

A Tidy Org Chart Is Not a Working One.

THE DESIGN PRINCIPLE

A diagnostic for knowing whether your structure serves your goals, or only looks orderly.

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A tidy org chart is not a working one: how to tell whether your structure serves your goals.

When a company senses it is not reaching its goals, the reflex is almost always the same: redesign the org chart. Move some boxes. Add a layer. Merge two functions. Split one that grew too large. The instinct is understandable, because the org chart is the most visible representation of the organization, and reshaping it feels like decisive action. But it is the wrong place to start. Structure is not designed from the boxes. It is designed backward from the goal.

The right question is not "what org chart do I want?" It is "what decisions does this organization have to make to reach the goal, and who needs the authority, the information, and the capacity to make them?" Structure is the answer to that question, not the starting point. An org chart designed before that question is answered is decoration. An org chart designed after it is an instrument. What follows is a diagnostic to tell which one you have.

"An organization can be perfectly tidy and perfectly unable to execute its strategy. The neatness of the diagram tells you nothing about whether the structure works."

Why the org chart deceives

An org chart shows reporting. It does not show how the work actually gets done. It can look impeccable, clean layers, reasonable spans of control, no obvious redundancy, and the organization can still fail to reach its goals, because the real work lives in the handoffs between the boxes, not inside them. The diagram is a map of authority and status. It is silent on flow. And flow is where strategy is executed or lost.

This is why reshaping the chart so often changes nothing. Leaders move the boxes, the diagram looks better, and six months later the same goal is still out of reach, because the redesign addressed the picture rather than the problem. The tidiness of a structure and its ability to deliver are two entirely different properties. The first is visible on a slide. The second only shows up in whether the goal gets met. To see the second, you have to stop looking at the chart and start testing it.

The diagnostic: four tests

When I work with a leadership team, I do not begin by asking to see the org chart. I begin by asking what the organization is trying to achieve, and then I run its structure against four tests. Each one is a question you can put to your own organization this week, and together they reveal whether the structure serves the goal or merely looks orderly.

First, the decision test. Take the three most important decisions required to reach your goal this year. For each one, is it clear who makes it, with what authority, without escalating? If a critical decision has no clear owner, or has to climb two levels to get resolved, the structure is not designed for that goal. It may be designed for a goal you had five years ago, or for no goal at all. A structure built for the work will have put decision authority where the decisions actually need to be made.

Second, the handoff test. Trace one key goal through the functions it has to cross to get done. Where does it stall? Handoffs between functions are where performance is won or lost, and a structure that looks clean on paper can be riddled with friction at every crossing. If your goal passes through five functions and each crossing requires an alignment meeting to move forward, the structure has the problem, not your people. Good structure makes the handoffs the goal depends on nearly frictionless. Bad structure turns every one of them into a negotiation.

Third, the capacity test. Does the structure put capability where the goal is? Talent, authority, and resources are often concentrated by history rather than by strategy, sitting where the important work used to be rather than where it is now. If the goal depends on a function that lacks the weight, the headcount, or the standing to execute it, the org chart is misaligned with the strategy. The test is simple: for the function your most important goal most depends on, does it have the authority and the resources that dependence implies? Or is it being asked to carry the strategy without being given the means?

Fourth, the hero test. Is the goal reached because of how the structure is designed, or in spite of it, held together by a few people quietly compensating for what the system does not provide? Every organization has these people, and they are easy to mistake for proof that the structure works. They are usually proof of the opposite. The test: if you removed two key people, would the structure still deliver? If the honest answer is no, the goal is not being met by the design. It is being met by individuals absorbing the gap the design left, which is a dependency, not a structure.

What the organizations that get this right do

The organizations that build structure well do not start with the org chart. They start with the goal. They map the decisions the goal requires and the handoffs it has to travel through, and only then do they

design the structure that makes those decisions clear and those flows frictionless. The org chart is the last thing they draw, not the first. It emerges as the answer to the work, rather than being imposed as a template the work then has to fit itself into.

This is the difference between a structure that is an instrument and one that is an artifact. An instrument is shaped by the goal it serves and changes when the goal changes. An artifact is inherited, a residue of the company's history, reorganized periodically for tidiness but never actually designed against what the organization is trying to do now. Most org charts are artifacts. The work of leadership is to make them instruments, which begins by refusing to treat the chart as the starting point and treating the goal as the starting point instead.

If your structure feels tidy but your goals keep slipping just out of reach, that gap between the two is exactly the kind of design problem I work on: designing the structure backward from the goal, so the chart finally serves the strategy instead of sitting beside it.

ONE QUESTION TO CARRY THIS WEEK:

Put your most important goal for this year and your current org chart side by side. Was the second designed to achieve the first, or is it simply the structure you inherited, now being asked to deliver something it was never designed to do? Be honest about which one you are looking at.

Put these four tests to work: take the five-minute Structure Self-Test at longevitybydesigned.com.

A tidy structure and a working structure are not the same thing. The first looks good on a slide. The second reaches the goal, and only one of them is designed on purpose.



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