



Culture Snapshot

Sample Interpretive Report
March 2011

Notes About This Sample Report

- ▶ This report has been designed to illustrate the structure and content of an interpretive report and contains one example of content including data displays for each section of the report. Content has been abbreviated
- ▶ All Culture Snapshot reports contain the following sections:
 - Top 5 and Bottom 5 Item Statements
 - Culture Strengths and Implications
 - Culture Development Areas and Implications
 - Cultural Differences (if groups are being compared)
 - Culture Priorities
 - Recommendations

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Overview

Objectives

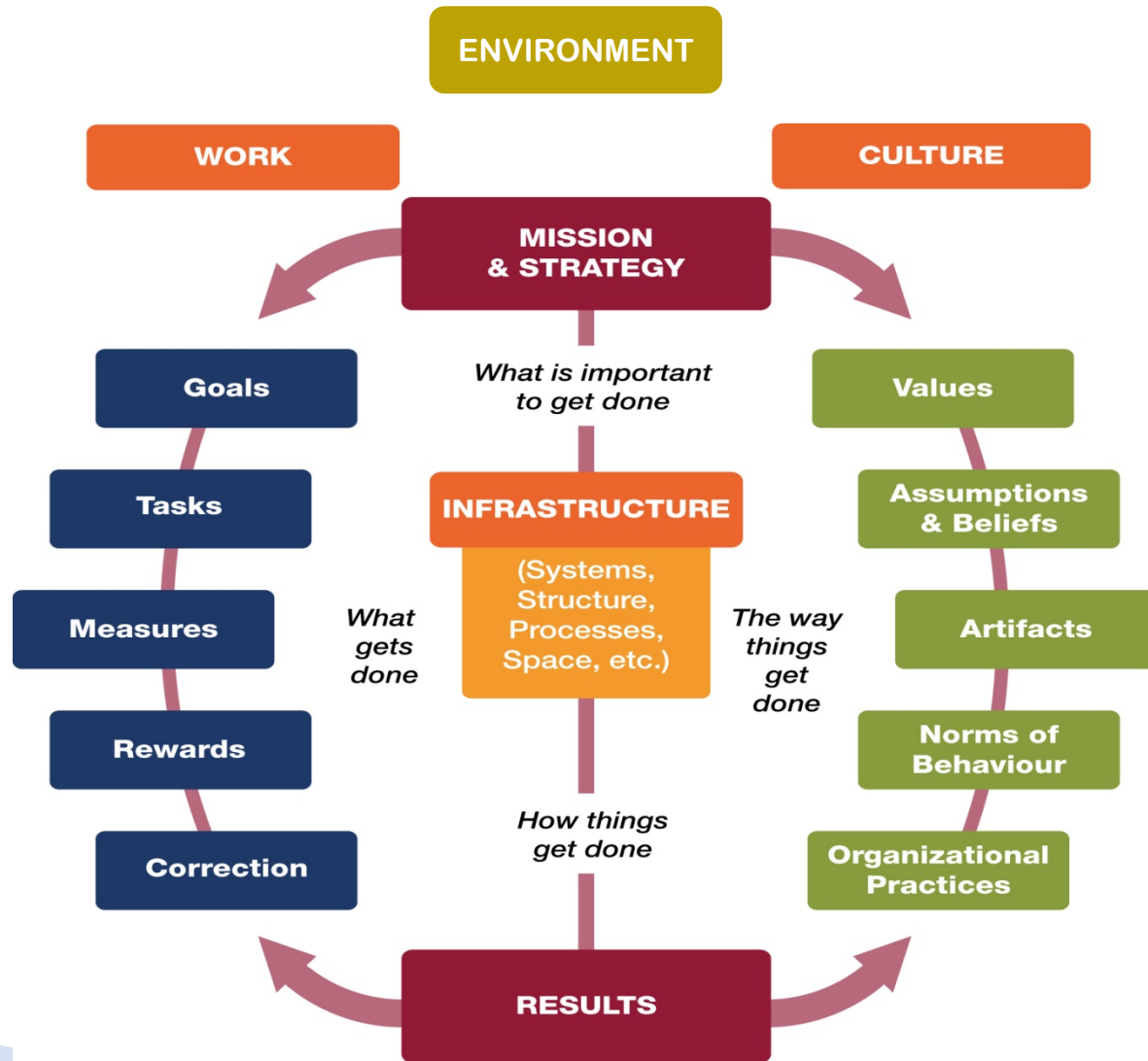
- ▶ Identify primary culture strengths and opportunity areas and their implications
- ▶ Identify primary subculture differences and their implications
- ▶ Identify priorities for culture change

