

## ■ *Research Paper*

# Organizational Design and Firm-Wide Collaboration: Retrospective Appreciation of a Change-Led Consulting Intervention in India within a Systems Thinking Paradigm

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This paper offers a retrospective appreciation of an organization design intervention of a Public Relations firm in India that was undertaken, keeping in mind productive collaboration within geographically spread out teams to support the organization's fast paced growth. It intends to highlight key insights from systems thinking that were used in designing and leading the intervention, and articulate the messages that surfaced during and at the end of the intervention. First, the Public Relations field is introduced in short, then the organization in focus is discussed, leading to a discussion of the need that arose for which the intervention was mandated, then the key concepts and implementation agenda are talked about, and it finally concludes with a retrospective appreciation of the nature of collaboration in the context, from a systems viewpoint. Copyright © 2011 John Wiley & Sons, Ltd.

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## INTRODUCTION

This paper emanates from the author's intent to share with the wider academic and practitioner community the application of creative systems thinking and approaches in a real life consulting intervention. Through a retrospective appreciation

of an organization design intervention of a Public Relations (PR) firm in India, this paper also assesses the impact of the intervention from a critical systems perspective to highlight learning for consultant practitioners. At the very outset, it is to be noted that although systems methodologies were not used in the exercise in the purist form, the systems paradigm was applied to inform the context under consideration to facilitate creativity, inclusiveness and holism in intent and form.

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The intervention was undertaken keeping in mind productive collaboration within a set of geographically spread out teams to support the organization's fast paced growth. Key insights from systems thinking that were used in designing and leading the intervention have been highlighted, and key messages that surfaced during and at the end of the intervention have been articulated. A range of methodologies in a mix-and-match manner was incorporated with a diverse set of management tools threaded by a system mindset. The understanding emerging out of this case is expected to benefit academics and practitioners alike in the theoretical and practical levels.

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## WHAT IS PUBLIC RELATIONS?

The encyclopedia of Public Relations defines PR as 'a set of management, supervisory, and technical functions that foster an organisation's ability to strategically listen to, appreciate, and respond to those persons whose mutually beneficial relationships with the organisation are necessary if it is to achieve its missions and values' (Proactive Report, 2010, citing Heath, 2005). This paper considers PR as the art of informing and influencing stakeholders of an entity through scientific appreciation of demographic, cultural and socio-economic profiling of the target population.

PR in India is a relatively young profession. It was not until the Government liberalized the economy in the early 1990s, that Indian and foreign multinational companies started establishing PR teams with a structured and formalized manner (Public Relations Society of India, 2006). As the global economy further became closely knit and the requirement for image and perception management in the corporate and social

world emerged, PR increasingly started to be looked upon as an important and strategic focus area by organizations. This also led to the PR profession to grow in popularity as a career choice for executives and young professionals.

## ORGANIZATION IN FOCUS

The organization in focus is a young PR consulting firm, established in the year 2000; we name it *Potential PR* for the sake of anonymity. *Potential PR* was a fast growing company headquartered in Bengaluru in South India. The firm employed about 75 employees across three locations in India: Bengaluru, Mumbai and Delhi. The employees came from a wide variety of backgrounds apart from PR that included journalism, IT, defence, law and engineering.

*Potential PR* is driven by the corporate vision:

To create winning paradigms for fostering credibility and enhanced reputation through enduring stakeholder relationships

To enhance its intellectual capital and international exposure, *Potential PR* entered into a joint venture for a brand partnership with one of the largest global American PR firms, operating in 102 cities across 60 countries. This venture brought in a new competitive edge to *Potential PR* because of the enhanced global reach and multidisciplinary expertise.

The firm was founded by a lady entrepreneur, who served as the chief executive officer (CEO). The CEO from the beginning wanted to develop the firm as a boutique PR consulting firm and therefore did not focus much on revenues and profits but directed her attention to the high quality of niche services and value relationship with her clients, developed through trustful proximity with them, driven by committed and collaborative teamwork.

The company's core business was stakeholder relationship management. Apart from this, it also introduced several value added services over the years including managing internal marketing collaterals, crisis communication and media training.

## EMERGING NEEDS AT THE ORGANIZATION

*Potential PR* witnessed some steady changes in its own character and its employee behavior as it evolved from being a small boutique firm to being a relatively larger concern consisting of forward thinking career driven professionals, led by a highly capable CEO who saw an increasing need to re-emphasize and re-establish the firm in a strong public light in the dynamic Indian PR industry.

The firm started with five people in the year 2000 in Bengaluru, and by the year 2008, the firm grew rapidly year on year in strength and revenue and saw a spate of highly successful corporations added to its list of prestigious clientele, including India's foremost company operating in the field of Information Technology and Information Technology enabled Services (IT and ITeS). As the firm grew, two more regional offices were set up in Mumbai and Delhi to cater to clients in the respective geographical areas and further expand its services in those regions. An increasingly diversified portfolio of clients and nature of work also began to emerge following which, the company identified three areas of expertise: IT, Healthcare and Consumer.

*Potential PR* operated a location-based structure for its management purposes where the three offices catered to the three respective geographies. Although cross functional expertise existed across the three offices, there was an emerging tendency for employees to club under their own offices. As the firm grew, this was becoming a challenge as employees were also beginning to lose the personal touch and rapport they used to have with one another when the firm was small. As a result of this, their collaboration and informal networking for productive results were also receding.

As time passed, *Potential PR* recognized the emerging competitiveness of the Indian PR market and realized that if it had to establish itself as a successful national player, it had to reconsider its nature of teamwork, management and market development, with a certain degree of immediacy and urgency. Therefore, the Leadership Team of the firm was going through a radical shift in its own mindset. It did know that the

firm had to transform radically to be competitive and capitalize on its own success but realized that the siloed working of employees where boundaries were being defined by regional offices would not support its ambitious objectives.

In the wake of the above developments, the Leadership Team of *Potential PR* decided that they needed to bring in an external consultant who would be able to lend an objective and expertise view on the intended change process of the firm. The Leadership Team comprised of the seven senior most members of the firm and included the following: CEO, principals (four) and account directors (two). This team was responsible for leading the firm from the front as a face to the external world, support business growth and sustenance, ensure that systems and processes are established, and develop the firm to face the exigencies of the future.

