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Using Opportunity-Based Design

Typically in an opportunity-based organizational structure, “opportunity owners” and resources exist within a business unit. They work within the operating units and discover opportunities. Managers, regardless of their positions, are authorized to mobilize whatever resources they need to exploit such opportunities.

They progress by focusing on three important organizing tasks:

1. Targeting the right opportunities

Opportunity-based organizations encourage their employees to be on the lookout for opportunities. Ideally, entrepreneurial teams, which combine a first-hand view of what customers want with insights into a company's resources and capabilities, are suitable for such organizations.

The golden rule is that the opportunities pursued are in lieu of the resources available and the organizational strategy. Open communication channels between senior and lower-level managers are essential.

2. Matching resources with opportunities

With the advent of technology, integrating resources across divisional and corporate boundaries reduced transaction costs. Managing external partnerships and strategic alliances has also become sophisticated. However, matching resources with opportunities is not easy. The challenge is to find the best resources and convince the resource owners to share them.

This challenge can be broken down into two tasks:

- **Identifying resources:** Opportunity owners must find and temporarily borrow resources from a number of units.
- **Negotiating for resources:** Opportunity owners and resource owners can forge win-win agreements. There would be an influx of innovations, if resource owners enter into a symbiotic relationship with opportunity owners.

Opportunity managers damage their reputation and jeopardize their chances if they make undue demands for resources or negotiate in bad faith. It is not advisable to compel anyone to work with them. The only way to attract strong teams is to show that their projects have promise.

3. Getting diverse resources to work together

In opportunity-based organizations, employees from a variety of units are thrown together, often for a short time, which creates a potential conflict situation. Employees serving on a number of project teams may have as many bosses as projects, and the demands of those bosses can create conflicts. There is also the



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danger of no one judging the employee's overall effort, which causes personal accountability to slip.

To create accountability around opportunities, most organizations have established permanent opportunity-based units, such as customer teams, project teams or solutions teams. These companies grant opportunity managers the status and authority to evaluate the contributions of the employees they borrow.

In most industries, it is becoming essential to pursue opportunities that require working across business units. However, this is a hard task. This is precisely why cultivating opportunities lends the organization a competitive advantage.