



**ORGANIZATION STRENGTHS AND CULTURE
ACTION PLANNING GUIDE**

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Action Planning Guide

Organization Strengths and Culture Survey Results

INTRODUCTION TO THE RESEARCH

The Organizational Strength Survey measures four different aspects of organizational culture. Each of these four is important to effective performance. This guide will allow you to determine how your organization is doing in each of the four, as well helping you to determine where and how to intervene in your organizational culture and practices.

INTRODUCTION TO THE GUIDE

This guide involves a three-step process of diagnosing your current situation, setting priorities, and choosing actions. To complete the three stages you will need your own scores on each scale, as well as the scores of an appropriate reference group. Which scores are right for reference depends upon your goals. You may want to assess your individual scores against those of your organization (if more than one person completed the survey). Or you may choose to compare your organization's scores against others in your industry (or even some other industry you are targeting for expansion).

Another option is to develop a set of scores that you determine are your "desired state," and then compare your results with those. For example, your organization may have a mission statement or core values that espouse creativity. If the results of the organization strengths survey suggest that your firm is actually *not* high in adhocracy culture, then this may be something you wish to correct.

As you can see, a number of comparisons are appropriate. Once you have decided what the right reference group is, you will be ready to conduct the diagnosis.

Diagnosis: Understanding Your Scores

You have scores (your own and those of your comparison group) for each of 16 organizational capabilities. These capabilities are grouped together in sets of four, with each set measuring your strengths in a different aspect organizational culture (see Figure 2 on page 3 for the model). These aspects are *market*, *clan*, *adhocracy*, and *hierarchy*. Each of the cultural aspect is summarized below in Figure 1 (for a more complete discussion see Cameron and Quinn, *Diagnosing and Changing Organizational Culture*, 1999, Addison-Wesley).

Figure 1: Summary of Four Culture Type

| | Market | Clan | Adhocracy | Hierarchy |
|---------------------------|---|--|---|--|
| Core values & strategy | Productivity Competitiveness Customer focus | Empowerment Team building HR development | Creative solutions Anticipating needs Setting new standards | Process control Quality Measurement Error detection |
| Leadership style | Hard-driving competitor | Facilitator-mentor | Visionary innovator | Organizer-monitor |
| Criteria of effectiveness | Market share Goal achievement | Cohesion Morale | Creativity growth | Efficiency timeliness |
| Management theory | Competition fosters productivity | Participation fosters commitment | Innovativeness fosters new resources | Control fosters efficiency |

While different strategies and industries are clearly better served by one or another of these cultures, in the long run it may be important to have all of the organizational strengths available. Any one of the four, if taken too far, can change from a strength to a liability. For example, it is obviously important to train and develop employees; this is a clan culture strength. But if this is taken too far, if concern for comfort overrides getting the job done, it can hurt performance. Therefore, it is important to have the right balance among the cultural strengths. Each one has important strengths, but each also has significant weaknesses, which are offset by the opposite culture (e.g., a hierarchy's lack of innovation is corrected by adhocracy, and adhocracy's potential to wander off target can be fixed by hierarchy). Optimal organizational performance depends on getting the right balance of strengths.

Completing the table below will help you to determine which of your cultural strengths are best and worst compared to your chosen reference group.

Figure 2: Action Planning Score Interpretation

| | A Your score | B Reference group score | Difference (A – B) |
|------------------------------|-----------------|-------------------------------|-----------------------|
| Hierarchy | | | |
| Compliance | | | |
| Continuity | | | |
| Cost control | | | |
| Process quality | | | |
| Sum of differences | | | |
| Adhocracy | | | |
| Innovation | | | |
| Customer focus | | | |
| Growing the organization | | | |
| Culture change | | | |
| Sum of differences | | | |
| Clan | | | |
| Life balance | | | |
| Developing high performers | | | |
| Cross-functional cooperation | | | |
| Cohesion | | | |
| Sum of differences | | | |
| Market | | | |
| Speed | | | |
| Managing low performers | | | |
| Competitive climate | | | |
| Urgency | | | |
| Sum of differences | | | |

Setting priorities

By looking at the four sums you have calculated, you can get an idea of how your strengths compare with those of your reference group. Positive values indicate that you are doing better in terms of those cultural strengths. Negative values mean you are not doing as well.

This comparison with your reference group will tell you where you need to focus your change efforts. For example, suppose that you have selected the profile of firms in a market segment that you want to target as your reference group. If your lowest sum, relative to the target segment, was in the adhocracy culture, your organization may be best served by developing adhocratic strengths. This result would mean that firms in that segment tend to be more flexible and innovative than your firm, which may indicate that this is an important requirement for competing in that market.

Whatever your comparison suggests, it is probably best to focus on developing only one kind of cultural strength at a time. For example, if your assessment suggests that you need to develop both adhocracy and hierarchy, it may be best to address only one at a time. As you will have realized from the descriptions, each of the cultural types is different, and sometimes even contrary to the others. It will be challenging enough to maintain the strengths you have in the other three areas while developing the fourth. Trying to develop strengths in two areas simultaneously may undermine your efforts.