## THE CONSULTING MANDATE

The mandate for this intervention was awarded in November 2008, to be undertaken in 3 months. The author of this paper was a key member to lead the design and implementation of this intervention.

The agreement between *Potential PR* and the Consultants had the objective to redesign the organization structure to make it more effective in order to sustain the rapid growth of the firm through collaborative working, along with supporting the Leadership Team in developing its people skills so that they were equipped to lead the organization to its future of growth and transformation. The Consultants agreed a scope to critically appreciate the current organization structure and values and arrive at a more appropriate structure to support higher collaboration. It was agreed that unique roles would be profiled, the Leadership Team would be assessed and mentored on behavioral skills, and a communication process to support the change would be facilitated. Finally, the change impact in the firm would be audited. It was agreed that the organizational values identified during the process would support enhanced proximity between the team and the firm that

would in turn enable creating and sustaining the change momentum.

#### THOUGHT DRIVING THE PROGRAMME

The mandate for this intervention from *Potential PR* was to bring about a transformational change for a positive impact in the *way things work around here*, through and with the intent of an organization-wide professional collaboration. This involved not only restructuring the firm but also bringing about a behavioral transformation amongst the team to support the change in a sustainable manner, along with energizing the team members to contribute proactively for the ambitious future of the firm.

The importance of professional collaboration in organizations has been well documented in management literature. Rhoten (2002), borrowing from the Drucker Foundation, defines organizational collaboration as 'relationships that provide opportunities for mutual benefit and results beyond what any single individual, discipline, programme, team or other sub-organisational unit of work could realise alone' (p.5). Hence, collaboration entails widening the horizons and perspectives of the mind, leading to creation of new ideas and opinions, crucial for a creative industry like PR. Some authors have also associated collaborative attitude with the sense of proximity that professionals have in their work situations. For instance, Schamp, Rentmeister, and Lo (2004) refer to organizational proximity as that 'between employees of a multi-plant firm who identify with each other as a result of belonging to the same firm and of their knowledge of firm specific routines' (p.609). Geographical proximity brews familiarity between team members because of regular conversations in both formal and informal situations. Others have also addressed the concept of proximity taking the criterion beyond a physical proximity-based definition to address other forms like institutional proximity (Kirat and Lung, 1999), organizational proximity (Meisters and Werker, 2004), cultural proximity (Gill and Butler, 2003), social proximity (Bradshaw, 2001) and technological proximity (Greunz, 2003). Hence, professionals may develop proximity as a virtue

of working within the same set of values and guiding principles, the same organization, a similar socio-cultural affiliation, and by and through technological associations facilitating greater virtual identities. Such proximity creates stronger grounds for professionals to collaborate and integrate thinking, for enhanced organizational and business results.

Organizational values have a considerable influence on employees being able to identify with the specific professional context and thereby build in organizational proximity. Organizational values therefore hold great significance when we are talking about collaboration-led change initiatives. Charles, Hill, and Gareth (2001) talk about organizational values as those 'Beliefs and ideas about what kinds of goals members of an organisation should pursue and ideas about the appropriate kinds or standards of behavior organisational members should use to achieve these goals. From organisational values develop organisational norms, guidelines, or expectations that prescribe appropriate kinds of behavior by employees in particular situations and control the behavior of organisational members towards one another' (page number not available). It has been documented by scholars such as Bryson (1989), Kaufman and Herman (1991), Pffifer, Goodstein, and Nolan (1985), and Simmerly (1987), that articulation and clarification of values form a key part in organizational and strategic planning.

Although a collaborative spirit may commonly exist without a formal recognition of the same in start-up organizations, this may tend to fade away as team sizes increase because of greater geographical spread or specialisation in specific areas of work, or because of mistrust that may appear as people come in from diverse unknown backgrounds. Nokkala (2007) notes that 'barriers to collaboration include a lack of trust between parties, difficulties in relinquishing control, the complexity of joint projects, and different ability to learn new skills' (p.6). Similarly Powell, Koput, and Smith-Doerr (1996) talk about leadership, size and position, technological affiliation, resource availability and professional alliances as factors that may determine how professionals choose to collaborate. These may be the reasons that instigate teams to form silos and restrict

interaction with other teams in different geographies, specialisations and functions. Therefore, there needs to be considerable emphasis given to value-driven collaboration with the thought that identification with a common set of core beliefs and values would facilitate the employees to overcome organizational barriers that could exist.

In the context under consideration, there were multiple factors emerging that needed to be addressed in order to bring about an impactful change. These factors included the organizational structure, team dynamics, and capability identification and enhancement, driven through a spirit of collaboration to support *Potential PR* leap into its future of promise. Given the multitude of factors to be considered, the Consultants borrowed a systems perspective as a guiding principle. Chowdhury, Clarke, and Butler (2007) note that 'the central idea behind systems thinking is that organisations are constituted of subsystems, or elements, that are in interrelationships with one another, and that exist within a boundary. What are important are not the elements per se, but the interrelationships between them, because it is the nature of the interrelationships that give character to the system' (p.10). The systems perspective engages the Consultant with the idea that 'elements are to be looked at as a whole from the beginning, rather than looking at them in isolation; therefore, there is a direction to gauge for emergent patterns, complex relationships, and unobvious interactions' (Chowdhury and Medhi, 2010, p.74).

Systems thinking has influenced several approaches, methodologies and tools to engage stakeholders in order to arrive at viable resolutions to complex organizational challenges. The Consultants derived influence from the fact that the intervention would need to take into account both the involved and affected parties in the situation, with a broad range of organizational considerations. The philosophy of Critical System Heuristics (CSH) (Ulrich, 1983) was considered, wherein, driven by a sense of purpose for the profession and its people, well-being and emotional upliftment of its members were of utmost importance. Influenced by Checkland and Scholes' (1990) Soft Systems Methodology, the Consultants selectively used Rich Pictures and

CATWOE as informative tools. Rich Pictures are pictorial depictions of people's individual perceptions of current and future states of affairs as they see it, within an environment of interrelationships. CATWOE stands for Customers-Actors-Transformation-Worldview-Owners-Environmental Constraints, the themes that ought to be considered to bring about a viable change. Along with this, an inspiration of Beer's (1972) Viable System Model (VSM) was drawn to appreciate that there ought to be differential value creation in different levels within an organization. In an organization structure, value needs to be contributed at the levels of Implementation (those who do the job), Coordination (those who coordinate between teams and functions), Control (those who establish checks and balances), Development (those who gather and infer from external environment) and Policy (those who drive the strategy).

