



Advisory

Operating Model and Organization Design Practice

**The work
before the
work.**

How frontier organizations
fix the invisible fractures before
they derail transformations.



THE ADECCO GROUP

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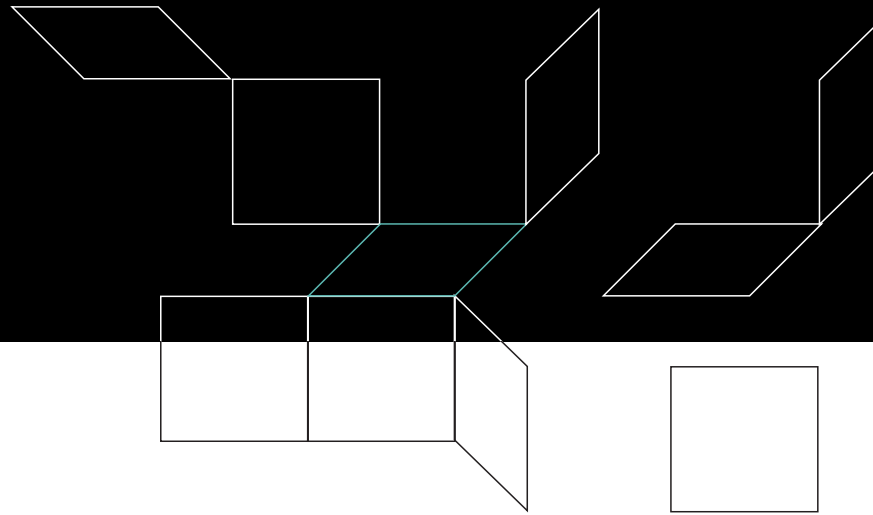
I remember sitting in a boardroom for a SteerCo discussion with a leadership team six months into a major transformation. The program was on track; the milestones were green, and on paper there was nothing to worry about. But something was wrong. You could feel it in the quality of the conversation, in the way answers came back slightly too rehearsed, in the gap between what people said in the room and what they knew was happening or would happen eventually on the ground. It wasn't one thing and it never is. It was the accumulated weight of decisions made without a clear picture of the organization beneath them, i.e. what it could absorb, what it was resisting, and what it had already stopped believing in.

Nobody could name what was off. And that, more than anything, is what has stayed with me. In fifteen years of transformation work - M&A integrations, operating model redesigns, workforce restructures across diverse sectors and four continents - what I keep seeing is that the thing that derails programs is rarely the strategy itself. It's the distance between the strategy and the organization that's supposed to deliver it. A gap that opens without warning, widens gradually, and only becomes visible when the cost of closing it has already become significant.

This paper looks to discuss that gap: what causes it, how to read the signs before it widens, and what the work looks like when leadership teams are willing to do it properly. It draws on our research across thousands of organizations, but it starts from the same place every transformation should: a clear-eyed look at what's true, before committing to what comes next.

Part One

Transformation isn't a program anymore. It's the operating environment.



For thirty years, organizations transformed in set-piece moments - a new strategy, a new structure, a new operating model, big bang and then back to business. That model has collapsed.

Part One

Today, transformation is continuous. Strategies refresh every twelve to eighteen months, operating models get retuned mid-flight, and the restructures, skills shifts, AI integrations, M&A activity and capability builds that used to be sequenced one after another now run in parallel and on top of each other. The pause between programs has disappeared.

87%

of HR leaders now describe layoffs as regular occurrences rather than one-time events.

69%

of leaders globally say their organization is experiencing more frequent and rapid change today than in the last five years.²

The data signals how far this shift has already gone. 87% of HR leaders now describe layoffs as regular occurrences rather than one-time events - not a response to crisis but a feature of how organizations now operate.¹ At the same time, 69% of leaders globally say their organization is experiencing more frequent and rapid change today than in the last five years.² Four in ten say the speed and pace of change now feel more like a risk than an opportunity, and the same share worry their strategic investments will fail to achieve ROI.²

Pressure used to be something you could localize and outlast. Now there's no asymmetry to exploit - every driver is hitting every organization at roughly the same intensity.