A Definition

Organizational culture is the values, underlying beliefs and assumptions that guide action and that are learned and shared by members of groups as they strive to fulfill their purpose



Where Culture Fits



The Strategy

- ▶ The organization will be focused on operational excellence and achievement of world class performance in every process key to the business
- ▶ Implementation of its new strategic account management process must enable the development of deeper customer relationships
- ▶ Innovative solutions need to emerge as deeper knowledge of customers' global needs is acquired

Where Culture Fits

- ▶ The new strategy requires different ways of working and innovating
 - Employees must work together effectively and efficiently across the lines of business, departments, levels, locations and national cultures
 - Sharing and exchanging knowledge and building networks and communities of practice will be vital for breakthroughs
- ▶ Sweeping changes have been made in people, including leaders, bringing in new competencies and enhanced levels of strategic thinking, but also multiple views of what is important for strengthening the people side of the business
 - It is essential to build cohesion across the leadership team about company-wide priorities, line-of-business priorities and location specific needs
 - The outcome must optimize the productive use of existing resources and build a leadership team ready to lead the way in creating a culture for future success

Survey Participation

Line of Business	Completed Surveys
Company ABC	2600
Corporate Services	95
CPSC	426
Glass Tubing	650
Medical Flexibles	681
Plastics	748
Level	
Senior Team	9
Area Leader	38
Regional Director	139
Managers	662
Other Team Members	1752
Department	
Administration	150
Operations	1096
Quality	238
Sales & Marketing	785
Supply Chain	331

Culture Snapshot Scorecard



Agility	Direction	Engagement	Discipline
Adaptability	Future Orientation	Autonomy	Execution
External Focus	Goal Alignment (Vertical)	Identity	Process Discipline
Flexibility		Involvement	Rational Decision-Making
Intuition		Mastery	
Proactive Change		Purpose	
Performance Orientation	Risk Management	Collaboration	Trust
Accountability	Compliance	Cooperation	Candor
Results Focus	Risk Avoidance	Goal Alignment (Horizontal)	Disclosure
Work Expectations		Interpersonal Relations	Information Sharing

Legend

- Culture Dimension
- Strength
- Secondary Opportunity
- Primary Opportunity

Survey Scale

- ▶ 5.00 – Strongly Agree
- ▶ 4.00 – Agree
- ▶ 3.00 – Undecided
- ▶ 2.00 – Disagree
- ▶ 1.00 – Strongly Disagree
- ▶ 0.00 – Not Applicable

Top 5 Items

- 41. Processes are designed to achieve consistency across the organization (4.05)
- 42. Processes are consistently followed (4.03)
- 39. We carefully monitor our progress when implementing an initiative (4.02)
- 43. We rely heavily on hard facts and data when making difficult decisions (3.90)
- 56. There is zero tolerance for failure to comply with policies and procedures (3.89)

Bottom 5 Items

- 13. We anticipate changes in the external environment that may affect us (2.72)
- 72. I feel safe to openly say what I am really thinking to anyone else in the organization regardless of their position (2.76)
- 15. We make changes before the need to change is obvious (2.77)
- 14. We make changes in anticipation of external developments that may affect us (2.78)
- 62. It is easy to coordinate work with people from different parts of the organization (2.79)

Culture Strengths

(Example)

