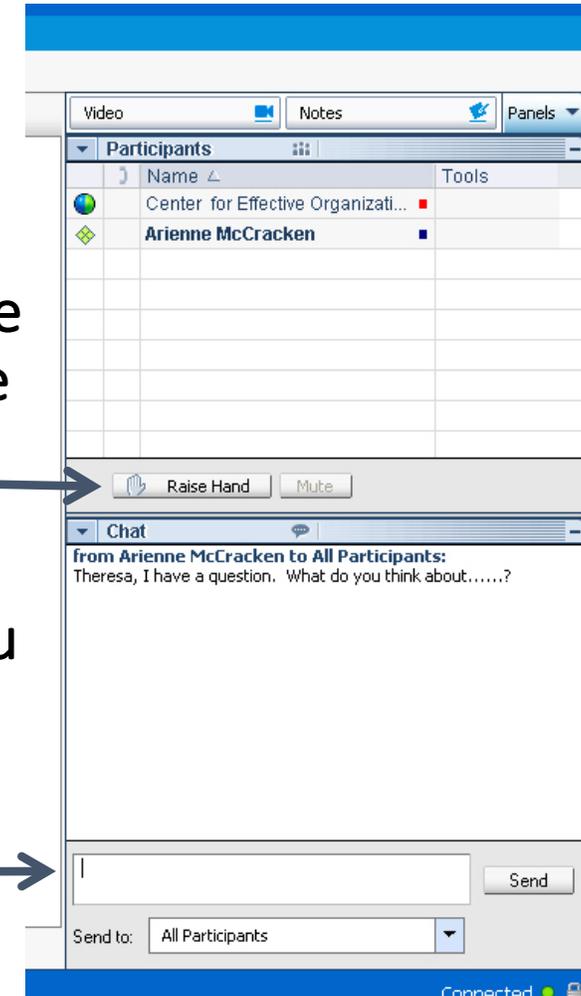


Designing Organizations for the Digital World

Sue Mohrman,
Stu Winby, and
Chris Worley

Webinar: December 11, 2017

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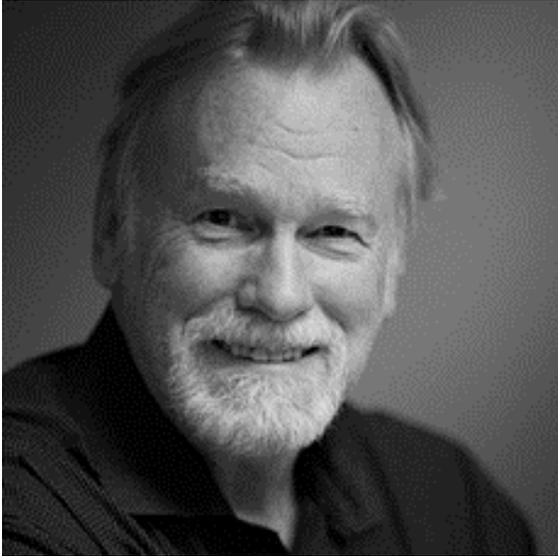
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Her key areas of research are in:

- organization design for the global knowledge economy;
- organization development, learning, and change
- high technology organizations
- the design of teams and other lateral approaches to organizing
- design for growth
- the design of sustainable business systems
- designing for complexity.



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Current and recent projects have included work with Mayo Clinic, Sutter Health, Dartmouth Medical School, Microsoft, Visa, Yahoo, and Stanford Research International (SRI).



