



BUILDing for Growth  
Workshop

# Scaling Organizational and Leadership Structure in a Fast Growth Environment



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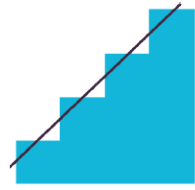


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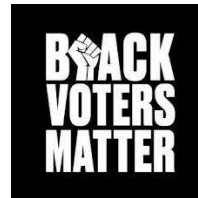
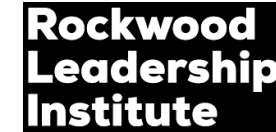


**February 24th**  
**9:30-11:00am Pacific**



# BUILDing for Growth

## Selected Cohort



# Overall Identified Challenges

STAFF	SYSTEMS
<ul style="list-style-type: none"><li>▪ Naming and prioritizing needs</li><li>▪ Communication</li><li>▪ Organizational Culture</li><li>▪ Skills &amp; Development</li><li>▪ Executive Leadership &amp; Decision-Making</li><li>▪ Leadership Transitions</li></ul>	<ul style="list-style-type: none"><li>▪ Human Resources</li><li>▪ <b>Organizational Structure &amp; Mid-Level Management</b></li><li>▪ Facilities &amp; COVID response</li><li>▪ Operations &amp; Systems</li><li>▪ Information Technology</li><li>▪ Fund Development, Management &amp; Long-Term Financial Stability</li></ul>

# Agenda



**Part 1:** Presentation on the different types of organizational structure and questions to assess if your current organizational structure is working.



**Part 2:** Small groups breakout session to discuss how to address structural challenges.



**Part 3:** Full group discussion on additional organizational structure resources to support you and your organization during periods of rapid growth.

*Note: There will be multiple opportunities for participation throughout today's workshop*

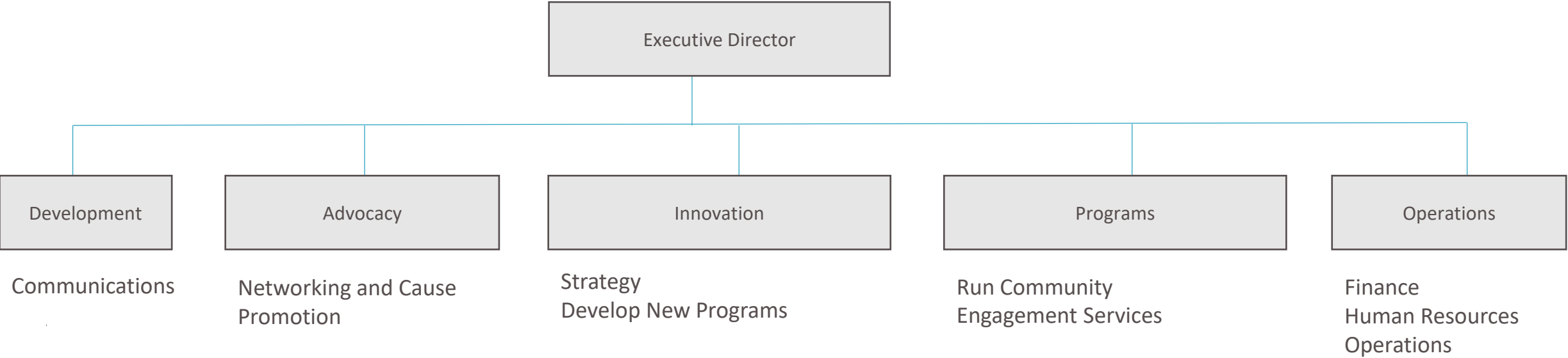
# PART 1

What are the different possible structures an organization can take?

