ZOHO *for* **Enterprise**

# The **latest trends** in enterprise organizational design

Organizational Optimization, Q1 2022

# Each company has its own unique structure, practices, and cultural norms. Here are some of the most significant innovations in recent years.

What is the best organizational framework for a company to maximize efficiency? What kind of corporate structures are best for team culture to thrive? With significant developments in working environments and technology, large enterprises and legacy brands have discovered new answers to the key questions of organizational design. By breaking out of outmoded patterns of top-down corporate hierarchy, these companies have found the freedom to redesign their processes to adapt to the new playing field.

> "
>
> *Many managers live by the saying: 'you can't improve what you don't measure.' While this mindset can work for companies looking to boost quantitative metrics like sales figures, it becomes more challenging when applied to corporate culture.*
>
> **- Raju Vegesna, Zoho's Chief Evangelist**

## Culture audits

With recent research showing that a healthy work culture can lead to a 4x increase in revenue growth[1], many organizations have looked for methods to measure and optimize their corporate culture as they would other internal processes. Performing regular "culture audits" is one technique that's been used effectively to ensure that value-driven companies are living up to their principles.

[1]  Forbes, 2021

For many organizations, these audits are conducted in phases, similar to other kinds of audits: planning, processing, and reporting. Audits often begin with anonymous surveys throughout the company to establish a baseline for comparison. Subsequently, they review their official culture statements, code of conduct, and HR data. Finally, they use both sets of data to compile a detailed report on the successes and failures of their stated goals, based on the perceptions of the employees.

### Stay connected, with Zoho

*In order to help our users maintain a healthy network of communication, Zoho has developed Connect, an org-wide corporate social intranet solution. Leadership can use interactive virtual townhalls to foster a connected culture, and teams can organize complex projects with kanban boards. Connect utilizes the tools of social networks to incentivize cross-team collaboration and remote productivity.*

These audit reports often highlight the narratives of specific teams or verticals that stand out as models for success, or areas for improvement. While each organization needs to carefully consider the best ways to optimize post-audit, taking stock of cultural concerns can have a positive effect on its own.

## Agile remote teams

Although agile project management has been around for some time, its value has increased significantly in the era of remote work. Vijayakumar Sadagopan, Lead Product Manager of Zoho Sprints explains: "Historically, IT and software development teams have been the main users of agile. Now, the sudden transition of these globe-spanning companies from in-person working to fully remote is introducing all new challenges to many teams that are simply unprepared, logistically speaking." This big shift has made agile teams' emphasis on maximizing independence and minimizing bureaucratic obstacles particularly attractive. The strategy has proven especially effective at moving complex tech projects through multiple stages of development.

> ❝ ❞
>
> *93% of agile-based teams performed better[2] than non-agile teams within the same company following the switch to remote work.*
>
> **[McKinsey, 2020]**

In particular, the agile philosophy of "self-management" has stood out as a difference-maker. This means distributing more responsibility to individual team members, since the ability for managers to provide detailed oversight on tasks is much more limited when communicating virtually. It's no surprise then, that non-IT agile adoption doubled throughout the course of 2020[3].

Whether this agile-ization of business is only a temporary response to a crisis, or marks a more permanent change remains to be seen. However, forward-looking companies are incentivized to prioritize hiring candidates with agile expertise into management roles. At the same time, many have invested significant resources into remodeling their corporate cultures to reward independence and responsibility.

### Sprint to the finish!

*One of the ways that Zoho has made it easier to work together is with our project management tools, Zoho Sprints and Zoho Projects. Sprints is designed around a streamlined agile philosophy to incentivize lean, iterative development and team collaboration. Projects is built for teams that favor a traditional waterfall method for managing resources and planning tasks in well-coordinated stages.*

[2] McKinsey, 2020 | [3] Digital.ai, 2021

# Process automation

Business process automation has been one of the more significant technological developments in organizational design in recent years. The ability to orchestrate precise rules and tasks on the macro level provides business leaders with the opportunity to build out their ideal work models, and experiment with new concepts on the fly before pushing them live. It's understandable then, that as of 2020, only 16% of businesses have no automation plans[4], and the vast majority of the technology currently deployed prioritizes process automation.

Even beyond the increase in profits and lowering of operating costs, improved customer engagement and a lighter employee workload can have a multiplying effect on positive branding and company culture.

[4] McKinsey, 2020  |  [5] McKinsey, 2021

One of the main obstacles to implementing new technology is adequately staffing teams with the right skill-sets to deploy and manage it. In a 2021 McKinsey survey, the highest performing companies prioritized filling tech positions with high-quality individuals 15% more than their competition.

Inadequate talent in either the tech or design side of a process automation rollout can have far-reaching consequences given the amount of infrastructure that it's responsible for maintaining. Organizations often establish specialized roles that are dedicated to process automation.

For example, companies will often bring on digital transformation leads to execute their automation and orchestration strategies, as well as data compliance and security experts to ensure that their process automation is executed ethically and securely.

Committed organizations will assign experienced financial analysts to their automation teams to analyze the ROI, and allocate funds appropriately to optimize results from a business perspective.
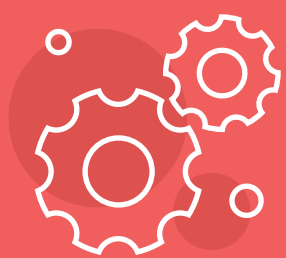
### Centralized process automation

*Zoho has made process automation a major priority in our mission to enable organizations with new ways for optimizing their work. To that end, we've developed Zoho Qntrl, a SaaS workflow orchestration platform, to automate key business processes. With centralized process mapping, and enhanced compliance features, Zoho has made Qntrl to assist enterprises that are looking to streamline their work, org-wide.*

The ceiling for potential gains from business process automation is incredibly high. Enterprises looking to revamp their org structure have little to lose from investing in a skilled team to onboard and maintain it successfully.

## Designing a better organization

Now more than ever, enterprises are paying more attention to how the structures within their organizations inform both productivity and culture. By acting proactively and making constructive changes, these companies can foster a healthy working environment that's future-proof.
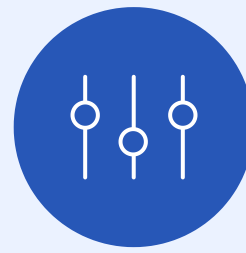
# Why Zoho for Enterprise?

Proven software, customer commitment, tremendous value.
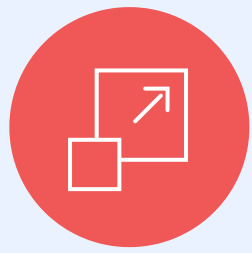
## Scalability & Reliability

Zoho for Enterprise reduces the cost of infrastructure, unifies existing apps, and solves complex business problems for increased enterprise fitness, resilience, and scalability.

## Customization & Extensibility

Through granular customizations and powerful in-house developer platforms, Zoho lets you orchestrate workflows, streamline data management, and deploy world-class solutions at scale.

## Security & Privacy

From owning our own data centers to GDPR compliance features, Zoho enables enterprise organizations to focus on core business priorities, rather than data management.

## Enterprise Services

From data migration to consultation and implementation, our team is armed with the in-depth product knowledge and industry expertise to meet your unique technical requirements.

## Are you ready to transform your organization?

We're here to help. Have a 15-minute, no-obligation call with one of our **Business Architects** to get all your questions answered.

Find us at **zoho.com/enterprise**  |  **ZOHO** for **Enterprise**