Driven by the influence of a systems thinking perspective, the Consultants initiated the design and implementation of their intervention.

## THE INTERVENTION

The intervention was initiated in the following three stages: Diagnosis and Design, Analysis and Recommendation, and Execution and Change Management. Refer to Figure 1 below:

In the following sections, these stages are described in detail:

### Diagnosis and Design

This primary stage was meant to understand the problem areas of *Potential PR* and accordingly inform the design of the following stages. This is a highly participatory stage where employees representing various levels, functions and locations were met and interacted with. This stage consisted of the following steps:

#### *Expectation Setting with Top Management*

This involved appreciation of expectations of the top management from this intervention and how

Diagnosis & Design	Analysis & Recommendation	Execution & Change Management
Expectation setting with top management	Review as-is organisation structure	Design & implement communication plan
Levels of Work audit	Dialogue with top management to evolve to-be structure	Facilitate off-site workshop
Assessment of individuals	Evolve to-be structure	Change impact assessment & audit

Figure 1 Stages of the intervention

it would support the firm's desired future. The top management constituted the CEO and one of the senior Principals, who has been a key driver of the growth and strategic direction of the firm. The Consultants held one-to-one interactions with the top management covering various areas including the current state of the business, organizational and human resources problem areas, revenue differentiation, business and management challenges, strengths and weaknesses, future direction, and strategic objectives. The interaction also involved deciding on resource requirements and the matrices for measuring success in this intervention. Cues were drawn from the CSH approach of Ulrich (1983) that meant that these interactions were facilitated with an intent to understand the desirable state of being for all levels of employees, as perceived by the top management. The questionnaire guideline was designed to explore not only the journey that the firm made and how it wanted to move forward but also to critically explore the then current state and how it differed from the intended state. CSH also informed the questioned to be constantly probing of the internal and external stakeholders who were actively or inactively involved and affected by the intervention. This included employees across levels and how their careers would be impacted, and the clients and how the service delivery model would be impacted.

The top management highlighted several drivers that needed to be considered for arriving at various options for the restructuring. These were considered under the CATWOE framework to facilitate thinking about a wider range of variables. A range of customers (both internal and external) were proactively articulated and impact of *Potential PR's* employees service delivery was discussed to understand client impact

through the transformation process that the firm's services would entail in the new structure schema. Given the dynamic nature of the employees, their perspectives and worldviews were explored, and their aspirations and career progression options were understood. Respective ownership for operations, value creation and client management were clearly articulated. With the advice of the top management, all change drivers and recommendations were placed on the table to create a new structure schema that would potentially raise the bar of PR in the boardroom through distinctive client value creation and influencing change.

The all encompassing business drivers emerged from the discussions of the challenges that were articulated previously. The identified drivers were: scalability and growth, intra-firm collaborative spirit, process efficiency, and organizational integration.

#### *Levels of Work Audit*

This stage was about ascertaining the current state of operation of the roles and the relative value contribution that employees have in their respective levels. The framework used here was Levels of Work (LOW) that was developed by Jaques (1976) and Stamp (1988) as a result of some of the most exhaustive research work carried out in the Human Resources field. The LOW framework was adopted to be in sync with the VSM model of Beer (1972) that meant that the Consultants were akin to explore differential value contribution in different levels in the organization. With the systems perspective in view and the influence of Beer, the consultants endeavoured to understand the key aspects of organization sustainability from the cybernetic principles of communication and

control. As defined in the VSM model, the key driver for flexible organizational sustenance and sustainability is effectively intervening with the internal loci of communication and control. The LOW framework enabled the use of various tools and approaches in order to have this appreciation through a series of defined focused comprehension questions and critical examination. This enables the understanding of where internal control balances lie and how the schema exists in a recursive fashion in the organization.

The LOW framework considers how an incumbent handles available resources, timeframe of decision making, discretion, organizational collaboration, their value contribution, problems and environmental context, in their day to day situation. This framework advocates that as people move through their career, their capability of handling these factors undergoes a shift; professionals transition from a state where the relative 'complexity' increases from a state where these factors are highly predictable and straightforward to where these become highly unpredictable and uncertain. Juxtaposing this schema with Beer's model, we understand how different levels of control points can be associated with different structural levels in the organization.

The framework advocates the following seven Levels of Work:

- Level-1 *Quality*: The incumbent is expected to do specific work within clearly defined quality, quantity, time and resources, within a concrete environment with known and measurable variables.
- Level-2 *Service*: The incumbent is expected to support the Level-1 job-holder whenever called for to manage problems and issues, taking into consideration the organizational ethos and values.
- Level-3 *Practice*: The incumbent is expected to implement organizational systems and processes in their area of concern and take decisions for particular units taking into consideration how it will impact on the other units and departments.
- Level-4 *Strategic Development*: The incumbent is expected to bring about changes in products

or services in the organization or with outside relationships, structures or systems that would ensure that the organization stays competitive.

- Level-5 *Strategic Intent*: The incumbent is expected to establish a strong connect with the larger socio-economic environment and bring about strategic changes in the organization that would ascertain the long term viability of the business.
- Level-6 *Corporate Citizenship*: The incumbent is expected to establish and sustain strong local, regional and national presence successfully integrating and aligning human sensitivities, cross-cultural needs and global economic transformations.
- Level-7 *Corporate Prescience*: The incumbent, by virtue of their insights and opinion, could re-define value systems at a global level that would shape current and future generations.

