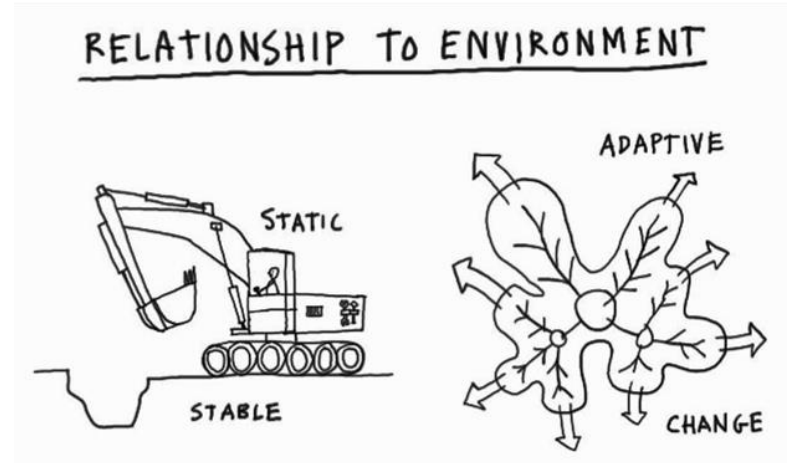# The Connected Company
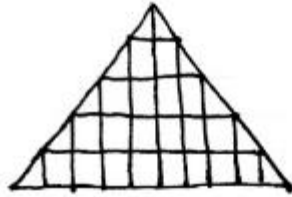## By Dave Gray

An Itana Book Report
March 9, 2018
Brought to you by the crowdsourcing efforts of the Book Club Participants

What is changing in the world (setup)

> At one time enterprises were designed for stability -- to optimize doing the same types of things over and over

> Now our enterprises are surrounded by change and need to be adaptive

— For universities, the higher education environment is changing

— For higher ed IT, customer needs, IT delivery models, and technologies are changing

RELATIONSHIP TO ENVIRONMENT

STATIC

STABLE

ADAPTIVE

CHANGE

Adapted from & illustration from: Dave Gray, The Connected Company (2012)

What is a Connected Company?

THE DIVIDED COMPANY

THE CONNECTED COMPANY

> A **"divided"** enterprise starts from the assumption of stability

> It seeks to **specialize** its functions into **divisions** that can be highly **optimized**
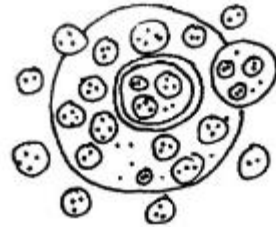
> A **"connected"** enterprise starts from the assumption of change

> It organizes itself into groups that combine the skills needed to **connect** directly with customers, **adapt** quickly, and carry out a mission based on enterprise goals

Adapted from & illustration from: Dave Gray, The Connected Company (2012)

How is a Connected Company different from others

- Client feedback is primary, maybe the only, indicator of success

- One key goal is a quality relationship with clients rather than producing widgets. The quality of the client relationship drives the product design and the way the product is delivered. A client relationship goal is co-creation of services.

- A networked structure (via platforms and pods) which enables the organization to develop multiple strategies and conduct experiments to support the strategy

- Has the ability and customer feedback mechanisms in place to quickly scale up successful experiments, co-create services with clients and, stop failed experiments

- Management focus is direction & strategy and balancing tradeoffs between autonomous work and shared services
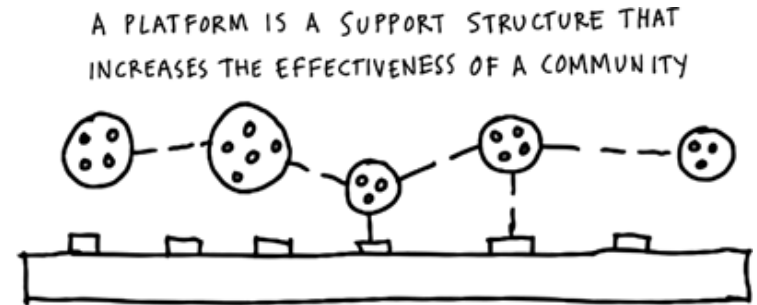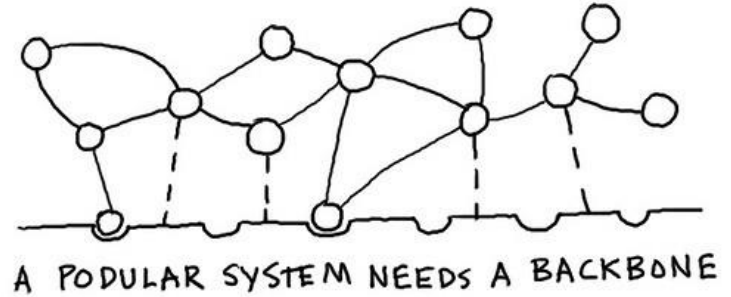
Pods

