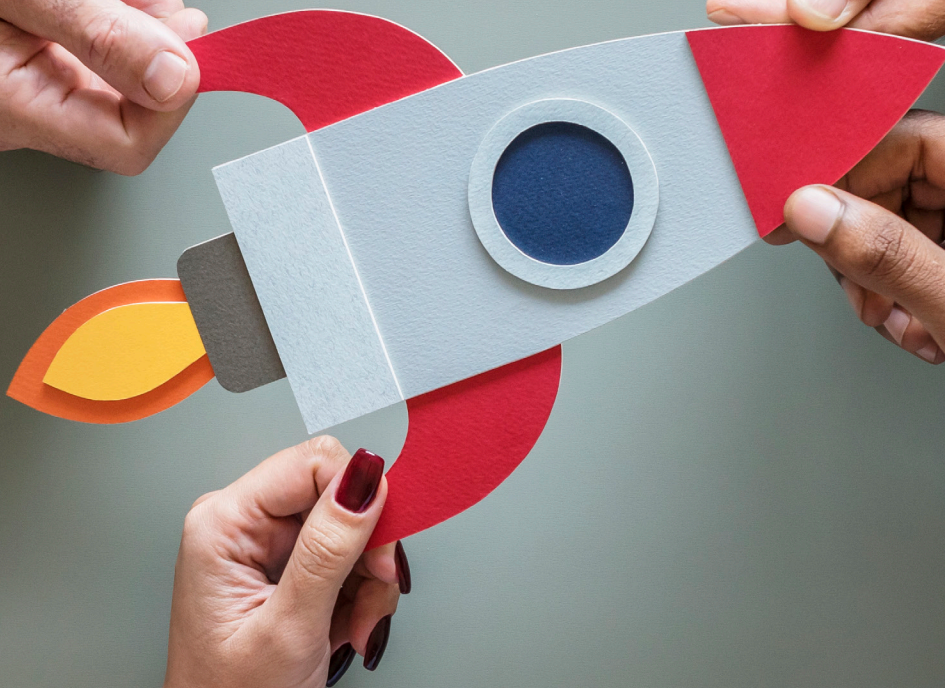# Growing Global Teams: **A Best Practice Approach to Organizational Design**

Align Your Organizational Model to Support Rapid Business Growth

With soaring revenues and a flourishing customer base, rapid business growth can be a great problem to have. After all, who doesn't want to see their hard work pay off with resounding financial success?

But according to a recent study, only a third of Inc. Magazine's 5,000 fastest growing companies were still around after five years.[1] While plenty of issues factor into this sobering reality, a major reason that growing companies collapse is uncontrolled expansion, including a failure to evolve how organizations are structured.

Operational inefficiencies, skills gaps, burnout, quality issues, and sub-par customer experiences are just a few pitfalls of failing to mature organizational models to support business growth. As staff members contend with escalating demands, business decisions are made under pressure and oftentimes and quick-fix or stop-gap measures can supersede thoughtful, strategic planning.

As a global organization that has grown from just a few employees in 1995 to more than 14,000 professionals across five continents, we've learned a thing or two about evolving teams to support business expansion. In this eBook, we'll share some best practices that can help your business grow and nurture global teams.

What Worked Yesterday, May Not Work Today

When it comes to business, change is the one constant: markets shift, technology changes, new competitors emerge. In a recent Harvard Business Review survey, **58% of managers reported that they needed to reinvent their businesses at least every three years.**[2]

To survive, businesses must adapt and mature—and this includes the underlying team structure. The way you set up the roles and responsibilities in your organization may have made sense six months ago. But it may not make sense today.

~60% of leaders feel "used up" at the end of the workday[3]

7 Signs that It's Time to Rethink Your Team Structure

Knowing when to adjust (or completely overhaul) your plans can be difficult. Here are seven indicators that signal it's time to revisit your organizational model.

1 Sales revenue has grown or contracted

2 The number of employees has grown or contracted

3 Business goals have shifted

4 Your team is overwhelmed

5 Your team has skills gaps

6 Your team is doing work that does not advance business goals

7 Employee turnover is high

Conduct an Organizational Health Check

If you're seeing any of these warning signs, it's time to assess your current organizational design. Having a clear understanding of the overall picture increases success in building a resilient and agile organization that meets both the needs of the business and the needs of employees. It also helps justify changes and gain buy-in from leaders, stakeholders, and team members.

