

A woman's profile is shown in a dark setting, looking towards the left. Her face and hair are overlaid with vibrant, semi-transparent digital patterns. These patterns include a grid of small dots in shades of teal and orange, and larger, colorful geometric shapes like triangles and squares in orange, yellow, and purple. The overall effect is a blend of human and digital elements.

# Delivering Organisational Design in the Telecoms, Media & Technology sector

# Why are Telco, Media & Tech companies **revisiting their Organisational Design?**

The last few years have seen an economic boom in the Technology, Media & Telecoms (TMT) sector. In the period between 2019 and 2022, tech giants saw an average year-on-year growth of nearly 40%. Local advertising revenue increased by an average of 15-20% for the same period. After a COVID-plagued 2020, Telcos globally saw the strongest revenue growth in a decade in 2021 and 2022 – up to 6% in some regions.

And whilst many companies in the sector had been growing their employee base to meet the buoyancy of the market, an increasing number of TMT organisations have started to rethink their operating model and organisational structures – in the hope to not only weather the impact of reduced consumer spend, but also to position themselves for success in the long-run.

## Five key factors are contributing to this trend:

 <p><b>Nimble, cost-effective operations</b></p> <p>Organic growth, M&amp;A activity and accelerated recruitment in the last years have created complex and often inefficient &amp; siloed organisational structures. Decreasing profitability and the need to scale down operations are driving the need to rethink how to deliver the same business outcomes, but in a simplified, more cost-efficient way.</p>	 <p><b>New business models</b></p> <p>Changes in consumer spending &amp; habits are forcing TMT organisations to consider new business models – streamers launching ad-supported services, telco organisations pivoting towards becoming more tech-focused. To maximize the value of new products &amp; new ways of servicing consumers, organisations need to rethink their operating model &amp; org structures.</p>	 <p><b>Outsourcing &amp; shared services models</b></p> <p>Increasing pressures of the bottom line are forcing TMT organisations to consider outsourcing &amp; shared services models as value drivers, particularly in certain areas, like Finance, HR &amp; Procurement. This leads to rethinking how support functions are organised and how they partner with the business.</p>
 <p><b>Tech &amp; data improvements</b></p> <p>Data proliferation, coupled with legacy systems continue to drive tech transformation, particularly for Telco &amp; Media organisations – to reduce cost to serve and to drive regulatory compliance. In turn, a different set of capabilities, processes, and ways of working are required to maximize the value of any new tech &amp; processes.</p>	 <p><b>Faster product to market cycle</b></p> <p>Lower barriers to entry and rapid technological developments make faster product-to-market cycles more imperative than ever. This requires rethinking the operating model and how development &amp; delivery teams are organised and collaborate.</p>	

Organisations in the Telecoms, Media & Technology sector need to **continuously evolve and adapt** to remain relevant in an **ever-increasing & innovative competitor landscape**.

When done right, **Organisational Design (OD)** is one of the most powerful tools to achieve this goal. Reducing organisational layers can not only fuel growth, but also reduce management cost, whilst at the same time **increase empowerment & speed of decision making**.

**But what makes an OD journey a success?**



## What makes an OD programme a success?

# 01. Put the right foundations in place:



### Invest time upfront to design the programme & plan properly:

The people & organisational impact of OD programmes make them fast-paced and time-sensitive. This often comes at the expense of quality of upfront planning.

Creating a detailed delivery plan, which is also inclusive of employee consultation & engagement & key risks and dependencies, will bring tangible benefits down the line. Not only will it reduce the need for time-consuming re-planning and longer delivery timelines, it will also enable proactive risk management and superior employee experience.



### Define & ratify the business case for change:

Many OD programmes in the Telecoms, Media & Technology sector are driven by the need to simplify operations, respond to new business models and products, create new capabilities, and break silos between key functions.

Outlining the qualitative and quantitative benefits of your OD programme will help you get buy-in from the ExCo, gain control of key stakeholders & demonstrate that change is designed around your organisational strategy. Articulating the benefits in advance can also be used as the basis for any comms & change activities that will be needed in the days before and leading to announcement.



### Set up the right governance & start engagement early:

Each OD programme is unique and the governance structure behind it needs to be anchored in practicality, clear roles & responsibilities, ownership & accountability.

Identifying all relevant stakeholders upfront and contracting with them can help to not only break any silos, but also speed up time-consuming activities like design, job sizing, job descriptions, impact assessments, and selection process. Some key functions to consider including earlier include HR systems, Procurement, Finance & Recruitment.