The Consultants used royalty-based proprietary tools and questionnaires to conduct a Levels of Work Audit (LOWA) across all the current roles in *Potential PR*. The current roles included CEO, Principal/Account Director, Manager, Supervisor, Senior Executive and Executive. To obtain a comprehensive appreciation and establish the reliability of the tool, a random sample of 25 role holders were interviewed across the locations and levels. Each interaction spanned around 2h and explored various work aspects including: summary of the job, job purpose, key accountabilities, resources available, challenges faced in the role, the discretion that comes with the job, internal collaboration, association with the external context, timeframe for decision making and finally, the 'feel' of being associated in that role in the firm. The LOWA tool has specific pointers and questions to guide and direct the interaction in a specific and intended manner. The LOWA questionnaire cannot be shared because of licensing regulations.

The role interactions also involved comprehensive appreciation of the organizational culture and values from the employees' point of view. This was captured by exploring with the role holders about their every day lived-in experience in *Potential PR*.

### *Assessment of Individuals*

Two specific online tests, MCPA and LPA, were administered to all seven members of the Leadership Team. These tools are based on the LOW framework and have been accredited by the British Psychological Society. Both the tools are licensed by the Brunel Institute of Organization and Social Studies (BIOSS) based out of the UK. MCPA assesses the individual's current capability of dealing with complexity, and how this will develop over time. It also helps identifying how the individual's current capabilities match with the complexity they face in their role based on various dimensions mentioned earlier. LPA is an integrated competency assessment tool that combines six expert psychometric elements: conflict handling, team orientation, personality, learning style, work style and managerial attribute.

These tools were mandated to be used by *Potential PR* in order to gauge the capability and competencies available in the Leadership Team, and accordingly counsel and mentor them so that they may deliver on the expectations set on them to drive the changes that would be brought about by this intervention. Post the assessments, all the seven individuals went through a mandatory 2-h interaction with an accredited consultant. The purpose of these interactions was not only to offer feedback to the incumbents but also validate the answers and observations that they would have shared at the time of taking the tests.

### **Analysis and Recommendation**

This was the second stage of the intervention that entailed detailed review and analysis of the data and knowledge assimilated in the first stage, leading to customized solutions for *Potential PR*. This stage included the following steps:

#### *Review as-is Organization Structure*

Key staff members were met with to review the as-is (current) organization structure. This involved study of correlation between the structure and the LOWA outcomes arrived at in the previous stage. The variables that were considered in this stage were the business environment, organizational culture & power dynamics, views of the leadership team and key internal

stakeholders. Key existing organization strategy and business objectives were understood and alignment with its current structure was sought. A thorough study of the performance measures and key processes was undertaken. Cues that emerged on the organizational values from interactions in the previous stage were kept as a context for inference in this step.

There were six roles identified as 'unique', meaning those that are involved in the same nature of work and value contribution; these were Executive, Senior Executive, Supervisor, Manager, Director or, Principal and CEO. These roles were analyzed in a detailed manner taking into consideration the following aspects: purpose of the job, key results areas, duties and responsibilities, value contribution, capabilities and competencies required to perform and fitment of the profiles of the leadership team members with their as-is roles. The profiles of the members of the leadership team emerged from the online MCPA and LPA assessments that were carried out. The roles were found to be operating through three levels in the LOW framework: quality, service and practice.

The following observations and key challenges emerged as a result of the analysis:

- The current location-based structure and reporting mechanism was creating an artificial divide between the employees in the three offices. Employees were being segregated on the basis of the geography rather than on skills. This was leading to collaboration taking a toll in the organization.
- The location-based structure limited information flow within specific offices. For instance, circulation of crucial HR information was performed within the office itself rather than across the organization. This was leading to a lack of cohesion in the organization, and communication and collaboration being initiated only within specific offices.
- Various roles within the organization including leadership roles demonstrated a strong transaction focus. This was also taking leadership focus away from the key people dimensions of development, bonding and collaboration.



- There were significant overlaps in expectations, roles and responsibilities between the various levels and locations. It was found that at times the roles across the hierarchies were cramped in the same level or gaps in structure leading to senior staff being pulled down to perform work of the junior staff. There were also considerable ambiguities within the set up about responsibility of business operations and location-wise administrative responsibilities.
- People were being promoted across the levels without significant change in their role, leading to perceived sense of stagnation. This was also resulting in a situation where good performing staff was being promoted, but they did continue to perform similar work as in their previous roles.

The following is a depiction of the as-is organization structure that was arrived at on the basis of the study and on the LOW framework (Figure 2).

*Dialogue with Top Management to Evolve to-be Structure*

The understanding that emerged out of the above analysis was shared with the top management

for dialogue and validation and obtained inputs for the new structure. The facilitation of this dialogue was influenced by a CSH perspective where the Consultants encouraged the top management to think on new structure dimensions not only in terms of business growth but also in terms of warding off factors that were hindering a positive and collaborative environment in certain pockets in the firm. This, therefore, involved ‘sweeping in’ (Churchman, 1968) of considerations of the ‘involved’ and ‘affected’ (Ulrich, 1983) parties within the organization. There were multiple dialogues on clarity of roles and expectations, career paths, communication fora, transactional HR issues, superior-subordinate relationship and employee mentoring across the board. These dialogues were prompted by the indicators from CATWOE that guided the Consultants.

