

SECTION 2 TAKES YOU THROUGH THE ORGANISATIONAL STRUCTURING PROCESS STEP BY STEP. IT CONTAINS THE FOLLOWING:

- **CHAPTER 6: GIVES AN OVERVIEW OF THE PHASES IN THE ORGANISATIONAL DESIGN PROCESS AND TOOLS THAT CAN BE USED. EACH PHASE IS THEN DISCUSSED IN DETAIL IN THE SUBSEQUENT CHAPTERS.**
- **CHAPTER 7: PHASE 1: DIAGNOSIS**
- **CHAPTER 8: PHASE 2: DETERMINING ORGANISATIONAL REQUIREMENTS**
- **CHAPTER 9: PHASE 3: DESIGNING THE STRUCTURE**
- **CHAPTER 10: PHASE 4: DEVELOPING THE BUSINESS CASE AND PLANNING THE IMPLEMENTATION**
- **CHAPTER 11: PHASE 5: IMPLEMENTING THE STRUCTURE**
- **CHAPTER 12: PHASE 6: MONITORING AND EVALUATION**
- **CHAPTER 13: PLANNING AND MANAGING THE ORGANISATIONAL STRUCTURING PROJECT**
- **CHAPTER 14: MANAGING CHANGE AND TRANSITION**

(NOTE: BEFORE YOU EMBARK ON AN ORGANISATIONAL STRUCTURING PROCESS, IT IS ADVISABLE TO FAMILIARISE YOURSELF WITH CHAPTER 13: PLANNING AND MANAGING THE ORGANISATIONAL STRUCTURING PROJECT)

CHAPTER 6

GIVES AN OVERVIEW OF THE PHASES IN THE ORGANISATIONAL DESIGN PROCESS AND TOOLS THAT CAN BE USED. EACH PHASE IS THEN DISCUSSED IN DETAIL IN THE SUBSEQUENT CHAPTERS.