Culture Strengths – Highlights

1. Efficient and disciplined
 - Process-oriented
 - Highly analytic; fact-based decision-making
 - Policies, procedures and processes are followed
2. Strong work ethic; dependable
3. Long-term rather than short-term view when making decisions
 - Able to sort through urgent demands and focus on those that are of greatest importance
4. Pride in being part of the organization
5. Invest in people; importance of learning and development
6. Participative approach to work

1. Discipline

- ▶ Efficiency in the design and implementation of work processes is of the utmost importance
 - Somewhat less important that they are consistently followed
- ▶ Initiatives and plans are implemented in a disciplined manner
 - Rigor in planning, monitoring and follow through
- ▶ Decisions are made in a disciplined manner with a reliance on hard facts and data
 - Low tolerance for errors and mistakes
 - Unwilling to take risks when making decisions

“Process-oriented. We seem to have a ‘process’ for everything.”

Culture Strength – Discipline

Execution – Rigor and discipline applied to the implementation of plans and initiatives			
Group	37. We always finish what we start (% agree)	38. We follow through to make sure that our plans are fully implemented (% agree)	39. We carefully monitor our progress when implementing an initiative (% agree)
Total Organization	77	75	80
Corporate Services	90	89	92
CPSC	75	71	81
Glass Tubing	76	77	81
Medical Flexibles	74	69	72
Plastics	80	80	85

Legend
% Agree & Strongly Agree \geq 75%
% Agree & Strongly Agree $>$ 50% & $<$ 75%
% Agree & Strongly Agree \leq 50%

Culture Strength – Discipline

Process Discipline – Consistency of processes across the organization

Group	40. Processes are implemented consistently for similar types of work throughout the organization (% agree)	41. Processes are designed to achieve consistency across the organization (% agree)	42. Processes are consistently followed (% agree)
Total Organization	80	75	64
Corporate Services	83	77	65
CPSC	82	76	63
Glass Tubing	78	76	64
Medical Flexibles	74	68	58
Plastics	86	80	69

Culture Strength – Discipline

Rational Decision-Making – Reliance on facts and data when making decisions			
Group	43. It is important to have all the facts before making a decision (% agree)	44. We conduct a thorough and detailed analysis before making a decision (% agree)	45. We rely heavily on hard facts and data when making difficult decisions (% agree)
Total Organization	80	75	84
Corporate Services	83	77	90
CPSC	82	76	87
Glass Tubing	78	76	85
Medical Flexibles	77	74	78
Plastics	83	76	87

Implications of Discipline

▶ Pros:

- Contributes to operational efficiency; lower cost due to repeatable processes (few exceptions), consistency and minimal duplication of work effort
- Supports quality and safety in work practices

▶ Risks:

- Unwilling or unable to see the need for change early enough to take advantage of opportunities and respond to threats
- Unable to keep pace with changes in the external environment
 - New entrants, emerging technologies, increasingly sophisticated customers etc.
- Very slow and difficult to make change happen

Culture Opportunities

(Example)

Culture Opportunities – Highlights

1. Strengthen agility especially the ability to adapt in response to or in anticipation of changes in the external environment
2. Foster open and frank dialogue at all levels; encourage questioning and challenging the current way of working
3. Strengthen collaboration by sharing best practices, problem solutions, and expertise across LOBs

1. Agility

- ▶ The emphasis on efficiency, consistency and compliance has contributed to:
 - A strong, internal focus; lack of external focus
 - Emphasis on doing what we do well; reluctance to try new approaches or question the current way of working
 - Difficulty implementing change; slow and resistant
 - Reactive to external change; follower position in the marketplace

“I worry that we are losing touch with what is happening in emerging technologies. If we aren’t careful, we are going to be left in our competitors’ dust.”

Culture Opportunities – Agility

Adaptability – Challenging assumptions and searching for better ways of doing things

Group	1. We are constantly challenging our assumptions about the way that things are done around here (% agree)	2. We are constantly looking for better ways of doing things (% agree)	3. We are constantly trying out new ways of doing things (% agree)
Total Organization	45	45	49
Corporate Services	84	78	91
CPSC	45	41	42
Glass Tubing	47	46	53
Medical Flexibles	41	41	46
Plastics	43	44	46

Note the higher scores in Corporate Services. This may indicate lack of awareness of what is happening in the LOBs.