The following design variables were identified for the new structure:

- *Relationship management*: This term denotes the nature in which internal and external relationships would be managed at *Potential PR*. It emerged that the ultimate goal of the firm was to nurture a healthy relationship with its

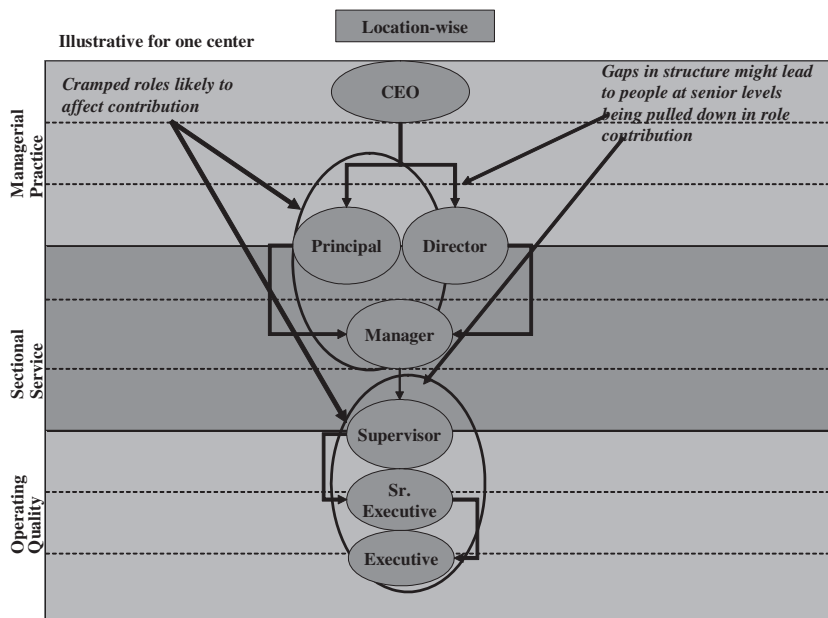


Figure 2 As-is organization structure

team within the firm and external stakeholders, including clients and service providers. Keeping this in mind, it was agreed that the new structure would be designed in a manner in which there would be an underlying theme of collaboration through the firm; professional teaming for effective client delivery could not be let to suffer because of geographical distances created by the organizational structure. Client relationship and interaction would be seen as a unique skill and task that would be handled by certain unique role holders, and vendor relationships and other administrative responsibilities would be managed by an administrative designate in each location; hence, strategic and transactional functions were to be clearly delineated. Moreover to maximize and foster internal relationships, the structure would be evolved in such a way that critical interactions like grievance redressal and performance appraisals are handled by specified unique and capable role holders.

- *Industry focus*: This term denotes the specific industry (or industries) that *Potential PR* would want to serve. As the firm grew, there were three specific industry areas that emerged. These were Healthcare, Technology and Consumer. In the due course of the analysis, it emerged that as the firm grew and developed, it made more sense for teams to be organized around specialist verticals rather than locations. This could also address the issues that created impediments in collaboration because of a geography-based structure.
- *Geographic spread*: This term denotes the geographic focus and structure that *Potential PR* would want to adopt going forward. It emerged that the current organization was structured with a focus on the location. Staff in all the three locations reported to a Principal, who was also heading that particular location administratively. However, as the specialized vertical-based structure would take shape, it was agreed that one senior person in every location would be responsible administratively for that location, but staff would report only to their specialist service vertical, irrespective of their location. This was believed to enable superior client

delivery and developed better skills-set to support growth of the organization, which would be a separate focus from administrative support for the locations. This was also expected to bring in cross-location collaboration at work.

- *Value contribution*: This term denotes the unique value that each unique level in *Potential PR* would be expected to contribute. It was deliberated that with every level, there needs to be a differential value contribution. To support *Potential PR* move into its planned trajectory in the future, it was envisaged that the organization could be designed in three superior levels, given the stage at which the firm was in, as per the LOW framework; these are service, practice, and strategic development.
- *Decision control*: This term denotes what decisions would be taken at what level at *Potential PR*. To overcome ambiguity and confusion in the authority and responsibility in the firm, emerging out of overlapping hierarchy levels and reporting relationships, this aspect was considered as a key factor to influence the organization design. It was agreed that decisions relating to staff evaluation, appraisals, developmental interventions and career paths would be handled by the reporting managers. Decisions relating to administrative support and seamless functioning of the branches would rest with the designated administrative support official. The role of HR was agreed to be that of facilitating the new structure, driving collaborative engagements, suggestions of improvement of people policies and ensuring their implementation as an effective support function.

#### *Evolve to-be Structure*

Based on the design criteria evolved and considered in the previous steps, the Consultants pilared the new structure with a view to merge the existing location-based structure and evolve a vertical-based structure. Three specialized industry-based verticals were clearly delineated, to be headed by individual Principals, who would report to the CEO. In order to support the transition of the organization to the

anticipated future, the position of Principal was sculpted higher to Director, with the identification of clearly differentiated roles spaced as per value contribution across the levels. It was agreed that being in the specialized service industry, the firm required to operate at Service-Practice-Strategic Development levels in the LOW framework.

The following Figure 3 depicts the proposed structure:

The following seven unique roles were redefined as per the organizational and business requirement and based on the LOW framework:

- Executive: provide operational support to Senior Executives in tactical and transactional execution of PR activities for the client.
- Senior Executive: engage in primary client deliverables by execution of mandated work.
- Supervisor: assist the Managers in client relationship management and drive day to day tactical/operational PR activities for an account and focus on execution, as planned for and expected by the client.
- Manager: manage the overall management of client deliverables and all PR execution activities for allocated accounts through effective

understanding of client needs and distribution of accountabilities to junior members in the team. Exceptional issues would typically be escalated to the Director/Principal.

- Director: relationship contact for the client and ensure business sustainability through effective management of resources in the team. To provide broad-based strategic PR counsel for the vertical/client and to provide inputs for building expert knowledge within the team and in setting up of processes/systems in the firm.
- Principal: build, grow and expand the firm as a credible communications consulting company in the specified vertical by widening reach, client base and redefining approach to PR. To manage the growth of the vertical internally by setting up new processes, systems and mechanisms to ensure high quality of delivery by building of effective teams and strategies.
- CEO: build the brand of the firm and make it the torch bearer of the PR fraternity, leading the cause of emphasizing the credibility and importance of PR in the corporate board room. To be a consultative partner for the clients by adding value to the PR offerings. Equipping the organization with the requisite values and vision.

