



ORGANISATION CULTURE

Organisation Culture Questionnaire

This questionnaire has been designed to help you develop some useful insights into the culture of your company.

An organisation's culture consists of the set of beliefs or values with which most of its members would agree. By understanding the effects of your present culture, you and others may be able to influence positively the health of your company.

On the following page you will find a number of statements. Each statement refers to possible viewpoints or beliefs of people in your firm. You should give your best estimate of the overall level of agreement or disagreement **that people in your firm would express** in response to each of the statements.

This is expressed as follows:

SD	Strongly disagree
D	Disagree
A/D	Neither agree or disagree that this applies to your company
A	Agree
SA	Strongly agree

Simply circle the response which you feel is most generally accurate in terms of how people in the firm would react.

Do not, at this time, report on your own personal feelings,. Try to act as an objective observer.

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People in your company		SD	D	A/D	A	SA
1.	...believe in having a good laugh now and again.	1	2	3	4	5
2.	...believe that 'GOOD' is not enough, only the best will do.	1	2	3	4	5
3.	...expect constant improvements in how we do things.	1	2	3	4	5
4.	...believe in working towards an ideal of perfection.	1	2	3	4	5
5.	...are really concerned about each other.	1	2	3	4	5
6.	...feel personally responsible for top quality in products or services.	1	2	3	4	5
7.	...feel free to contact others in the firm whenever it is necessary to get the job done.	1	2	3	4	5
8.	...expect to do better every year.	1	2	3	4	5
9.	...expect managers to have the technical expertise needed to help deal with problems.	1	2	3	4	5
10.	...understand what the firm is all about.	1	2	3	4	5
11.	...believe that their work is too important to be taken lightly.	5	4	3	2	1
12.	...don't expect extraordinary work efforts.	5	4	3	2	1
13.	...generally feel that the risks associated with trying out new ideas are not worth taking.	5	4	3	2	1
14.	...believe it is a waste of energy to try to achieve perfection.	5	4	3	2	1
15.	...know that the firm is more important than any of the people who work here.	5	4	3	2	1
16.	...believe that quality is the responsibility of somebody else.	5	4	3	2	1
17.	...believe in keeping their problems to themselves.	5	4	3	2	1
18.	...are not pressurised for more and more output or constant increases in efficiency.	5	4	3	2	1
19.	...don't expect managers to get involved in specific task problems that may arise.	5	4	3	2	1
20.	...don't have any generally accepted beliefs about the firm's mission.	5	4	3	2	1

People in your company		SD	D	A/D	A	SA
21.	...believe in enjoying what they do.	1	2	-3	4	5
22.	...will not accept being "second best".	1	2	3	4	5
23	...are expected to come up with innovative new ideas.	1	2	3	4	5
24	...feel responsible for every detail of their work.	1	2	3	4	5
25	...know they are respected and valued.	1	2	3	4	5
26	...will not accept work that is below top quality.	1	2	3	4	5
27	...share information freely, across official channels.	1	2	3	4	5
28	...are always striving to improve.	1	2	3	4	5
29	...whatever their levels, work together to get the job done.	1	2	3	4	5
30	...are committed to a common "philosophy" or purpose.	1	2	3	4	5
31	...believe in taking their work VERY seriously.	5	4	3	2	1
32	...are satisfied with doing an acceptable job.	5	4	3	2	1
33	...prefer not to risk failure with unproven ideas.	5	4	3	2	1
34	...focus on getting the job done rather than worrying about the finer points.	5	4	3	2	1
35	...see themselves as small parts of a huge operation.	5	4	3	2	1
36	...try to keep the quality of our output at an acceptable but realistic, level.	5	4	3	2	1
37	...carefully follow formal channels of communication.	5	4	3	2	1
38	...believe that keeping things on an even keel is more important than maximum output.	5	4	3	2	1
39	...believe in clear job roles - managers manage and others 'do'..	5	4	3	2	1
40	...feel that everyone is entitled to his or her view of the 'mission' of the firm.	1	2	3	4	5
41	...believe that jobs should be fun.	1	2	3	4	5

