

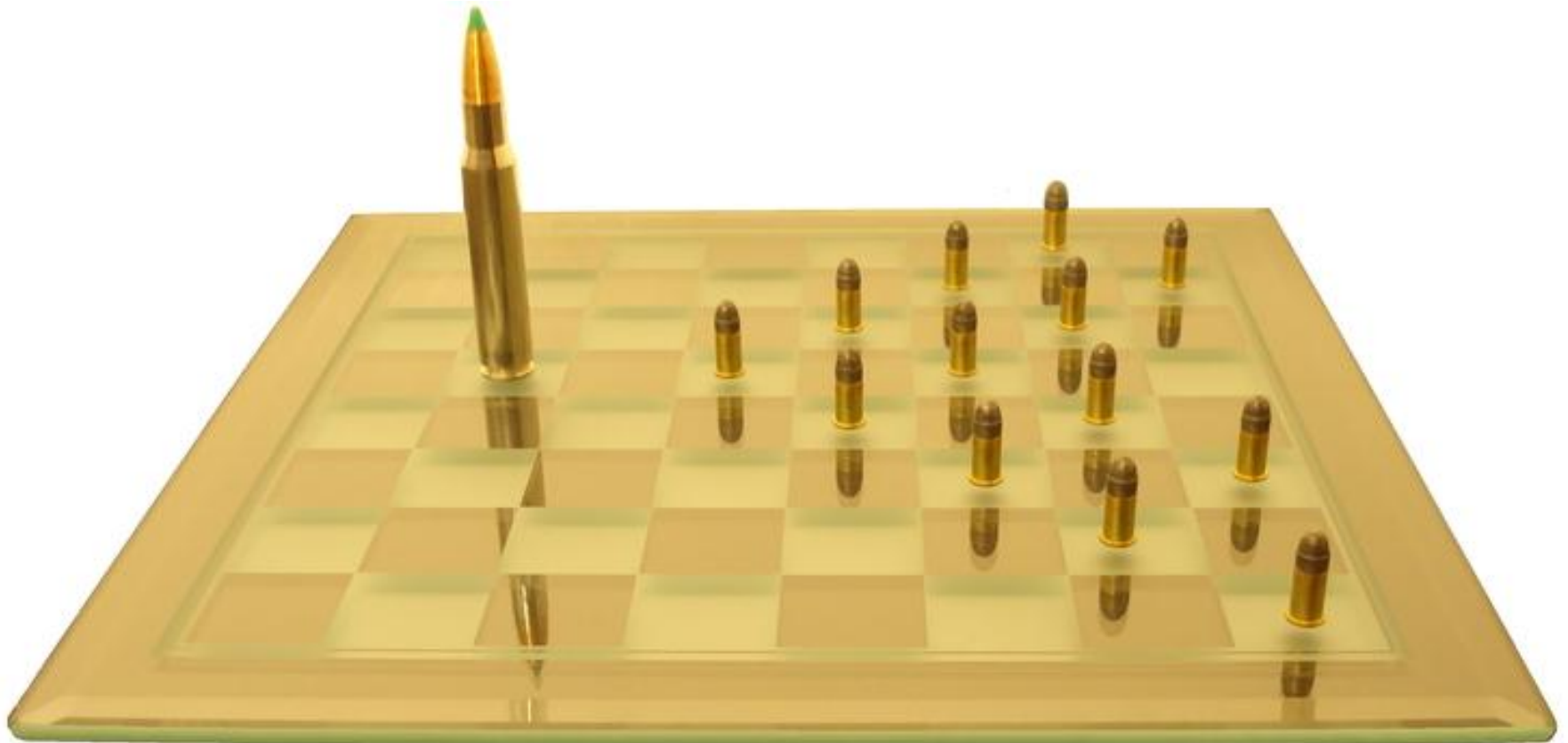
STRATEGY, CULTURE, STRUCTURE

No Magic Bullet

PMI-SAC PDC: November 2012
Paul Robinson – Corporate Oasis Inc.



CONNECTING
BUSINESS
AND IT



STRATEGY, CULTURE, STRUCTURE

No Magic Bullet

PMI-SAC PDC: November 2012
Paul Robinson – Corporate Oasis Inc.