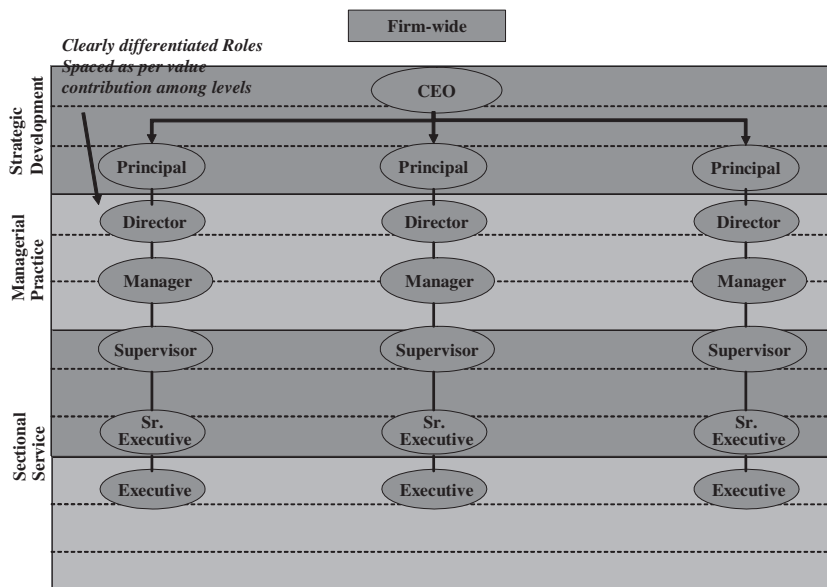


Figure 3 To-be organization structure

The principles of communication and control were drawn from Beer's model to design the new schema in a manner that distinctive accountabilities are set in distinct levels and value creation is clearly identified as one moves up the structure. To live the structure, clear detailed role descriptions were created for every role based on the above parameters that articulated the expectation, deliverables, performance measures, internal and external collaborations, discretion, timeframe and resources for the roles as per the LOW framework. The new structure was then validated with the Leadership Team with after several rounds of discussions. The key lesson drawn from soft systems thinking was that the VSM model was not used as a lifeless design tool for immediately replication in the situation. Rather the same was dovetailed into the business and cultural context of the situation and lived and translated through the LOW framework and tools. This approach not only helped customize the solution to the client requirement but also facilitated greater buy-in by the team at *Potential PR*.

#### *Convergence Workshop with Leadership Team*

Once there was an agreement with the top management on the to-be structure, it was realized that this needs to have an equal collaborative buy-in from the Leadership Team so that implementation of the new system amongst the larger audience across the company may be carried out with minimal resistance. With this in mind, the Consultants conducted a 1-day workshop where all members of the Leadership Team were present in the month of March 2009. Therefore, the workshop was designed in such a manner keeping in mind that it had the following characteristics:

- Dialogic: enabling participants to present their views and engage in a dialogue in the process so that the workshop did not seem like an information download exercise but a collaborative knowledge sharing platform.
- Participative: design and facilitation of the workshop in such a manner that the team was involved in various activities like benefits

analysis, anticipating challenges, debating options and exploring possibilities. Rich Pictures were drawn by the participants to depict their perceptions of the change and how they saw this intervention impact the firm in the future.

- Integrative: apart from communicating the new structure to the Leadership Team, the top management also mandated the Consultants that this workshop needed to achieve an integrative spirit in the firm at the senior most level. Therefore, the modules and exercises were designed in such a manner that it enabled the participants to see *Potential PR* as one entity, with own character and personality, rather than a discrete set of professionals clubbed together. The emphasis on firm-wide collaboration was maintained throughout the workshop.

#### **Execution and Change Management**

This was the final stage of the intervention, which focused on executing the agreed structure and managing the change keeping in mind the concerns and challenges employees surfaced, with regard to this intervention. This stage consisted of the following steps:

#### *Design and Implement Communication Plan*

This was seen as a critical step in the change process. There were already considerable confusion and questions in the minds of employees regarding what the outcome of the intervention would be and how they would be personally affected as a result of this. The communication plan was designed in a manner that such concerns could be resolved satisfactorily. For this to be achieved, the following was conceptualized and executed:

- A 1-day workshop was organized in each location to orient the staff on the new structure and unique requirements of the new roles designed. These workshops followed the tenets of being dialogic, participative and integrative, as discussed in the previous section.

- Contact details of the Consultants were shared with the teams across locations, and they were given open access to the Consultants for any queries and clarifications.
- One designated member from each location was specially trained on the change intervention and made the change-champions for their respective locations.

#### *Facilitate Off-Site Workshop*

It was realized by the Leadership Team that post all the individual location-based workshops, there would be a requirement of bringing the entire team together in one location and create a collective and collaborative momentum to implement and sustain the change. It was also intended that the organizational values would also be collaboratively articulated during this off-site. This workshop was facilitated in mid 2009 over 2 days.

The design of the workshop was done in a way that it could bring about an emotional integration of the team with the larger intent of *Potential PR*. To enable this, right through the project, individual stories were collected, out of which common themes were derived. These themes were presented in various formats to explore, reflect and debate during the 2 days. Rich Pictures were used to facilitate unhindered representation of thinking. Facilitation of both the days was done by the Consultants and CEO of the firm, with a focus and emphasis on how team collaboration needed to be fostered and nurtured in the firm as it delved into a new form as a result of this intervention. The workshop enabled the firm to clearly articulate its core values that the team thought drove them and that got reflected in *the way things get done around here*. These core values were as follows:

- Integrity (honesty, genuineness, commitment, humility, courage)
- Excellence (results orientation, structure and accountability, teamwork)
- Passion (freedom/innovation, pride, positive attitude, focus)
- Balance (work environment, inter personal relations, empathize)
- Trust (suspend judgement, empathy, walk the talk)

- Entrepreneurship (leverage diverse perspectives, try new things, innovate, challenge people, reward merit, actively develop people)

These values were further used to reflect on stories that the team thought shaped their thinking and association with the firm. Intense emotional experiences were shared that contributed to the team's cohesive identification within itself and this provided an onus to work collaboratively into the future.

A phased implementation plan was presented for roll-out of the new structure during the workshop.

#### *Change Impact Assessment and Audit*

It was advised by the top management that a formal audit process be put in place so that the change implementation was sustainable and that any discrepancies could be detected and corrected as and when they occur. It was agreed that a 1-day review every 6 months for two sessions be conducted after the project was over.