Key Organizational Health Check Questions
To assess the suitability of your organizational model, these are some key questions to ask.

|		
	What are the current and future business needs and are they being met?	To stay competitive, companies must innovate and set new strategic objectives. Objectives may include introducing new product and service lines, expanding into new markets, or adopting new processes and technologies that improve efficiency and productivity. Whatever the business need, organizations must align with these new demands. Understanding future needs is critical to ensuring organizations can scale.
	What is your manager-to-individual contributor ratio?	Amazon's Jeff Bezos famously coined the concept of the "two-pizza team"—meaning that if you can't feed a team with two pizzas, your team is too big. Research shows that employees who spend six hours with their direct leaders are 29% more inspired and 30% more engaged in their work[4]—that translates into 5-7 direct reports. Additional direct reports can overwhelm managers. As your team grows, identify and prepare team members capable of supervising others or hire to fill supervisory roles.
	What are your team's strengths and skills gaps?	As business needs (and technologies) evolve, you need to inventory and leverage your employees' strengths and be on the lookout for skills gaps. You can bridge gaps through training, hiring, or even outsourcing. When hiring, customize the job description around the specific skillsets that fill gaps on your team. Remember that the cost of a bad hire can equal 30% of a new hire's first-year potential earnings.[5]
	What is your team's capacity to handle current and future workloads?	Workload management is key to distributing and managing work across teams for maximum productivity and efficiency. Make sure you understand your team's capacity and how tasks are distributed by role. If your team is falling behind or team members are consistently overwhelmed, consider if you need to hire additional staff. If the work requires specialized expertise or project work, consider outsourcing, so you can focus resources on your primary business. Likewise, if team members are working at optimal capacity but you know demands will increase, put plans in place to scale.
	What are your time zone needs?	Doing business within your customers' time zones helps drive customer satisfaction while minimizing the need for staff to work outside normal business hours. This is especially true if you offer services requiring 24X7 staffing, such as help desk and customer support. As your team grows around the world, ensure you have in-region supervisory roles. Additionally, be thoughtful about managing meetings around time zones.
	How diverse and inclusive is your team?	Ensuring a diverse and inclusive team culture is not only the right thing to do, it benefits everyone. Companies in the top quartile for gender diversity and ethnic diversity are 15% and 35% more likely, respectively, to see above-average financial returns.[7] Furthermore, teams that value diversity of thinking are 20% more innovative, and teams that are inclusive, are twice as likely to meet financial targets and eight times more likely to achieve improved business outcomes.

Tip: Seek Outside Perspective

As you conduct your assessment, take time to communicate and seek inputs from diverse stakeholders, leaders, and team members. Be willing to listen and adapt your plan. Getting others' perspectives can help you avoid potential issues, gain buy-in, and improve your long-term success.

Design an Organizational Model as Unique as Your Business

Once you have completed a thorough assessment, you should have the information you need to design your organizational model. There are different methodologies for structuring a team, but ultimately the model you choose should suit the unique qualities of your team and business.

Five Common Organizational Models

	Functional	In this hierarchical model, organizations are grouped by tasks based on specialty such as finance, operations, and marketing. Advantages can include accelerated decisions and cross-training similar skillsets.
	Divisional	In this hierarchical model, organizations are grouped by products or projects. Advantages can include increased efficiency.
	Matrixed	**This model combines functional and divisional structures. Advantages can include greater autonomy, productivity, and creativity.**
	Centers of Excellence	This matrixed model creates small, dedicated teams that work across business units or product lines. Advantages can include increased creativity and innovation.
	Flat	This structure forgoes traditional top-down hierarchical models to decentralize management. Advantages can include greater agility and improved communication.

Case Studies in Solving Unique Busines Challenges Through Organizational Design

As a provider of business process outsourcing (BPO) services, Beyondsoft has plenty of experience rapidly scaling global teams to accommodate customers' changing needs. Below are two examples of how we restructured our support teams to align with customers' changing needs.

Matrixed Organization Drives Productivity and Efficiency for Operational Support Team
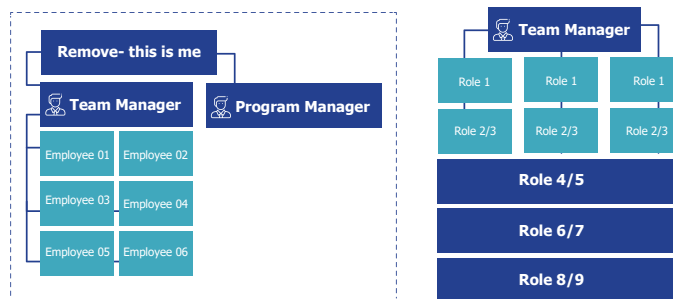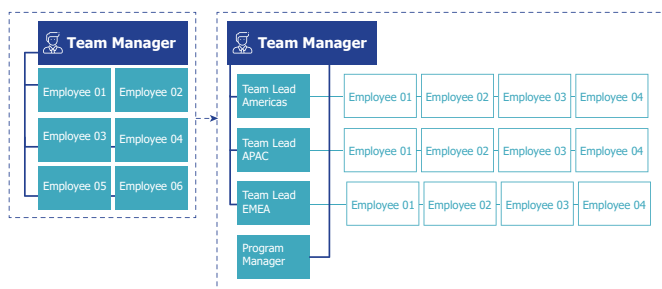
The Challenge

Our client, a global technology provider, had engaged Beyondsoft for operational support. To accommodate the client's rapidly escalating support needs, the operations team expanded quickly from one to 18 individual contributors in just six months, overwhelming both the manager and the staff.