The Achieve Mission approach



# Flat Organizational Chart Example



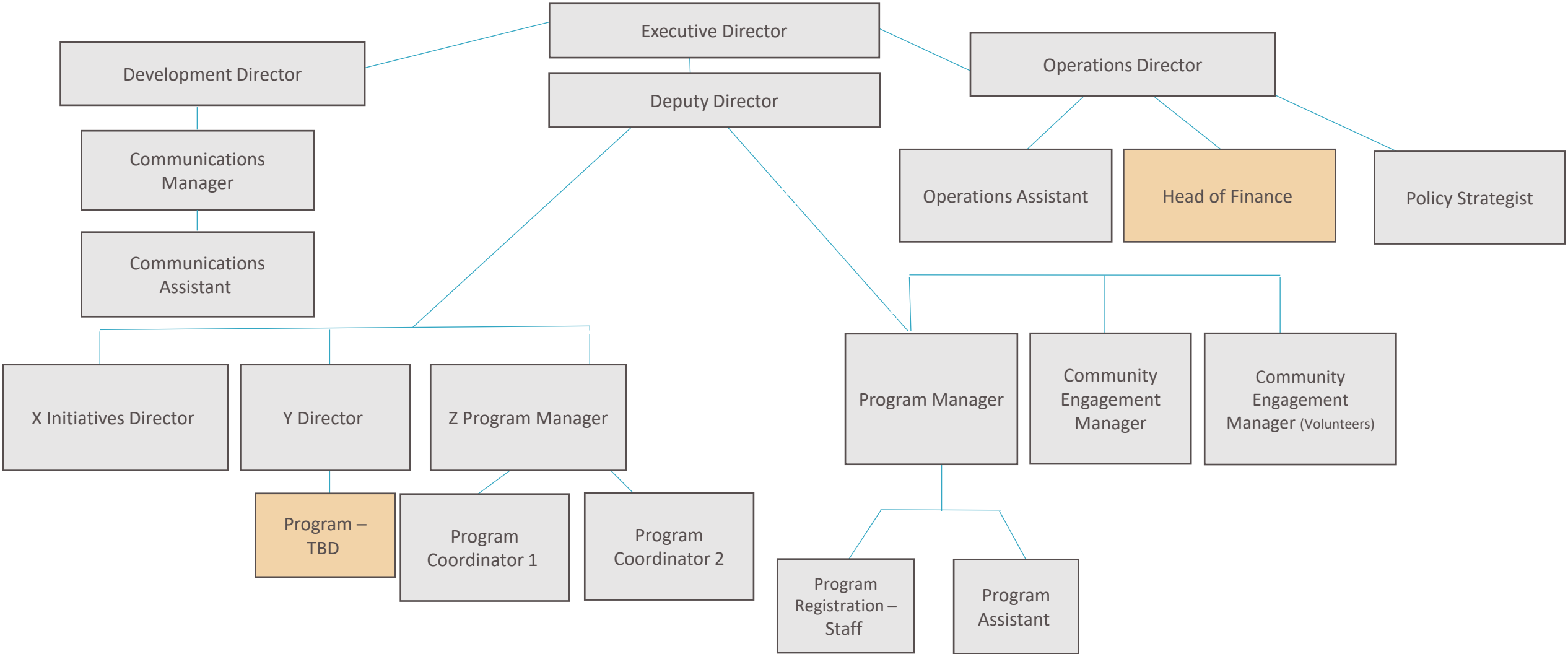
# Structure: Flat Organizations

	Strengths	Weaknesses
Flat	<ul style="list-style-type: none"><li>• Ability to <b>feel heard</b> and respected based on your strengths, not title/no matter who you are in org</li><li>• Everyone can <b>shift work in the moment</b> based on people's capacity and environmental trends</li><li>• <b>Evens playing field</b></li><li>• Everybody has ability, <b>autonomy to make decisions</b></li><li>• Enable <b>greater consensus and collaboration</b></li></ul>	<ul style="list-style-type: none"><li>• Can be <b>slow to make high-level decisions</b> because not clear decision-maker</li><li>• <b>Confusion around authority</b> and decision-making</li><li>• <b>Can get lost in system as individual</b>, less clear professional development and promotion opportunities</li><li>• Work distribution and communication channels might suffer from <b>lack of efficiency and clarity</b></li><li>• <b>ED</b> has wider span of control, <b>limiting their time to do their own job</b></li><li>• Becomes more <b>challenging to maintain as organization grows</b></li><li>• <b>Produces more generalists than specialists</b></li></ul>