### THE CHANGE IMPACT

This intervention was primarily initiated to facilitate integration and enhancement of collaboration across locations and teams in *Potential PR*, driven by a practical and feasible organizational form to enable the firm leap into its next orbit of growth. As a result of this exercise, *Potential PR* broke away from its conventional work style of siloed location bases to an environment where collaboration was designed to flow across locations and being spearheaded by capable team members at the senior level. As the audits were carried out by the Consultants in late 2009 and mid 2010, following were the organizational changes that were surfaced:

- Employees were found to be more interactive across the offices resulting in enhanced inter-location collaboration. This was a direct outcome of the intervention design.
- There was increased familiarity of employees across locations because of greater interaction and new initiatives been carried out like blanket information sharing on HR updates.

- The new vertical-based structure created different loci of expertise of professionals with specialized skills and interests. This resulted in greater client satisfaction.
- The momentum generated through the workshops and off-site, facilitated by the Consultants, was sustained by the employees supported by the Leadership Team. This resulted in greater organizational, cultural and professional 'proximity'.

As a result of the new 'proximity' that was forming in *Potential PR*, value addition at work, and knowledge forming and sharing were emerging in various ways; this was apart from the intentional formal ways of periodic business updates or review fora. This was the informal collaborative spirit that was forming from which the firm was benefiting in more ways than what was intended at the start of the intervention. We may refer to Gibbons *et al.* (1994) and connote this form of knowledge as 'Mode-2' knowledge, which is often found to be more powerful and relevant than formal forms of knowledge creation and formation (Nokkala, 2007).

Post implementation of the new structure, there were also various challenges that surfaced for *Potential PR* that started to be areas of concern for the top management of the firm. These challenges appeared at the levels of soft skills of people, the organization's systems viability to sustain the change and even the Leadership Team's ability to relate and lead the larger team through the new environment of dynamism and growth. As a result, the top management further mandated the Consultants to intervene in the situation to address these challenges, as part of a different intervention.

#### APPRECIATING THE INTERVENTION FROM A SYSTEMS PERSPECTIVE

The overall intervention was carried out under influence of a systems thinking perspective. Although the overall thinking that drove this intervention was based on the systems paradigm, no systems methodology was used in its entirety but in mix-and-match with one another, more as

an influencer. The following Figure 4 summarizes how systems approaches have been used in this intervention and to what impact. It is to be noted that the following table is not an index to relate tool to usage and impact, but it is only a schematic representation of how the overall systems thinking framework trickled throughout the intervention, because of a conscious effort made by the Consultants.

The mix-and-match approach has been prevalent in the systems domain. Various academicians and practitioners have documented the benefits of this kind of an approach; these include Clarke (2001), who talks of 'Mixing Methods', Jackson (2003), who talks of 'Total Systems Intervention', Lehaney (1996), who talks of 'Mixed-Mode Modelling', Mingers (1997), who talks of 'Multimethodology', Flood (1995), who talks of a 'Complementarist Framework', and Taket & White (1996), who talk of 'Pragmatic Pluralism', amongst others.

Here, a retrospective appreciation has been undertaken on the nature of collaboration, from a systems framework recently developed by Cordoba-Pachon (2010), where he talks about transformations, engagements and unintended consequences. It is to be noted that Cordoba-Pachon (2010) introduces the above three dimensions specifically in the context of the information society to answer a series of pressing questions about stakeholder involvement, participation, inclusion, exclusion, and seen and unseen dynamics prevalent in the information society. These three dimensions have been defined as the following in the context of the information society:

- *Transformations*: refers to the changing character of human transactions that is being brought about because of the changes introduced by new information technology (IT).
- *Engagements*: refers to the manner in which specific stakeholders are included or marginalized in the change process of technology introduction and integration.
- *Unintended Consequences*: refers to the effects of any IT intervention that were completely unanticipated or unplanned but occurred as time lapsed.

Perspective	Insights drawn for the intervention	How it was used	Impact
Critical System Heuristics	Inclusion of stakeholders involved and affected in an intervention	Intervention design to make the process inclusive using participatory techniques to embrace the involved and the affected	Greater buy-in of the recommendations across the organisation
		Fair representation of employees across levels in the design & implementation phases	Creation of trustful relationship between employees of the firm & the consultants
		Design of questionnaires exploring critical areas of organisational context and culture	Recommendations closer to the organisational realities to make an actual difference
Viable System Model	Differential value creation across organisational levels	Analysis of the organisation to understand as-is levels & value creation	Detailed analysis exposing repetition of tasks across levels resulting in senior management time loss
		Application of Levels of Work framework in order to create a practical & adequate new structure	Objective assessment resulting in significant role changes in the new structure with identified value creation in different levels
Soft Systems Methodology	People involvement to enable enriched collaborative appreciation of the context	Use of Rich Pictures to appreciate employees' perspectives in a creative manner	Employees to behave in a more natural fashion overcoming their inhibitions
		Use of CATWOE tool to prompt the consultants in regular routine interactions	Obtain a real picture of what could work closest to the situation under consideration
Underlying theme: Enhanced organisational collaboration			

Figure 4 Application of systems approaches in the intervention

In the following discussion, an attempt has been made to decontextualize the above dimensions from information systems to a more general plane, and critically appreciate the intervention with *Potential PR* in light of the same. This is one more initiative to apply systems thinking dimensions in areas outside its field, or outside the pure form they had initially emerged in or where it was originally intended to be applied.

The author engaged in a dialogue with a senior Principal of *Potential PR* (a member of the top management) at the time of writing this paper and obtained their view on the intervention and its impact; these views are incorporated in the discussion in the succeeding text. These views hold true at the time of writing this paper.

### Transformations

In this context, 'transformations' is understood as the change in the nature and form of collaboration that was brought about as a result of the intervention. Prior to the intervention, it was observed that collaboration occurred between

team members specifically at the location level, which was largely due to physical proximity of the people. This proximity was also used to be the primary factor considered in client delivery that was again segregated as per locations. However, as a result of this intervention, collaboration was established across the three locations.