Culture Opportunities – Agility

External Focus – Identifying and assessing the impact of developments in the external environment			
Group	4. We keep abreast of developments in our sector or industry (% agree)	5. We assess the potential impact that external changes may have on our organization (% agree)	6. We constantly look outside of our organization for better ways of doing things (% agree)
Total Organization	52	51	52
Corporate Services	84	75	82
CPSC	46	53	58
Glass Tubing	57	52	50
Medical Flexibles	52	46	48
Plastics	47	49	48

Higher Corporate Service's scores may indicate that external awareness is viewed as a corporate responsibility and not that of the LOBs. Given the siloed nature of the organization this is a risk.

Culture Opportunities – Agility

Proactive Change – Anticipating and acting in advance of changes in the external environment			
Group	13. We anticipate changes in the external environment that may affect us (% agree)	14. We make changes in anticipation of external developments that may affect us (% agree)	15. We make changes before the need to change is obvious (% agree)
Total Organization	35	33	41
Corporate Services	46	45	46
CPSC	45	40	44
Glass Tubing	24	29	45
Medical Flexibles	36	35	41
Plastics	35	30	34

These are very weak results and indicate a reactive approach to change. Change initiatives will almost always be met with resistance given the strong internal focus and emphasis on compliance.

Implications of Low Agility

▶ Risks:

- Vulnerability to competitor actions and/or other threats in the external marketplace
- Slow to take advantage of potential opportunities e.g. new technology etc.
- Slow to implement needed changes to the current method of business and way of working
- Hubris – potential inability to recognize and acknowledge potential threats until it is too late

Cultural Differences

Lines of Business (Example)

Note: This is provided for the main comparison groups in the report e.g. department, function, level, location etc.

Corporate Services

- ▶ Externally focused and adaptable
- ▶ Generally believe that leaders are transparent and that they can be candid in saying what they think
- ▶ Higher degree of flexibility in approach to work
- ▶ Easy working with other LOBs who are cooperative and responsive to their requests
- ▶ Lower sense of urgency or pressure to achieve results
- ▶ Access to information is much better than in the LOBs

“We are opportunistic. We identify opportunities in our markets and are pretty good at acting on them.”

Medical Flexibles

- ▶ Employees are less confident that they can depend on others to do what they say they are going to do
 - Blaming and finger-pointing is more of a concern than in many other LOBs
- ▶ The level of delegated decision-making is somewhat lower than other LOBs
- ▶ Disclosure is weak; the reasons for decisions and the process used to arrive at them is not widely understood

“Every time something goes wrong there is a witch hunt. If you’re smart, you keep your head down and don’t draw attention to yourself.”

Demographic Differences

Level and Department (Example)

Note: The data examines a different demographic. 1-2 groups are examined in a typical interpretive report.

Differences by Level – Highlights

- ▶ There is a significant variance in perspective between employees at different levels
 - Senior Team members are consistently and significantly more positive in their responses
 - They may not be aware of the perspective of staff at lower levels
 - Low scores on Trust suggest that mid-level managers may be withholding bad news ('putting a spin' on things)
 - Other Team Members are very focused on execution and compliance with policies, procedures and processes
 - They are not actively involved in identifying opportunities for process innovation or proactive problem solving

Differences By Level

Adaptability – Challenging assumptions and searching for better ways of doing things			
Group	1. We are constantly challenging our assumptions about the way that things are done around here (% agree)	2. We are constantly looking for better ways of doing things (% agree)	3. We are constantly trying out new ways of doing things (% agree)
Organization Total	45	45	49
Senior Team	100	100	100
Area Leaders	79	82	87
Regional Directors	67	63	79
Managers	57	62	65
Other Team Members	38	36	39

The Senior Team and Area Leaders believe that the organization is significantly more adaptive than those at lower levels in the organization. Significantly lower scores amongst Other Team Members when considered with the emphasis on compliance and process suggests that the majority of lower level employees do not participate in identifying new approaches and ways of working. This is a missed opportunity especially in terms of process innovation.