LHH's 2025–2026 research across **3,000 HR leaders and 8,003 white-collar workers** confirms what most leaders are already feeling. Skills-led adjustments (41%) have surpassed one-time reductions (22%) as the primary form of workforce change, while AI, skills gaps, and M&A duplication now contribute at nearly equal levels, with less than a two-percentage-point variation between them.¹ In fact, the drivers behind workforce change have converged in a way that should give every transformation leader pause: in 2023, the spread between the most-cited and least-cited drivers was 32 percentage points; by 2025, it had compressed to eight.¹

Every lever that used to move on its own is now moving at once.

The implication for transformation leaders is uncomfortable but unavoidable. The playbook built for set-piece change doesn't work in a world where change never stops, and the set-piece era rewarded leaders who could mobilize a single, well-defined program.

The continuous era rewards a different capability: the discipline to see your organization clearly, all the time, while it keeps moving.

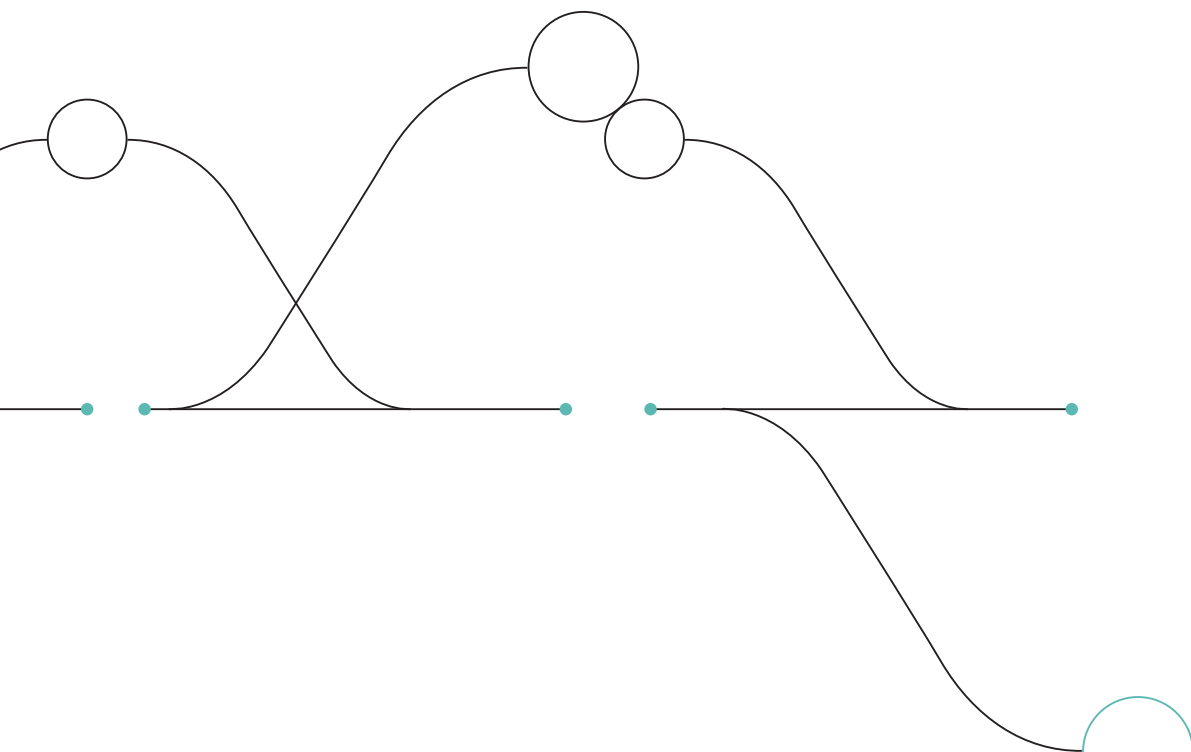
1. LHH Redeployment and Outplacement Trends Report, 2026

2. LHH Workforce Agility Study, 2026

Part Two

The view that wins.

