

## Delaying without stripping out jobs

Delaying means the reduction in numbers of levels of an organization's hierarchy. Classically, it has referred to reducing the sometimes too differentiated levels of management that are typical for large corporations, down to the actual need of the organization. The objective of a delaying approach is to run organic grown (large) organizations with a maximum of efficiency, according to its actual demand of management.

The first thought which comes to mind in terms of delaying is to reduce headcounts, which is actually not entirely accurate. Delaying does not necessarily involve stripping out jobs or cutting overheads within the management level. But usually it refers to increasing the average span of control, regarding the senior manager level within the corporation.

Without blurring the truth, this can, in effect, lead to surplus positions within administrative roles but doesn't mean in return to remove just a single name from the payroll.

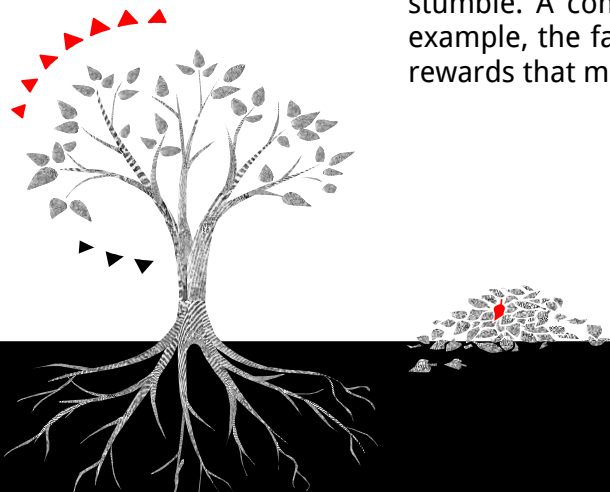
By transforming the organization from a giant pyramid into something more horizontal allows designing the internal processes and management approaches more efficiently and leanly. Doing this allows organizations to uncover additional senior management capacities for other tasks or new business development approaches. Nevertheless, delaying involves a radical redesign of an organization's structure in a first step and the result isn't visible after the first day of change. But in a long run it helps to increase one of today's most important tasks a company has to accomplish -agility-.

In his book, "The Horizontal Organization", Frank Ostroff describes the importance of the right organizational structure by highlighting the major questions corporations face: "Structure is still critical to designing an efficient organization for the 21st or any other century, and certain essential points must be considered: Who goes where? What do they do? What are the positions and how are they grouped? What is the reporting sequence? What is each person accountable for? In other words, how does the authority flow?"

Among the benefits claimed for the delayed organization are the following:

- Uncover senior management capacities
- Fewer managers lead to faster decision making
- Less bureaucracy leads to a reduction of administration costs
- Innovation is encouraged by a more dynamic organization

Indeed this approach is not easy to execute and delaying efforts are often stumble. A common mistake made by trying to delay an organization is, for example, the failure to include a sufficiently sensitive reappraisal of the changed rewards that must go with redesigned jobs.



Further interest in this topic?  
Contact me for a personal knowledge exchange!

