Engineering of Organizations: A Template

Shyam Sunder
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An Overview

• A Template for Organizational Engineering
  – An idea
  – Resources: inputs and outputs
  – People: what each gives and wants
  – Advantage to all
  – Good governance
  – Sustainability under stress
  – Change and transition (re-engineering)
  – Let us try this out, and develop it as we try
The Idea

- The idea originates with the entrepreneur: a way of meeting an unmet demand or utilizing one or more wasted resource(s) in a way that would make all participants better off
  - The initial idea rarely survives in final form
  - All entrepreneurs need to revisit and refine the initial idea many times through iterations until it works
  - Template may help us refine the idea
Resources: inputs and outputs

• What will be the output(s) of the organization (i.e., anything that anyone may want from it)?
• What inputs does the organization need (all those things for which we need to find a supplier)
People: what they want and are willing to give

• For each input, list one or more prospective supplier
• For each output, list one or more prospect who would want to have it
• If the list cannot be completed, go to an earlier step and revise it
Advantage to all

• Make a list of all participants (from previous page)
• For each participant, list the contribution and entitlement
• Check if for each participant, what they get is valued as much or more than what they contribute
• If not, what changes are necessary to make the participation advantageous to every person on the list?
• If there is no way of satisfying the condition, go to an earlier step and revise it
Governance

• Good governance: It is in each participant’s interest to do what the other participants expect him/her to do in various circumstances
• How can we organize the environment of each participant to fulfill the good governance criterion?
• If such an environment cannot be designed, go to an earlier step and revise
Sustainability under stress

• What are the jolts that could shake the organization?

• How big a jolt can the organization survive (i.e., not violate the “advantage for all” condition)

• What can be done to:
  – Avoid the jolts
  – Increase capacity to withstand larger jolts
  – Plan for disaster (pick up the pieces)
Change and transition (re-engineering)

• Which changes in the environment threaten the balance you have achieved in the organization (people, resources, technology, expectations)

• There are inevitable changes that make the organization infeasible

• Go to an earlier step to re-engineer:
  – New arrangements, expectations
  – New or different resources
  – New or different people
  – New or different idea