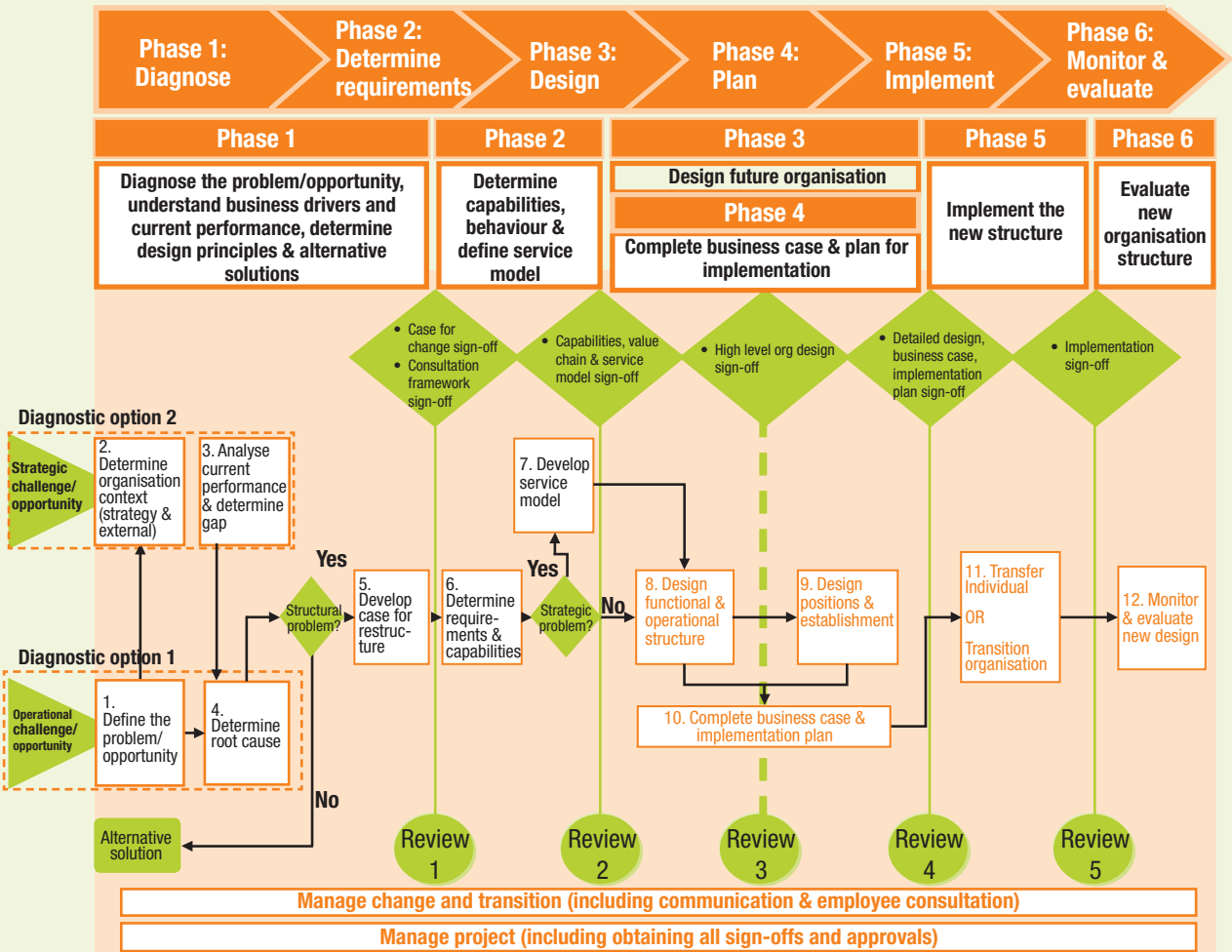


CHAPTER 6

6. OVERVIEW OF DESIGN PROCESS

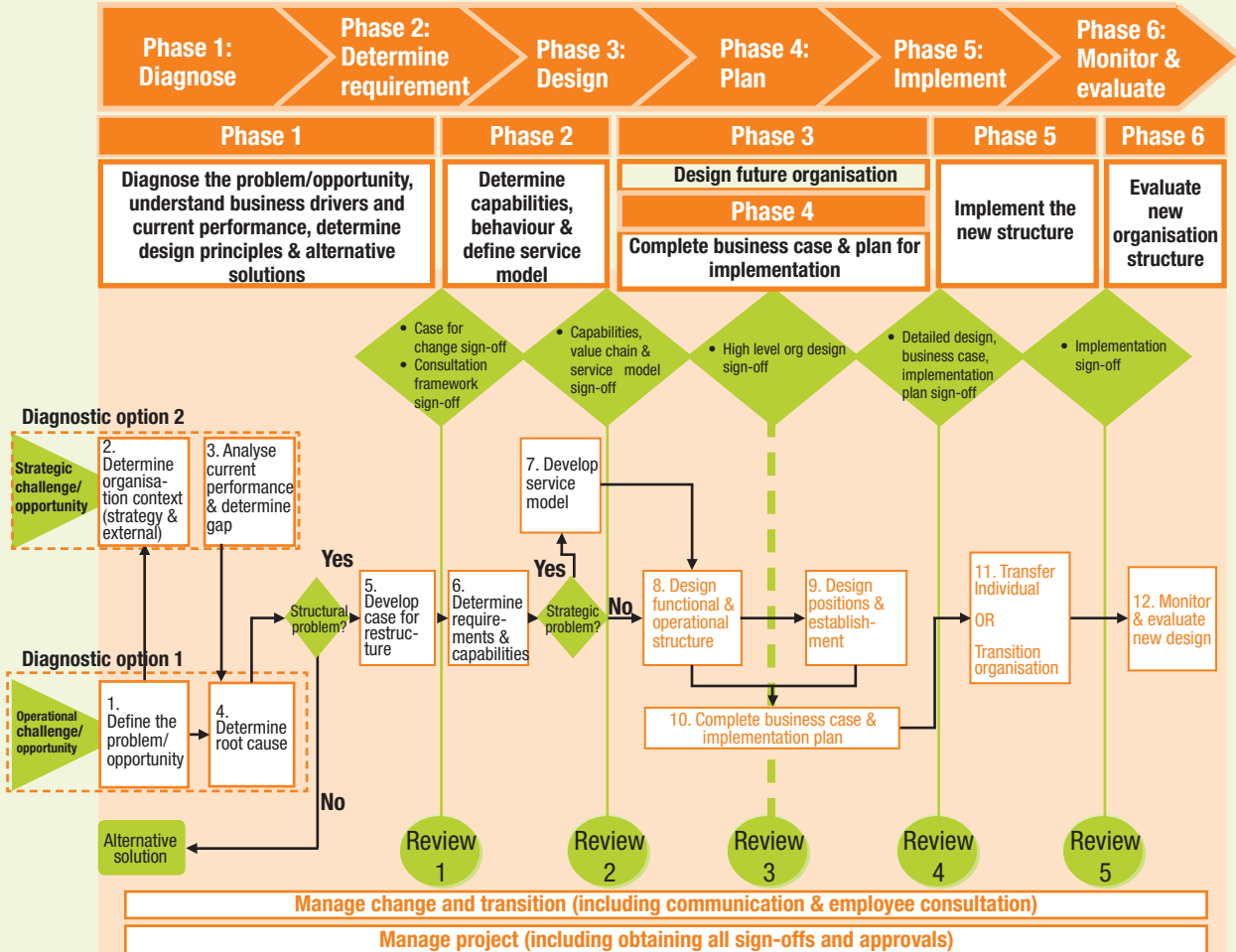
6.1 INTRODUCTION

As indicated in Chapter 4 of the Guide, the suggested generic process for organisational structuring in the public sector consists of six phases and five review points, each with its specific sequence of steps and relevant tools and techniques.



6.2 OVERVIEW OF DESIGN PHASES

The phase-review process is composed of six phases with the first phase being preceded by the request or initiation process as shown in the diagram below.



Phases	Steps	Description
Phase 1: Diagnosis	Diagnostic process options	<ul style="list-style-type: none"> Diagnostic option 1: For nonstrategic challenges/opportunities Include steps 1 and 4: Define the problem and its root cause(s) for operational or individual position related problems (e.g. the organisation as a whole is performing well; a certain region is struggling or one unit is not performing as well as other similar units; number of complaints is too high, employee morale is low, budgetary expenditure above budgetary guidelines) Diagnostic option 2: For strategic challenges/opportunities Include steps 1-4: Define the problem, determine or review the current organisational context (strategy and external realities) and its current performance (results and internal effectiveness) in order to determine the gap between required and actual.

Phases	Steps	Description
	Step 1: Define the problem/opportunity	<ul style="list-style-type: none"> • Step 1.1 Collect high-level information by using a structured model. • Step 1.2 Analyse the information by using the same structure model and start grouping issues together to develop a better understanding. • Step 1.3 Identify and define the problem clearly. • Step 1.4 Complete the project charter (if required).