The Burke-Litwin model, one of the most widely used frameworks in organizational change, draws a useful distinction: organizations operate on two levels at once.



Part Two

The transformational level is where strategy, leadership, mission and culture sit; it's the level executives talk about, set direction from, and measure themselves against. The transactional level is everything underneath: structure, systems, management practices, work climate, and the day-to-day tasks people do. This is the level where work is done.



The model's central argument is simple. Change at the transformational level only produces performance when it cascades down into the transactional level. When the strategy shifts but the structure, systems and management practices stay the same, the organization absorbs the change at the top and carries on as before underneath.

The leaders who navigate continuous transformation well share one trait: they have built a way to see across both levels. They can tell, at any given moment, whether the transactional layer has caught up with the transformational one - or whether the cascade has stalled somewhere between the boardroom and the work.

When the cascade stalls, it doesn't show up as a single visible failure. It shows up as a set of recurring gaps between what the strategy is asking for and what the operating model is delivering in practice.

We call these invisible fractures - invisible because no individual leader owns them, and because they only become visible when you look across both levels at once. There are five of them, they show up in almost every transformation program that struggles.

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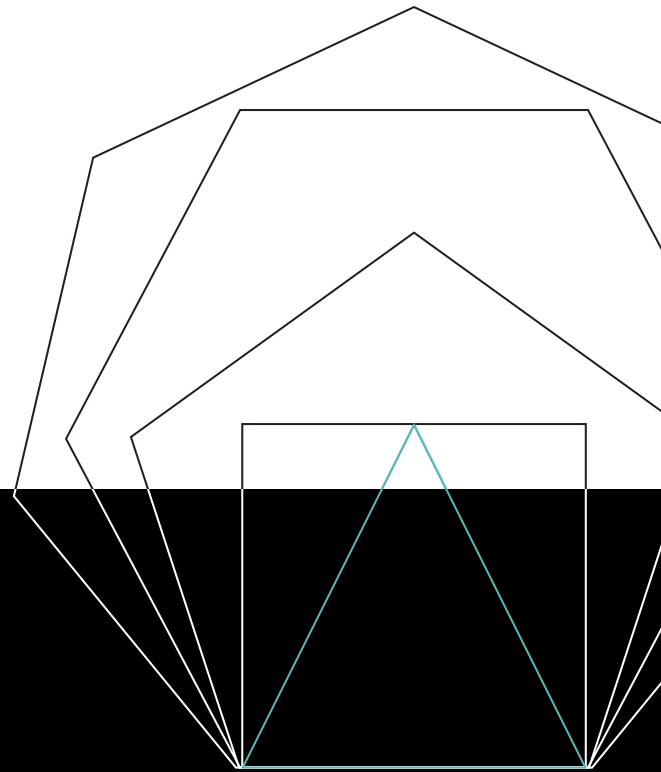
The paradox of continuous transformation is this: the pressure to keep moving is exactly what makes pausing to get the design right so critical. The clarity you build before you act is what makes every transformation after it faster.”

Darren Philpott

Global Head Workforce Strategy & Innovation.

Part Three

The five invisible fractures.



Misalignment isn't abstract.
It produces specific, measurable
failures, and five of them show
up consistently in transformation
programs - each one a gap
between what the strategy
asks for and what the operating
model can deliver.

Fracture

01

The translation gap

Strategy on a slide is not strategy in the system.

Every transformation begins with a clear statement of intent, e.g. we will be technology-first, customer-obsessed, AI-native, faster to market. What's harder is the translation layer underneath - what that strategy means in practice for the operating model, for how teams are structured, for which processes need to change, for which systems need to be built or retired, for how managers lead, and for what gets measured and rewarded.

Leaders report that only 44% of employees understand how their work contributes to organizational success. The gap here is work and workforce design: the strategy exists, but the system has not translated it into work people can see, act on, or connect back to outcomes.³

When that translation is missing, strategy lives at the transformational level. It animates town halls and offsite decks but never reaches the work itself.

The cost paradox

Take cost out and build new capability - at the same time, from the same budget.

