

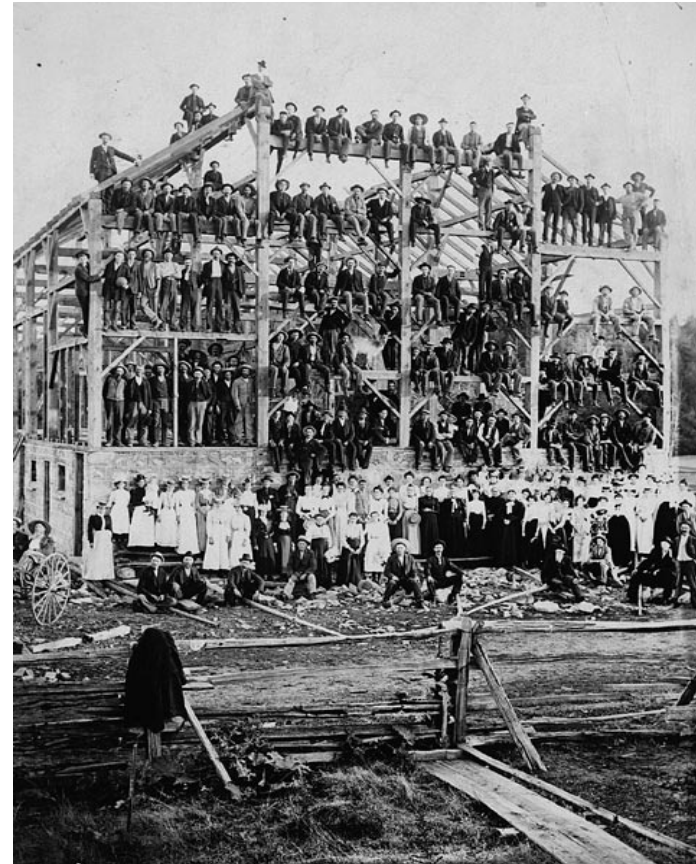
Organizational Structure: Understanding the Basics & Building from There