	Step 2: Review organisational context	<ul style="list-style-type: none"> • Step 2.1 Analyse the core mandate and value drivers (what does the organisation promise its stakeholders?) • Step 2.2 Analyse the broad policy environment. • Step 2.3 Analyse the service delivery environment and constraints. • Step 2.4 Define the critical success factors for strategic/mandatory success. • Step 2.5 Formulate the ideal state. (What does the organisation need to achieve, why would it be necessary, how would the organisation go about doing it, to whom should the service be rendered, where should the service be rendered and what would be the key performance indicators of success?)
	Step 3: Review organisational performance	<ul style="list-style-type: none"> • Step 3.1 Analyse the current organisational performance by using appropriate tools and techniques e.g. benchmarking, stakeholder analysis, surveys, interviews, and reviews. • Step 3.2 Determine the gap between current and future requirements and presenting it in an understandable manner.
	Step 4: Determine root cause	<ul style="list-style-type: none"> • Step 4.1 Collect the data through appropriate techniques. • Step 4.2 Analyse and determine the root cause through appropriate techniques. <p>These two steps can actually be completed in one focus group session depending on the approach.</p>
	Decision point 1	<p>Based on this information a decision is taken on whether it is a structural or non-structural organisational problem.</p> <ul style="list-style-type: none"> • Determine the type of problem by using the appropriate tool. • Identify alternative solutions (which might include structuring). • If structuring is not appropriate, another solution needs to be found.
	Step 5: Develop case for change	<p>In cases of organisational structure problems, complete a case for change, including success criteria and design principles for the new or adjusted structure.</p> <ul style="list-style-type: none"> • Step 5.1 Determine success factors for the structure in the future (what does the structure need to facilitate, enable, ensure, provide?) • Step 5.2 Determine design principles (how will we make sure the success factors are achieved?) • Step 5.3 Complete the case for change which presents the justification for the suggested restructuring.