CONNECTING
BUSINESS
AND IT

INTRODUCTION

As Information Technology continues to evolve and mature as an integrated discipline, it is vital that the Project, Program, and Portfolio practices move beyond a simple model of ‘what and when’ to deliver business functionality to encompass the skills and techniques necessary to understand ‘how’ to deliver within the context of the organization’s strategy and culture.

The purpose of this presentation is to identify the various strategies, cultures, structures and how you can adapt your behaviour to optimize the results of your initiatives within these parameters.

STRATEGY, CULTURE, STRUCTURE

No Magic Bullet

PMI-SAC PDC: November 2012
Paul Robinson – Corporate Oasis Inc.



CONNECTING
BUSINESS
AND IT

LEARNING OBJECTIVES

The goal for this presentation is that you will be able to:

1. Identify a corporate strategy, culture and structure early in a project lifecycle.
2. Adapt your behaviour to a given corporate culture.
3. Discover where you fit into the organizational structure.
4. Plan your Project communication accordingly.
5. Align your Projects, Programs and Portfolios to the organization's strategy.
6. Determine your role in rewarding the appropriate behavior within your team.



STRATEGY, CULTURE, STRUCTURE

No Magic Bullet

PMI-SAC PDC: November 2012
Paul Robinson – Corporate Oasis Inc.



CONNECTING
BUSINESS
AND IT

STRATEGY, CULTURE AND STRUCTURE

STRATEGY:

The means that the organization will utilize in order to achieve it's core objectives.

CULTURE:

'How we do things around here' in order to achieve the corporate strategy.

STRUCTURE:

How we organize ourselves in order to support the culture and strategy.

STRATEGY, CULTURE, STRUCTURE

No Magic Bullet

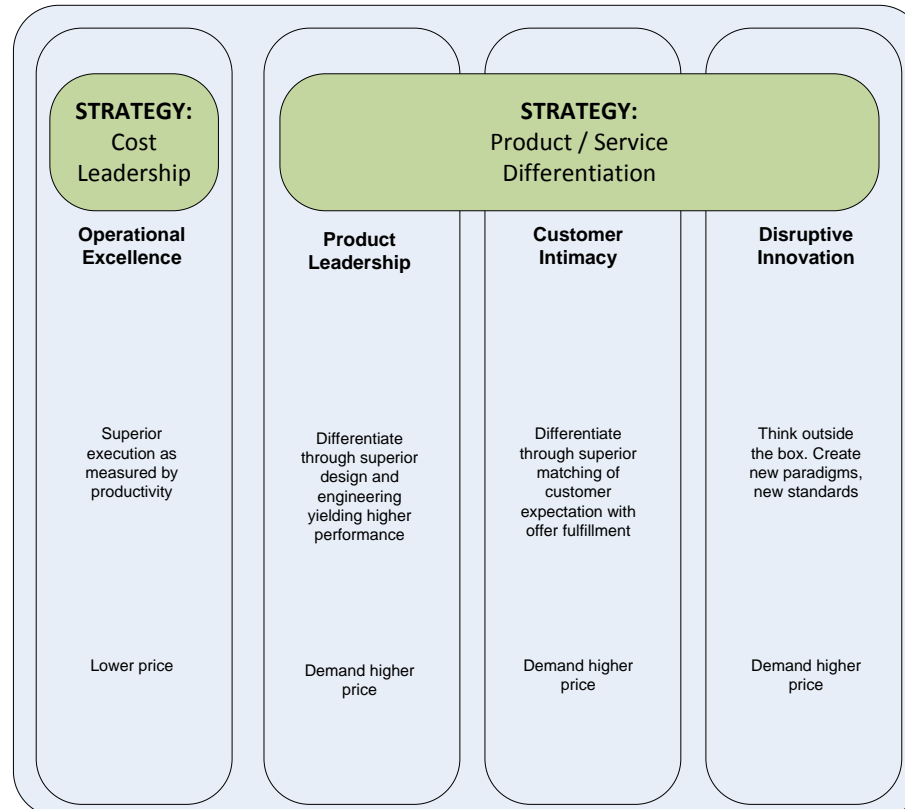
PMI-SAC PDC: November 2012
Paul Robinson – Corporate Oasis Inc.