NCG Central Intelligence Series

Session II

February 9, 2012

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CDS Consulting Co-op



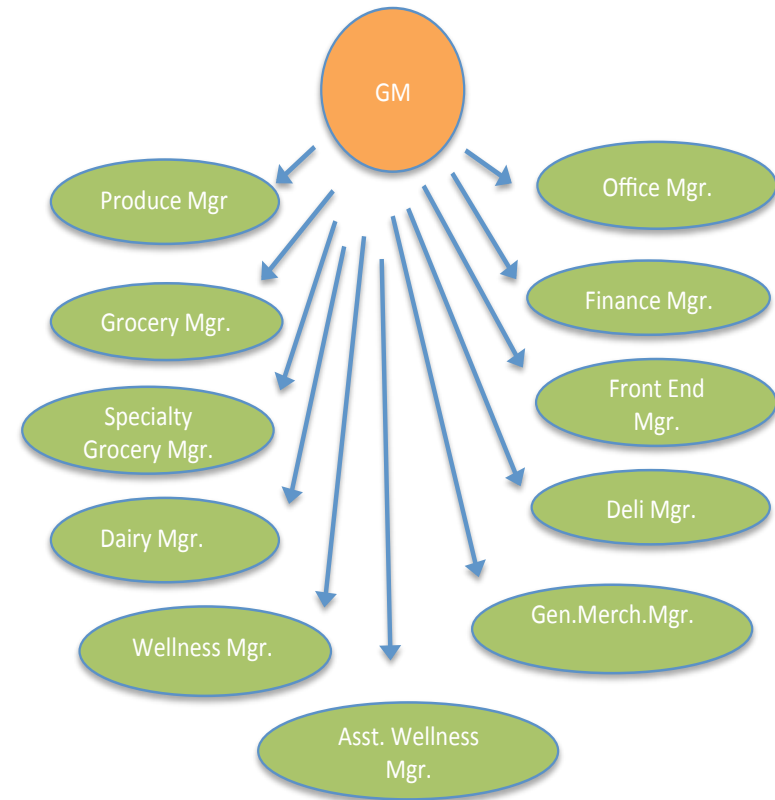
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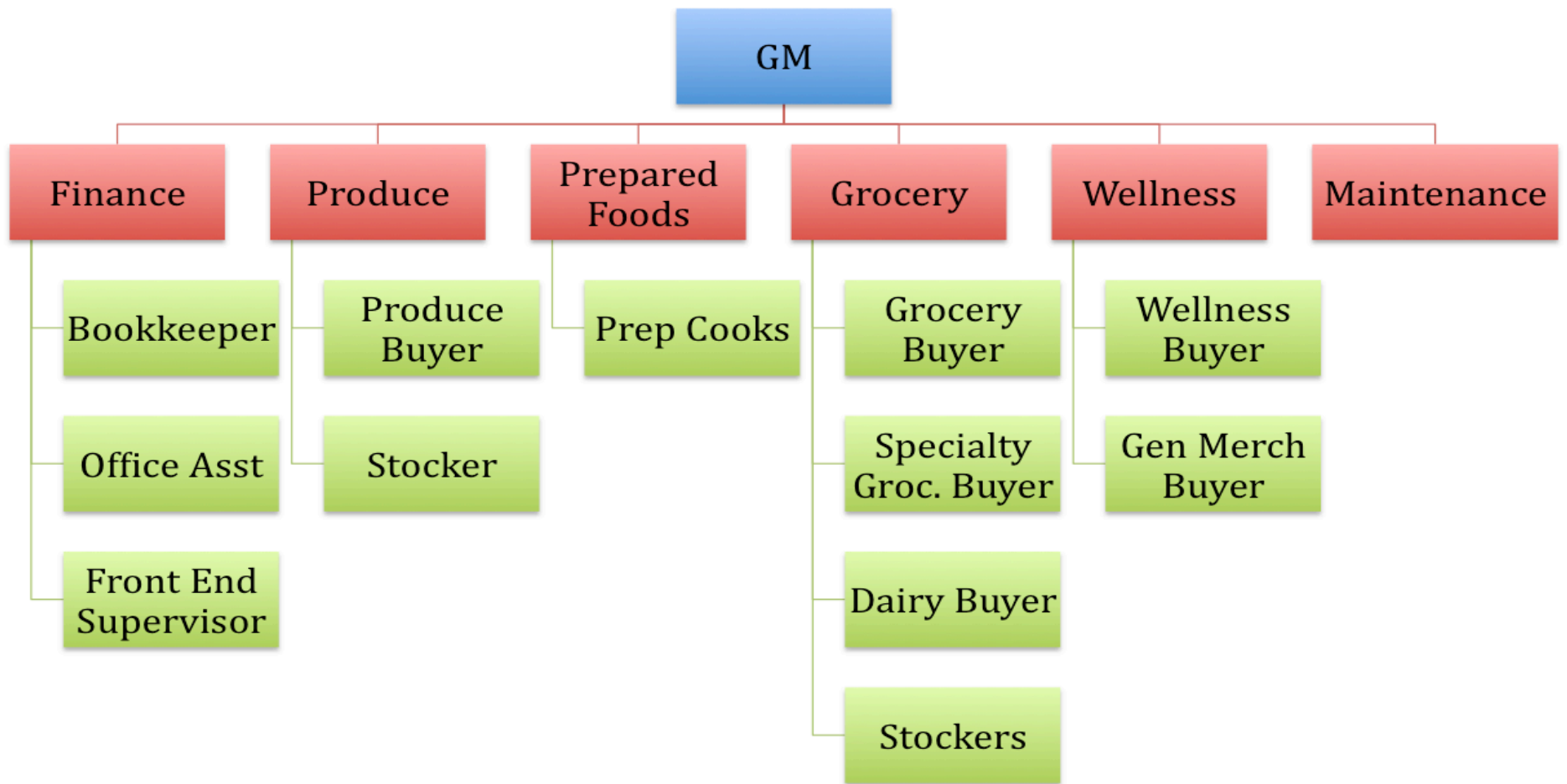
SOLUTIONS FOR COOPERATIVES