# Vertical Organizational Chart Example

Part-time or Temporary

Full-time





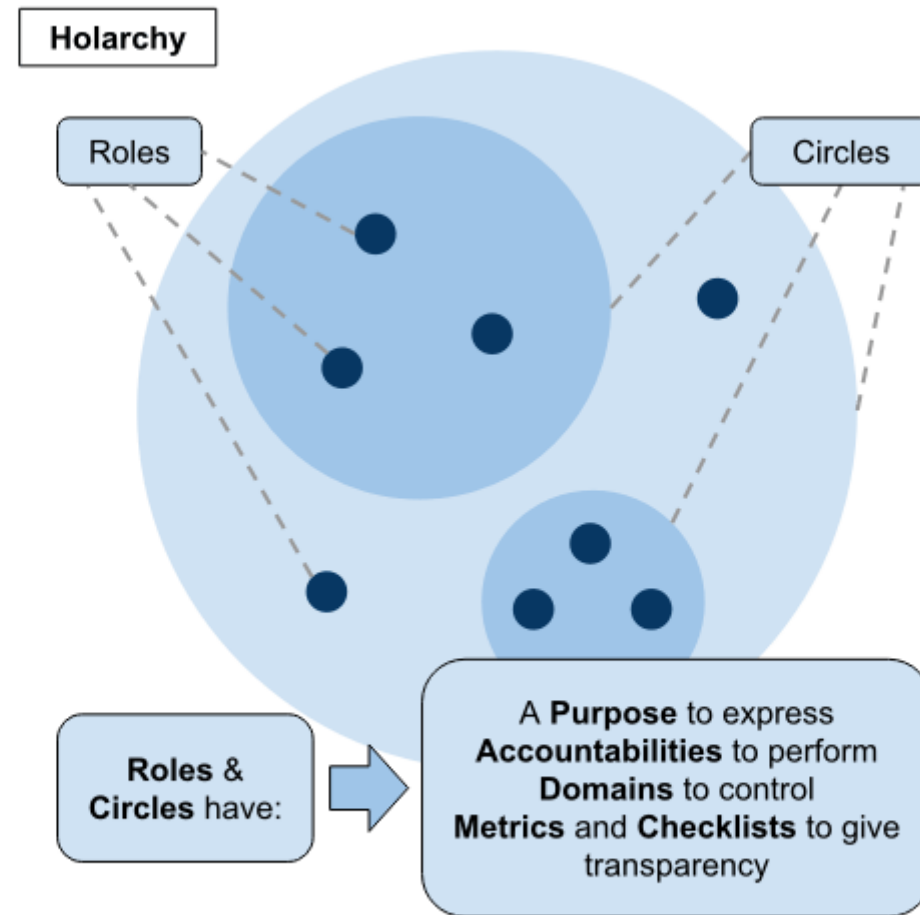
# Structure: Vertical Organizations

	Strengths	Weaknesses
Vertical	<ul style="list-style-type: none"><li>• Creates <b>clear lines of responsibility</b> and chains of command</li><li>• Clear <b>mentorship and promotion lines</b></li><li>• Allows practices from <b>other types of structures to be blended</b> in – e.g. cell structures, collaboration spaces, linking mechanisms that shift away from formal power structure</li><li>• <b>Greater specialization</b> possible</li><li>• <b>Faster decision-making</b> at the top</li></ul>	<ul style="list-style-type: none"><li>• Formal authority can be used to <b>reinforce power dynamics</b> in negative ways – “defer to the boss”</li><li>• Because inherently unequal structure, <b>people with more traditional/dominant culture leadership styles rise more.</b></li><li>• More <b>bureaucratic</b></li><li>• <b>Less transparency perceived</b> in decision making and communication</li><li>• <b>Less diversity of tasks</b> for workers</li><li>• Can create <b>work silos</b></li></ul>

# Emerging Organizational Structures



# Pod/Circle Structure: Holacracy

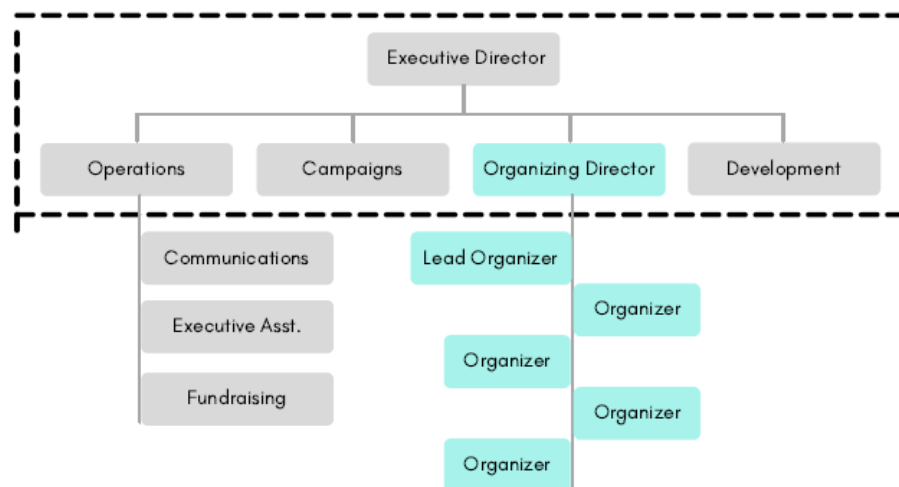


- Voluntary participation
- Free movement between teams
- People play multiple roles
- Transparent goals and information
- Focus on skills, not title

