

The Future for Organisation and Management

Have you asked yourself lately whether your business' organisation and management are suited to future needs? Answering this question requires rethinking current concepts and practices, and serious challenge to the status quo. And it requires casting aside many current assumptions about business and asking the question: If you were starting from scratch without impediments, what would you want it to look like? Without a sound view of the ideal, you could continue down the present path of making incremental ad hoc changes to a hugely complex system that is already groaning with problems.



My colleague, Peter Senior, a relatively recent arrival to Cairns has shared his thoughts that the optimum future organizational arrangement will be defined by the totality of its networks and relationships involving all stakeholders: not just staff and shareholders, but key customers, contactors, suppliers and members of the communities affected by the business. The autonomous organization of the past will become a rarity.

Following are some thoughts for you to ponder on, and consider their relevance to your business:

- **The Capitalist Economy is changing.** It is by no means defunct, but it is adjusting in fits and starts toward an as yet unknown state that is likely to be very different in 20 years. Finance is being challenged for its historical place as the dominant business driver, and shareholder investment is increasingly seen as just another source of funding and decreasingly held as the *raison d'être* for a business.
- **Contractual relationships between business people will be more ad hoc.** The dominant employer-employee relationship of the past, with all its legislated baggage, will diminish in importance because of the surge of more cost-effective options for many functions. Employees will still carry out most core functions, but "core" will be redefined in ways that suit each business and its culture. The current outsourcing trend and associated relationships will evolve toward what they always were: just another part of the future business network.
- **Organisational structures will resemble complex networks.** The hierarchical 'lines and boxes' organization charts will become relics of the past, as will 'silos' and 'strategic business units' that were the basis for many past restructurings. Future organizations will be much more complex and difficult to depict on the two-dimension charts we are used to.
- **Vision, strategy, and structure will evolve in tandem.** All key parts of a business and its organizational arrangements will be interdependent. The autonomous 'gated compound' approach to business will not be sustainable in most cases. The past golden rule of 'structure follows strategy' will be replaced by more complex, iterative approaches.
- **Capable and motivated people working in synchrony will underpin all successful organisational arrangements.** There will be a quantum change in current management processes to achieve this critical requirement—including extending HR management methods to integrate with and include non-employees. Relationships with suppliers will

move away from the shuttered adversarial approaches of the past to reflect the interplay of many specific relationships between business entities and individuals.

- **Work should be fun most of the time.** People today have a genuine choice in how they arrange their lives and have largely broken away from the grips of the Puritan work ethic. Future organisational design may well identify 'fun' as part of the desired business culture and build it into the relevant aspects of behavior and relationships.
- **Leading and orchestrating the optimal business network will be the number-one future role.** Most businesses are managed using historic approaches with some modifications. It is an extremely rare business that can demonstrate its organization and management to be exactly what it would wish for if starting afresh. Some would call it impossible unless the suffocating legislation that businesses must comply with were dismantled. The bumblebee was lucky that it didn't know the standard wisdom that it couldn't fly. So, be a bumblebee, and JDI (Just Do It).

The critical question is what difference can be expected in the future organisation? In short, it will be the cumulative effect of improving all aspects of the business network that will create the optimal levels of success in whatever goals the business stakeholders set for themselves.

Cheers

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