

# **Org Chart**

By Mark Abbott and Mike Frascolla

Whether you have ten, one hundred, or one thousand people working in your business, it's crucial to have structure in place. Effective Org Charts make it crystal clear who is responsible for every function the organization requires.

Functional structure is essential if you want a culture of accountability that lets you <u>Get Smart Stuff Done</u> (GSSD). The <u>Org. Chart</u>, especially when coupled with a thoughtful <u>Vision</u>, clarifies roles and makes it easier to anticipate human resource needs as you grow.



#### **Tool Overview**

At its core, the Org Chart tool helps demonstrate how to collectively divide and conquer to create value for customers while building high-trust relationships with your Ideal Stakeholders.

#### Context

At the heart of every enduring company is a strong Visionary who provides a compelling Vision of the future. Visionaries see how to make life better through their endeavors. They also create a clearly defined set of guardrails that help organizations stay focused while progressing toward Vision. These include defining and championing Core Values, a <u>Unique Value Proposition</u> (why your <u>Ideal Customers</u> love buying from and working with you), and the more significant longer-term goals that position us well for the future.

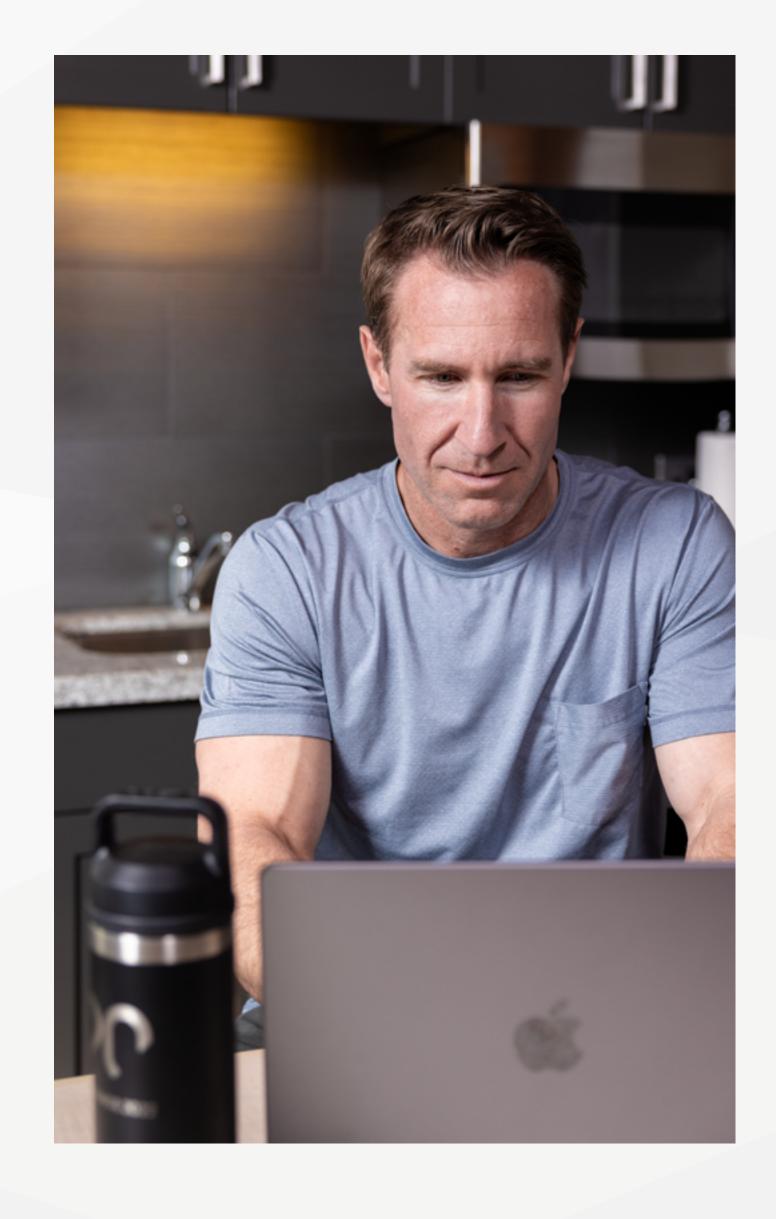
In about half the companies running on Ninety, the Visionary is supported by a second-in-command operator who works closely with the Visionary and all department heads (like Sales, Marketing, Operations, and Finance) to ensure they have the resources they need. This alignment enables everyone to do their part in turning the Vision into reality and ensures the entire organization works extraordinarily well together.

The purpose of the Org Chart is to clearly define what Seats own the distinct roles, accountabilities, and responsibilities (RARs) in your organization.

For many organizations, especially when they're just starting out, there's a good chance one person will sit in multiple Seats until the organization can grow. For example, a company might start with one person overseeing Sales, Marketing, and Customer Success, even though it's unlikely this person is great at all three. Separating RARs allows companies to survive in the short term, then grow and thrive later with the Right People in the Right Seats.

## Core Disciplines Great Org Charts

- One person is responsible for each core function (like Sales). As the saying goes, "when more than one person is responsible, no one is responsible." However, that doesn't mean one person does all the work; a thoughtful Org Chart helps identify which RARs need to be delegated to others.
- 2. Think roles, accountabilities, and responsibilities, not titles. Which RARs are needed to turn the next phase of the Vision into reality? Get specific. Is a project manager necessary? Pinpointing the types of work each Seat will be responsible for develops a better feel for potential capability and capacity issues.
- 3. Structure first, people second. Don't build your Org Chart based on your people or, even worse, titles. Assign people to Seats after you genuinely understand the RARs needed to operate at your best. Existing titles and chains of command frequently don't align with what the future requires; these are the types of hurdles a well-built Org Chart reveals and helps to fix.





## **Hopefully Helpful Hints**

After building the structure of your Org Chart, you're ready to start adding people to fill the Seats. When you're confident someone is a great Core Values fit and has the Competency, Commitment, and Capacity to do that job successfully, add them to the Ninety Directory so they can be assigned to a Seat.

Invite team members to be Ninety users. Users can start with a free Observer account, which allows them to see the Org Chart and get to know your Vision. Better yet, the more a company uses Ninety, the more powerful and organic the Org Chart becomes. As an example, the <a href="I-on-1 tool">I-on-1 tool</a> pulls RARs right off your Org Chart, creating a perfect opportunity to update the chart during a <a href="feedback meeting">feedback meeting</a> if it's clear changes are needed.

Think of the Org Chart as a living tool. As a company grows, things change. Part of that change is realizing the need to further divide and conquer by splitting a Seat or adding a new one. Part of the Org Chart's power comes from making it easy to identify these needs preemptively. That way, there's time to launch a talent search before it's truly critical to do so.

Set aside time for review. We recommend including "Review Org Chart" in the agenda of your Annual and Quarterly Planning Meetings in Ninety. This provides the opportunity to raise any Issues for discussion with the team. Will your Org Chart be functional in 90 or 180 days when you achieve your goals? Will you need to add anyone or create any new Seats to remain on track for your 1-Year Goals?

## Takeaway

Remember: It's best to have one person responsible for each task. The whole point of an Org Chart is to add clarity by defining which Seat is responsible for what, specifically. Why is this so important to us? We've seen it in action. When individuals have a clear set of tasks and expectations, teams Get Smart Stuff Done.

What's next? Visit the <u>90u Library</u> or <u>try Ninety</u> today.