Phases	Steps	Description
Phase 2: Requirements	Step 6: Determine structure requirements	<ul style="list-style-type: none"> Step 6.1 Determine critical structure and capability requirements including stakeholder requirements, organisational processes and associated requirements for the organisation to achieve its strategic objectives. This includes determining the capability requirements. Step 6.2 Determine additional external design requirements which will impact on the success of the organisation in future.
	Decision point 2	<ul style="list-style-type: none"> The next step is either design of the architecture or developing a service model, depending on the type of restructuring.
	Step 7: Design service model	<ul style="list-style-type: none"> If the restructuring is to address a strategic problem/opportunity (for example, change in mandate) an operating/service model should be constructed to provide a pictorial representation of how the organisation will operate. Step 7.1 Segment the service users. Step 7.1 Align macroprocesses with service user segments. Step 7.3 Develop alternative service models. Step 7.4 Identify key enablers to support the service model.
Phase 3: Design	Step 8: Design organisational architecture	<p>Initial formal functional and operational structure design with purpose and function and the governance structures which will enable the functional/operational structure to function.</p> <ul style="list-style-type: none"> Step 8.1 Determine core organisational architecture. Step 8.2 Select the core structure. Step 8.3 Determine non-core organisational structure. Step 8.4 Consider alternative service delivery forms. Step 8.5 Design governance structures. <p>Positions and establishment are completed upon approval of the functional/operational structure.</p>
	Step 9: Design positions	<ul style="list-style-type: none"> Step 9.1 Determine layers of work (how many levels). Step 9.2 Determine work roles and levels of work (how many positions for each level). Step 9.3 Determine unity and span of control (how do we structure the units and how many people in each). Step 9.4 Consider other individual job or team variables for design (optimal team, centralised/decentralised, group size, different structure challenges). Step 9.5 Compile role/job descriptions. Step 9.6 Determine establishment.

Phases	Steps	Description
Phase 4: Planning	Step 10	Complete the full business case for consideration by the relevant EA and MPSA (if tier 1-3 restructuring) and draft an implementation plan which includes implementation strategy, risk analysis, dependency analysis, technology and infrastructure requirements, layout (if applicable), impact analysis, employee migration strategy, monitoring and review plan. <ul style="list-style-type: none"> • Step 10.1 Complete the business case. • Step 10.2 Complete the implementation planning.
Phase 5: Implementation	Step 11	<ul style="list-style-type: none"> • Implement the structure which includes progress reports, project team meetings, issues management, risk management, change management, communication etc.
Phase 6: Monitor and evaluate	Step 12	<ul style="list-style-type: none"> • Monitor and evaluate the success of the adjusted or new organisational structure based on the monitoring and review strategy.
Transversal work streams		
Manage change	Ensure effective management of the change and the impact on stakeholders through communication, training, consultation, targeted focus groups and labour relations management.	
Manage project	Ensure effective management of the design process and its associated review points. It includes ensuring delivery of all outputs and deliverables, managing effort, obtaining sign-off/approval and monitoring the schedule and task execution.	