Case Study A

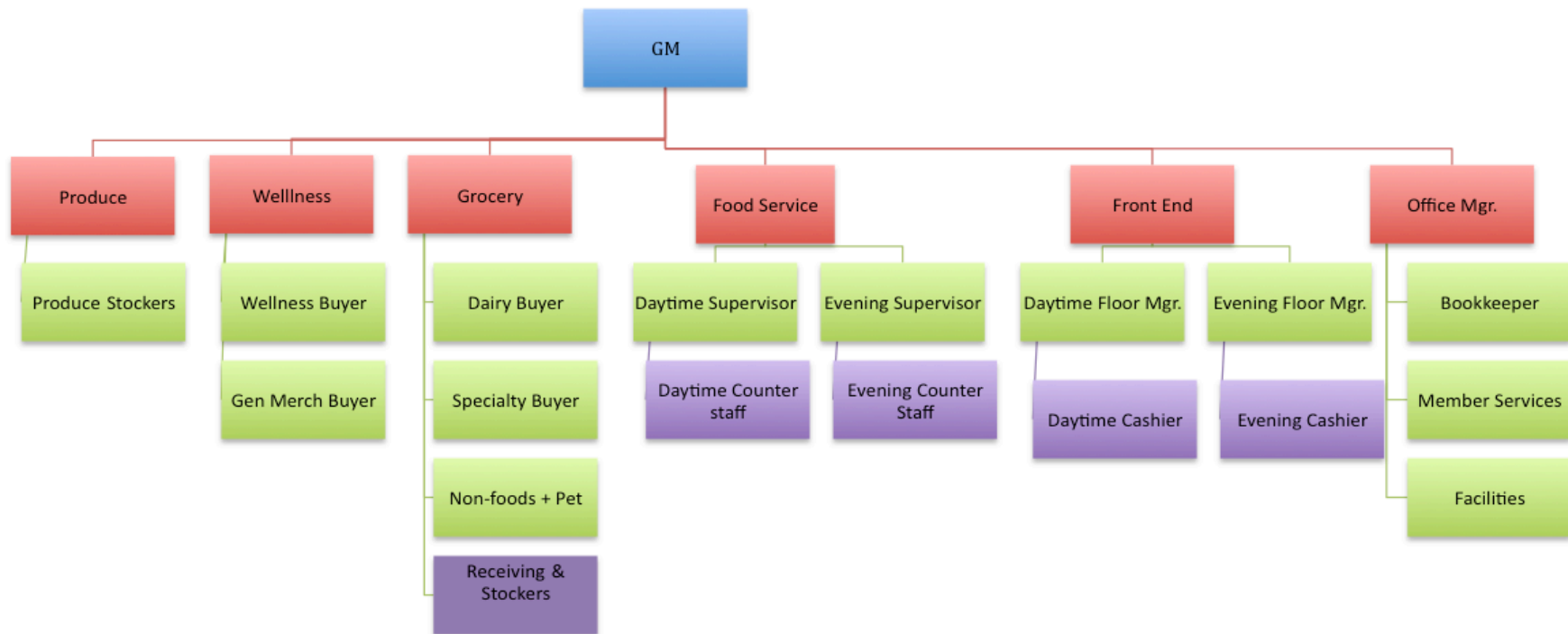
1. What kind of improvements to their organizational chart can be made? Why do you think that this is the best direction for Co-op A?
2. What are some changes that the GM could make to the way he is managing his time?
3. What are this co-op's top priorities to change?



