Organizational structure dos and don'ts

Talent optimized organizations (and those on the way) know designing the right organizational structure is an integral component of realizing business goals. And designing the right organizational structure for your business is so much more than just choosing a hierarchical, matrix, or flat model.

Here are some organizational structure best practices to set you up for success:

DO align your organizational model with your business strategy.

Without an established business strategy, it's impossible to design the right organizational structure. If you're a start-up reliant on autonomy and quick decision making, a flat organization may be right for you. If you're experiencing or anticipating growth, hierarchical structure may provide you with the stability you need to scale.

DON'T design without data.

Data is integral to not only diagnosing your organizational issues, but also to prescribing actions to solve them. These data points can range from behavioral and cognitive data to engagement and job performance insights. If your business demands quick action and risk tolerance, and you're actively hiring candidates with those behavioral qualities, it's critical your model allows those employees to thrive. Once you've analyzed the data as it relates to your business strategy, determine how your organizational structure needs to change to best fit your needs.

DON'T try to model after others.

What works for one organization might not work for another. While different businesses may share some commonalities, every organization is unique and requires a customized organizational model. While aspirational models are important, keep in mind where your business is now and where you can realistically take it from here.

DON'T forget about culture.

As you're redesigning your organizational model, be sure not to neglect your culture. Whether you want to maintain your existing culture, improve it, or redesign it all together, remember to tie it back to your business strategy. In doing so, you'll not only create a welcoming and high-performing environment for your employees—you'll also drive results.

DO get people excited.

Change comes with some anxiety, but it can also come with excitement when you communicate the benefits of that change. Share the excitement with your employees. It's crucial to have established the "why" behind the changes, and this should be the driving force behind getting your people aligned with your strategy. When employees experience positivity in the workplace, they're more productive and more engaged.

DO communicate the changes early and often.

Even if your employees are bought in and understand the "why" behind the structural changes, disruption can still cause anxiety or discomfort and affect morale. Change management demands frequent proactive communication so employees can prepare themselves for what's to come. The more transparent you are in your communication, the more at ease your employees are likely to be.

DO make evaluating your organizational structure a recurring exercise.

Designing your organizational structure is not a one-time event. Businesses evolve and change, and continuing to reexamine your organizational structure will help ensure your growth isn't stunted. Do you have the right talent in the right roles? Does your people strategy still align with your business strategy? Continue to ask yourself the questions you need answered in order to realize success.