Choosing actions

Figure 3 below is a guide for creating an action plan specific to your needs. Fill in the difference scores from Figure 2, and set targets for each organizational strength. Using the action items included as examples, think about what you can do to increase your strengths in the desired areas. We encourage you to think about the strengths you want to build, the nature of the culture that will provide those strengths, and what is best for your organization in the long-term.

When designing any action plan, keep three important principles in mind.

- (1) Focus on small wins. No matter how fundamental a change you intend to eventually make, it will have a much greater chance of success if you decompose it into a series of small steps. When each step is accomplished, it provides momentum and a tangible record of success. This is important to your long-term results. Change is hard, and you should have all the reinforcement you can.
- (2) Get support. Because change is so difficult, another support you should seek is social support; get people on board. Remember that you are in an organization. What other people do will influence the results of your change efforts. Explain your reasons and goals; get others to support the change effort.
- (3) Build in accountability. Make sure that your small wins are measurable and that there is some process for assessing their achievement. Following up will provide the positive feedback of success, and it will place some productive pressure on you. Knowing that a task must be done by next week is very different from knowing that it must be done 'sooner or later.' Be accountable.

Figure 3: Action Planning Suggestion Guide

| | Difference Score from Figure 2 (A-B) | Desired Score | Action Items* Below are examples of actions that you can take to increase your score in each of the dimensions. Overall, start by reviewing your vision, mission, and objectives to determine if the messages you are sending to stakeholders are consistent with your desired state. |
|------------------------------|--------------------------------------|---------------|--|
| Hierarchy | | | |
| Compliance | | | <p>PERSONAL: Consider using technology that will reduce paperwork and move toward the concept of a paperless organization.</p> <p>COMPANY: Examine the time it takes between customer requests and actual delivery. Redesign system to cut time in half. Hold an annual audit to determine if all measurement and accounting systems are focused on desired goals.</p> |
| Continuity | | | |
| Cost control | | | |
| Process quality | | | |
| Adhocracy | | | |
| Innovation | | | <p>PERSONAL: Make a critical analysis of your vision statement. Does it provide both cognitive and emotional direction? Does it inspire people and teach them simultaneously?</p> <p>COMPANY: Keep track of the amount of time leaders in the organization spend on positioning for the future, as opposed to coping with the present.</p> |
| Customer focus | | | |
| Growing the organization | | | |
| Culture change | | | |
| Clan | | | |
| Life balance | | | <p>PERSONAL: Constantly monitor the problems of first-line supervisors, and see that they are cared for.</p> <p>COMPANY: Design career systems that emphasize inter-unit mobility and encourage cross-functional communication and learning. Involve employees in strategic planning. Develop programs that facilitate team-building skills .</p> |
| Developing high performers | | | |
| Cross-functional cooperation | | | |
| Cohesion | | | |
| Market | | | |
| Speed | | | <p>PERSONAL: Study the best quality achievements of competitors and share them with employees. Ask for suggestions on how to be more competitive.</p> <p>COMPANY: Examine how you communicate with stakeholders. For example, describe the flow of information from the organization to customers. Also, what processes do managers use to communicate to employees?</p> |
| Managing low performers | | | |
| Competitive climate | | | |
| Urgency | | | |

*Note: If you want to create an on-line action plan, you can use the action planning module provided in the survey report. However, in order to keep a personal action plan, you need to login and create a personal account. When using the on-line system, you can create actions that you own and can start doing today (direct) or that others own (indirect). You also can mark them as short or long-term in nature. The result of categorizing this way is a “quick win” report that shows you what actions you can immediately start working on and actions that may take longer to complete.

The Analysis of the Qualitative Data: Negative and Positive Organizing

Negative and Positive Organizing

In our last survey we asked the respondents to write descriptions of what their organizations were like when they were most negative and most positive. We received over 1000 responses to these two questions. We have since done an extensive analysis of the data. We have been able to identify some of the basic dimensions of negative and positive organizing. These are shown in Tables A and B.