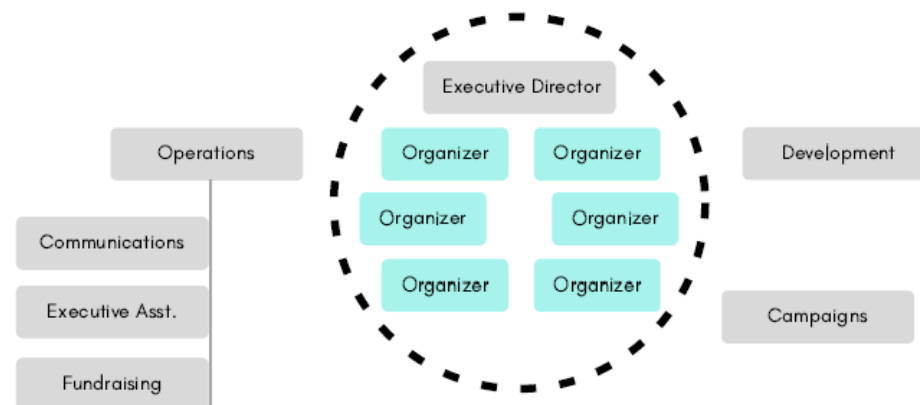
Holacratic Organization. Credit: [Target Teal](#).

# Structure: Decision making redistribution

2013



2015



## How ISALAH Restructured its Org Chart

KEY:



Strategic decision making



Organizers

# Structure: Hubs

## CORE COMPONENTS OF SUNRISE



### HUBS

Hubs are the fundamental unit of organization within Sunrise and carry out the most important work of our movement. Any three people can start a hub in their area.



### CONNECTING HUBS

Hubs are connected both with each other and with the centralized programs. These connection methods include:

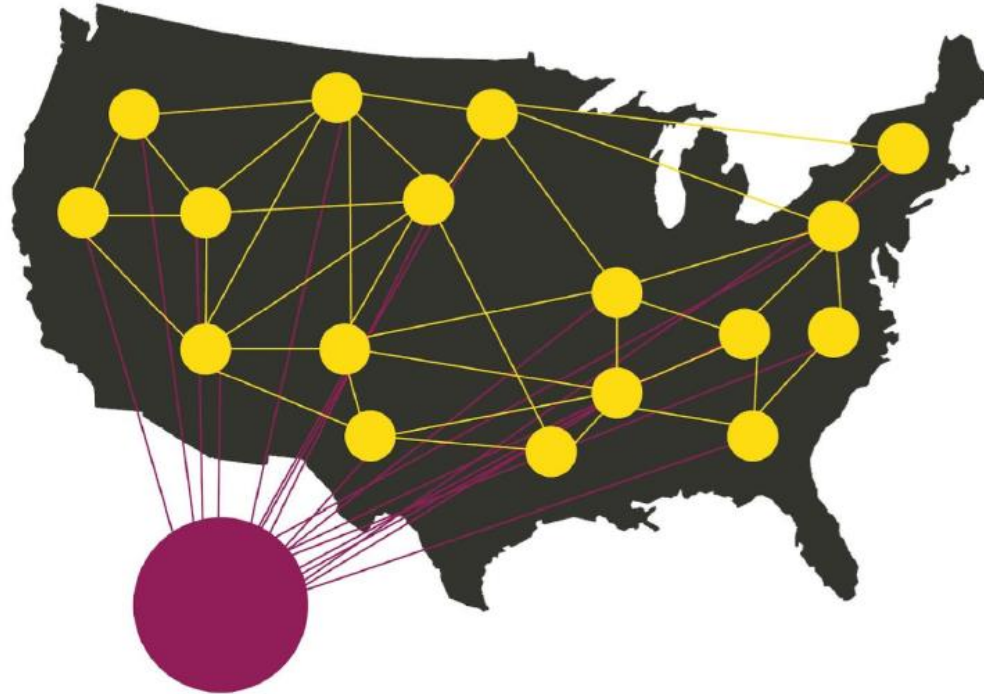
- Role networks
- Regional coaching networks
- Constituency networks
- Hub Advisory Council