Case Study A: Ideas from Jo Ellen at Maple City Market

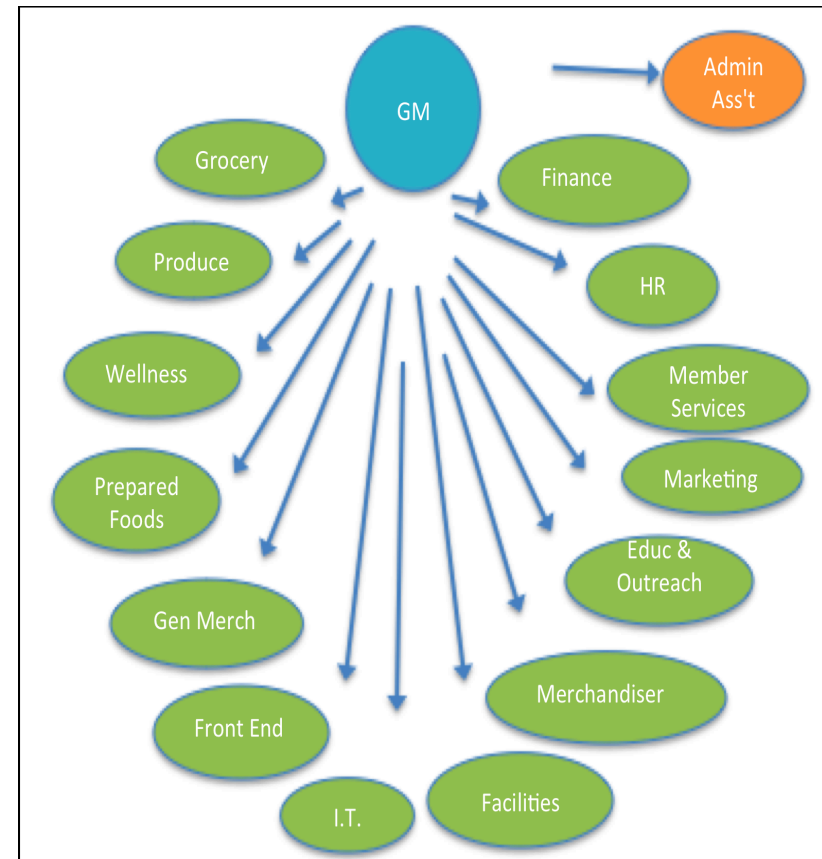


Case Study A: Ideas from Dave at ELFCO



Case Study B

1. Can you draw or describe what new structure that you think would provide the most strength to this organization right now? Why do you think this is the best solution for them?
2. How should the GM approach manage the integration and transformation to a/some new high-level management that will replace some of the direct reporting to the GM?