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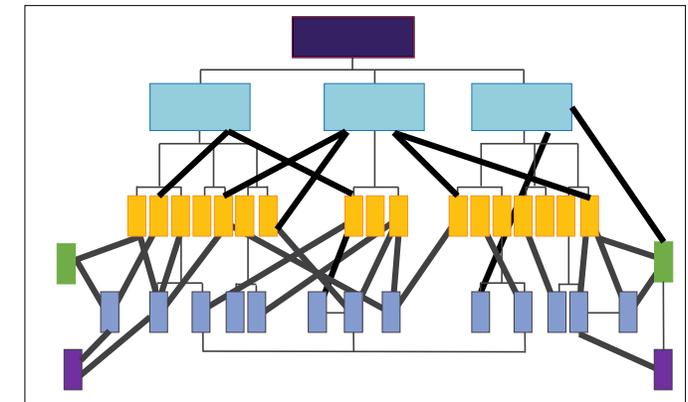
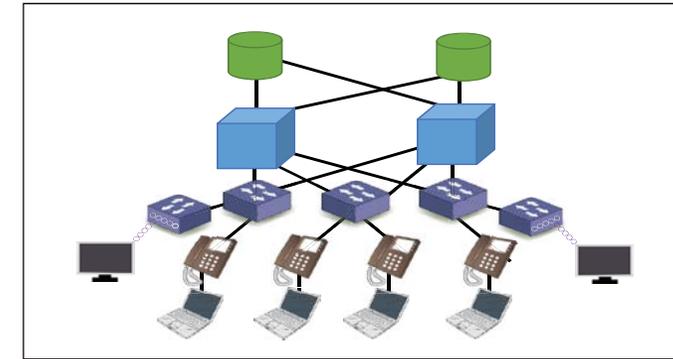
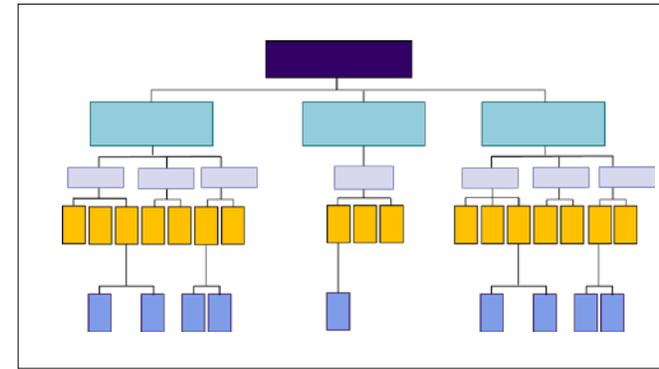
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Chris Worley is a Senior Research Scientist at the Center for Effective Organizations at the Marshall School of Business at the University of Southern California. He is also a Professor of Strategy at the NEOMA Business School in France.

He is a recognized leader in the field of organization development. The primary focus of his efforts in organizations has been on strategy formulation and implementation, organization design, longitudinal evaluation of strategic change, agility, and sustainability (and how to design complex collaborations to foster it).

VOLATILITY AHEAD

- **Advanced technologies and powerful digital platforms are disrupting, shaping, constraining, and integrating the way we work and live.**
- **Their impact on organization design will be no less profound. New organization designs and fluid approaches to designing organizations are required.**
- **Adapting current hierarchical design paradigms is not sufficient in a world of integrated networks, dynamic reconfigurability, and changing customer preferences and requirements.**
- **Organizations require new business models, flexible dynamic designs, and new employment models.**



NEW FORMS AND CONFIGURATIONS OF LEADERSHIP ARE EMERGING BOTH TO LEAD ORGANIZATIONS INTO THE FUTURE AND TO LEAD FUTURE ORGANIZATIONS

The Center for Effective Organizations, Center for Creative Leadership, and Spring Networks convened a two-day lab of 30

Business Leaders ♦ **Organization Designers** ♦ **Strategists** ♦ **Technology Designers** ♦ **Ethicists** ♦ **Transformation Leaders** ♦ **Human Resources Professionals**



Overall Objective: What are the parameters of “Designing Organizations for the Future”:

- How will organizations be designed as they incorporate new technologies into how they operate?
- What design processes and capabilities will be required to address continuous discontinuous change?
- How can we account for the co-evolution of technological capabilities and the nature of the social system?
- What are the prototypes of emerging designs, designing processes, and leadership requirements?

Three “umbrella” conclusions

- 1. Digitization is and will continue to be an accelerating force disrupting organizations, societies, and markets, changing the way work is done, and influencing the way life is led.**
- 2. Organizations that will thrive in the future will be guided by a strong and discontinuous vision of a future and that make fundamental and intertwined changes in both their technical and the social dimensions.**
- 3. New leadership configurations and leadership competencies will be required to lead organizations into the future and in the future.**

CONCLUSION #1

Digitization is and will continue to be an accelerating force disrupting organizations, societies, and markets, changing the way work is done, and influencing how life is led.



- 1. If work can be codified, it will be digitized**
- 2. Technology will replace some workers and will augment most remaining human roles**
- 3. Technology will play a key role in coordination, integration, and decision making and fundamentally change the role and configuration of managers**
- 4. Powerful digital platforms enable, shape and constrain whole eco-systems—and thus change the boundaries of organizations**
- 5. Expect *distributed everything* – knowledge, power, accountability, colleagues, innovation**
- 6. The workforce, customers, and other stakeholders will have fundamentally different value expectations for their work, the way we receive service and products, and their access to knowledge and information**

CONCLUSION #2

Organizations that will thrive in the future are those that are guided by a strong and discontinuous vision of a future. They will make fundamental and intertwined changes in both their technical and the social dimensions.

