

## Teams — The new organization design?

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Researching and working with organizations and teams, I'm increasingly aware of how technological advances and demographic changes are dramatically changing how companies operate.

"The modern workplace values teamwork, but how we think about teams is now outpacing the org chart."<sup>1</sup>

Teams and "networks of teams"<sup>2</sup> are increasingly how work gets done in organizations. Traditional functional organization structures are being tested as agility and change adaptability become as important (if not more so) as efficiency.

The increasingly digital world of work, an educated and diverse global workforce, and a rising generation of Millennials who grew up with both technology and an education that placed emphasis on group dynamics,<sup>3</sup> has changed expectations and opportunities for how business is conducted.

This is pushing decision-making down to the level at which work is done, and where specialists operate, to achieve the greater speed and innovation that modern business demands.

There is still a need for functional organizations to provide centers of expertise, strategically plan services across a supply/value chain and ensure alignment to top-level decisions. Within and across functional organizations, however, there are increasing networks of (smaller) teams working to deliver projects, products and specific outcomes

This mode of operation also leverages the thinking and experiences of General Stanley McChrystal, "Decentralize authority to highly trained and empowered teams" and "centralize information and provide all teams with real-time, accurate data."<sup>4</sup>

All companies need to take note of the shifting workforce demographics. According to the US Census Bureau<sup>5</sup>, as of June 2015 US Millennials (born 1982-2000), numbered 83.1 million (>25% of the US population), exceeding the 75.4 million baby boomers (born 1946-1964). 2016 also marks the first year when Generation Z (2000 onwards) joins the workplace, "widening the technology gap even more between younger and

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<sup>1</sup> A. Agarwal, *The state of teamwork*, Blogs.dropbox.com, January 16 2017, <https://blogs.dropbox.com/business/2017/01/state-of-teamwork-2017>

<sup>2</sup> T. McDowell, et al., *Organizational design: The rise of teams, 2016 Global Human Capital Trends*, Deloitte University Press, February 29 2016, <https://dupress.deloitte.com/dup-us-en/focus/human-capital-trends/2016/organizational-models-network-of-teams.htm>.

<sup>3</sup> D. Donston-Miller, Workforce 2020, what you need to know, WorkdayVoice, Forbes.com, May 5 2016, <https://www.forbes.com/sites/workday/2016/05/05/workforce-2020-what-you-need-to-know-now/#d58d8b92d632>

<sup>4</sup> General Stanley McChrystal et al., *Team of Teams: New Rules of Engagement for a Complex World* (New York: Penguin Publishing Group, 2015).

<sup>5</sup> *Millennials Outnumber Baby Boomers and Are Far More Diverse*, United States Census Bureau, Newsroom, June 25 2015 Release Number: CB15-113, <https://www.census.gov/newsroom/press-releases/2015/cb15-113.html>

older workers”<sup>6</sup>

Teams are operating within and across a blended workforce of employees, contractors, consultants and service providers. People are working on more, smaller — and often fluid — teams.

With this rising need for flexible and dynamic teams — that can quickly form and perform to deliver a solution or mission then return to “home base” ahead of the next assignment — comes the requirement for new skill-sets, mindsets and behaviors.

When operating as a network of teams, each team must provide and receive regular updates on what is happening upstream and downstream (issues, changes, problems) so they and other teams can respond. Digital solutions including collaboration tools are helping information sharing.

A key task of leadership is to build an open and inclusive culture. Leaders can cultivate trust by serving as a role-model — empowering teams, decentralizing decision-making and sharing information.

Accountability and empowerment need to work in parallel. Team leaders need to communicate expectations and establish clear goals, both for individuals and the team. Responsibilities and team norms should be agreed early.

As networks of teams increase, the traditional question “For whom do you work?” is being replaced by “With whom do you work?”<sup>7</sup>

Companies that can build a culture of team-work, are dynamic in how teams form, perform and disband, and who develop processes to support talent mobility and changing career demands, will have an advantage.

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<sup>6</sup> D. Schwabel, *10 workplace trends you'll see in 2017*, Forbes.com, Nov 1, 2106, <https://www.forbes.com/sites/danschawbel/2016/11/01/workplace-trends-2017/2/#1ca0e02a43e2>

<sup>7</sup> J. Bersin, et al., *The organization of the future: Arriving now, 2017 Global Human Capital Trends*, Deloitte University Press, February 28 2017, <https://dupress.deloitte.com/dup-us-en/focus/human-capital-trends/2017/organization-of-the-future.html>