This is the paradox that defines the current era of transformation. Boards want lower run-rate costs, and at the same time strategies require new capabilities the organization doesn't yet have - AI fluency, data engineering, digital product thinking, new commercial models. Both demands are real and both are urgent, and the default cost lever - reduce headcount, then rehire when

the gap shows up steadily destroys the very capability the strategy depends on.

Skills-led workforce adjustments (41%) have now surpassed one-time headcount reductions (22%) as the primary form of workforce change. At the same time, the World Economic Forum estimates 170 million new roles being created

globally while 92 million are displaced, a net gain of 78 million jobs by 2030.⁴ The opportunity is enormous, but it only materializes for organizations that can reskill and redeploy at the speed the market demands, instead of continuously running cut-and-rehire cycles.

Fracture

02

Fracture

03

The visibility gap

You can only sequence what you can see.

Every transformation raises some basic questions: what moves first, what comes next, and by when. Answering it well means knowing how people, work and skills are moving through the organization today, and how they need to move to get where the strategy is pointing to.

Most organizations don't have this picture. What they have instead is role titles, org charts, CVs, spreadsheets, and manager memory. In a world where research suggests the half-life of professional skills is now approximately four years, requiring

continuous reskilling and capability development to remain relevant,⁵ this is resulting in data that is decaying faster than anyone realizes. So sequencing decisions get made anyway, confidently, on data that was already out of date by the time it was used.

That's how an 18-month roadmap turns into two years of firefighting. The plan wasn't wrong. Nobody could see far enough ahead to run it in the order it assumed.

3. Adecco Group Business leaders' research: The human premium, 2026

4. World Economic Forum, Future of Jobs Report, 2025.

5. World Economic Forum, Future of Jobs Report, 2025

Fracture

04

The human strain

Continuous transformation has a human cost. It lands on a small population.

Most transformation work is delivered by a narrow group - HR, transformation offices, senior managers - who carry the operational weight of every change program the organization runs.

69% of HR leaders report that ongoing restructuring is taking a toll on their well-being.⁶

53% acknowledge they could do more to support employees through transitions - not for lack of will but for lack of bandwidth.¹

The people delivering transformation are also the organization's greatest source of institutional knowledge, judgment, and adaptability. When they're stretched past capacity over and over again, you're losing the human edge that makes every subsequent change effort and investment land.

The alignment gap

Multiple transformations, no single owner, no shared view.

In any large organization undergoing transformation, there are usually multiple programs running together. Imagine this within your organization: Finance is redesigning its operating model, technology is rolling out an AI agenda, HR is running a skills initiative, the COO has a productivity program, a business unit is restructuring, and someone at the top has launched a culture refresh.

Each one has its own leader, its own roadmap, critical milestones, and specific measures of success. What they don't have is a shared view of how they fit together - or whether they're competing for the same scarce talent, budget, attention and management capacity.

36% Close to half of the C-suite leaders say their leadership team struggles to align around strategies and next steps in a timely manner.⁷

46% Fewer than half, say the top team is united on a common vision for the organization.⁷

Alignment doesn't mean agreement only regarding the destination. It also encompasses agreement on what gets resourced first, what gets delayed, what gets stopped, and who gives something up when it's time to make trade-offs.

Intel's recent history is a sharp example. Under its previous CEO, the company was simultaneously building a global foundry business, pursuing an AI strategy, running a cost restructure, and attempting a cultural overhaul, with all programs competing with each other. When the new CEO arrived in early 2025, his first priority was alignment: streamlining the portfolio of programs and cancelling projects that didn't align with the core of the company.