6.3 OVERVIEW OF REVIEW POINTS

The six stages are separated by five review points:

Review	Description
Review 1:	<ul style="list-style-type: none"> • Review the proposed case for change which includes the structure success indicators and design principles. The deliverable should also indicate the alternative solutions considered before deciding on a structural adjustment.
Review 2:	<ul style="list-style-type: none"> • Review the business processes as presented in a value-added chain process map, the required capabilities to execute the business processes and the operating/service model required to direct the processes and capabilities towards effective service delivery.
Review 3:	<ul style="list-style-type: none"> • Review the functional and operational structure including the proposed governance structures that are required to enable the functional/operational structure.
Review 4:	<ul style="list-style-type: none"> • Review the detailed designed organisational structure with positions, job descriptions and establishment. Further review of the detailed business case (cost, benefits, risk reduction etc.) and full implementation plan for consideration by the relevant EA and MPSA.
Review 5:	<ul style="list-style-type: none"> • Review the implementation of the structure in the operating environment and measure performance against targets.

6.4 OUTPUTS AND DELIVERABLES OF THE ORGANISATIONAL STRUCTURING PROCESS

The outputs and deliverables for each phase of the organisational structuring process are summarised in the table below. Use the table as a reference to check the deliverables as you progress through the organisational structuring process.

Phases	Major deliverables of the phases	Deliverables of the change management process	Deliverables of the project management process
Phase 1: Diagnosis	<p>Diagnostic option 1:</p> <p>Step 1:</p> <ul style="list-style-type: none"> Problem/opportunity definition and need for further diagnosis, AND <p>Step 4:</p> <ul style="list-style-type: none"> Root cause description. <p>Diagnostic option 2:</p> <p>Step 1:</p> <ul style="list-style-type: none"> Problem/opportunity definition and need for further diagnosis. <p>Step 2:</p> <ul style="list-style-type: none"> Organisational strategy implications (at least value drivers OR critical success factors) AND external requirements implications (at least a stakeholder requirements analysis). <p>Step 3:</p> <ul style="list-style-type: none"> Gap analysis between current and required performance (at least a gap analysis and employee behaviour analysis). <p>Step 4:</p> <ul style="list-style-type: none"> Root cause description. <p>Step 5:</p> <ul style="list-style-type: none"> Case for change: <ul style="list-style-type: none"> Alternatives considered. Justification for proposed structure adjustments. Structure success indicators. Design principles. 	<ul style="list-style-type: none"> Communication strategy. Inform all participants in the diagnostic phase about the objectives, process and required outcomes. Identify potential dependencies and impacted parties with specific actions to address. Change readiness assessment (if required). Consultation framework for the remainder of the initiative to present to the EA. 	<ul style="list-style-type: none"> Project charter. Project schedule. Project team (if required). Diagnostic process and tools identified. Reports on progress. Convene review 1 meeting. Present diagnosis results for approval or rejection. Project team meeting agendas and minutes. Issues log. Sign-off sheets.