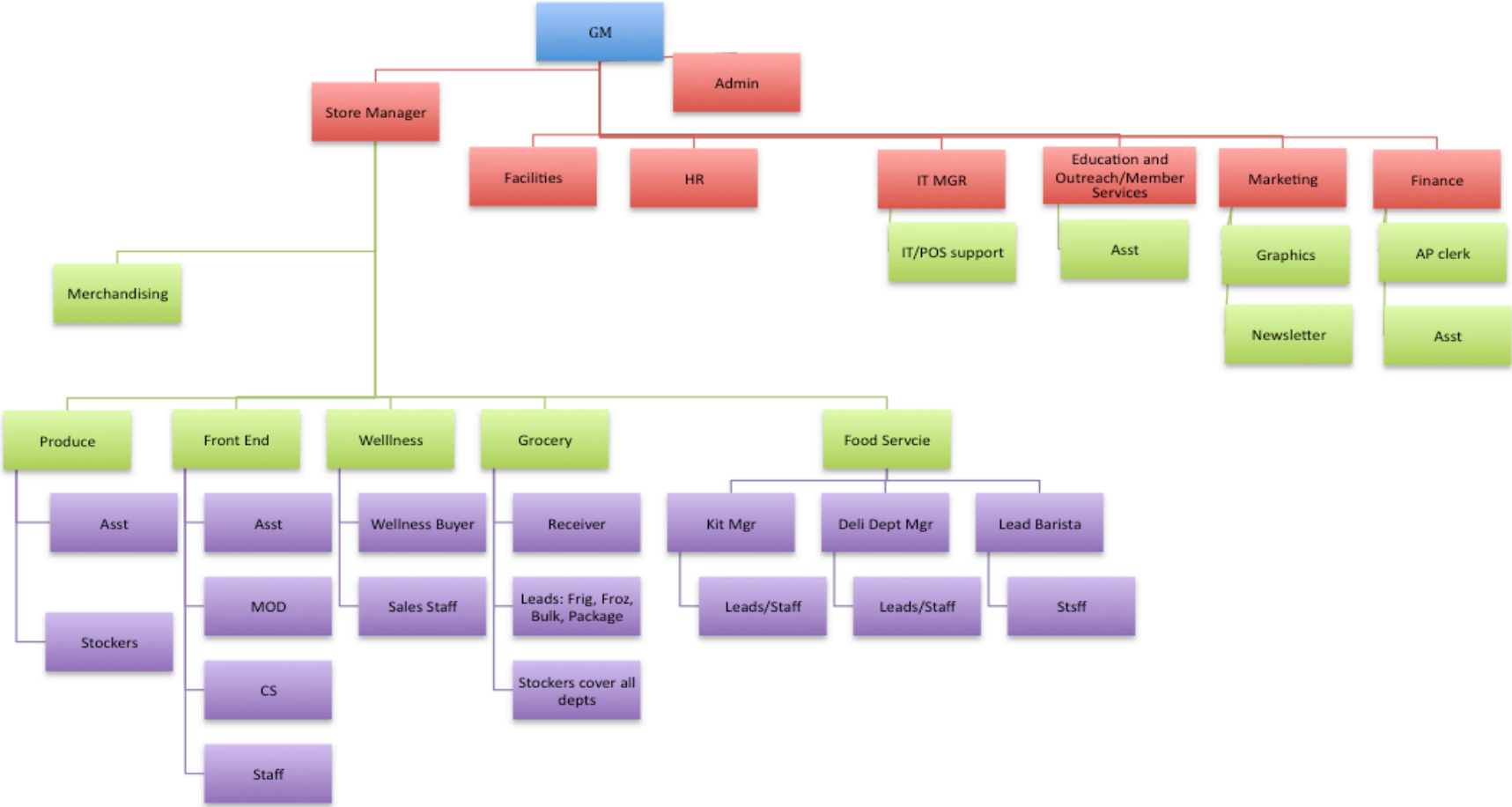


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Case Study B: Ideas from Steve at Oryana



Case Study B: Ideas from Dan at Wheatsville



Implementing structural change: Bluff Country Case Study

Liz Haywood, formerly GM of Bluff Country Co-op, now manager of People's Food Co-op's Rochester, MN store:

Problems with the old structure:

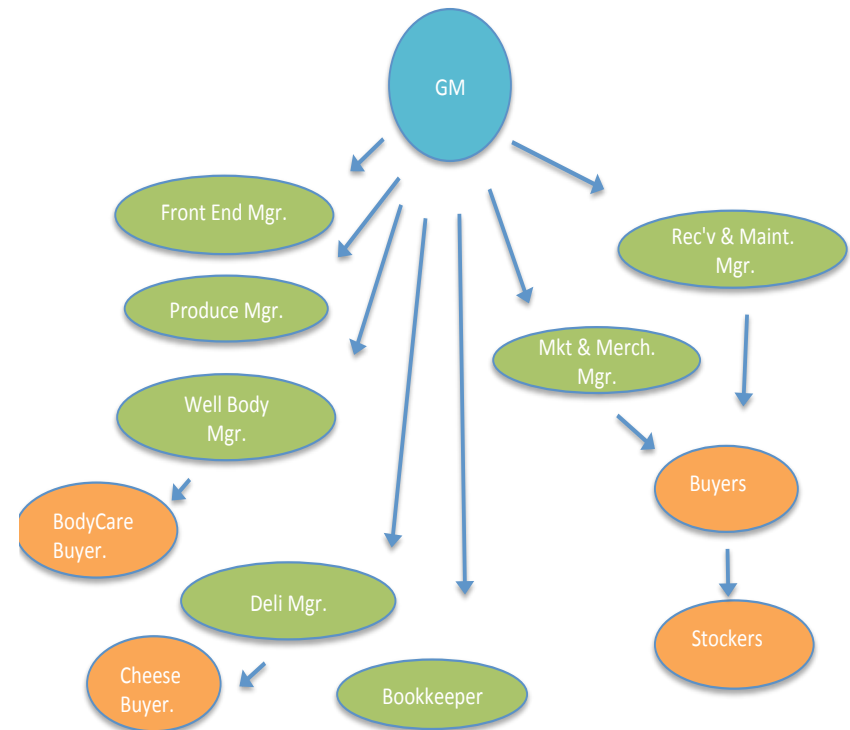
- ❑ tends toward redundant duties across departments.
- ❑ so compartmentalized that it can be difficult to get a task done with the staffing provided for a particular department.
- ❑ supervisory positions need to be in a higher range than buying positions, although these pay rates may overlap.
- ❑ the number of direct-reports to the general manager is difficult to manage.

