

Issue #1

STRATEGIC SOLUTIONS



About Strategic Business Issues that Affect Competitive Performance Summer 2005

Does Your Culture Support Your Strategy? "Understanding your own culture will allow you to succeed at implementation?"

The word culture is an over-used expression that is often hard to define and usually never does an organization justice in terms of describing how it operates. Moreover, many organizations have no idea whether the culture is an effort-oriented one or a result-oriented culture. It follows close then that the culture is tied to performance and, in the same vein, many executives cannot really say with any accuracy that their culture is close to or far from a high performance culture by certain attributes.

Organizational culture is very difficult to measure yet it plays heavily into the operating model of how a company More importantly, does your behaves. culture support your enterprise-wide strategy? For example, if your strategy calls for an enormous amount of flawless execution and you are terrible at it, you clearly are going to have a major crisis before too long. You may miss most of your business targets. Your culture needs to be in harmony with your strategy and able to support be needs to its implementation.

So other than claiming your culture is operational, or it's focused on cost-efficiency or it's customer centric, how do you know for sure? Is it just an intuitive call by the senior people? Can you even measure it? And what dimensions do you measure? Culture is abstract, you can't touch it, you can't see it but you can surely feel it.

Take for example a major client of ours in another small town. We tried to set up interviews for 9:00 a.m. They wouldn't have any of it. First interview was at 10:00 a.m. We arrived early at 9:30 and waited in the lobby. Clerical and junior people walked in well after 9:00a.m., our meeting never began on time and some people were so discourteous that they forgot about the session and did not show up at all! People answered telephones during the interview, took blackberry messages and responded to emails. All this said a lot about the company. And if they don't care how it looks to the outside, what are they like on the inside? Terrible!

The executive team was argumentative, indecisive and refused to be held accountable for anything. The firm was one of the largest insurance firms in the world and with world class written all over their value statements yet they acted like one of the lowest performing organizations we had ever experienced. Culture is a function of intellectual development, behaviour, desire, passion, values, operating principals and ultimately leadership.



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Corporate strategy and business planning are important processes that help to define business opportunities and guide the work that the organization and its people must do to be successful. But behind strategy, there are a lot of components that come into play to determine how effective the organization will be in getting the right things done at the right time, both up-an-down, and across the organization. Collectively, theses attributes are referred to as "corporate culture."

> We believe you can take this abstract substance called culture and define it in tangible terms and conclude how close to a high performance organization you might be. Our survey call the Organization Vitality Index (OVI) is a measurement instrument used to take a snapshot of employee perceptions of the culture of an organization, and to identify areas most in need of improvement. To effectively implement strategy and drive customer and shareholder value, you need to understand the realities of your culture and its strengths and weaknesses.

The vitality of your organization and its ability to compete effectively is a function of the strength of its culture. This survey is designed to help you understand where those strengths and weaknesses reside so you can leverage strengths and eliminate weaknesses. The survey consists of four categories, each containing four areas of inquiry, with each area composed of seven statements related to that area. It starts with breaking up the culture into four quadrants: **Enterprise:** Structure, Corporate Culture, Managerial Leadership, Executive Leadership, **Resources:** Employees, Communications, Technology, Teamwork, **Knowledge**: Customers, Competitors, Business, Performance, **Deployment:** Planning, Market Strategy, Operational Effectiveness, Plan Implementation. You can measure organizational vitality in terms of the relative capabilities of the organization in areas deemed to be key to achieving "high performance" status.

The survey is user-friendly and the categories are intuitive, understandable, provides a logical way to think through all of the vital and integrated aspects of the enterprise. This logical framework provides insight into the strategic health of the enterprise, and allows staff to focus in on the priority improvement areas. This self-assessment tool is a quick and effective way to gain valuable insight into the strengths and weaknesses of the organization in pursuit of its business objectives.





Organization Vitality Overview



The "spider web" diagram quickly illustrates the strengths and weaknesses as seen by employees. The detailed results are provided so that an analysis of the major contributory causes for the assessment can easily be conducted. Finally, verbatim responses for each section provide insight into the emotional opinions of the respondents and gathers improvement suggestions. Understanding these facets is very important for managers and leaders if they are to improve the capabilities and competitive skill sets of their staff and business operating units, and overall organizational vitality.

Culture *can* be measured and used in relation to your strategy but you have to know how to do it and how to use the information to your advanatge.

<u>About</u>

The Strategic Planning Group

The Strategic Planning Group (T.S.P.G.) is a **full service consulting firm** that can provide organizations with a wide range of advice, business tools and solutions. At T.S.P.G. our focus is on helping our clients solve their complex issues to realize their ultimate potential, whether we are assisting in a particular functional area or helping to set the overall strategy for the organization. Our full service approach combined with our commitment to helping clients realize their ultimate potential, results in an efficient and effective approach, creating great value for our clients.

We want to be more than just consultants. For us to be successful in helping you we need to understand how you operate and what challenges you are currently facing. We want to help you achieve your goals and your ultimate business potential. To accomplish this we must be trusted and objective advisors to our clients by contributing our knowledge, experience and thinking in ways that make a positive impact.

We are growing rapidly and on the leading edge of thought leadership with a goal to add value to our clients.

How to Reach Us

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