### CENTRALIZED PROGRAMS

Sunrise has a number of centralized programs which support the coordination and effectiveness of our fight. These programs are:

- The Movement Support Team
- Movement Volunteer Teams
- Mass Trainings
- Field Team



# Pros & Cons of Emerging Structures

## Strengths

- Speaks to younger staff's desire for **more democratic** processes in their orgs - which are striving for democracy externally. **Feels more consistent with mission.**
- No specific formula to follow, so you can **adapt it to your organizational reality**
- **Redistributes power and decision making** within an organization

## Weaknesses

- **Confusion in traditional decision-making**, for example - who decides when to fire someone?
- **Can lead to chaos** if any part of the structure does not function optimally.
- There can **be little patience for trial and error** as you shift to get it right.
- **Few resources in the literature** for facilitating communications and structures in new organizational contexts.
- Mapping the processes and decision-making process **can be difficult, particularly for new hires**

# Poll

1. Can you identify the type of organizational structure that your organization operates within?
2. Do you think your current organizational structure is the right structure for moving your work forward?

# When should you consider restructuring?

## Deliberate organizational shifts:

- After announcement of big new growth—programmatic or geographic
- After development of a merger or new major collaboration

## Less tangible, but noticeable efficiency concerns:

- Processes aren't supporting strategy implementation
- Feeling like you need more people to do the work
- A sense that decisions aren't being translated quickly into actions
- Executives noting they are spending too much time in meetings and less on strategy



**Rethinking organizational  
structure doesn't have to mean  
an organizational overhaul!**

# How can I determine the right amount of reports for one position (span of control)?

<b>Complexity of work</b>	<ul style="list-style-type: none"><li>• Routine jobs or tasks that require limited skills can have a wider span of control. Tasks that are complex, loosely defined and decision-driven require a tighter span of control.</li></ul>
<b>Experience level</b>	<ul style="list-style-type: none"><li>• When employees' job related experience is high they require less supervision and the span of control can be increased.</li></ul>
<b>Level of Team Development</b>	<ul style="list-style-type: none"><li>• When teams are developed to be self-managing a broader span of control is possible.</li></ul>
<b>Training and Development</b>	<ul style="list-style-type: none"><li>• When training is available to help new employees learn their jobs, a broader span of control is possible.</li></ul>
<b>Task Diversity</b>	<ul style="list-style-type: none"><li>• The greater the extent of diversity of tasks amongst team members, the more likely to require a tighter span of control.</li></ul>
<b>Budget Constraints</b>	<ul style="list-style-type: none"><li>• Often influence the span of control. Financial hardships may drive higher spans of control.</li></ul>
<b>Stability</b>	<ul style="list-style-type: none"><li>• When the organization's environment and operations are stable a broader span of control is possible.</li></ul>
<b>Control Systems</b>	<ul style="list-style-type: none"><li>• When the organization has established control systems less direct supervision is required and the span of control can be broader.</li></ul>

# How can I improve my capacity to manage staff?

Complexity of work

Experience level

Level of Team  
Development

Training and Development

Task Diversity

Budget Constraints

Stability

Control Systems

- **Training the manager**, teaching them management skills such as delegating and clear communication.
- **Training employees**, teaching them to work independently and make better use of their time.
- **Delegation** by the manager, decreasing their workload and improving the division of labor.
- **Improving procedures and systems**; when procedures take up a lot of time, it is a good idea to find efficient solutions with the help of the management team.
- **Involving HR**, who will unburden the manager by taking over certain specialist tasks such as the department's HR policy.
- **Assigning a personal assistant**, who can take over routine activities, reducing the manager's workload.
- **Appointing an assistant-manager** who reports to the manager, but in the perception of the subordinates is fully qualified in terms of executive and policy tasks and can act as manager when needed.