CONNECTING
BUSINESS
AND IT

STRATEGY

- Strategy is the compass used for making decisions
- It creates a framework for the culture and determines the appropriate skills for leadership.
- There are two 'Fundamental Strategies' which result in one or more 'Value Disciplines':



Source: Geoffrey Moore / Michael Porter

STRATEGY, CULTURE, STRUCTURE

No Magic Bullet

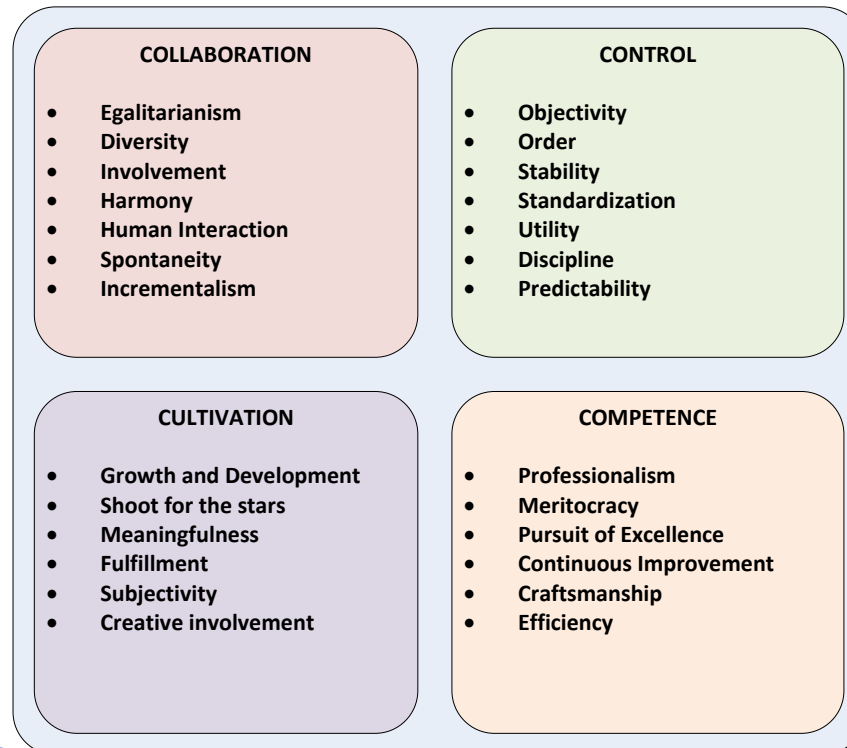
PMI-SAC PDC: November 2012
Paul Robinson – Corporate Oasis Inc.



CONNECTING
BUSINESS
AND IT

CULTURE

- Culture is the "way we do things around here".
- The philosophy, values, behaviors, etc., that together constitute the unique style and policies of a company.
- It is a belief system which guides how we make decisions, solve problems, and motivate people.
- Broadly speaking, there are four types of Corporate Cultures:



Source: William E. Schneider (The Reengineering alternative)

STRATEGY, CULTURE, STRUCTURE

No Magic Bullet

PMI-SAC PDC: November 2012
Paul Robinson – Corporate Oasis Inc.



CONNECTING
BUSINESS
AND IT

CULTURE AND THE ORGANIZATION

- In a sense, culture **IS** the organization.
- It provides consistency, order and structure, and sets patterns for relationships.
- It determines conditions for internal effectiveness and drives effective performance.
- Each of the respective corporate cultures affect the organization in very different ways:

	CULTURE (Competence)	CULTURE (Control)	CULTURE (Collaboration)	CULTURE (Cultivation)
Cherishes	Achievement	Order / Security	Affiliation	Self-Actualization
Celebrates	Top Performers	Making the Plan	Teamwork	Creativity
Prioritizes	The Work	The System	The People	The Idea
Asks	How?	What?	Who?	Why?
Leads By	Expertise	Authority	Process	Charisma
Organizes As	Work Projects	Hierarchy	Persistent Teams	Little As Possible
Recruits For	Competitiveness	Loyalty	Trustworthiness	Brilliance

Source: Geoffrey Moore (Living on the fault line)

STRATEGY, CULTURE, STRUCTURE

No Magic Bullet

PMI-SAC PDC: November 2012
Paul Robinson – Corporate Oasis Inc.



