15.320 Strategic Organizational Design

Organizing across borders

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Distributing power between geographic and product units

	Geographic Units (Cemex)	Geography Dominant (Black & Decker)	Geography and Business Matrix (IBM)	Business Units Dominant (Hewlett- Packard)	Global Businesses (DuPont)
Diversity of products	Low	<			High
Similarity of markets	Local	←			Standardized
Customers	Local	<			Global
Product transportability	Low	<			High
Host government role	High	←			Low

Adapted from Kates, A. and Galbraith, J. R. *Designing Your Organization*. San Francisco, CA: Jossey-Bass, 2007, p. 92.

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How can different groups be linked? (lateral coordination processes)



Shifting power between dimensions



Adapted from Kates, A. and Galbraith, J. R. *Designing Your Organization*. San Francisco, CA: Jossey-Bass, 2007, p. 92.

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