

Now, listen again and read the transcript. 6 words in the transcript are wrong. Identify the wrong words and correct them.

(I=Interviewer, RR=Richard Rawlinson)

24

I: How do you analyse a company's organisation?

RR: Well, we take a fairly broad view of organisation. We start with the formal structure of lines and boxes--who reports to who, what their official responsibilities are. But it's mu--, very important to go beyond that and think first about their decision rights--what does the position actually have the authority to decide? Who do they need to consult, who do they need to keep informed, who do they need to have approvals? Third area is information flows. If you want to understand how a company works, you need to know who knows what, so we look at communications, information, the sort of data that is provided and who gets it. And then the final area is the rewards, the performance management--not just who gets bonuses and what they're based on, but how do you get promoted and how do people get punished in all the other ways that provide incentives in an organisation? We put all those three things together--the formal organisation, the decision rights, the information flows and the incentives--and we call that the "organisational DNA". So we put a lot of emphasis on understanding that.

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RR: If you want to start an analysis, we have a survey tool--it's on a website, orgdna.com, where you can answer just a small number of answers about your organisation and then we compare that to answers from about 40,000 other executives and we can recognise patterns, and that helps us to say that your organisation is like these other organisations, and so we can get some learning from comparable organisations. And we call that the "orgdna profiler". It gives you a superficial view and it's a good place to start the conversation. But then we have to go much deeper. And we usually organise both workshops with the executives and probes into particular aspects that seem to be particularly boring. So, for example, we might take a single major controversial decision and look at how that was actually made, and really you often find that the reality is quite different from the theory.

26.

I: Can you give us an example of how you've helped a company with its organisation?

RR: I recently did a major piece of work for a very large, global American company that was organised by job. So Manufacturing had responsibility for all the plants around the world, Marketing ran all the brands in every country. It was a very efficient organisation, but it wasn't very good at responding to the local markets, and so they decided that they wanted to move to a geographically based organisation. So we had to figure out, first of all, what were the right geographies--was every country a separate geography or are we going to put some together? What are we going to do for Europe as a whole, as well as what you are going to do for Germany and Vietnam? Um, so we did a lot of looking at how the business operated, where products were made, where they were shipped to, how competitors were organised. And we also had to spend a lot of time thinking about whether we needed regional organisations or whether every single business unit would report back to the headquarters, er, in the US.

Answers:

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