Differences by Department – Highlights

- ▶ Administration and Sales & Marketing consistently report higher scores on 80% of the culture patterns
 - ▶ These groups indicate a significantly greater degree of adaptability, flexibility and autonomy than the other groups
- ▶ Operations and Supply Chain report very strong scores on discipline and compliance
 - ▶ Consistent with a strategy that emphasizes operational efficiency
 - ▶ Employees understand the importance of following policies and procedures especially in safety
 - ▶ Concern that there may be ‘blind compliance’; employees are not identifying opportunities for improvement or potential issues
- ▶ Quality consistently reports the lowest scores across the culture patterns
 - ▶ There appears to have been a lot of employee affecting change in this group which has not been well received
 - ▶ Employees are feeling disenchanted and are questioning the credibility of senior leaders

Differences By Department

Adaptability – Challenging assumptions and searching for better ways of doing things			
Group	1. We are constantly challenging our assumptions about the way that things are done around here (% agree)	2. We are constantly looking for better ways of doing things (% agree)	3. We are constantly trying out new ways of doing things (% agree)
Organization Total	48	45	49
Administration	62	58	66
Operations	37	34	41
Quality	6	6	6
Sales & Marketing	78	76	78
Supply Chain	34	26	28

Sales and Marketing staff are actively involved in efforts to find new approaches and ways of working. This is also evident to some extent in Administration. Operations, Quality and Supply Chain report extremely low scores. Given the high staffing ratios in these groups, this reinforces the earlier finding that staff at lower levels are not engaged in process innovation or proactive problem solving.

Culture Priorities

Example

Priorities

Best practices for setting priorities:

- ▶ Focus on those with greatest leverage to positively influence other culture patterns needing strengthening
- ▶ Focus on only 1–2 priorities and put time, attention and resources into strengthening these areas collectively as a leadership team

We recommend these priority areas for attention:

1. Start first with strengthening adaptability across the organization
2. Strengthen candor especially between managers and staff
This is a precursor to strengthening adaptability and is a foundation for agility

Recommendations

1. Strengthen Adaptability: Behaviors

- ▶ Ask questions that challenge assumptions and build in an external focus
 - Why are we doing this? What would happen if we stopped doing this? What are our competitors doing?
- ▶ Try something new
 - Experiment with a new approach or a new idea
 - Involve others or get involved in something that others are doing
 - Make it fun!
- ▶ Be positive and optimistic when considering change or new approaches
 - Ask 'why not' rather than 'why'?
- ▶ Use personal failures as an opportunity to demonstrate learning and adaptability
 - Tell people when you tried something new and what happened
 - Explain what you learned and what you are going to do differently in future

1. Strengthen Adaptability: Practices

- ▶ Build adaptability into your regular staff meetings
 - Make it an agenda item
 - Use positively stated questions to spark conversation e.g. What new approaches did we try? What have we learned? What is one thing we can stop doing right now? What are our competitors doing?
- ▶ Implement a ‘roadblock removal’ initiative that invites employees to identify policies, procedures and processes that are getting in the way
 - Create a team to review and make recommendations
 - Reduce or eliminate ones that are not adding value
- ▶ Conduct post-audits of all new initiatives and uncover what made them successful and what needs to be done differently
 - Implement an approach to apply the lessons learned to all new initiatives

2. Strengthen Candor: Behaviors

- ▶ Be straightforward and frank when giving other people feedback on their behavior or performance.
- ▶ Be skeptical if you only tend to hear good news. If bad news never reaches you, it is probably because you are sending subtle signals that suggest you don't want to hear about it.
- ▶ Put the elephant in the room – don't be afraid to open up conversations about the unspoken issues that everyone is thinking about but no one is talking openly about.
- ▶ Say what you are really thinking – avoid 'political' behavior such as putting a 'spin' on things to make them sound better than they really are.