### Invest in & deploy a set of 'issue fixers':

Even with the most robust planning in place, there is always a risk of unforeseen challenges – be it on a technology platform, a change in the process, impact of other programmes.

Whilst putting a strong PMO function in the centre of your OD programme to carry out forward looking planning, what often makes a materials difference is having a set of resources that you can easily deploy as issue fixers.

Our teams often find that clients who call us in to redesign their organisation, have already done so 12-18 months previously. However, the lack of focus on embedding new ways of working and on driving cultural change, had led them to believe the design is not working, when in reality it was the plan and people change that were ineffective .

## What makes an OD programme a success?

# 02. Place people, culture & diversity at the heart of OD delivery:



### Take time to understand all people impacts:

Once announcing to the broader business any organisational redesign, a period of uncertainty amongst all teams in scope is inevitable. This could impact not just employee engagement & performance, but also business & customer outcomes.

Articulating ahead of time what the OD change means for every team and individual for Day 1 will help you improve business' immediate response to change.

Additionally, swiftly identifying scarce & value driving skills and defining your talent and a retention strategy, will allow you to minimise risks to business continuity.



### Tackle your D&I goals:

The Telecoms, Media & Technology sector is still facing a challenge to improve diversity and inclusion. According to the 2022 UK Music report, the proportion of BAME employees has fallen down from 22.3% in 2020 to 21% in 2021; less than 20% of the IT professionals in the UK are female.

The recruitment and selection process OD programmes entail also provide a unique opportunity to inject diversity in the workforce – across every level of the organisation.



### Use OD as a driver for cultural change:

OD programmes impact not just organisational structures and reporting lines, but also culture and ways of working.

Articulating the cultural shift & the changes in ways of working you want to drive through your OD programme and incorporating these into the design principles for the programme can help you create an organisation that is aligned with your vision, strategic goals & people agenda. It will also enable you to fully embed the OD into your new operating model.



### Be open, honest, transparent and consistent in your communications:

A robust, detailed communications & engagement strategy becomes one of the most powerful tools to help navigate the period of uncertainty OD delivers. In addition to a clear, detailed comms & engagement plan, ahead of any announcements, you should consider:

- Devising a stakeholder engagement plan – Outlining all audiences and key influencers across the organisation would allow you to bring colleagues on the OD journey and create advocates for the programme.
- Equipping all relevant leaders and line managers with the right tools (e.g. FAQs, briefing documents) and narrative to help them address any questions in a compelling and clear way.

Our experience indicates that organisations that place culture and diversity & inclusion at the heart of their organisational structures drive not only sense of belonging, but also improved engagement and higher employee retention rates.

## What makes an OD programme a success?

# 03. Look beyond the organisational design:



### Be cognizant of the broader transformation agenda:

OD seldom happens in a vacuum. The broader transformation agenda within the Telecoms, Media & Technology sector is prolific and continuous.

To ensure that the design of the future function or business unit is aligned with the broader business transformation goals and to minimise the risk of change overload, you should incorporate building robust understanding of the dependencies of other programmes into your OD programme planning.



### Go beyond the reporting structures:

Whilst one of the biggest objectives of any OD programme is to design a new function or business unit, a good OD programme goes beyond articulating a new org chart. It also considers changes to existing governance, processes, ways of working, budget allocations, and approval processes. Defining these alongside the future design will minimise the risk of business disruption and negative customer experience.



