

# Use today: pursuing the network strategy essay

[Business](#), [Strategy](#)



1) The “ network strategy” is CEO Tom Curly’s vision to integrate USA Today’s three main business units or media channels: Newspaper, Online and TV. The Online unit currently operates independently with their own sources of news content, editing, production and distribution. Tom Curly believes that by integrating the three channels they can better leverage the USAT brand as well as its news gathering, editing and distributing capabilities across the multiple channels. The success of this strategy is based upon the assumption that the three units, 1) have some overlap of target customers that would find value in the same news content, 2) have systems and processes that align with each other and enable the sharing of news content and 3) be willing and receptive to the integration from a social and cultural aspect.

According to Bolman and Deal, the challenge that Curly faces, how to allocate work (differentiation) and coordinate the work across the different roles (integration), is a prominent organizational design issue that most companies face. ) Numerous barriers exist to implementing the network strategy. The company in general, including the senior leadership, seems very resistant to significant change due to the costly failures of past efforts.

In addition most of Curly’s leadership team is not even acknowledging the impending digital revolution. Convincing employees to head down this road of organizational change would take a great deal of hand-holding. Another major barrier is that the attitudes and personal desires of the Online and Newspaper group conflict with the network strategy as a whole. The Online group and Newspaper group clearly do not want to integrate. Their cultures, operations, processes and leadership are very different and do not mesh well

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together. For example the Online channel works feverishly to update their content every two minutes, while the Newspaper unit works independently to meet daily news deadlines.

Therefore, it would be difficult to integrate their processes. The Newspaper group consists of older more traditional journalists. The Online group is much younger, fast paced, casually dressed and techno savvy.

Tensions exist between the two groups and in fact the article mentions that the reporters in the newsroom were making no effort to “ interface with Online’s Operation” and were ignoring the Online staff. Also, the Online group had been fighting to spin off from the parent group. They have a different vision for their unit altogether which conflicts with the strategy Curly is suggesting. They want to work autonomously and be their own laboratory for rapid new product development. 3) If I were Tom Curly I would make minor modifications to the organizational structure to execute his network strategy. The company is clearly resistant to significant restructuring but some modifications can be made to leverage the company’s capabilities across the three channels.

Due to the major differences in culture and operations and the existing tensions, I would have the three media channels continue to operate as separate business units. Online wants to run its own website and operations, have a dynamic culture and be their own laboratory for rapid new product development. Therefore, their division would require a much flatter, looser structure than the Newspaper group. Essentially I would model the allocation of work like that of Mintzberg’s Divisional form (B&D). However, to ensure

the company is leveraging its brand name, news gathering and distributing capabilities effectively, I would enable lateral coordination and cross-divisional communication by using a matrix type structure. So essentially the three media channels would continue to operate as their own business units with their own cultures and have the capabilities of news gathering and reporting, editing, production, distribution, finance and IT span across the three units.

This would enable each division to meet the unique needs of its customer and tailor its processes to meet the needs of each unit (such as different deadlines, different packaging of stories, etc). By spanning the capabilities across the three units they could communicate laterally and still benefit from some synergies.