Fracture

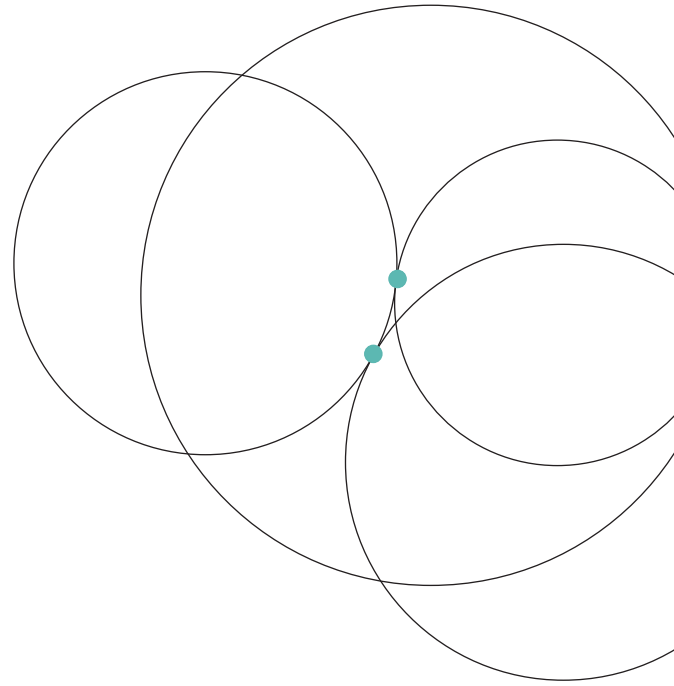
05

6. LHH Redeployment and Outplacement Trends Report, 2026

7. Adecco Group Business leaders' research: The human premium, 2026.

Part Four

What does this mean in practice?



Five fractures, each one real and familiar to anyone who has sat inside a transformation program and watched it slow down for reasons no one can quite articulate.

Part Four

The point of naming the fractures is to recognize that they share a single cause that sits underneath the transformation decisions a leadership team is about to make. You can't design your way out of fractures you haven't yet seen clearly.

The leaders who navigate this well pause to ask the harder questions before they commit to a transformation: what does our organization truly look like, today and what should it look like tomorrow, in practice, with the lights on? This is not the org chart or a strategy deck – this is the 'where are we now' blueprint underneath the 'where do we aspire to be' blueprint.

That's the **work before the work**, and it starts with nine signals your organization is already broadcasting.

The nine signals below reveal what your organization is already telling you, if you know where to listen. Read each as a prompt: what does your answer really say?

What's true now.

The organization you have.

01. The decision signal.

Where decisions get made, and how quickly they get made, tells you whether your structure is doing the work the chart claims it does. If you can't describe it with evidence, simplistically and with clarity, you might be missing the real picture of your operating model.

02. The accountability signal.

When you can name a single owner for every critical outcome, you have a working accountability model. When you can't, you have a structure that looks decisive but operates by committee.

03. The capability signal.

A current, evidenced view of which capabilities are critical, which are scarce, concentrated or at risk and which ones drive business advantage, is the difference between a workforce plan and a workforce guess. This view comes from tracking capability the same way you'd track any other asset that matters to the business. Yet only 33% of organizations invest in the data insights needed to build that view.⁸

04. The flow signal.

Real governance shows up where collaboration breaks: the stalled handoffs, approvals piling up in an inbox and decisions awaiting multiple meetings. Where work piles up shows a true map of how your organization operates in reality.

8. Adecco Group Business leaders' research: Used in the LHH article If You Can't See Your Workforce, You'll Keep Hiring for It, 28 July 2026.

What has to become true.

The organization your strategy demands.

05. The translation signal.

Leaders can talk about being ‘technology-first’, ‘customer-first’, or ‘AI-native’ in the headquarters. The real test is what changes for the person at the frontline on Monday morning – in their behaviours, decisions and capabilities. The translation work is what turns intent into design.

06. The outcome signal.

Your three to five must-win outcomes need specific KPIs and metrics underneath them, that show whether you’re winning or losing. Outcomes without numbers are just slogans in disguise.

07. The portfolio signal.

Most organizations have several transformations running in parallel: an AI agenda, an operating model redesign, a skills initiative, a productivity program, each with its own leader. What’s often missing is a shared view of the transformation portfolio so that these efforts reinforce each other rather than competing for the same resources and cancelling each other out. There needs to be an orchestration layer for these programs to be able to deliver their intended impact.

08. The leadership alignment signal.

When the top team can describe the transformation portfolio in the same words, with the same priorities and the same trade-offs, alignment exists. When they can’t, every downstream program inherits the ambiguity at the top.