Phases	Major deliverables of the phases	Deliverables of the change management process	Deliverables of the project management process
Phase 2: Determining requirements	<p>Step 6:</p> <ul style="list-style-type: none"> • SIPOC analysis (Customer, Output, Process, Input, Supplier). • Relevant process maps (value-added chain, flow chart, time-responsibility maps, quick structured process descriptions). • Capability requirements. • A list of external requirements. <p>Step 7:</p> <ul style="list-style-type: none"> • Operating/service model. 	<ul style="list-style-type: none"> • Change management strategy. • Change readiness assessment. • Leadership alignment analysis. • Stakeholder analysis and engage stakeholders. • Communicate progress and results of the review meeting to relevant parties. 	<ul style="list-style-type: none"> • Design plan and schedule. • Report on progress. • Convene review 2 meeting. • Obtain approval of service model. • Sign-off sheets. • Project team meeting agendas and minutes. • Issues log. • Sign-off sheets.
Phase 3: Design	<p>Step 8: High-level structure</p> <ul style="list-style-type: none"> • Functional structure vertical and horizontal alignment (purpose and function). • Operational structure vertical and horizontal alignment (purpose and function). • Governance structure (purpose and function). <p>Step 9: Detailed structure</p> <ul style="list-style-type: none"> • Detailed process maps as required with metrics indicators. • Organogram with positions and establishment (vertical and horizontal alignment). 	<ul style="list-style-type: none"> • Communicate organisational architecture and service model. • Consult with unions and employee representatives on impact of changes. 	<ul style="list-style-type: none"> • Set up design team. • Report on progress. • Convene review 3 meeting. • Obtain approval for high-level organisational design. • Project team meeting agendas and minutes. • Issues log. • Sign-off sheets. • Updated project schedule.
Phase 4: Planning	<p>Step 10.1: Business case</p> <ul style="list-style-type: none"> • Key performance indicators. • Financial and non-financial benefits. • Impact on own department, other departments and service recipients (citizens). • Cost of implementation. • Time to first benefit realisation. • Sustainability of benefits. • Risks and dependencies. • Assumptions. <p>Step 10.2: Implementation planning</p> <ul style="list-style-type: none"> • Implementation strategy. • Implementation monitoring and reporting process. • Monitoring and evaluation plan. 	<ul style="list-style-type: none"> • Communicate the results of MPSA consultation. • Change strategy and plan. • Communication plan. • Training plan. • Workforce transition plan. • Labour relations management plan. 	<ul style="list-style-type: none"> • Report on progress. • Convene review 4 meeting. • Obtain approval for implementation plan and establishment. • Arrange consultation with MPSA for inputs. • Project team meeting agendas and minutes. • Issues log. • Sign-off sheets. • Updated project schedule.

Phases	Major deliverables of the phases	Deliverables of the change management process	Deliverables of the project management process
Phase 5: Implementation	<p>Step 11: Implement</p> <ul style="list-style-type: none"> • Training report. • Communication report. • Progress report. • Adjustments to the designed structure as necessary. • Updated process maps. 	<ul style="list-style-type: none"> • Communicate progress to the organisation. • Communicate with stakeholders. • Identify areas that or individuals who resist change and address the resistance. • Measure employee morale. • Measure progress, identify small wins and celebrate them. 	<ul style="list-style-type: none"> • Establish implementation team. • Execute implementation plan. • Arrange training. • Arrange migration of workforce. • Arrange recruitment and selection. • Arrange physical and technology infrastructure for expanded structure OR reallocation if required. • Arrange induction of new employees. • Review impact and report progress. • Obtain lessons learnt and review potential adjustments. • Obtain approval for adjustments from steering committee OR • Sign off implementation once governance structures are in place and all internal staff have been reallocated. • Project team meeting agendas and minutes. • Issues log. • Sign-off sheets. • Updated project schedule.
Phase 6: Monitoring and evaluation	Step 12: Monitoring and evaluation report (three, six and 12 months)		