People in your company

SD D A/D A SA

42.	...believe in being the best at what we do.	1	2	-3	4	5
43.	...know they will not be punished for trying new ideas that might not work.	1	2	3	4	5
44	...believe in paying special attention to details in doing the job right.	1	2	3	4	5
45	...believe in the importance of each individual.	1	2	3	4	5
46	...are committed to superior quality in our products.	1	2	3	4	5
47	...communicate freely and informally at all levels.	1	2	3	4	5
48	...see financial measures (of sales results and profits etc). as very important.	1	2	3	4	5
49	...believe in hands on management, those who manage can also 'do'.	1	2	3	4	5
50	...are aware that top management has communicated a clear philosophy for the firm.	1	2	3	4	5

In a few words, how would you describe your company culture in contrast with any other firm you have worked in?



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Interpretation

An interpretation of the data generated by the questionnaire should begin with a comparison of your individual and Group Grand Total Scores with the ranges listed in the table below:

Grand Total Score Range	Level of Organisational Excellence	Per cent of organisations in each category
190 and above	Roof's Up	10% (Excellent Organisations)
175 - 189	Pillars in Place	20%
150-174	Foundation Laid	40%
100 - 149	Site Cleared	20%
Below 100	Planning Stage	10%

The above ranges and LEVELS of building up of an Organisation Excellence Culture provide a general evaluation of the strength of excellence values in your organisation, as defined by the Peters and Waterman model. Norms are based on samples from approximately 100 organisations.

Each of the ten values that drive excellence may also be evaluated by comparing your INDIVIDUAL SCORE on each value and indeed the group scores on each value to those in the table below:

Thus, a score of between 17 and 18 for Communication, would mean that compared with other companies, high on this value.

<u>INDIVIDUAL SCORE RANGE</u>	<u>LEVEL OF EFFECTIVENESS</u>
19 - 25	High
17 - 18	Moderately High
15 - 16	Average
10 - 14	Moderately Low
5 - 9	Low

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Scoring of the Organisation Culture Questionnaire.

Each of these columns relates to one of the ten key beliefs that promote organisation excellence. Add the scores for the numbers indicated in each column to arrive at a subtotal. Add the ten sub-totals to arrive at a single Individual Grand Total

1. Fun	2. Being the Best	3. Risk Taking	4. Attention to Detail	5. Worth of People
Q1 ____	Q2 ____	Q3 ____	Q4 ____	Q5 ____
Q11 ____	Q12 ____	Q13 ____	Q14 ____	Q15 ____
Q21 ____	Q22 ____	Q23 ____	Q24 ____	Q25 ____
Q31 ____	Q32 ____	Q33 ____	Q34 ____	Q35 ____
Q41 ____	Q42 ____	Q43 ____	Q44 ____	Q45 ____
= ____	= ____	= ____	= ____	= ____
 6. Quality	 7. Commun-ication	 8. Success Measures	 9. Hands on	 10. Shared Philosophy
Q6 ____	Q7 ____	Q8 ____	Q9 ____	Q10 ____
Q16 ____	Q17 ____	Q18 ____	Q19 ____	Q20 ____
Q26 ____	Q27 ____	Q28 ____	Q29 ____	Q30 ____
Q36 ____	Q37 ____	Q38 ____	Q39 ____	Q40 ____
Q46 ____	Q47 ____	Q48 ____	Q49 ____	Q50 ____
= ____	= ____	= ____	= ____	= ____
Individual Grand Total ____				

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I The Importance of "Excellence" as Organisation Culture

In 1982 Tom Peters and Robert Waterman published their book *In Search of Excellence*, the result of a number of years research into what factors contributed to the "excellence" of America's most successful and profitable business organisations. Their book created somewhat of a sensation amongst the boardrooms of US organisations and has had a major influence on modern business thinking both in the US and in the UK. The sample of 62 organisations included High Technology, Consumer Goods, Service Companies, Project Management organisations and Resource based organisations. Six measures of long term superior performance in the period of 1961 to 1980 were counted as "excellence":

1. Compound asset growth
2. Compound equity growth
3. The average ratio of market value to book value
4. Average return on total capital
5. Average return on equity
6. Average return on sales

To qualify as a top performer, an organisation had to have been in the top half of its industry in at least four out of the six measures over the full twenty year period. A last screen was applying a measure of innovation, defined as an organisation's flow of new products and services and general rapidity of response to changing markets and other external dynamics.

