

GLOSSARY

- archetype** See organizational archetype.
- beliefs and values** A segment of the Compass, part of the Norms and behaviours quadrant; covering what the organization believes in; and the set of assumptions and mindsets held in common and taken for granted by the organization.
- business user group** Senior managers, heads of departments or team leaders who understand the implications that design may have on the organization within their area of responsibility and can make trade-offs and difficult calls.
- CIPD** The Chartered Institute of Personnel and Development. The main professional body in the UK and Ireland for those involved in the management and development of people.
- client** The person or organization that commissions and pays for the organization design programme.
- commissioner** A role carried out by an individual or small team at the start of a design programme using the OPTIMAL Way. They establish whether there is a firm basis for a programme to go ahead; shape the design phase; and help to set up the programme.
- Compass** An abbreviation of the Organization Design Compass.
- design authority** A role that assures the integrity of an organization design process and/or outputs. It is typically only found in large or complex design programmes.
- design blueprint** The third and final level of design output produced in the OPTIMAL Way. The high-level design to be implemented.
- design brief** Documentation that sets out the client's design requirements: containing the design and programme context, the agreed set of outcomes and targets for the programme, and the programme brief.
- design concept** The first level of design outputs produced in the OPTIMAL Way.
- design criteria** The standards against which to judge the design options against the design principles. They include what indicators to look for and any values that are to be assessed.
- design option** An alternative design produced and assessed in the OPTIMAL Way. Design options are produced at design concept and design outline levels. The optimal option is chosen to create a design blueprint.
- design outline** The second level of design outputs produced in the OPTIMAL Way.
- design principles** A guiding set of requirements to design around that prescribe what the design must (or must not) include.
- design stage** A stage in producing the design outputs. The first two stages covered in 'Mapping the design options' produce design concepts and design outlines respectively. The third and final stage produces the design blueprint and is covered in 'Laying out the way forward'.
- elements** A generic term for any constituent parts of segments of the Compass.
- Enablers** A quadrant of the Compass, covering strategic, rather than operational, performance and conformance; direction and control; and running the organization

‘as a business’. The three segments in this quadrant are: Incentives and rewards; Goals and metrics; and Governance.

evaluation scheme A means of assessing the extent to which a design meets its objectives.

evidence base An information resource collected at a point in time documenting facts and opinions on the organization’s relevant history, current state and existing plans.

Goals and metrics A segment of the Compass, part of the Enablers quadrant; covering the enabling processes, mechanisms and content needed to set, track and assess organizational and individual goals and objectives.

Governance A segment of the Compass, part of the Enablers quadrant; covering frameworks, structures, processes and mechanisms that enable the organization to manage performance and conformance.

Incentives and rewards A segment of the Compass, part of the Enablers quadrant; covering the processes and mechanisms for setting and operating the organization’s systems of incentives and rewards, and disincentives and penalties at organizational level and cascading to individual levels.

Information A segment of the Compass, part of the Work to be done quadrant; covering the customer and operational data, information and knowledge that is needed for the work processes to be completed.

Norms A segment of the Compass, part of the Norms and behaviours quadrant; covering the established and approved ways of doing things and the customary rules of behaviour both explicit and implicit.

Norms and behaviours A quadrant of the Compass, part of the Enablers quadrant; covering the values, beliefs and assumptions that influence how the organization operates and progresses. The three segments in this quadrant are: Beliefs and values; Styles and behaviours; and Norms.

Operating mechanisms A segment of the Compass, part of the Work to be done quadrant; covering the mechanisms used for operational work, together with their support systems and the tools needed.

OPTIMAL Organization Design Approach Also referred to as the OPTIMAL Way. The process presented and used in this book to develop high-level organization designs.

OPTIMAL Way An abbreviation of OPTIMAL Organization Design Approach.

Organization Design Compass Also referred to as the Compass. The organization design model presented and used throughout this book. The Compass is divided into quadrants: Norms and behaviours, Enablers, Structure and Work to be done. Each quadrant is sub-divided further into three segments.

organizational archetype A commonly seen form of organization. Each archetype has a specific successful mix of operating philosophies, work processes, information flows, operating technology, hierarchy, leaders, membership, control systems, decision-making processes, values and behaviours, styles and norms, that has been well-studied and documented.

Processes A segment of the Compass, part of the Work to be done quadrant; covering the work processes to produce the deliverables for the customer.

programme brief A specification for a programme capturing important information ahead of the programme definition. It includes, for example, the goals, objectives, scope, constraints, high-level business case and resourcing.

programme definition and plan A detailed specification of how the programme will be executed. It includes information from the programme brief and is more specific about the approach to be applied, workstreams, plans and milestones.

RACI chart A technique for defining roles by clarifying what the role is responsible for, accountable for, consulted on, or informed of activities and decisions.

Resourcing A segment of the Compass, part of the Structure quadrant; covering the community of people that make up the organization whether within its internal boundaries or beyond them; eg partnerships, suppliers, associates and third parties.

Roles and responsibilities A segment of the Compass, part of the Structure quadrant; covering formal specification of roles and responsibilities of groups and individuals in the organization.

sponsor/programme sponsor A senior individual from the client organization, who acts a single focal point of contact on the day-to-day interests of the client organization. Their role is to actively champion the change throughout the duration of the programme.

strategic statement A succinct description of the core things that an organization needs in order to exploit its opportunities and avoid threats.

Structure (1) A quadrant of the Compass; covering the organization's own internal structure and any external arrangements outside the boundaries that are critical to the delivery of services. The three segments in this quadrant are: Structure; Roles and responsibilities; and Resourcing.

Structure (2) A segment of the Compass, part of the Structure quadrant; covering the formal, internal structured hierarchy of authority and accountability; groupings of people for reporting; and the formal mechanisms linking parts of the structure together.

Styles and behaviours A segment of the Compass, part of the Norms and behaviours quadrant; covering the leadership and management styles and behaviours that significantly impact the way the organization works.

sub-units Part of an organization: a sub-division of a unit.

target capabilities What an organization needs to be able to do outstandingly well in future to execute its strategy. They cover what the organization must know how to do in order to execute its strategy and how people in the organization work together to get things done.

unit Part of an organization: the highest level identified in the OPTIMAL Way.

work group Part of an organization: the lowest level identified in the OPTIMAL Way.

Work to be done A quadrant of the Compass; covering the operation of the organization and how it produces and delivers products and services to the customer. It is sometimes abbreviated to 'Work'. The three segments in this quadrant are: Processes; Information; and Operating mechanisms.