### Think tech:

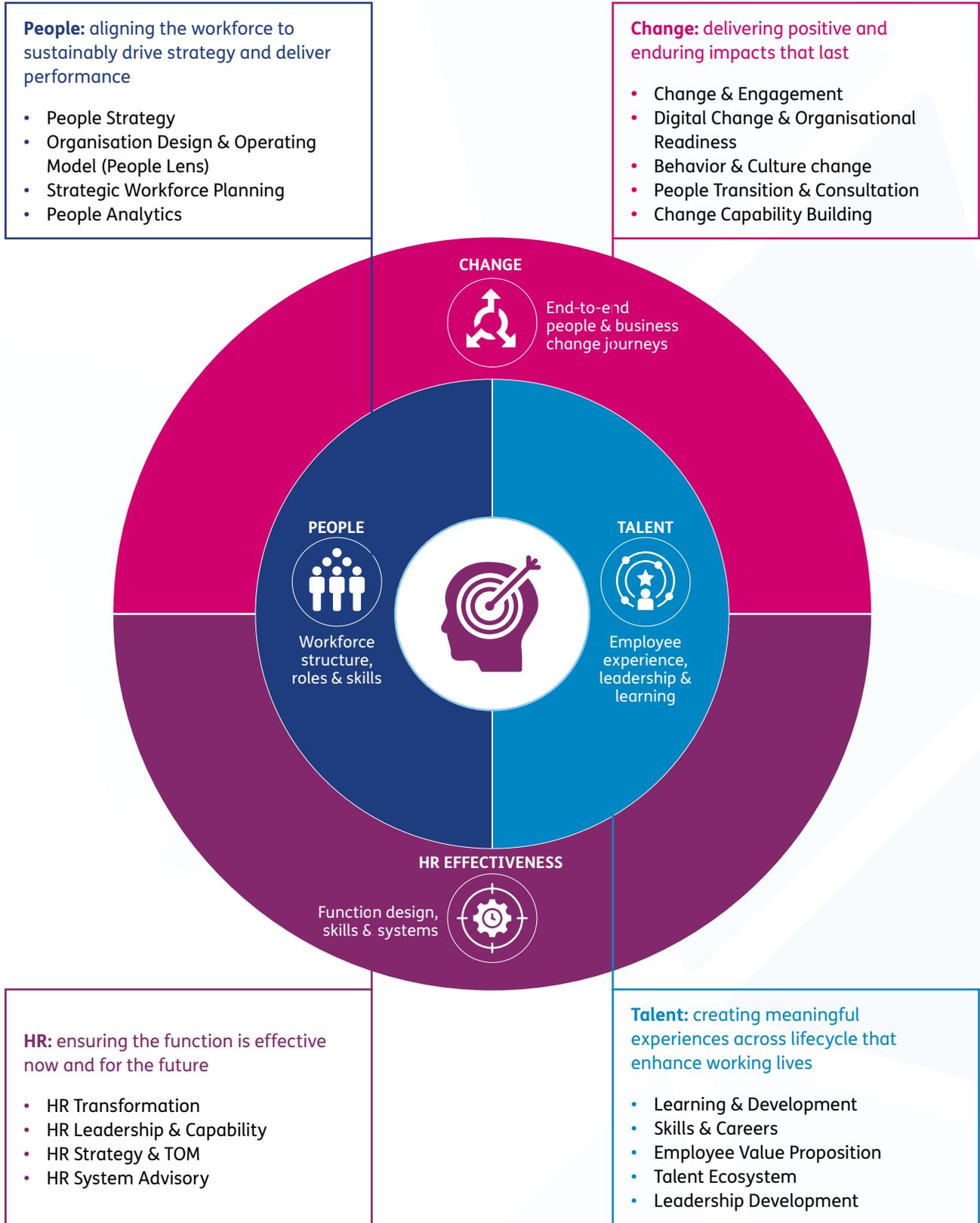
Day 1 is not just about announcing the new organisation, but also implementing it.