2. Strengthen Candor: Practices

- ▶ Provide opportunities for employees to speak out about their concerns one-on-one and in teams
- ▶ Identify the obstacles that are preventing people from speaking candidly and take steps to address them
- ▶ Make candor a requirement at all team meetings and interpersonal interactions
 - Include a candor check periodically to make it explicit that this is the expected way of working
- ▶ Make using candor a desirable behavior by acknowledging those who bring unpleasant news or who ‘talk straight’ about an issue

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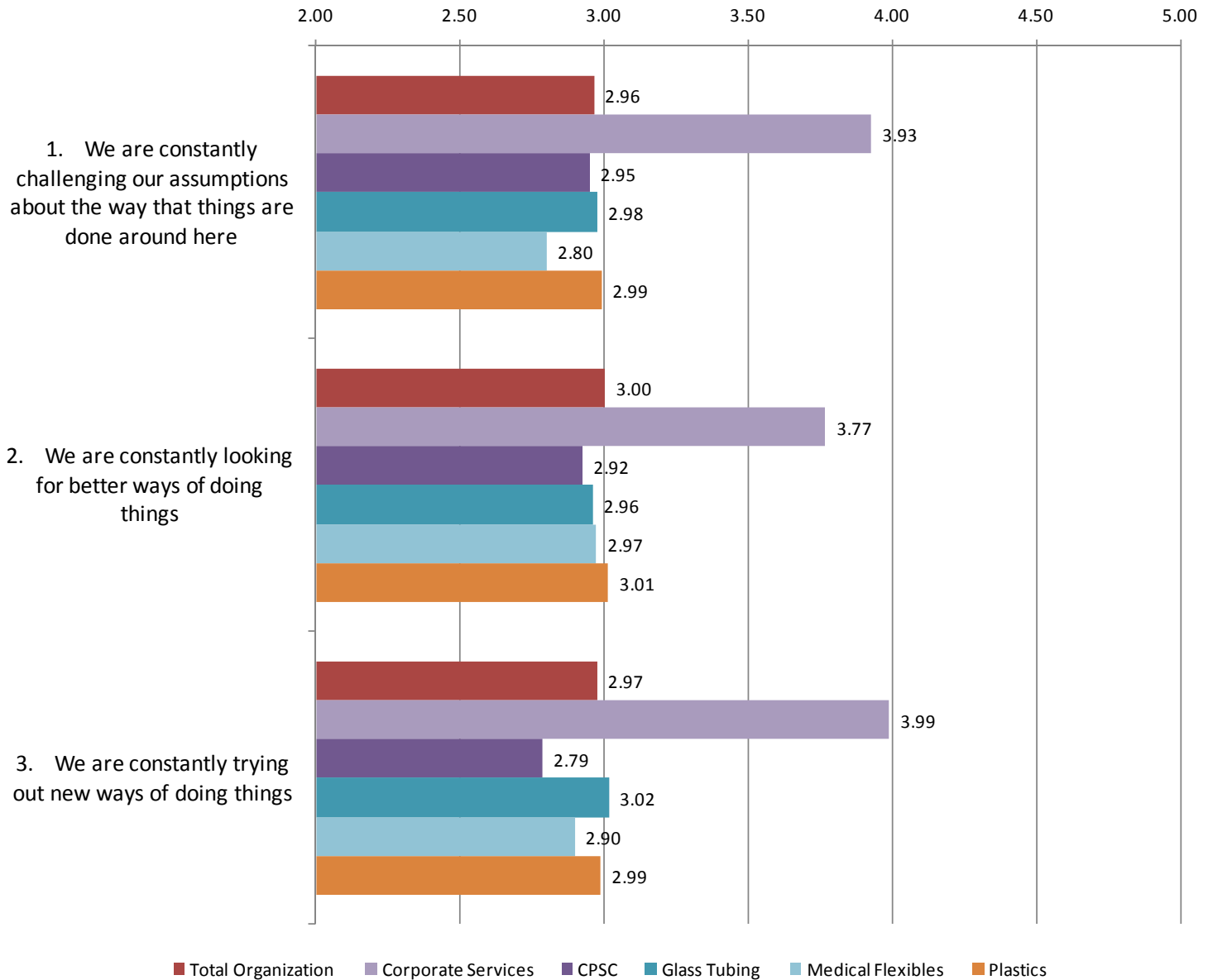
Appendix

