



# THE CENTRALITY OF ORGANIZATION DESIGN

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I am excited about this new journal focused on the subject of organization design. In my view, organization design is a central issue in the field of management. Designing an organization requires an understanding of strategy, as we pointed out some time ago (Miles & Snow, 1978). For example, if you want to be a prospector (a first-mover strategy), you have to design your firm to move quickly in new directions, which is likely to require that it be arranged so that various kinds of teams can interact across organizational units and levels. Designing an organization to follow a first-mover strategy also requires both an understanding of leadership and a commitment to the free flow of information throughout the organization. Leaders must understand how cross-functional teams pursue ideas and opportunities, and they must facilitate collaborative knowledge sharing to drive innovations that help the firm operate entrepreneurially. Because an organization is a complex, dynamic system, perhaps no other single topic is so deeply implanted at the core of management, organization theory, and organizational behavior as organization design. Moreover, organization design once was, and could be again, the topic of an ongoing dialogue between managers and academics focused on business organizations.

Throughout my research and writing from the 1950s to the present, the topic of designing organizations has nearly always been the starting point of meaningful conversations with managers. In the 1960s, when academics and managers interacted freely around efforts at team building, job design, and leadership and motivation, designing new organization structures and management mechanisms was a shared interest (Likert, 1967; McGregor, 1960). In the 1970s, as business strategy formulation and implementation emerged as an organizational challenge, designing the firm to fit chosen strategies was of interest to both scholars and practitioners (Miles & Snow, 1978; Peters & Waterman, 1982). In the 1980s and 1990s, as organization theory turned its attention towards networked organizations, which require coordinated and even collaborative relationships among multiple firms in a global supply chain, design became a continuous process, emphasizing the creation of conditions that support a changing and demanding level of trustworthiness and knowledge sharing not only within but across firms (Miles & Snow, 1994). Lastly, both economic and organizational research in the last decade increasingly has focused on the level and pace of innovation as the primary wealth-creation mechanism of the 21st century. To facilitate rapid and efficient innovation, firms are seeking to both broaden and deepen their external linkages, through processes such as open innovation (Chesbrough, 2003), user-driven innovation (von Hippel, 2005), and collaborative entrepreneurship (Miles, Miles, & Snow, 2005). Throughout this evolutionary process, organizations have become more complex and difficult to manage, demanding a new awareness of organizational design alternatives and how they can be generated and implemented. Such awareness can only come from a close and continuing dialogue between researchers and practitioners.

Despite calls for “useful research” (Mohrman, Lawler, & Associates, 2011) and “engaged scholarship” (Van de Ven, 2007), academics and managers seldom collaborate closely on developing solutions to organizational and managerial problems as they once did. Organization design, from the simplest challenges to the most complex, requires a holistic view – a clear vision of the firm’s purpose, its chosen market strategies, an understanding of the resources needed to pursue objectives, and the optimal approach for arranging and utilizing those resources. Deciding on an optimal design requires the cost-benefit analysis of design alternatives and the alignment of the chosen structure with management mechanisms and

leadership values and skills. Each new era demands a new level of managerial understanding and capability and, correspondingly, a new level of scholarly research and new approaches for sharing knowledge across these communities. Even as the academy and the leaders of organizations have moved further into their respective spheres, one common topic of interest usually has been organization design. Certainly, this new journal will not by itself recreate the valuable patterns of interaction between managers and scholars that existed 40-50 years ago, but focusing attention on organization design may well rekindle shared interests and could even lead academics back into the field and managers into classrooms.

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