6.5 ROLES AND RESPONSIBILITIES IN PROCESS

Phase roles	Phase 1: Diagnose	Review 1	Phase 2: Requirements	Review 2	Phase 3: Design	Review 3	Phase 4: Plan	Review 4	Phase 5: Implement	Review 5	Phase 6: Monitor and evaluate
Executive Authority	<ul style="list-style-type: none"> Initiate the diagnosis. Inform MPSA of potential restructuring. 	<ul style="list-style-type: none"> Review case for change and approve or reject. 			<ul style="list-style-type: none"> Provide resources. 			<ul style="list-style-type: none"> Approve or reject structure. Approve or reject implementation. 			
Minister for Public Service and Administration								<ul style="list-style-type: none"> Review business case and implementation plan. Review structure. Make recommendation. 			
Director General/ Head of Department	<ul style="list-style-type: none"> Initiate diagnosis. Inform EA of potential restructuring. Participate in strategic diagnosis. 	<ul style="list-style-type: none"> Participate in steering committee for tiers 1-3. 		<ul style="list-style-type: none"> Participate in steering committee for tiers 1-3. 	<ul style="list-style-type: none"> Provide resources. 	<ul style="list-style-type: none"> Participate in steering committee for tiers 1-3. 		<ul style="list-style-type: none"> Participate in steering committee for tiers 1-3. 		<ul style="list-style-type: none"> Participate in steering committee for tiers 1-3. 	<ul style="list-style-type: none"> Report to EA.
Management	<ul style="list-style-type: none"> initiate or request and perform diagnosis. Participate in strategic and operational diagnosis. 	<ul style="list-style-type: none"> Participate in steering committee on request. 	<ul style="list-style-type: none"> Support project team in reviewing and mapping processes. 	<ul style="list-style-type: none"> Participate in steering committee on request. 	<ul style="list-style-type: none"> Provide input into the design. 	<ul style="list-style-type: none"> Participate in steering committee on request. 	<ul style="list-style-type: none"> Provide input into the plan. 	<ul style="list-style-type: none"> Participate in steering committee on request. 	<ul style="list-style-type: none"> Implement. Assist project team. Communicate to direct reports. 	<ul style="list-style-type: none"> Participate in steering committee on request. 	<ul style="list-style-type: none"> Monitor structure performance.

Phase roles	Phase 1: Diagnose	Review 1	Phase 2: Requirements	Review 2	Phase 3: Design	Review 3	Phase 4: Plan	Review 4	Phase 5: Implement	Review 5	Phase 6: Monitor and evaluate
Employees and representatives	<ul style="list-style-type: none"> Participate in operational diagnosis. 		<ul style="list-style-type: none"> Participate in consultation forums. 		<ul style="list-style-type: none"> Employee forums. Input into design. 		<ul style="list-style-type: none"> Provide input into the plan. 				
Practitioner/project team	<ul style="list-style-type: none"> Perform diagnosis. Generate case for change report. 	<ul style="list-style-type: none"> Prepare deliverables. 	<ul style="list-style-type: none"> Analyse and map processes 	<ul style="list-style-type: none"> Prepare deliverables. 	<ul style="list-style-type: none"> Design and communicate. 	<ul style="list-style-type: none"> Prepare deliverables. 	<ul style="list-style-type: none"> Plan for implementation. 	<ul style="list-style-type: none"> Prepare deliverables. 	<ul style="list-style-type: none"> Assist line managers with implementation. Manage change. 	<ul style="list-style-type: none"> Prepare deliverables. 	<ul style="list-style-type: none"> Assist line manager with monitoring. Measure and report.
Project manager	<ul style="list-style-type: none"> Assemble project team. 	<ul style="list-style-type: none"> Arrange review. Submit deliverables. Obtain sign-off or give feedback to project team. 	<ul style="list-style-type: none"> Progress reporting. 	<ul style="list-style-type: none"> Arrange review. Submit deliverables. Obtain sign-off or give feedback to project team. 	<ul style="list-style-type: none"> Progress reporting. 	<ul style="list-style-type: none"> Arrange review. Submit deliverables. Obtain sign-off or give feedback to project team. 	<ul style="list-style-type: none"> Progress reporting. 	<ul style="list-style-type: none"> Arrange review. Submit deliverables. Obtain sign-off or give feedback to project team. 	<ul style="list-style-type: none"> Progress reporting. 	<ul style="list-style-type: none"> Arrange review. Submit deliverables. Obtain sign-off or give feedback to project team. 	<ul style="list-style-type: none"> Progress reporting. Benefits report.
Steering committee		<ul style="list-style-type: none"> Review deliverables. Approve or reject. 		<ul style="list-style-type: none"> Review deliverables. Approve or reject. 		<ul style="list-style-type: none"> Review deliverables. Approve or reject. 		<ul style="list-style-type: none"> Review deliverables. Approve or reject. 		<ul style="list-style-type: none"> Review deliverables. Approve or reject. 	