Data Displays (Example)

A Note About the Appendix

- ▶ Every report is accompanied by a separate document containing:
 - A complete set of data displays in graph and distribution table format
 - Graphs are useful for communicating the survey results to employees
 - Distribution tables are useful for more in-depth analysis of the data
 - A complete set of verbatim comments recorded in response to the open-ended questions
- ▶ The example that follows shows the data displays for two culture patterns

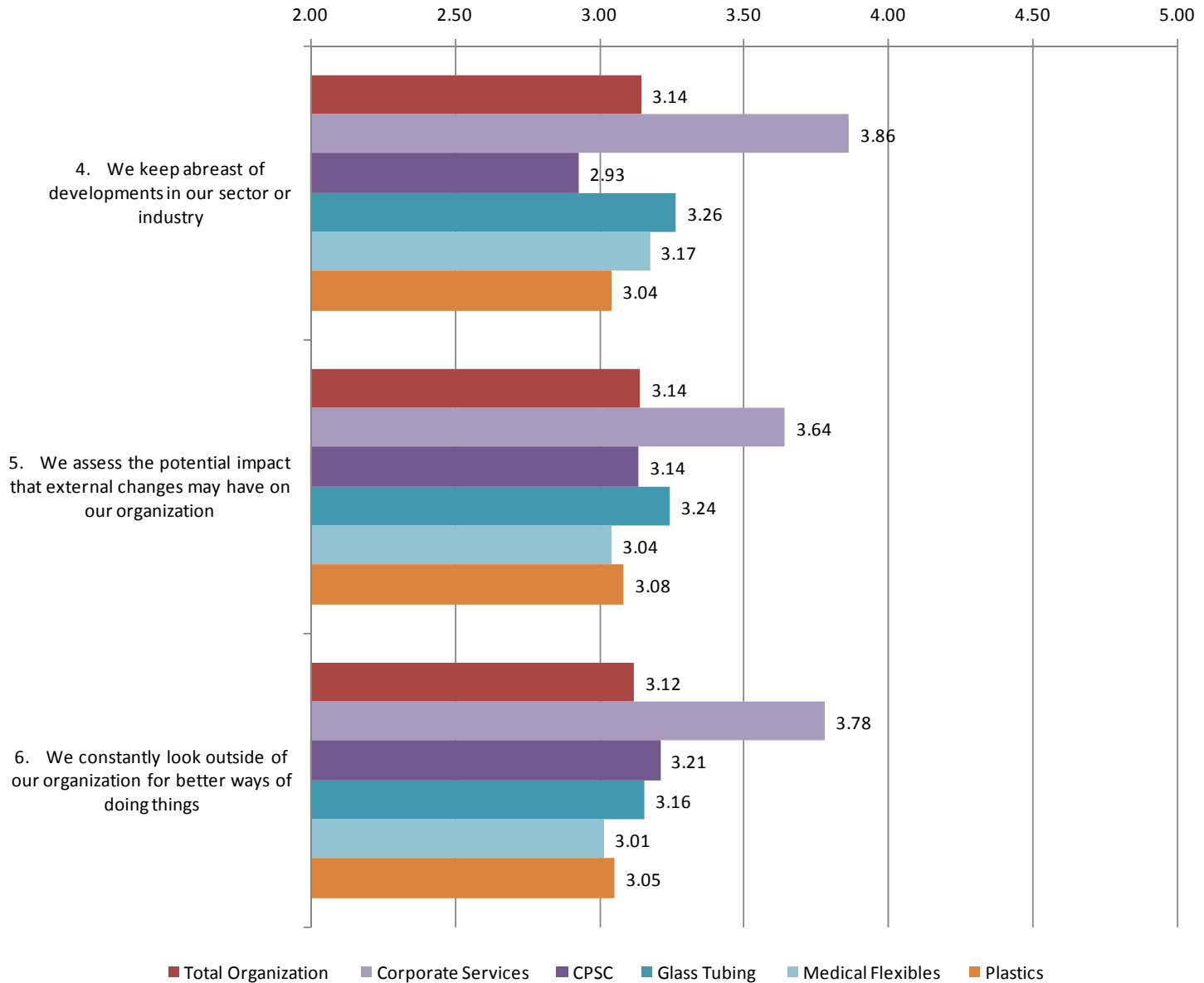
Agility - Adaptability



Adaptability – Challenging assumptions and searching for better ways of doing things

Items	Group	Completed Surveys	Average	Strongly Disagree	Disagree	Undecided	Agree	Strongly Agree	N/A
1. We are constantly challenging our assumptions about the way that things are done around here	Total Organization	2600	2.96	223	880	321	1119	57	0
	Corporate Services	95	3.93	0	7	8	65	15	0
	CPSC	426	2.95	40	134	62	188	2	0
	Glass Tubing	650	2.98	69	190	83	304	4	0
	Medical Flexibles	681	2.80	90	232	83	276	0	0
	Plastics	748	2.99	24	317	85	286	36	0
2. We are constantly looking for better ways of doing things	Total Organization	2600	3.00	141	941	359	1087	72	0
	Corporate Services	95	3.77	0	11	10	64	10	0
	CPSC	426	2.92	29	151	71	173	2	0
	Glass Tubing	650	2.96	64	201	86	295	4	0
	Medical Flexibles	681	2.97	30	264	106	256	25	0
	Plastics	748	3.01	18	314	86	299	31	0