# What else should I be considering in determining an organizational structure?

- Develop **design criteria** for how the organization should function
- Focus first on the **longer-term** strategic aspirations
- Take time to **survey** the scene and reassess periodically
- **Think broadly** about possible structures
- Is this a **temporary or permanent challenge** we are responding to?
- Considering **cost, spans, existing talent, and projections.**
- Think about the **life cycle development** of your org—infancy, adolescence, maturity, and the associated needs and priorities
- Encourage **input and buy-in** throughout org—people might fear their jobs!
- Where are the sites of **decision making** within your org structure?
- How can this process **build trust and support the equity learning** and changes to-date?
- What could **jeopardize** that progress?

*It is almost always easier to add layers later (to promote someone to a managerial position) than to delayer as delayering will usually mean that someone will lose their managerial responsibility and the associated perceived prestige.*

*Tool to review  
with your team*

# Poll: Structuring Criteria

Which of the following criteria do you think is the most important when considering an organizational restructuring?

- Disperses power
- Allows flexibility
- Clarifies tasks and responsibilities
- Aligns with established strategic goals
- Avoids silos
- Permits collaborative decision making
- Facilitates greater communication
- Maximizes efficiency
- Delineates paths for growth

# Rank the Structure Options Using The Design Criteria

## EXAMPLE:

Future Structure Options	Design Criteria							Unweighted total	Weighted Total
		Balances autonomy, independence and flexibility with accountability and collaboration	Achieves optimal management-to-research ratio	Structures and processes .... get the best out of people	effective, and transparent admin	Scalable – can allow for growth and contraction	Avoids silos, facilitates cross-pollination between groups		
	Weight	8	5	8	6	5	3		
	David	H	M	M	H	M	H	48	278
	Kristin #1	H	M	H	M	L	H	44	266
	Jen #2	M	M	M	M	M	H	40	222
	Saul #3	M	M	H	M	H	H	48	274
	Pat/Mike #2	M	L	M	M	M	M	32	190
	Pat/Mike #3	L	M	M	L	M	L	24	142
	Hybrid	H	H	M	M	M	M	44	262

*Tool to review  
with your team*

# Small Groups - Guide

1. What can we do when we have temporary span of control issues, for example, in the case of high turnover and rapid departmental growth?
2. When should a contractor become a fixed position within your organization? How can an organization identify the right sequencing among the various new positions needed?
3. How do generational differences play out in the way that we discuss and consider organizational structure? How should we also consider issues of equity in organizational structure and growth?

# Appendix

**Additional resources that can be helpful when considering organizational restructuring or other big decision-making challenges during periods of fast growth**



# What steps can I take to rethink our organizational structure?

1. Fill in gaps regarding vision, strategy, background and approach, and fully consider equity learning and intentions

2. What's working and what's not working?

3. Core processes and design criteria

5. Brainstorm multiple design options

6. Evaluate options against criteria

7. Build out best options and select one

8. Build implementation plan, including change management and view of all related organizational systems

# Cultivating Internal Leadership



# Why should we grow our leadership pipeline?

## Costs of Turnover

### **Tangible Costs**

- Recruiting (advertisements, search fees)
- Hiring incentives
- New hire orientation
- Payout of accrued time off

### **Intangible**

- Management/HR time
  - Unfilled position productivity loss
  - Institutional knowledge
  - Loss relationships
  - Disruption of momentum towards impact
  - Organizational culture pains
  - Potential loss of other staff
-

# Leadership Statistics

According to a Bridgespan study,

- Number one reason people leave because they want **higher compensation** (57% of responses)
- A second reason is because they **don't feel like they are growing and developing** (50% of responses)
- Only **30 percent of C-suite roles** in the nonprofit sector were filled by **internal promotion** in the past two years—about half the rate of for-profits.

# Organization Reflection Questions

- Where do we excel?
- What gaps do we have in leadership development?
- What is low-hanging fruit that we can work on now?

# Develop individual talent development plans

Have each person identify their personal talent plans by asking:

- What are the competency skills you need to do your job well and to develop your leadership within the organization?
- What are the beginner, intermediate and advanced competencies necessary for the employee and the role?
- How can we connect their individual talent development to the organizational goals?

# What if we're a small nonprofit with few opportunities to grow OR the ED isn't going anywhere anytime soon?

- Sometimes it's not about having people stay forever, but it is about having their stay be as good as possible for them and for the org. And if they do leave, maybe having their tenure be longer as a result of positive work environment, which helps the organization overall.
- When people leave, they can still be an advocate, donor and connector if their experience is positive.
- That person that receives professional development and guidance will go on to be a great leader of another organization working towards social justice.