CONNECTING
BUSINESS
AND IT

CULTURE AND STRATEGY

- “Culture eats strategy for breakfast.” (Peter Drucker)
- The most important thing that leaders can do is to create a culture that supports the strategy (Edgar Schein)
- If you understand what the business is about, you are likely to understand the culture.

	STRATEGY (Operational Excellence)	STRATEGY (Customer Intimacy)	STRATEGY (Product Leadership)	STRATEGY (Disruptive Innovation)
Focus	Process Efficiency	Customer Experience	Offer Quality	Categorical Differentiation
Orientation to Time	Internal (Rhythm)	Customer Response Time	Competitive Response Time	Time to Adoption
Key Metric	Number of Misses	Customer Re-purchase	Product Specifications	10x Advantage
Culture Fit	Control Culture	Collaboration Culture	Competence Culture	Cultivation Culture
Organizational Leadership From:	Operations / Finance	Marketing / Customer Service	Sales / Engineering	Research / Development

Source: Geoffrey Moore (Living on the fault line)

STRATEGY, CULTURE, STRUCTURE

No Magic Bullet

PMI-SAC PDC: November 2012
Paul Robinson – Corporate Oasis Inc.



CONNECTING
BUSINESS
AND IT

STRUCTURE

- Structure is all the people, positions, procedures, processes that comprise the organization.
- It supports the organization's culture / strategy and is not simply an organizational chart.
- It defines how all the pieces, parts and processes work together (or don't in some cases).
- If an organization changes its strategy, it must change its structure to support the new strategy.
- When it doesn't, the structure snaps the organization back to its old strategy.
- It is important to recognize that there are official and unofficial structures within an organization.
- Changing strategy means changing what everyone in the organization does.
 - School of thought (1):
 - Just put the right people in place and the right things will get done
 - School of thought (2):
 - Continually improve performance through training and a culture of accountability
- The majority of high performance organizations combine attention to process and individual development.

STRATEGY, CULTURE, STRUCTURE

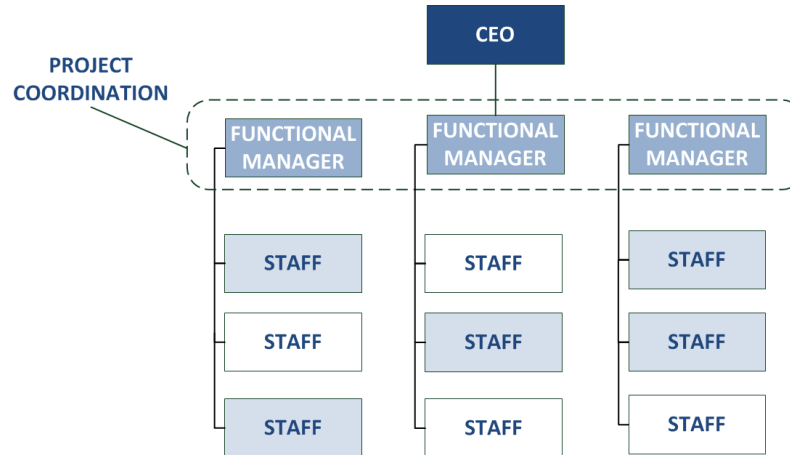
No Magic Bullet

PMI-SAC PDC: November 2012
Paul Robinson – Corporate Oasis Inc.



CONNECTING
BUSINESS
AND IT

STRUCTURE (FUNCTIONAL HIERARCHY)



Description:

- The organization is divided into segments based on separate functions within the organization.

Advantages:

- Allows the organization to enhance the efficiencies of these functional groups.
- Functional structures are successful in large organizations that produces high volumes of products at low costs.
- Lower costs can be achieved due to the efficiencies within functional groups.

Disadvantages:

- Communication between functional groups may not be effective.
- Organizations may find it difficult to achieve their objectives.