Implementing structural change: Bluff Country Case Study

BLUFF COUNTRY'S OLD STRUCTURE:



BLUFF COUNTRY'S NEW STRUCTURE:



Implementing structural change: Bluff Country Case Study

Bluff Country' s Process:

1. Everything is on the table for discussion.
2. The current management team is making suggestions on the proposed Pay Scale Matrix, for the job descriptions and the pay levels. That meeting will be July 7th at 1:00.
3. Then Liz will make the final decision on the new structure.
4. Job openings will be posted by July 14th, and interviews will start July 21. Hiring will happen within 2-3 weeks.
5. After the management structure has changed, anyone that was formerly a manager will have the option of remaining on the management team.
6. Other jobs may have to be posted subsequent to hiring for the initial round.

Implementing structural change: Bluff Country Case Study

Bluff Country's Ground Rules:

- ☞ Listen to everyone.
- ☞ Be open to change and appreciative of everyone's contribution to the process.
- ☞ No one loses their job, and no one gets a pay-cut.
- ☞ All new jobs will be posted internally for anyone who wants to apply.
- ☞ Change will happen, but nothing has happened to make these changes yet.
- ☞ We recognize that it is not possible to please everyone, but that we are working for what is best for the co-op.

Implementing structural change: People's-LaCrosse Case Study

Michelle Schry from People's - LaCrosse's Story:

- ❏ Getting the “right people in the right seats on the bus”
 - Takes courage to move people into the right seats.
- ❏ People managers vs. product managers.
- ❏ Hunting for “pink elephants”
- ❏ Checking in on the vision, the desired outcome and making sure our actions are leading us there.

Making structural change

- ❏ Identify the problems with the existing structure, with your managers' involvement.
- ❏ Announce that you will be making changes down the road, though the exact shape of the future structure is not yet settled.
- ❏ Ask for input at every step along the way.
- ❏ If the GM will no longer be direct supervisor of certain managers, consider giving managers meaningful input on the final hiring decision for their new boss.
- ❏ Keep focused on what's best for the whole co-op; make it clear that one individual's interests won't stop the process.

Real Improvement Needs 2 Things:

1. A strong structure depends on accountability

- ❏ Creating a culture of excellence
 - What kind of work place culture will you build?
 - What kind of accountability, collaboration, cultural energy will produce the most productive and most satisfying work place?
- ❏ Meaningful evaluations and setting objectives.
 - What does the organization need to accomplish through each role?
 - How will you monitor and measure progress?
- ❏ Empowerment
 - The relationship between empowerment and delegation.

Real Improvement Needs 2 Things:

2. Clarity of Vision and Honest Assessment

- ❏ Clear vision of the future for your co-op.
 - Is the organization clear on where it is going?
- ❏ Honest assessment of structural strengths and weaknesses.
 - Where are the areas that are not able to fully support the organization where they should?
- ❏ Empowerment for each manager to fully support the organization by having clear goals and expectations.

Resources

Printed Resources:

- ☞ Retail Basics 103 workbook available through CGIN.
- ☞ Good to Great – by Jim Collins
- ☞ Productive Workplaces – by Marvin Weisbord
- ☞ Are there other favorites you have?

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Thank you from All of Us at CDS Consulting!



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