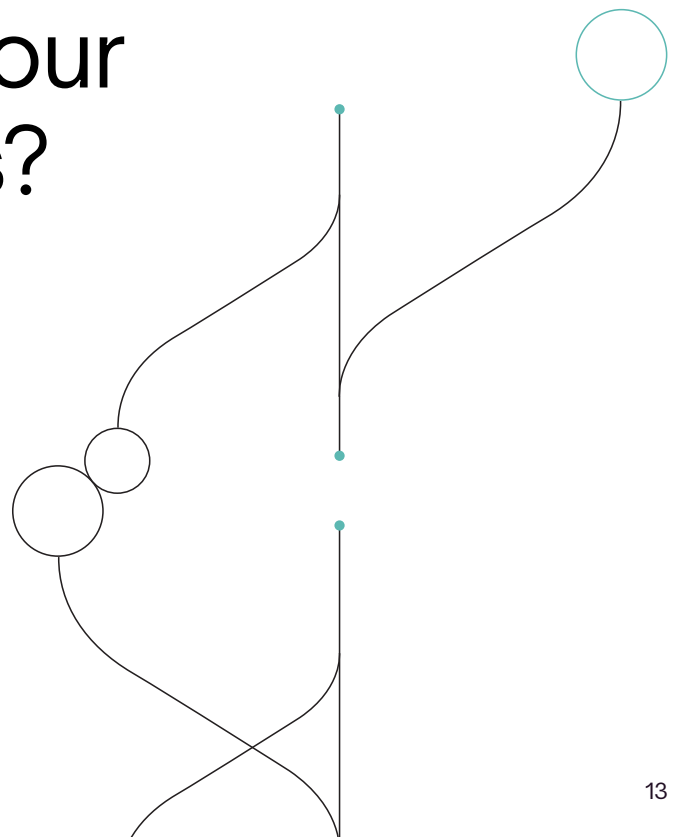
09. The misalignment signal.

Clarity in accountability and agreement on ownership, both need to go hand in hand. You can have a named owner for every outcome and yet have teams pulling in different directions, chasing goals that don’t add up to the same strategy. That’s misalignment: not due to a lack of structure but owing to a lack of shared direction inside it.

Part Five

Where do you land?

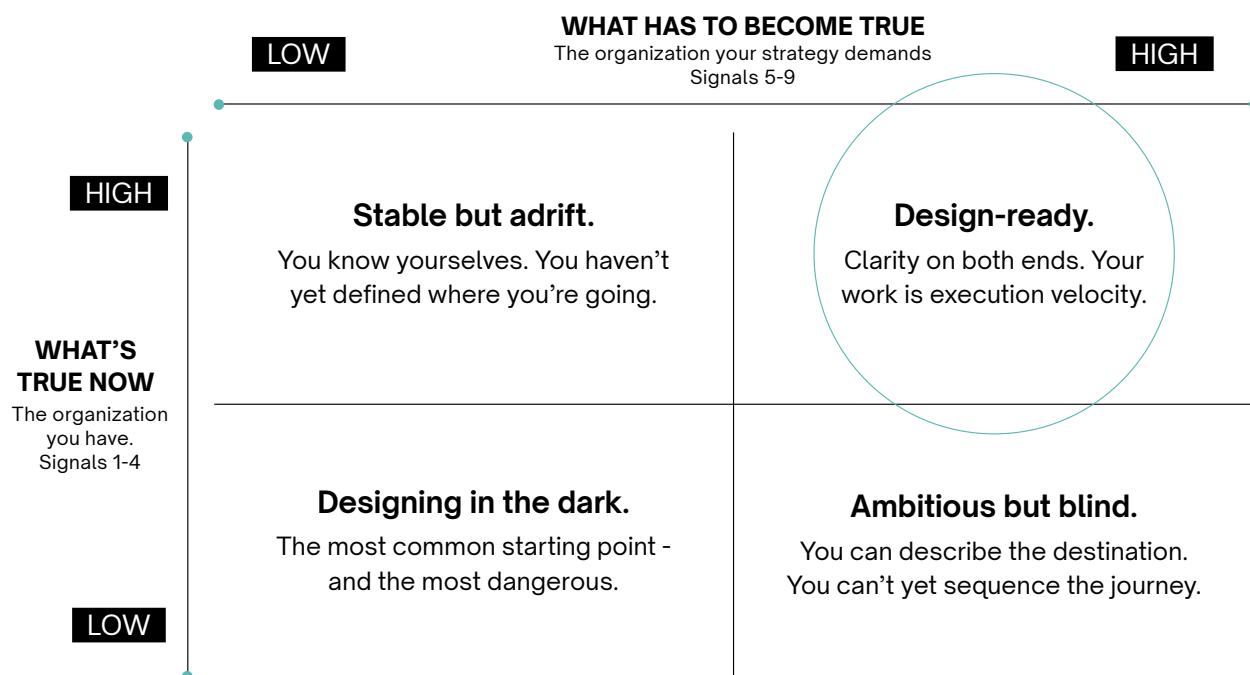
Reflect on your answers across the nine signals. Two questions matter most: how clearly can you describe the organization you have today? And how specifically can you define the organization your strategy demands?