1. **Eco-system—Boundaryless—Mobile—Convergence**
2. **New business models, operating models, and employment models**
3. **Agile, dynamic, “shape-shifting” (Bob Johansen), built to change**
4. **Organizing around customer journeys, networks of activities (no silos!), and teams of teams**
5. **Upskilling and digital dexterity replaces tenure and experience as primary determinants of opportunity**



CONCLUSION #3

New leadership configurations and leadership competencies will be required to lead organizations into the future and in the future.

- 1. Digital dexterity combined with systems thinking and context building**
- 2. Leadership is a socio-technical phenomenon—partnering with technology to inspire and guide the organization**
- 3. Foresight, insight and action—looking back from the future and acting now**
- 4. Distributed power—leading from the periphery and across the organization—leaders working across and as a part of a team--building self-managing teams.**
- 5. Leadership roles come and go—hierarchies are thin, and come and go—leadership as a function and role, not a permanent position**
- 6. Clear strategies and direction including the expectation of continual adjustment**
- 7. Build capacity for self management**
- 8. Comfort with and skills for risk taking**
- 9. Learning skills**

What does this mean for designs in the future?

Designing the Strategic Architecture

- **New business models, operating models and employment models**
 - Ambidextrous
 - Hierarchy and networks
 - Designing organizations as platforms and networks

Designing the Operating System

- **Customer driven and designed (customer journey)**
- **Smart teams (socio-technical design)**
- **Self-management**

What Does That Mean About How We Design?

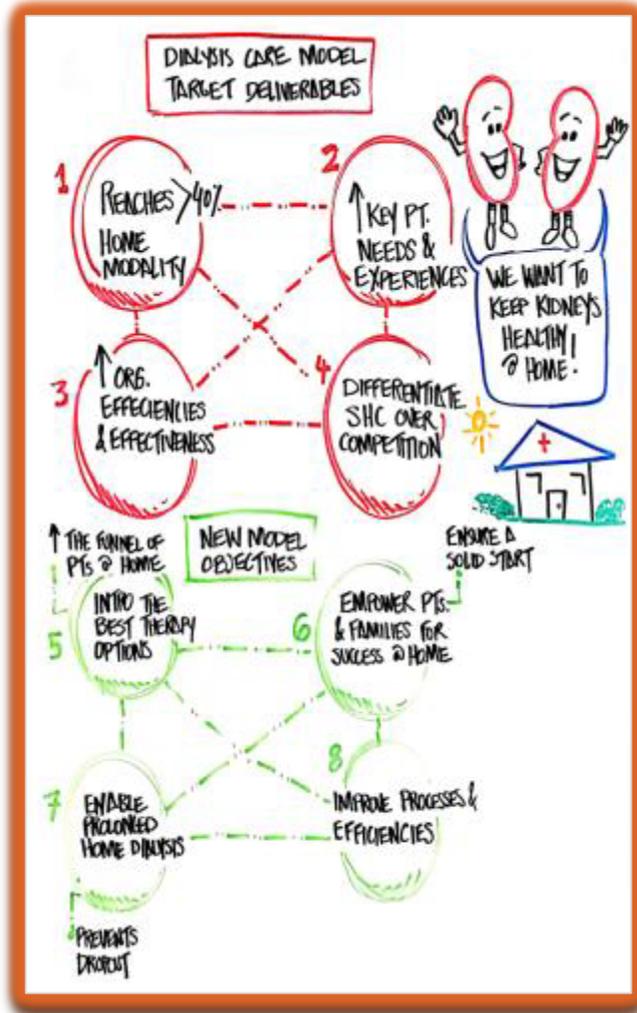
Criticality of Clear Design Criteria: Purpose, Values , Strategy

Designing Process:

- Socio-Technical
- Stakeholder Participation,
- Eco-System Wide, Co-design



Objectives and Intended Outcomes



Design Accelerator Objectives

- Develop an industry leading home program that:
 - Enrolls 40% of the patients into home dialysis
 - Offers individualized holistic home care early on as an option
 - Prepares patients and families for optimal success with home dialysis
 - Prolongs home care option with the least interruption to patients/families' lives

