

# 5 signs your organizational model needs fixing

All too often, companies let their organization be shaped passively (“lagging”) rather than shaping it intentionally through conscious decisions and careful planning (“leading”). Lagging organizational models decrease productivity by slowing down decision making, choking communication and collaboration, and preventing companies from being flexible enough to seize new opportunities.

Here are five signs your organization is lagging—and tips to course correct with talent optimization.

## 1. Outdated organizational charts

To course correct, focus first on a department that’s changing rapidly or a team that’s underperforming. Remove all names from that department’s organizational chart then think about the roles and reporting hierarchy as if you were creating your org chart from scratch.

## 2. Structures built around specific individuals, rather than specific roles

To course correct, start by outlining job requirements, then see how your current employees fit into those roles.

## 3. Unclear performance metrics and accountability

To course correct, start with your business strategy and the metrics you’re using to measure the business results you want to achieve—then break them down into metrics that are relevant to each department and team. As much as possible, push accountability for specific metrics down to the lowest level in the organization, considering individual skills, experience, and behavior.

## 4. Disconnect between organizational model and incentives

To course correct, design a set of incentives that align with your business strategy and reward the behaviors that directly—and positively—impact your desired business results. Make sure incentives are consistent across the organization, and that individuals have the autonomy and span of control necessary to deliver the high performance.

## 5. Disconnect between strategy, culture, and organizational model

To course correct, focus on the highest priority values and foster them one at a time; use incentives and role modeling to spotlight and reward those critical behaviors. Ex) If you’re a high-growth startup prioritizing innovation and speed, structure your organization to be flat, with cross-functional teams, and build a culture that rewards risk-taking and rapid decision-making.

As your company grows or your business environment changes, look again at your organizational model. Does it still support the business strategy? Ensuring that your organization design is deliberate and up-to-date will help you reach the stars.