Part Five

Where do you land?

Your answers place you in one of four positions, each with a different starting point for transformation:



Designing in the dark.

The most common starting point where you don't have a clear view of your reality and you haven't done the legwork to determine what needs to change in the future to enable the organizational strategy.

One large industrial company's push to become a top-tier software business is one of the clearest examples. It didn't invest in getting a clear read on its existing operations or a sharp view of where digital was meant to take it, yet spent years and billions of dollars pursuing the shift. By the time the mismatch became undeniable, the company scaled the initiative back and wrote off much of the investment, a correction that cost far more than getting the starting position right ever would have.

What works from here:

Stop. The most useful next step isn't a new program; it's the diagnostic work that turns assumption into evidence on both sides.

Stable but adrift.

You know your organization well - you can describe how it works, where decisions get made, and where capability sits. What you don't yet have is a sharp, specific definition of where you're trying to take it. The strategy exists as language, not as a blueprint.

As MIT Sloan's Donald Sull has pointed out, some organizations set goals like "being an industry leader" or "looking to the future," which while inspiring, are vague and mean almost anything. Others set goals such as 'modernizing infrastructure' or 'growing a specific customer program', which are precise enough to build a concrete plan around (MIT Sloan Management Review). Strong operations don't compensate for a destination that doesn't provide directions for the future state design.

What works from here:

The future state work. Your foundation is solid; the gap is in a clear picture of the destination that is clear enough to act on.

Part Five

Ambitious but blind.

You have a clear, specific view of the future you want to build - the leadership team can describe it, agree on it, and explain why it matters. What you don't have is the same level of clarity about the organization you're starting from. You will design the future based on what you assume the present looks like, which is a costly way to transform.

One well-known technology company rolled out a new ERP system with a clear modernization vision, but the system didn't integrate well with its existing legacy infrastructure. Roughly a fifth of orders went unfulfilled as a result, shipments piled up, and there was no manual backup process to fall back on. The project ultimately cost the company an estimated \$160 million in lost revenue and backlogged orders. The vision for the new system was clear but an accurate picture of the environment it had to work within was missing.

What works from here:

The current-state work. You know where you're going; you don't yet have the visibility to sequence the journey.

Design-ready.

You have evidence-based clarity on both sides - a current view of your operating reality and a sharp definition of the future-state you're designing toward. Your transformation work should focus on execution velocity, on protecting the clarity you've built as the organization changes around it, and on the leadership alignment that makes parallel transformations cohere rather than compete.

Microsoft's transformation under CEO Satya Nadella is a useful illustration. When Nadella took over in 2014, he inherited a company fading toward irrelevance, weighed down by internal conflict and inertia. The transformation that followed rested on two inseparable pieces: a clear-eyed view of where the company actually stood, and an equally clear strategic direction, a cloud-first approach built around customer needs and used consistently across the product line. That clarity forced a trade-off between protecting high-margin legacy businesses or committing to a growth path that would mean stepping away from some of them. Nadella chose growth and held that choice consistently as the company changed around it.

