

# A Redesigned Organizational Structure: Back on Track



## Abstract

This large Pittsburgh-based health insurance company was looking to merge two sizable operational units to form a 5,000 employee entity. Specific objectives included consolidating operational functions, improving communication and coordination, and increasing organizational efficiency—while maintaining or improving the quality of the service delivered to both internal and external customers. With the assistance of SDLC Partners, the company effectively designed, communicated, and implemented the new organization, with minimal disruption to employees, while consolidating management positions and implementing the new organizational structure.

## The Challenge

The impending retirement of a Senior Vice President (SVP), coupled with a need to improve communication, coordination, and efficiency across two operations-based units, led this company to hire SDLC Partners to support an effort to consolidate these entities. The new SVP desired to make the process inclusive of the executive management team in order to create a high-performing organization. Emphasis was placed on developing strategies to:

- Create an organization which leveraged the best of both units, while improving productivity and quality across the team
- Ensure that the existing executive team felt involved in the process, while acknowledging that many of them may not have a leadership role in the new organization
- Balance the need for efficiency and effectiveness with the aspiration to align the new organization according to the requirements of internal and external customers.

## The Solution

SDLC facilitated an inclusive process, leading to a new and improved, customer-focused service organization that aligned with both customers and the internal sales organization. The methodology employed created the design of the new organization, resulting in a fair, but effective hiring and outplacement process fostering effective communication across this 18,000 employee organization. Throughout the nine month initiative, a comprehensive communication plan was administered and maintained for all employees, including vehicles such as video, voicemail, interactive web, and email.

## The Results

Working with the SVP of the combined units, sdlc partners' senior healthcare and organizational change experts built a redesigned entity that is consistently one of the highest-performing service organizations. In addition, communication within and across the company has improved, as well as the efficiency and effectiveness of the new unit. All executives feel they played an integral part in the process, leading to a supportive team that has acknowledged ownership for the design of the new organization.