STRATEGY, CULTURE, STRUCTURE

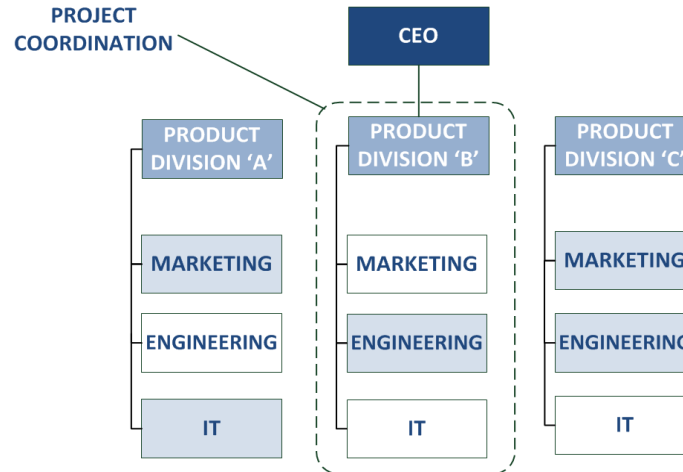
No Magic Bullet

PMI-SAC PDC: November 2012
Paul Robinson – Corporate Oasis Inc.



CONNECTING
BUSINESS
AND IT

STRUCTURE (DIVISIONAL HIERARCHY)



Description:

- These types of organizations divide functional areas into divisions.
- Each division is equipped with its own resources in order to function independently.
- There can be many criteria to define the divisional structures.

Advantages:

- Divisions can be defined based on the geographical basis, products / services basis, or any other measurement.

Disadvantages:

- Does not lend itself well to cross pollination of methodologies.
- Can lead to non co-located duplication of effort.
- Can result in 'culture clash' within the organization.

STRATEGY, CULTURE, STRUCTURE

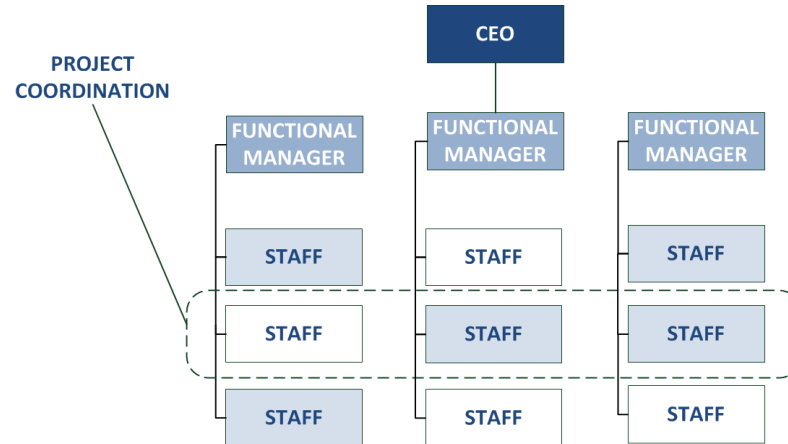
No Magic Bullet

PMI-SAC PDC: November 2012
Paul Robinson – Corporate Oasis Inc.



CONNECTING
BUSINESS
AND IT

STRUCTURE (MATRIX)



Description:

- The organization positions the employees based on the function and the product.
- In this type of an organization, the company uses teams to complete tasks. The teams are formed based on the functions they belong to.

Advantages:

- A matrix structure gives the best of both worlds based on functional and divisional structures.

Disadvantages:

- If you want to slow down your enterprise, all you have to do is introduce a matrix organization.
- Having a matrix, you are not doing the customer a favor because decision processes are slowed.
- The last thing a company needs is an organization mainly driven by a pre-occupation with itself.



STRUCTURE (TYPES OF MATRIX STRUCTURES)

- **WEAK MATRIX:**
 - The project manager is usually a part-time or contract role.
- **BALANCED MATRIX:**
 - The project manager is a full-time role with more authority.
 - Project decisions and budget responsibilities are shared between the functional manager and the project manager.
- **STRONG MATRIX:**
 - The project manager has more authority over the project than the functional manager.

STRATEGY, CULTURE, STRUCTURE

No Magic Bullet

PMI-SAC PDC: November 2012
Paul Robinson – Corporate Oasis Inc.