The Solution

To distribute management responsibilities and improve support of individual contributors, Beyondsoft added supervisory roles at the regional level, with team leads and a program manager reporting up to the team manager. In total, two roles were added.

The Results

- Reduced overtime hours and achieved optimal work-life balance for all team members.
- Improved supervisory and coaching support of individual contributors.
- Increased team productivity and overall quality of support for the client.

Building Center of Excellence Enhances Quality Support at Scale

The Challenge

A global technology company had engaged Beyondsoft to support its training program. The client's needs evolved rapidly, requiring the Beyondsoft team to scale quickly. To accommodate the rapid growth, each team member was performing ten distinct job functions, impacting work-life balance and productivity.

The Solution

To ease the strain, the support team was restructured to refocus individual contributors on key functions that aligned with their key strengths and capabilities. Additionally, an analysis revealed a skills gap in the area of communications. To bridge this gap, a new individual contributor was added to the team.
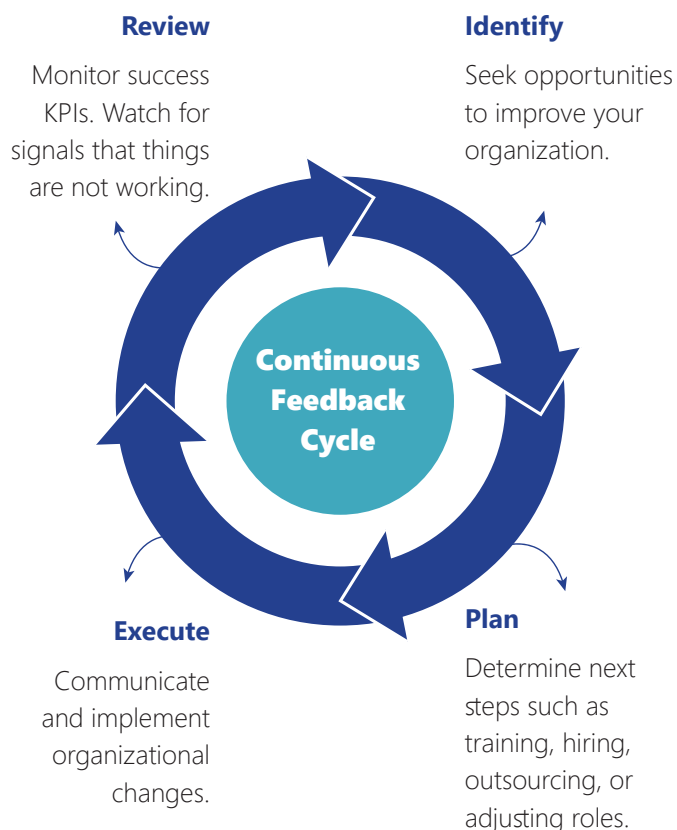
The Results

- Reduced overtime hours and achieved optimal work-life balance for team members.

- Enhanced team productivity and customer satisfaction.

- Created a team of subject matter experts, increasing creativity and innovation.

Create a Feedback Loop for Continuous Improvement

If you approach organizational change as a continuous improvement cycle rather than a set-it-and-forget-it occurrence, you're much more likely to achieve success. A continuous improvement cycle ensures you can make smaller, incremental changes as needed. Whether you revisit monthly or quarterly depends upon your business. Be sure to establish a set of key performance indicators such as sales performance, productivity, capacity, and attrition.

Review

Monitor success KPIs. Watch for signals that things are not working.

Identify

Seek opportunities to improve your organization.

Continuous Feedback Cycle

Execute

Communicate and implement organizational changes.

Plan

Determine next steps such as training, hiring, outsourcing, or adjusting roles.

Expand Your Team with Help from Beyondsoft

Managing your global organization through rapid growth can be challenging. But with careful planning, you can structure your teams to meet business objectives and drive market share.

With 32 delivery centers across five continents, Beyondsoft can help you scale and optimize your global teams to support business growth and success. In addition to consulting and offshoring, we provide business process outsourcing and service desk offerings including:

- Quality reviews and contract management
- Technical support desk
- Content management
- Real-time monitoring and escalations
- Crisis and communication management

Contact us today at info@us.beyondsoft.com

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