3. We are constantly trying out new ways of doing things	Total Organization	2600	2.97	228	944	159	1204	65	0
	Corporate Services	95	3.99	0	7	2	71	15	0
	CPSC	426	2.79	51	170	26	177	2	0
	Glass Tubing	650	3.02	68	203	35	339	5	0
	Medical Flexibles	681	2.90	81	229	55	311	5	0
	Plastics	748	2.99	28	335	41	306	38	0

Agility - External Focus



External Focus – Identifying and assessing the impact of developments in the external environment

Items	Group	Completed Surveys	Average	Strongly Disagree	Disagree	Undecided	Agree	Strongly Agree	N/A
4. We keep abreast of developments in our sector or industry	Total Organization	2600	3.14	165	736	346	1268	85	0
	Corporate Services	95	3.86	0	8	7	70	10	0
	CPSC	426	2.93	41	147	41	196	1	0
	Glass Tubing	650	3.26	40	173	68	313	56	0
	Medical Flexibles	681	3.17	44	146	139	352	0	0
	Plastics	748	3.04	40	262	91	337	18	0
5. We assess the potential impact that external changes may have on our organization	Total Organization	2600	3.14	103	819	360	1243	75	0
	Corporate Services	95	3.64	0	18	6	63	8	0
	CPSC	426	3.14	22	123	56	225	0	0
	Glass Tubing	650	3.24	10	206	93	298	43	0
	Medical Flexibles	681	3.04	33	228	109	300	11	0
	Plastics	748	3.08	38	244	96	357	13	0
6. We constantly look outside of our organization for better ways of doing things	Total Organization	2600	3.12	115	888	256	1251	90	0
	Corporate Services	95	3.78	0	11	6	71	7	0
	CPSC	426	3.21	15	138	28	233	12	0
	Glass Tubing	650	3.16	15	248	60	275	52	0
	Medical Flexibles	681	3.01	49	223	79	329	1	0
	Plastics	748	3.05	36	268	83	343	18	0