The intervention exposed the need for more geographical mobility across the offices. As clients of specific industries were now being managed by teams across the offices, it meant that professionals from one office needed to travel to other locations if there were clients in the same industry that were being served and if there were no local expertise in that particular geography.

As a result of the above, the Leadership Team felt that new joiners would benefit if they spent specific number of orientation days in different locations as a part of their induction in the firm. This practice also took off later; the incumbents started having a higher degree of comfort and association with professionals across the locations and this led to enhanced belongingness to the firm.

Because of the need for greater collaboration at all times, there was also greater use of technology

such as video-conferencing facilities. These facilities were increasingly used in weekly update calls, for the CEO's messages to the team, conducting recruitment interviews, and also for Vertical Leads' connecting with incumbents for performance appraisal feedbacks.

Transformations were being noticed in the following key ways:

- From location specific teams to skills specific teams
- From basic technology use to advanced technology use
- From limited to greater social orientation for new joinees
- From siloed working to collaborative working

On the flip side of it, the firm also expressed that this collaboration had not shown any visible business benefit or result. They felt that collaboration was continued to be driven by the top management, and it was not ingrained in the middle to junior staff. Although there were visible transformations, it was only at the level of the Leadership Team or because of the top management's continued insistence, and the same was at a peripheral level in the middle and junior grades.

### Engagements

'Engagements' here is used to understand how different parties were involved and included in the intervention. Being influenced by the CSH (Ulrich, 1983) philosophy, it was always the endeavour that both the involved (Consultants, CEO and Leadership Team) and affected internal stakeholders (employees) were engaged through the transformation process. It was a conscious decision from part of the Consultants and *Potential PR* that any key conclusion about the current state of affairs or any future change recommendation would be made by a collaborative process and without neglecting crucial inputs from employees across the levels. The sense of collaboration received a new high by the specific workshops conducted at various stages of the intervention, targeted to create an atmosphere where the employees could

express themselves in an inclusive and non intimidating environment.

The conclusion on the specific levels in the new organization structure or the role description for every level was arrived at, there was thorough engagement with select employees in the organization across the levels and functions.

Following are some of the comments cited here from the set of feedback that was collected at the end of the workshops and brainstorming sessions:

You have helped us understand ourselves in a way we never did before. Wish we discovered you earlier! CEO

The session enabled us to express ourselves with great ease and fearlessness. We did not receive this kind of a forum before to engage with our colleagues and understand each other this well. Principal.

I think our relationship with one another will become a lot better from now on. The different sessions through the day helped us to dismiss numerous doubts and differences we had within ourselves. Account Manager.

The momentum and spirit that was generated during the exercises was sustained through the intervention. This sense of apolitical engagement led to an unseen interest in collaborating professionally in formal and informal manners during the intervention.

In a summary, 'engagements' was observed in the following ways:

- Inclusion of the involved and affected parties in the transformation process
- Recommendations being made keeping in mind key inputs from employees
- Trust being explored by consultants to enhance internal engagements and overcome personal differences between certain employees

In the flip side, at the time of dialoguing with the firm, they commented that a visible sustenance of the momentum was however dwindling, after the intervention and the corresponding



workshops were over. They thought that they would have been further benefited if the sense of transformations and engagements could have been ingrained within the larger team so that the effects of the intervention could be more lasting and impactful.

### Unintended Consequences

'Unintended consequences' here refer to those outcomes and events that arise or emerge as a result of, but not as an intent of, the intervention. These may be either desirable or undesirable. Like any other intervention, this too resulted in certain consequences during and after the intervention.

There were certain employees who expressed highly confidential details about their opinions with the current state of affairs, and how they expected that the situation would change as a result of this intervention. The danger with this being that many of such expectations were outside the scope of the project; these included initiatives like team building, executive coaching, conflict management, and others. The very fact that some employees disclosed certain specific information, they expected that the Consultants would address all the issues; but this was not feasible. As a result of this, there were certain employees who continued to approach the Leadership Team with enquiries for resolution of issues that were surfaced during the interactions, and many of such issues were not being immediately addressed. Therefore, there were certain scarce instances where certain employees felt that the intervention did not help them. However what was missed out was that this intervention was intended to be organizational and not personal.

From the Leadership Team and CEO point of view, this intervention was deemed to be a successful one. This ensured *Potential PR* to come back to the Consultants to support them with a range of initiatives including focused trainings, leadership assessments and organization effectiveness, as a second stage. This was repeat business and unintended by the Consultants when the first mandate was initially awarded!

The role of HR itself started to be looked at from a more evolved perspective. With the thrust on organizational development that was introduced with this intervention and related events, the Leadership Team realized that *Potential PR* needed a capable professional who would be able to drive and sustain the momentum brought about. Therefore, there was a move for HR from being a transactional function to being a transformational support. The firm eventually recruited an experienced HR manager. The HR manager had a mandate to enhance and sustain the collaborative spirit gained through best practices established in the firm through several new initiatives.

The unintended consequences have been summarized as below:

- HR being established as a transformational function to drive a collaborative spirit and support the long term strategic objective
- Relatively negligent dissatisfaction amongst select employees on the impact brought about by the intervention
- Repeat business for the Consultants and a longer association

### CONCLUSIONS

This paper made an attempt to present a case of how an organizational design intervention was carried out with the objective of enhancing firm-wide collaboration and support business growth, within a systems thinking paradigm. The PR industry within which the organization operates was introduced, along with the organization itself. This was followed by a discussion that touched upon how the Consultants were called in to initiate a firm-wide change intervention. Following this, the approach and methodology, along with the change impact was discussed. The chapter finally engaged in a retrospective appreciation of the intervention and its impact on firm-wide collaboration, using a recently developed systems framework.

This case introduces how the systems paradigm has been used as a perspective, from which cues were used to inform and design the intervention, how it influenced the choice of particular

approaches (like Levels of Work) and the tools that were used to engage internal stakeholders of the firm. Such initiatives supported the collaborative spirit both during the intervention, and this was also reflected in the work and management style of the firm post the intervention. This case can be treated as falling within the soft systems paradigm, where engagement and involvement of people can be taken as the core in designing organizations and affecting business growth through and for enhanced organizational collaboration.

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