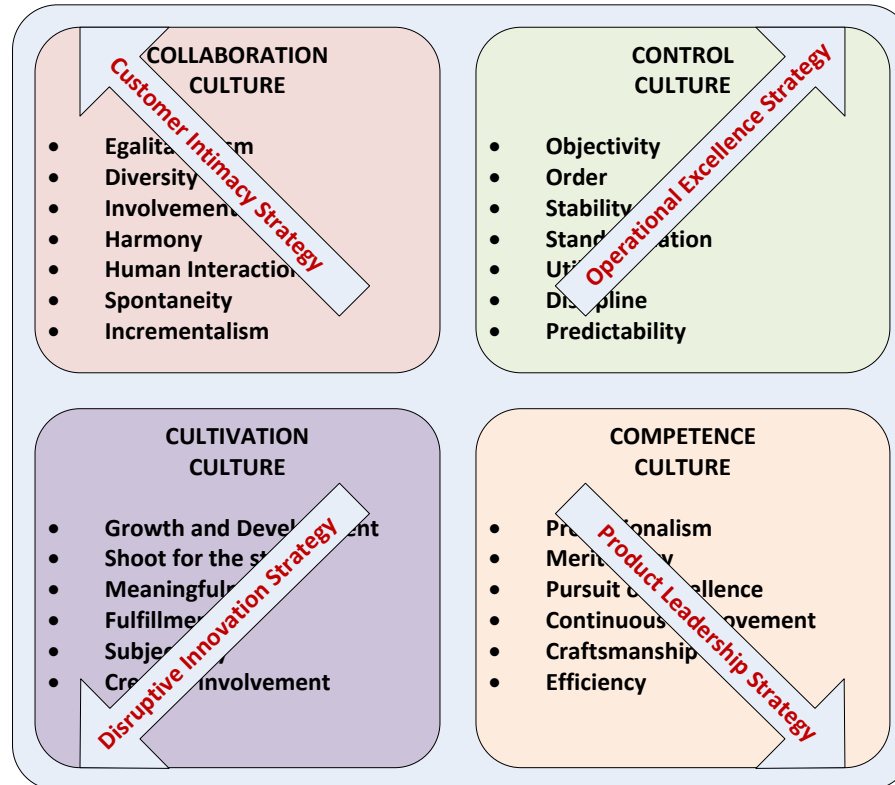


CONNECTING
BUSINESS
AND IT

STRATEGY, CULTURE, STRUCTURE – HOW THEY RELATE

STRONG MATRIX STRUCTURE

FUNCTIONAL/DIVISIONAL STRUCTURE



SIMPLE / ORGANIC STRUCTURE

WEAK MATRIX STRUCTURE

Source: William E. Schneider (The Reengineering Alternative)

STRATEGY, CULTURE, STRUCTURE

No Magic Bullet

PMI-SAC PDC: November 2012
Paul Robinson – Corporate Oasis Inc.



CONNECTING
BUSINESS
AND IT

STRATEGY, CULTURE, STRUCTURE – WHY ORGANIZATIONS FAIL

1. Lack of team Involvement _____ (Not engaged = Not embraced)
2. Culture not aligned to the Strategy _____ (EG: NASA shuttle accidents)
3. Structure not aligned to the Culture and Strategy
4. Organizational / Individual resistance to change _____ (EG: US automobile industry and Deming)
5. Inability to identify / respond to disruptors _____ (EG: Kodak and digital photography technology)
6. Measuring the strategy with outcome metrics only _____ (Achievements are identified too late)
7. Individuals not aware of how to support strategy
8. The plan is vague or poorly communicated
9. Goals are not clear, compelling to the team
10. Too many goals, which may possibly conflict
11. Failure to get external opinions on Strategy _____ (Believing in one's own press)
12. Inappropriate planning for leverage or liquidity _____ (Cash is King and Queen)
13. Cultural implications of strategy are overlooked
14. The correct metrics aren't chosen or tracked
15. Ineffective executive support for culture / strategy



HOW DID WE DO?

Let's check our goals...Are you able to:

1. Identify a corporate strategy, culture and structure early in a project lifecycle.
2. Adapt your behaviour to a given corporate culture.
3. Discover where you fit into the organizational structure.
4. Plan your Project communication accordingly.
5. Align your Projects, Programs and Portfolios to the organization's strategy.
6. Determine your role in rewarding the appropriate behavior within your team.



STRATEGY, CULTURE, STRUCTURE

No Magic Bullet

PMI-SAC PDC: November 2012
Paul Robinson – Corporate Oasis Inc.



CONNECTING
BUSINESS
AND IT

THANK YOU!

