

# Business Fashion Makeover: Better design for better business

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Ask a fashion creator what design is, and the likely answer involves fabric and flow. A gardener may define design in terms of plant material and placement. Ask business owners and business executives to define design, and the array of answers will astound you.

Design in business often focuses on brick and mortar structures, with halls and walls and office compartments. Let us argue for that definition as the fabric of business. Office structures and compartments only define placement, they do not begin to define the real material that builds a business - its people.

How do we move from the traditional concept of design as the physical plant in which business operates, toward contemporary business where knowledge professionals are uninhibited by physical structure? To find the answer to this question, I've researched texts from leadership professionals and interviewed knowledge workers in the fields of education, politics, and business. One thing is for certain, we as current and future leaders need to understand the design possibilities that promote and encourage professional bilateral relationships.

## Vision the Future from the Past

### From industrial strength to knowledge power

When a business communication student shared her desire to write a term paper on outsourcing of U. S. industrial jobs to offshore and overseas locations, it sparked a whole discussion on the issue. Her e-mail contention was that the U.S. needed to secure its industrial strength at home. We offered another view in that U.S. business is no longer dependent on industrial strength. The might of U.S. business shifted to knowledge as a product.

Supporting this were examples of U.S. based organizations that have a major global impact and net knowledge producers. Major companies such as Microsoft, SUN, INTEL, Apple, and even Omaha-based Berkshire-Hathaway are major players in knowledge generation. The proliferation of online knowledge providers places vast amounts of data in one person's hand faster than in any previous generation.

Part of the exchange included Camrass and Farncombe's (2004) view of knowledge products. At the center of their view is the paradigm shift and paradox of behaviors. Handy (1995) explains that as we become more secure in our use of online services, we act as our own customer service agent

providing information previously collected in person. Business has retrained us to do their work. Subsequently, business can shift from expensive infrastructures to lean operations.

Finally, the student acknowledged the U.S. is less industrial than past generations. However, she could not link losses of industrial jobs offshore and the gain of knowledge producing jobs.

### **Changing focus of the education sector**

Another observation comes in the form of education. A local community college founded in 1974 as a technical community college shifted emphasis in 1992 to a fully-accredited community college offering educational opportunities in business, the arts, healthcare, social sciences, and awarding associate degrees. The college website provides some student statistics that emphasize a shift from technical skills to academic skills. Of over 44,500 full and part-time students, more than 27,000 are in academic pursuits versus 17,300 in technical trade education.

Another statistic shared on the college website is that after completing an associate degree, 54 percent continue their education beyond the Associate Degree. These observations support the e-mail conversation noted earlier, that net industrial jobs have shifted to net academic or knowledge generating occupations.

The U.S. Bureau of Labor Statistics (2005) released national employment statistics indicating that over 130.3 million Americans are employed. It is difficult to identify careers as specifically industrial or specifically knowledge generating. However, a cursory attempt to identify them finds about 35.6 million Americans working in industrial trades. Approximately 33.0 million Americans work in net knowledge-generating fields. The service industry in the U.S. appears to account for the remaining almost 53 percent of American wage earners.

### **The paradox faced by contemporary business**

Therefore, it appears as though contemporary business finds itself in a paradox. The paradox involves managing business today while envisioning the future. Davis (1996) tells of people in their offices watching the time, hoping for the end of the day. These people are waiting for the future to reach them in their stagnant office environments. They may have a strategic plan that has marked their path, yet seem unable to consider alternatives. An observer will probably conclude that this business is neither prepared for the future nor looking forward to it approaching. This organization is most likely in need of radical change or faces extinction.

In a business across the street, people know the time and realize an opportunity for brainstorming. These people, according to Davis (1996), are unafraid of the future, embrace it, anticipate it, and manage it rather than wait for it. Instead of having a strategic plan, this group thinks in terms of strategic vision. They scan their horizon for opportunities to change and grow into new markets and products. Is this organization expecting to grow beyond its walls into a new arena where office is a place but not required for work?

## **Achieving Design Makeover**

How do leaders use design to their organizational advantage in a rapidly-changing global environment? Taylor and Wacker (2000) share an answer in what they call the age of possibilities. Today, as never before, are we free from traditional bonds of work, free to choose our futures as well as shape them to suit our own desires and needs. Hoffman (2006) suggested that workers now have

ways in which to shape their destiny and their future, ways in which past generations of workers could not imagine.

Traditional organizational design follows traditional lines of authority on both horizontal and vertical axes. Contemporary organizational design seeks to eliminate structure and design elements that impede lateral interdepartmental collaboration. These contemporary organizations prefer coordination with what Nadler and Tushman (1997) classify as workers freed from geography, physical structures and delays in information.

### **“Slow down, you move too fast”**

Leaders in these contemporary organizations are active in the midst of the organization, often from the midst of workers and sharing the workload with them. Maxwell (2005) advises leaders not to forget the people. Forgetting them, he says, leaves the leader at risk of having his or her leadership erode. Leadership demands often force leaders to operate at a speed faster than the organization. Maxwell’s point is to slow down, “to connect with people, you travel at their speed” (p. 214). Leaders might heed the Harper’s Bizarre (1967) song lyric, “Slow down, you move too fast.”