What works from here:

Rigorous tracking of whether the transformation preserves or erodes the clarity you started with.

The work before the work.

This is the steepest transformation of work since the introduction of the internet.

Transformation programs tend to fail or succeed in strikingly consistent and predictable ways.

The ones that are successful have leadership teams that did the critical work of getting honest about the starting point first: mapping what's true today, naming what needs to be true tomorrow, and building the orchestration layer to traverse from today to tomorrow.

The ones that stall almost always skip this step- often because the pressure to move is so high that pausing to look feels like the wrong instinct. It isn't.

When 39% of business leaders say they are uncertain about their business strategy and goals over the next two years,⁹ it signals a deeper issue. Their C-suite is not aligned on a common vision⁹, and 38% say employees are struggling to adapt to change inside the organization.¹⁰ In that context, speed on its own stops being evidence of progress. What matters is agility: the capacity to see clearly, adapt fast, and bring your people with you.

The era of continuous transformation rewards the organizations that can see themselves clearly and keep seeing themselves clearly as the ground keeps shifting. That isn't a one-time exercise; it's a discipline. And like any discipline, it starts with a single decision: **to look at the organization honestly before designing its next version.**

That's the work before the work. It's the part most programs skip- and it's also the part that decides whether the rest of it lands.

9. LHH Workforce Agility Study, 2026.

10. Adecco Group Business leaders' research: The human premium, 2026.

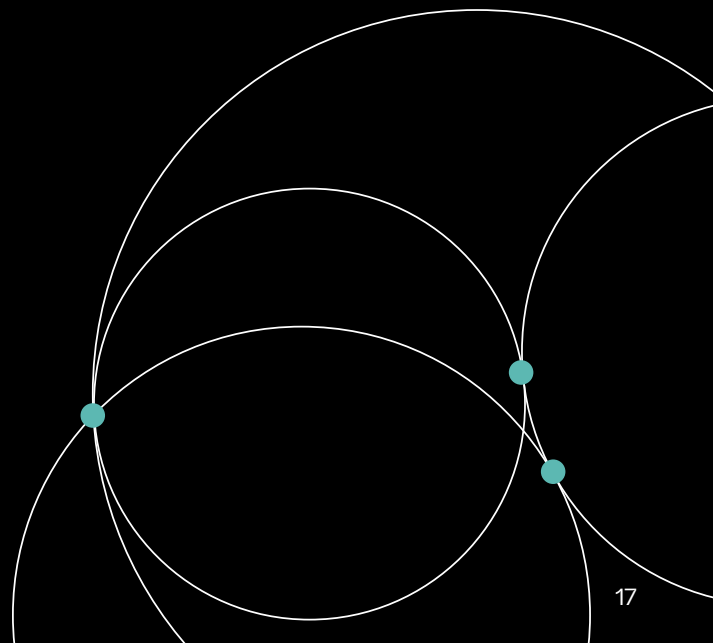
Methodology.

Data is drawn from the LHH Redeployment and Outplacement Trends Report: The Mobility Breakdown, 2025-2026, based on 3,000 HR leaders and 8,003 white-collar workers in organizations with 500+ employees across eight geographies.

Includes the LHH 2026 Workforce Agility Study, a proprietary dataset based on 1,750 global business leaders across nine markets. Fieldwork was conducted between December 2025 and February 2026.

And includes Adecco Group business leaders' research, The Human Premium: Leadership Beyond the Algorithm, published in May 2026 and based on a survey of 2,000 C-suite executives in 13 countries with responsibility for more than 8 million employees. Fieldwork was conducted between December 2025 and January 2026.

Framing draws on the Burke-Litwin model of organizational performance and change.





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About the Author

Madhura Khanwalkar works with C-suite and leadership teams navigating operating model and organization design changes and challenges. If you'd like to discuss the themes explored in this executive brief, connect with Madhura on LinkedIn: www.linkedin.com/in/madhurakhanwalkar

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