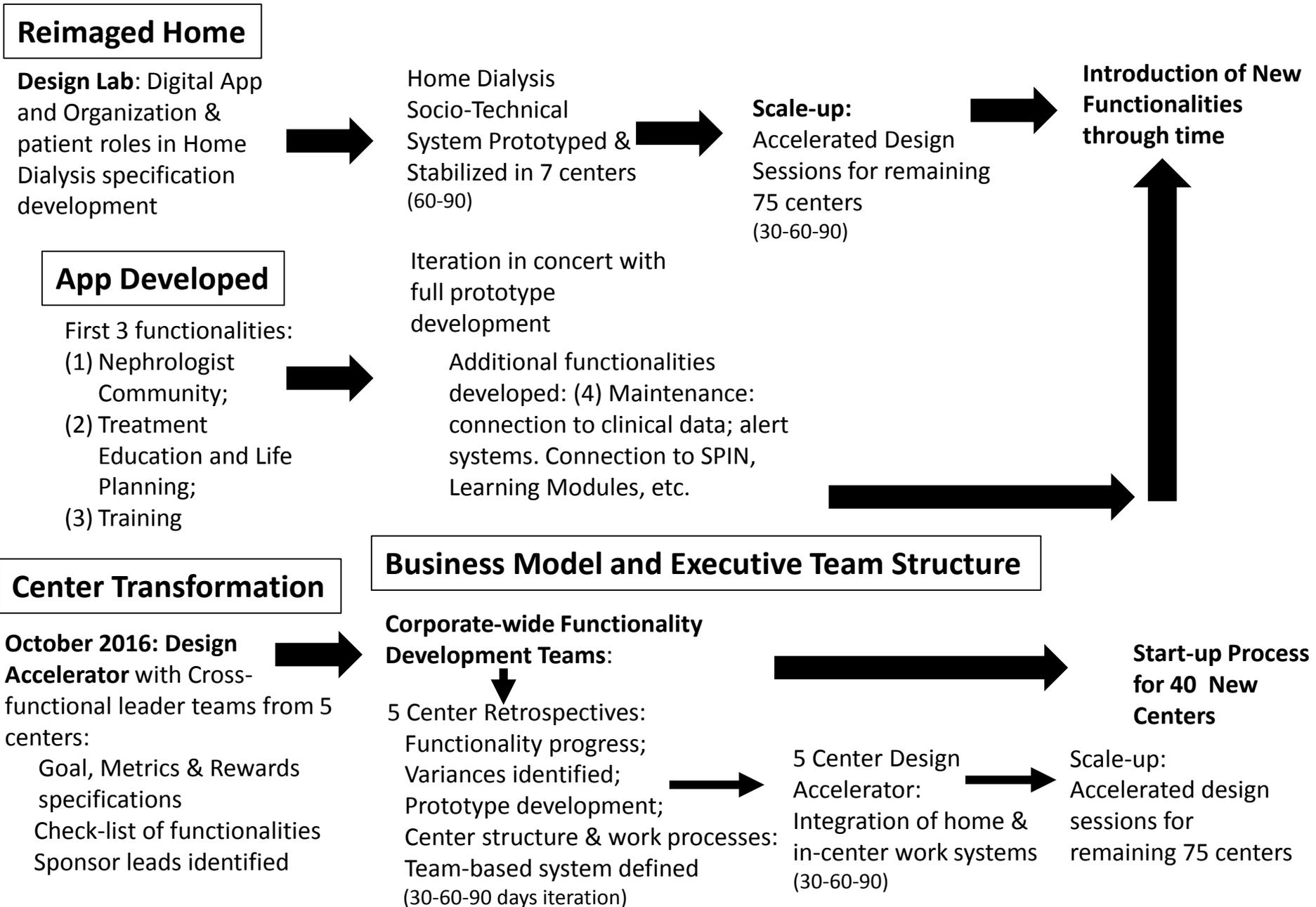
Design Accelerator Outcomes

- Design a dialysis care model that:
 - Improves key patient needs and experience
 - Improves organizational efficiencies and effectiveness
 - Differentiates SHC over competitors
 - Reaches >40% home modality

New model should

- Introduce best therapy options (increases the funnel of patients into home)
- Empower patients and families for success at home (solid start)
- Enable prolonged home dialysis (prevents dropout)
- Improve processes and efficiencies

Satellite Design Flow





Thank You!

Upcoming CEO Organizational Design Programs

Strategic Organization Design Workshop

- February 6-9, 2018 (Los Angeles, CA)
- November 13-16, 2018 (Los Angeles, CA)

Advanced Topics in Organization Design Workshop

- September 25-28, 2018 (Los Angeles, CA)

Adapting to Disruption (formerly Beyond Change) Workshop

- March 6-8, 2018 (hosted at McKesson, San Francisco)

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