



Amidst a Silent Transformation: the Re-Birth of a Modern Organization

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It is hard to imagine what a caterpillar must feel waking up one day in its cocoon and finding huge wings attached to its back. I might not be a butterfly yet, but I think I know how it feels: after 15 years of working on designing high-performance organizations, I suddenly find myself amidst a very drastic change. If I was to sum up the nature of this transformation, it would come to a simple phrase: organizations are not what they used to be. And the ability of managers to recognize this change is at the core of the long term business success in the 21st century.

So, what does our emerging butterfly looks like?

- *From organization to organizing*

First and foremost, long gone are the days when organizations were associated with set-in-stone buildings, life-long careers, and stable pay checks: everything comes and goes so rapidly, that there is no such thing as *organization* anymore, but rather an ongoing process of *organizing*. No reason to panic – this shift enables us to look at organizations as a *process* of continuous improvement, rather than a drive for a stable *structure* – and looking at your organization from a process perspective allows for more flexibility, attention to the market, and, ultimately, more creativity.

- *From products to solutions*

It seems that it was just around the corner: you come into the store to buy toothpaste, and the choice was made for you – a simple tube with a 'Toothpaste' label on it. Try the same exercise now – and you suddenly get bombarded with a minimum of 30 choices. With increasing competition and moving demands, no longer we can afford to continue offering products that make sense to us as a company, but rather discover solutions that make sense to them – the customers. If Apple was building its organization around a particular successful product – a computer – it would never enjoy the success of iPod, and would not have a chance to revolutionize the music industry with introduction of iTunes. Perhaps, Charles Revson, the pioneer behind Revlon Cosmetics, said it best: "*In the factory we make cosmetics; in the store we sell hope.*"

- *From independence to interdependence*

Furthermore, the 21st century has redefined the boundaries of a modern company. Suppliers may break or make your ability to compete, while customers become the most active players for new product development.



Now it is not enough to consider strategic decisions within the boundaries of the company – to create value, a company must know and manage performance along the entire life cycle value chain, upstream to raw materials and downstream to product end-of-life. The boundaries are blurring.

- *From maintenance to design*

The rapid change in the competitive environment is creating new business challenges the like of which has not been seen before. With no obvious solutions and formulas in existence, and little 'best practices' of yesterday apply to tomorrow. In the era of massive rapid change, success requires a

willingness and appetite for constant innovation, rather than maintenance of existing business models and approaches. Google has been proving that design matters – and anyone who saw the 'normal' offices of this international giant knows that design is at the core of Google culture and operations.

What does it mean for all of us? It looks like there are at least two choices. One, we can find our new wings uncomfortable and scary, and pretend they do not exist – continuing our organizational life as if all is 'business as usual' – waiting on the ground to be eaten by a passing predator. Or – we could spread the wings out, recognize, enjoy, and act upon this change, taking a leap of faith, and enjoying the flight. It is always a personal choice.

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