II Summary of Conclusions from "In Search of Excellence"

Peters and Waterman's essential premise was that traditional "rational" thinking exemplified by how business was taught in Business Schools was no longer sufficient to help organisations grow and thrive in an increasingly fast moving, competitive and complex world.

The old school of "scientific management" is exemplified by beliefs such as big is better, focus on costs and the need for analysis of everything before decisions are made. Management's prime responsibility is decision making and managing implementation; get monetary incentives right and productivity will follow; inspection for quality control; etc. People, products and services are simply resources to be marshalled to get good financial results.

In essence Peters and Waterman made fundamental challenge to this 'scientific', financially based, approach to business.

Peters and Waterman proposed that the traditional line of business thinking was not all wrong, but that it had led to a gross imbalance in management approach. They emphasised the importance of more "irrational" facts. Organisations are made up of people. They proposed that the central problem with the rationalist view of organising people towards economic objectives is that people are not very rational. They highlighted a number of basic human needs in organisations which they regarded as having fundamental implications for business managers:

1. People's for meaning
2. People's need for some control
3. People's need for positive reinforcement, to think of themselves as winners in some sense
4. The degrees to which actions and behaviours shape attitudes and beliefs rather than vice versa.

Peters and Waterman found that the truly excellent organisations were those that recognised and actively promoted and exploited these key elements into a fundamental belief and value system as important, if not more important than any quantitative "hard" objectives, such as sales, profit etc. The consistent pursuit of these values themselves shaped and directly contributed to the success and profitability of the firm. They stressed the notion of organisations as distinctive cultures and saw the process of shaping culture as a prime management role. In excellent organisations they found that in the institutions in which culture is most dominant, the highest levels of true autonomy occur.

The culture regulates vigorously the few variables that do count and it provides meaning. But within those qualitative values (and in almost all other dimensions), people are encouraged to stick out, to innovate and to take direct responsibility for their and ultimately the organisation's destiny.

III The "EXCELLENCE" Model of Organisation Culture

Peters and Waterman identified seven specific original Organisational beliefs. To these have been added three more that were extracted from the chapter in their book containing the discussion of values. These ten basic beliefs or values are typically found in firms recognised for corporate excellence.

1. Work Should be Fun

A constant theme in the excellent organisations research is that leaders and managers like what they do and get enthusiastic about it. Effective leaders can generate excitement and involvement amongst staff.

2. Being the BEST

A company's superordinate goals must be general. But they must also clearly delineate "us" from "them". Nothing does this better than "being the best at something". As one interviewee said:

"Set and demand standards of excellence. Anybody who accepts mediocrity mediocrity - in school, in job, in life, - is somebody who compromises and when the leader compromises, the whole damn organisation compromises".

Examples of "being the best" might be in setting standards for customer service or product quality - or many organisations may merely emphasise the details of execution but in a fervent way. For Example:

"We expect and demand a superior performance from our people whatever they do".

An environment which calls for perfection is not likely to be easy. But aiming for it is always a goad to progress.

3. Taking (thoughtful) Risks

One of the most important findings from the research is the importance of innovation to excellent organisations. All too often big organisations can atrophy. They forget how to learn; how to make mistakes and as a result discourage innovation.

Innovation is a numbers game. For every successful innovation, there are usually about 9 Failures. The only way therefore to achieve innovation is through a toleration of reasonable experimentation, trial and error and risk of mistakes.

Those organisations most successful at innovation were found to be those who pushed autonomy down the line and actively encouraged individuals as product or idea champions.