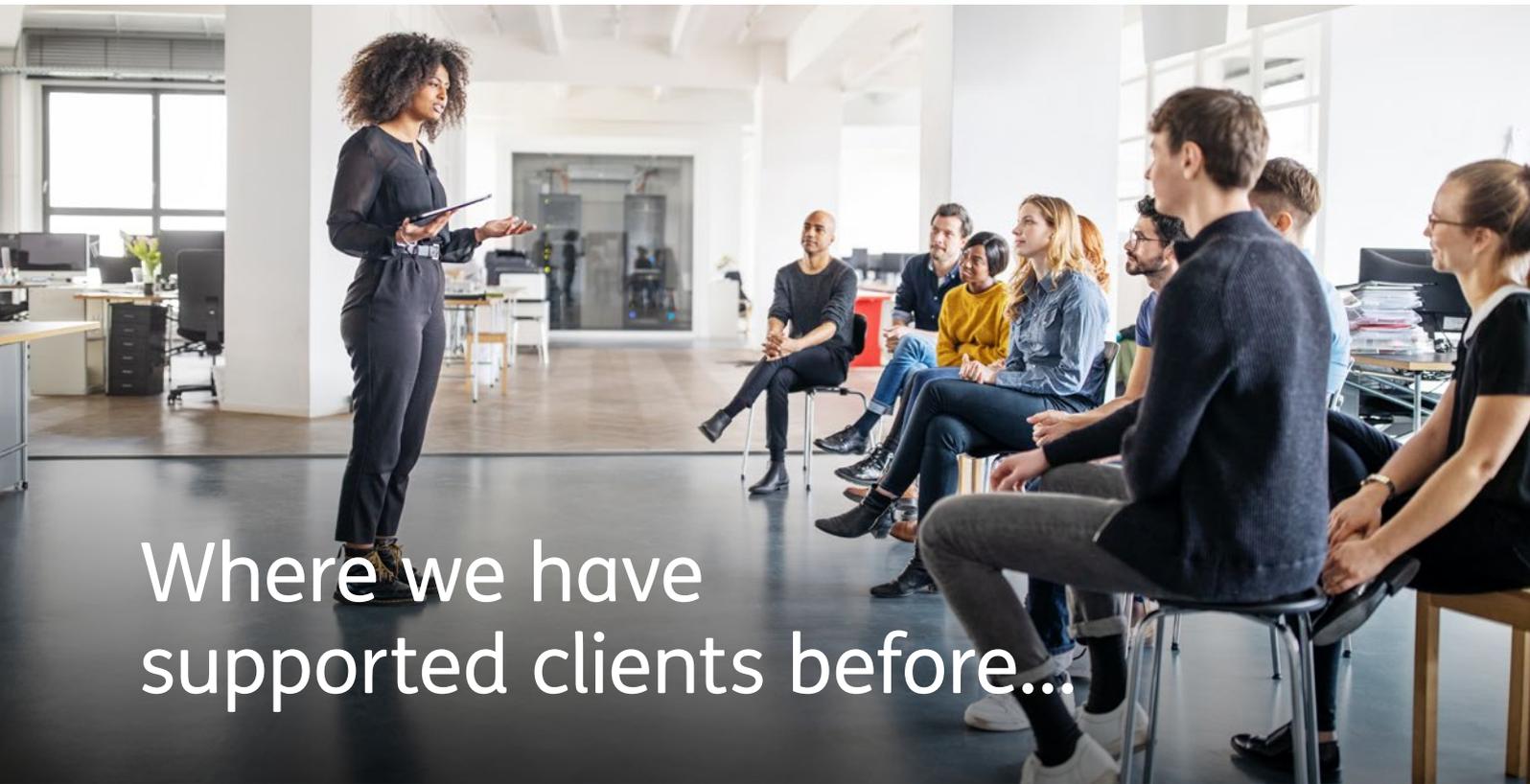
A new organisational design means changes to HR systems, finance and procurement systems. These often take months to prepare for due to complex legacy stacks, data availability & quality and checks and balances that need to be carried out in parallel with design.

Therefore engaging all relevant functions upfront and articulating the inputs they require to process any OD changes can help you hit the ground running from Day 1.

Our experience indicates that approximately 20-30% of organisations will succeed in creating effective organisational structures.

# We believe that the right approach to delivering **people transformation & organisational redesign** is anchored in **pragmatism, collaboration & results**





Where we have supported clients before...



### Global Telco & Tech organisation

Global org redesign



### Global Publisher

Operating model & organisational redesign



### Leading UK Telco operator

HR org redesign

<b>CHALLENGE</b>	<ul style="list-style-type: none"> <li>• Complex organisational structure</li> <li>• Variance in employee rights, contracts and roles</li> <li>• Limited understanding of career progression</li> <li>• Lack of clarity in roles &amp; responsibilities</li> </ul>	<ul style="list-style-type: none"> <li>• Disparate leadership operating model &amp; organisational structures across five markets</li> <li>• Varying business functions organisational design</li> <li>• Lack of clarity on employment laws and consultation processes across all operating markets</li> </ul>	<ul style="list-style-type: none"> <li>• Rapidly scaling business organisation</li> <li>• Evolving business models</li> <li>• Legacy, area-centric HR support function</li> </ul>
	<b>BENEFITS DELIVERED</b>	<ul style="list-style-type: none"> <li>• 40k+ employees transitioned onto a new framework</li> <li>• Simpler, flatter organisation</li> <li>• Faster decision making</li> <li>• Increased accountability &amp; clarity on progression</li> </ul>	<ul style="list-style-type: none"> <li>• Multi-million \$ headcount savings through organisational design and implementation (including consultation)</li> <li>• Alignment of 11 global functional operating models to fit the new consolidated European structure including preparation for consultation</li> <li>• New global operating model &amp; organisational structures driving the return to profit</li> </ul>



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