> The enterprise provides **direction** and organizing principles

> Work is carried out by "**pods**" -- groups that are:

— Able to function semi-autonomously

— Directly connected to their customers

— Learning, adapting, and sharing knowledge with each other

> Pods are able to work together because of a **platform** or core of shared standards and services

Adapted from & illustration from: Dave Gray, The Connected Company (2012)
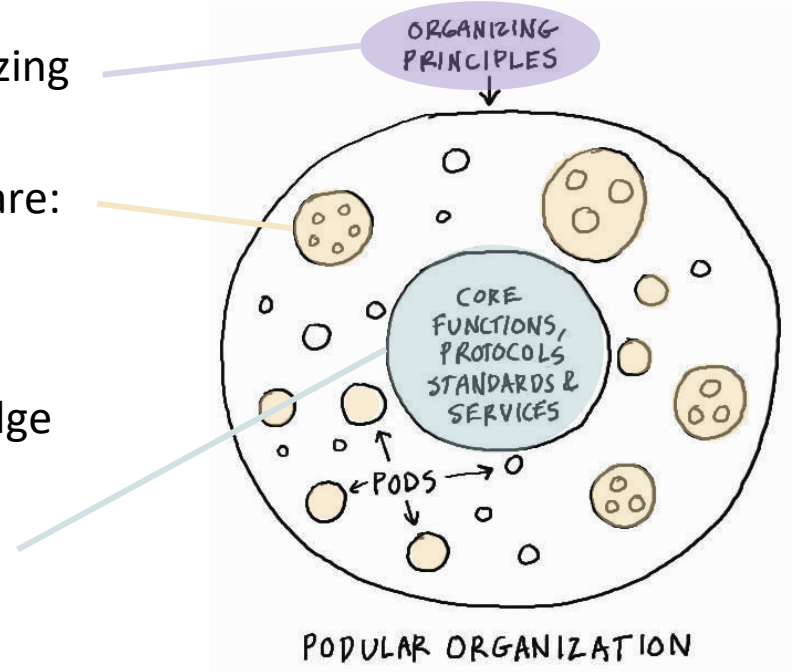
Platforms

> Platforms provide standards for pods to work together

 — Making decisions based on common goals and cultural standards

 — Making connections based on shared language, processes, and practices

> Platforms should be about support, not control

 — Easy to join

 — Clear incentive to use

> Management is responsible for creating platforms that help pods do their work

A PODULAR SYSTEM NEEDS A BACKBONE

A PLATFORM IS A SUPPORT STRUCTURE THAT INCREASES THE EFFECTIVENESS OF A COMMUNITY

Adapted from & illustrations from: Dave Gray, The Connected Company (2012)

Leading/Managing a Connected Company

Management is a **support** system, designing and operating a system

Clarity -

Trust -

Shared Purpose -

Balancing - Managers balance autonomy with the common good and the need for shared platforms (keep the Co.'s metabolism at the right temperature)

Understanding of the System -

How Does this Apply to Higher Ed?

Opportunity

- Decentralized autonomous units already in place
- Implicit platforms in place such as network, ERP, etc, HR, Finance
- Various Business Architecture opportunities (e.g. capabilities, value chains)

Challenge

- "Pods" are often not habituated to interact or network with each other but rather battle with each over resources
- Supported enough to not fail in but no incentive to change silo management
- Perception of some new "biz" tech thing attacking higher ed

Take-Aways for Higher Ed Architects

- Is an architect needed in a connected organization?

- The book describes the role of management as providing shared direction and continually **balancing the benefits and tradeoffs** of pod autonomy and shared platforms. This is also the work of architects.

- Architects can help frame the discussion around identifying platforms, their components and characteristics, and how they could be improved and strengthened

- Appears to be a need for increased focus on Business Architecture

Question
Comments
Discussion