The real innovator is rare - those people who have the know-how, energy and staying power to see an idea through to implementation. Organisations need to be able to nurture these. As Peter Drucker observes:

"Whenever anything is being accomplished, it is being done, I have learned, by a monomaniac with a mission".

An organisation needs to support its champions, to be more tolerant of failure and push to responsibility down the line if it is to innovate successfully.

4. Attention to Detail

This refers to giving attention to the detail of the core "nuts and bolts" of the business. It requires a precise understanding of what are the fundamental and detailed strengths of the business and sticking to them.

Frequently cited was the zeal and energy of leaders in excellent companies in promoting and encouraging these core values of the organisation.

For example in a culture where customer service is paramount, it was often found that all staff held the attitude of ensuring that no customer complaint, however trivial, goes without immediate attention.

5. The Worth and Value of People

If you want productivity and the financial reward that goes with it, you must treat your workers as your most important asset. In excellent organisations respect for the individual was an overriding principle.

What makes it live in these organisations is a plethora of structural devices, systems, styles and values, all reinforcing one another so that excellent organisations are truly unusual in their ability to achieve extraordinary results through ordinary people.

These organisations echo basic theories about man and motivation; they give people control over their destinies; they make meaning for people; and they make average people feel winners.

There is a tough side to people orientation as well. Excellent organisations are measurement-happy and performance oriented. However, this is born of mutually high expectations and peer review rather than emanating from table-pounding managers and complicated control systems.

6. Quality

A belief in superior quality and service to the customer proved to be paramount in excellent organisations. The emphasis was on creating value rather than cutting costs. There is a fundamental belief amongst managers in these organisations that this creates loyalty and long term revenue.

Many of the organisations in the survey devoted an explicit part of their mission statement to discussion of service and for many it was viewed as the prime objective. With service as their top goal, they felt that profitability naturally followed.

Also found in the research was that top managers in these organisations treated service and quality issues as ones that demanded their immediate personal attention. Executives believe they must maintain a long-term view of service as a revenue builder.

Profit objectives, while very necessary, are internally focused and certainly do not inspire people down the line. Service objectives, on the other hand, are almost without fail meaningful to employees down the line. A strong sense of personal accountability is crucial.

7. Communicating to get the job done

A feature of excellent organisations was their fluidity - a vast network of informal, open communications. The right people seem to get into contact with one another frequently and informally and the potentially anarchic nature of the system is kept well under control by the regularity of the contact and its nature.

Intensity of communication and informality seem to be the hallmarks of effective communications. Managers are accessible and also getting out and about amongst customers and employees are important contributors to informal exchanges. Peters and Waterman concluded from their observations that rich, frequent and informal communication lead to more action, more experiments, more learning and simultaneously to the ability to stay better in touch and more on top of things.

8. Attention to Growth, Profit and other Indicators of Success.

Whilst excellent business organisations may make quality, service and more qualitative elements overriding objectives, there is no doubt that they regard the hard indicators of growth and profit as important in measuring success. What is more, they are tough on these and as has been said, push responsibility for their attainment down the line. However the emphasis for management is more on the underlying strengths and core values of the business that contribute to results and it may well be that senior management attention is directed at tracking and promoting quality and service as the most important contributors to longer term revenue and profits.

9. 'Hands on' Management

Fewer administrators and more operators was a key to success in excellent organisations. The all-too-reasonable and rational response to complexity by large companies is to coordinate things, form committees, have large and complex information systems - the familiar paralysis by over-analysis syndrome. All too often this process is overdone and blocks effective action. Peters and Waterman found that the most effective way of managing complexity was for managers to break things up to facilitate organisational fluidity and to encourage action. Managers need to be doers. As one interviewee said:

"We have come to believe that the key success factor in business is simply getting one's arms around almost any practical problem and doing something about it - now."

Small task forces or project groups can be an effective problem solving management device - if they don't get bogged down. Effective action-oriented teams would be characterised by the following:

- * **The duration of the task force is very limited;**
- * **Membership is usually voluntary;**