Yet, slowing down is another paradox for leaders who want to change organizational design. Leaders believe they must keep moving to keep the organization moving. By contrast, slowing the pace allows a leader to scan the horizon for new opportunities, sense or see a vision that had not been there before. Budman (2004) wrote in *The Conference Board* that the future of business would continue to “need trainers, and researchers and economists and teachers ... and executives to manage them all” (p. 1). He continues to sell the idea of a new business design that attracts knowledge workers because workers want to be part of the new design. Thus, the paradox of slowing down may help propel the leader, workers, and the organization forward.

### **A new reality emerging**

Contemporary design no longer depends on halls and walls and offices as traditional business once did. Budman (2004) continues his discussion on leading knowledge workers, saying that new leaders often find themselves operating in a system of workers separated by thousands of miles. He tells leaders to educate themselves on new technology and global business operations. As Hoffman (2007) observed, “In 21<sup>st</sup> century organizations, leaders have a responsibility toward knowledge networks; granting them resources necessary to develop common capabilities, develop incentives for membership, as well as standards and protocols for sharing information.”

Are we observing a shift from the days of going to the office, putting in our eight or ten or twelve hours, punching the time-clock, and calling that work? Is contemporary business shifting from supervised hours to process completed? The fabric of change invites flow of processes completed rather than hours spent at or in the office. Nurturing leaders recognize the value of placement and proper use of people to reap a bountiful harvest. A new reality is emerging; work no longer depends on a physical structure to house workers. There is something new in the business fashion design to improve productivity and business.

## **The New Design**

There are new designs appearing on the thresholds of contemporary businesses. The concepts tear at the fabric of traditional thinking and reorder theories of worker placement. Let us examine one example.

This example is one we are familiar and comfortable with. It is a global business with extensive multilingual Internet presences. Upon reading the organization name, almost everyone has a cognitive reaction. Perhaps, many are members of their networks of buyers, sellers and marketers. Their Internet home page offers a view of their operational design with this statement:

[We are] pioneers communities built on commerce, sustained by trust, and inspired by opportunity. [We] bring together millions of people every day on a local, national and international basis through an array of websites that focus on commerce, payments and communications. [Our] Marketplace creates a powerful online platform for the sale of goods and services by a passionate community of individuals and small businesses. On any given day, there are millions of items available through auction-style and fixed-price trading. With millions of buyers and sellers worldwide, [we] offer localized sites in the following markets.

This company is the eBay Company. Among the eBay Company family of businesses are PayPal, Skype, Shopping.com and Rent.com. The eBay Company has linked up with *Mercado Libre* to achieve its Latin American presence.

The executive team is just ten people. They are founders, CEOs and other officers of the group of companies, widely diverse in professional backgrounds, and not centralized in the Santa Clara, California home office. They operate virtually from locations around the world.

Galbraith (2000) addresses organizations like the eBay Company calling them virtual clusters. The eBay Company is a large network of “small specialized companies. [I]t attains scale and specialization through the network, and it attains speed, innovation, and responsiveness through the small companies” (Galbraith 2000, p. 272). The eBay Company provides an operational example of how business can operate successfully across geo-political boundaries providing global commerce and customer access to goods and service seamlessly, without interruption, 24 hours a day/seven day a week (24/7), and without internal sales or shipping and handling.

### **Embracing the Paradox of Change**

At the outset, the approach was toward internal components that organization’s control. Specifically addressed were flow of business and proper placement of human resources. The evolution of this business design advanced beyond traditional halls and walls to a contemporary business environment not dependent on physical structure.

One consideration involves anticipating the future and embracing the paradox of change. Organizations that determine their strategic plan as the map to the future may not see the changing horizon. They may become unable to adapt as the chaos of change and business disruption overtakes them. Conversely, organizations that seek the future by scanning the ever-changing horizon for opportunities embrace chaos and grow.

Leaders in organizations that anticipate change know the answer to how, when, why and where change happens. They know the collective answer is when it is least expected. Leaders often operate at a faster pace than the rest of their organizations. However, when leaders slow down and make connections with people, they may attract new workers with new ideas and visions. Thus slowing down may propel the business forward.

As business moves from traditional boundaries to contemporary operations without boundaries, new opportunities exist for virtual business clusters of smaller agile groups located in areas that maximize the small group's business activity. Whether the business is a group wholly owned subsidiaries, a group of local enterprises in a consortium, or clusters of small agile specialized companies, product development now involve consumers sitting at the same table with research and development. Involving consumers and customers shift new products from sequential building blocks to simultaneous product definition (Galbraith, 2000).

### Conclusion

The image of a clothing designer using fabric to create flow is important to business. Flow allows ideas to leap across voids where walls once stood. Flow helps business recognize that information between people and groups move without the structure of office. The image of the gardener selecting the best material for planting in the right place is also important for business. Selecting the right people and placing them in an environment where they will grow, may help business move beyond the present-now to the future-now.

Business, seeking a road map to the future, will discover the map is harder to unfold than paper route maps are to refold. Yet, achieving a better business design achieves a better business environment. It is all in the makeover.

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