6.6 TOOLS INVENTORY

There are many tools available to assist you with the organisational structuring process. The tools inventory gives you a selection of tools recommended in the Guide. These tools have been organised according to the phases and steps of the organisational structuring process. The next chapters in the Guide will show you which tools to apply at specific steps in the process. There are also further explanations of the tools and their application in Section 3 of the Guide.

Phase	Types of tools		
Phase 1: Diagnosis	Steps 1 and 4 (Define problem and identify root cause) tools	Steps 2 and 3 (Strategic context and performance analysis) tools	Step 5 (Case for change) tools
	<ul style="list-style-type: none"> • Business excellence model. • Burke and Litwin model. • Root cause analysis. • Brainstorming. • Pareto analysis. • Cost of poor service delivery. • Fault tree analysis. • SWOT. • 7 S. • Dependencies map. 	<ul style="list-style-type: none"> • Determine critical success factors. • Value driver analysis. • Business focus matrix. • Service drivers review. • Benchmarking. • SWOT analysis of the critical success factors. • Critical success factor/ key performance factor vs. behaviour analysis. • Stakeholder requirement analysis. • Gap analysis. 	<ul style="list-style-type: none"> • Success indicator definition. • Structure questionnaire. • Design principles.
Phase 2: Determine requirements	Step 6 (Determine capacity requirements) tools		Step 7 (Develop service model) tools
	<ul style="list-style-type: none"> • Backward process analysis and engineering (SIPOC). • Customer requirements analysis. • Process health check criteria. • Business process maps. • Quick structured map. • Process analysis and optimisation. • Dependencies map. • Process requirements matrix. • External requirements analysis. • Risk analysis. • Service capacity planning. • Organisational capability analysis. • Behaviour enabler identification. • Behaviour/structure analysis framework. • Structure constraints review. • Maturity analysis. • Structure assessment questionnaire. 		<ul style="list-style-type: none"> • Service model checklist.

Phase	Types of tools	
Phase 3: Design	Step 8 (Design organisational architecture) tools	Step 9 (Design positions) tools
	<ul style="list-style-type: none"> • Structure gap map. • Structure selection matrix. • Governance structure requirements matrix. • Benchmarking. • Behaviour/structure analysis framework. • Culture Print. • Industry best practices. • Organisational charts. • Structure assessment questions. 	<ul style="list-style-type: none"> • Staffing norms table. • Full-time equivalent calculation. • Single-column process chart. • Management span of control: diagnostic grid. • Group size effect chart. • Job description templates. • Position impact analysis. • RACI analysis. • Work synthesis. • Work process analysis.
Phase 4: Business case and planning	Step 10.1 (Develop business case) tools	Step 10.2 (Develop implementation plan) tools
	<ul style="list-style-type: none"> • Business case template. • Cost of poor service. • Cost-benefit analysis. • Activity based costing. • Costing tool. 	<ul style="list-style-type: none"> • Implementation options. • Stakeholder influence analysis. • Force field analysis. • Dependency analysis template. • Impact analysis. • Risk analysis. • Costing tool. • Implementation plan. • Burke and Litwin model.
Phase 5: Implementation	Step 11 (Implementation) tools	
	<ul style="list-style-type: none"> • Implementation plan. • Structure issues log. • Progress report (to be agreed as part of project management approach). 	
Phase 6: Monitoring and evaluation	Step 12 (Monitor and evaluate) tools	
	<ul style="list-style-type: none"> • M&E framework. • Monitoring and evaluation planning template. • Monitoring and evaluation report template. 	
Transversal processes	Change management tools	Project management tools
	<ul style="list-style-type: none"> • Change strategy checklist. • External requirements identification. • Real-time strategic change (RTSC) methodology. • Framework for consultation. • Framework for selling case to key decision makers. • Checklist – obtaining approval from Executing Authority. • Checklist – consulting the MPSA. • Leadership/sponsorship alignment. • Communication planning matrix. • Force field analysis (refer to step 10.2). 	<ul style="list-style-type: none"> • Implementation schedule (refer to step 10.2). • Review checklists. • Progress report templates (to be agreed as part of project management approach). • Impact analysis (refer to step 10.2).