Table A. The Characteristics of Positive Organizing

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|--|
| Customer Satisfaction: There is a sense of successful linkage with the customer. The people get positive customer feedback. |
| Financial Confidence: There is a sense of delight in the financial successful of the firm. The people feel that they have opportunities. |
| Strategic Clarity: The mission, goals, objectives and strategies are clear. The people know what must be done: |
| Disciplined Execution: There is decisiveness and discipline. The people are making hard choices in order to execute and drive the task to completion: |
| Quick Pace: There is a sense of urgency. The people have an action orientation, the pace is quick and they get things get done on time. |
| Collective Commitment: There is shared commitment and a collective mission. The people are unified in embracing the same objectives and strategies. |
| Selfless Sacrifice: There is selfless contribution. The people are sacrificing for the common good, making an extensive and spontaneous collective effort. |
| Open Dialog: There is participation, openness and honesty. The people feel that they are heard, they challenge ideas, and the dialog is real. |
| Interpersonal Cohesion: There is a sense of interpersonal support and teamwork. The people work well together, and feel that everyone is an important part of the team. |
| Inter-unit Coordination: There is a sense of cooperation across boundaries and levels. The people feel like all the units are working together. |
| Optimism and Hope: There is a sense of hope and possibility. The people are optimistic about the future. |
| Stretch and Extension: There is a sense of venture, challenge, and stretch. The people are taking risks and extending themselves in pursuit of an important purpose. |
| Creativity and Innovation: There is a sense of creativity and innovation. The people are implementing fresh ideas, developing new products, doing things differently: |
| Adaptation and Growth: There is a sense of exploration, learning and discovery. The people are adapting and growing as they stay positive and learn from experience. |
| Excitement and Happiness: There is a climate of excitement, the people engage in celebrations, share appreciation and recognition: |
| Continuity and Predictability: There is a sense that things run smoothly, there are few disruptions, problems are anticipated and prevented. The people have a sense of day-to-day predictability. |
| Personal control: There is a sense of personal control and capability. The people feel that they can plan and execute their responsibilities. |
| Cost Control: There is a sense of fiscal prudence, costs are being reduced and processes are efficient. The people feel that the resources are being used wisely. |
| Logic and Realism: There is a sense that goals and priorities are realistic. The people see organizational priorities emerging from a logical assessment of what must be done. |
| Measurement and Feedback: There is a sense of measurement, monitoring and feedback. The people know how they are doing: |

Table B. The Characteristics of Negative Organizing

| |
|---|
| Financial Insecurity: Because of poor firm performance, there is a sense of anxiety and insecurity. The people fear for their jobs and tend to withdraw. |
| Strategic Confusion: There is a sense that the mission, goals and objectives are unclear. The people do not know what needs to be done. |
| Undisciplined Execution: There is a sense of indecisiveness and conflict avoidance. The people are avoiding hard choices, failing to show discipline or the ability to execute and drive the tasks to completion. |
| Slow Pace: There is a sense of sluggishness and slow pace. The people experience a lack of urgency, they are moving slowly, not getting things done on time |
| Customer Alienation: There is a sense of becoming too internally focused and thus losing external responsiveness. The |

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| people feel that they are becoming disconnected from the customer. |
| Arrogance and Alienation: There a sense of arrogance and an absence of appreciation, sensitivity and concern. The people feel insecure, offended and alienated. |
| Personal Self-interest: There is a sense of disunity and individualism; everyone is going their own way. The people are taking care of themselves and show no commitment to a common purpose. |
| Anger and Resistance: There is a sense of anger and resistance. The people are acting out in rebellious and destructive ways. |
| Haste and Stress: There is a sense of hasty, imprudent decision making. The people feel rushed and stressed as they experience increasing disorganization and costly mistakes. |
| Inter-unit conflict: There is a sense of tension and conflict between levels and units in the company. The people feel a lack of collaboration and witness negative impacts. |
| Risk avoidance: There is a growing sense of caution and risk avoidance. The people become hesitant and the sense of challenge and stretch disappears. |
| Austerity and Depression: There is a sense of declining resources and increasing austerity. The people are discouraged by the increasingly barren and scarce context. |
| Pessimism and Hopelessness: There is a sense of hopelessness. The people have a pessimistic view of the future they tend to be lifeless and lethargic. |
| Denial and Escape: There is a sense of denial and escape. People encounter serious issues but tend to deny them, thus allowing them to get worse. |
| Rigidity and constraint: There is a sense of rigidity and short-term focus. The people feel constrained in the status quo, there is no sense of innovation or investment in the future |
| Failure and Blame: There is a sense of failure and cover-up, the people experience a lot of finger pointing and blaming behaviors. |
| Inefficiency and Waste: There is a sense of inefficiency and waste. The people experience false starts, wasted time, rework and duplication. |
| Delusion and Fantasy: There is a sense of fantasy around aspirations. The people do not see the objectives as realistic. |
| Secrecy and Uncertainty: There is a sense of secrecy and uncertainty. People lack information and the uncertainty gives rise to rumors and distortions. |
| Change Overload: There is a sense of continuous disruption and discontinuity. The people experience change overload and can not successfully cope. |

Application

These data suggest that organizations vary enormously in terms of positive and negative organizing. You can get a rough idea of how your organization is doing by simply using the above tables as a diagnostic checklist and focusing on areas that need to improve and areas of strength from which you might like to build.

In an attempt to be even more helpful, we are currently turning the above materials into an instrument that will allow you to quantify the performance of your organization and compare it to the performance of others. We will administer the instrument in January. We believe that we will gain numerous insights about building positive organizations. We are anxious to identify the insights and share them with you.

To learn more about Dr. Quinn's research, visit:

<http://www.bus.umich.edu/Positive/>

To learn more about Dr. Welbourne's research,
the Leadership Pulse project, or other eePulse research, visit:

www.eepulse.com

Thank you for your participation in this study.