Report

# Organizational Culture Assessment Instrument

## Company

date



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## The Organizational Culture Assessment Instrument (OCAI)

The 'Organizational Culture Assessment Instrument' (OCAI) developed by Kim Cameron and Robert Quinn is a validated research method to examine organizational culture.

Much research went into the development of the OCAI. The American professor Robert Quinn and his colleague Kim Cameron developed the model of the Competing Values Framework. This framework consists of four Competing Values that correspond with four types of organizational culture.

Every organization has its own mix of these four types of organizational culture. This mix is found by the completion of a short questionnaire. This questionnaire is a valid method to indicate handles for change. The OCAI is currently used by 10,000 companies worldwide.

### **OCAI-questionnaire**

The participant is asked to divide 100 points over four alternatives that correspond to the four culture types, according to the present organization. This method measures the mix of or extent to which one of the four culture types dominates the present organizational or team culture. By taking the test a second time, this time dividing the 100 points over the same alternatives according to what the participant would like to see in the company, the desire for change can be measured.

The questionnaire can be found in the appendix.

Participants will judge the six dimensions of their organization:

- **1.** Dominant Characteristics
- 2. Organizational Leadership
- 3. Management of Employees
- 4. Organizational Glue
- **5.** Strategic emphases
- 6. Criteria of success

#### The results

From Quinn and Cameron's extensive research it was found that most organizations have developed a dominant culture-style. An organization rarely has only one culture type. Often there is a mix of the four organizational cultures.

Conflicts within the Competing Values Framework may be caused by the fact that the values and the corresponding organizational cultures compete with each other. This is because organizations can spend their money, attention and time only once.

Quinn and Cameron found that organizations which are flexible in their structure are most effective, which sometimes leads to contradictions within the organization. The 'best' organizations can handle competition within this framework well.

Every culture type works best in the activities domain corresponding to that particular culture type. So sometimes there is no ultimate 'best' organizational culture, although a specific type may be better than others in particular situations.

### The Competing Values Framework

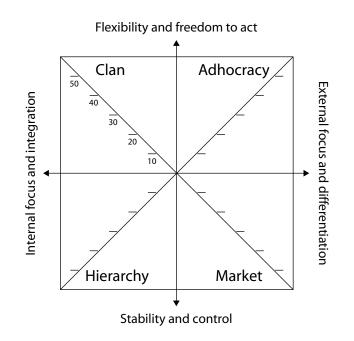
From a list of 39 indicators of effectiveness within the organization, two important dimensions were discovered by statistical analysis.

Cameron and Quinn came up with four quadrants, corresponding to the four organizational cultures that differ strongly:

- Internal focus and integration versus External focus and differentiation
- Stability and control versus Flexibility and discretion

To the left in the graph, the organization is internally focused (what is important for us, how do we want to work) and to the right, the organization is externally focused (what is important for the outside world, the clients, the market).

At the top of the graph, the organization desires flexibility and discretion, while at the bottom, the organization wants the opposite values: stability and control.



## The four culture types

#### 1. The Clan Culture

A very pleasant place to work, where people share a lot of personal information, much like an extended family. The leaders or heads of the organization are seen as mentors and perhaps even parent figures. The organization is held together by loyalty or tradition. Commitment is high. The organization emphasizes the long-term benefit of human resources development and attaches great importance to cohesion and morale. Success is defined in terms of sensitivity to customers and concern for people. The organization places a premium on teamwork, participation, and consensus.

Leader Type: facilitator, mentor, team builder.

Value Drivers: commitment, communication, development.

Theory for Effectiveness: human development and participation produce effectiveness.

Quality Strategies: empowerment, team building, employee involvement, Human Resource development, open communication.

#### 2. The Adhocracy Culture

A dynamic, entrepreneurial, and creative place to work. People stick out their necks and take risks. The leaders are considered innovators and risk takers. The glue that holds the organization together is commitment to experimentation and innovation. The emphasis is on being on the leading edge. The organization's long term emphasis is on growth and acquiring new resources. Success means gaining unique and new products or services. Being a product or service leader is important. The organization encourages individual initiative and freedom.

Leader Type: innovator, entrepreneur, visionary.

Value Drivers: innovative outputs, transformation, agility.

Theory for Effectiveness: innovativeness, vision and new resources produce effectiveness.

Quality Strategies: surprise and delight, creating new standards, anticipating needs, continuous improvement, finding creative solutions.

#### 3. The Market Culture

A result-oriented organization whose major concern is getting the job done. People are competitive and goal-oriented. The leaders are hard drivers, producers, and competitors. They are tough and demanding. The glue that holds the organization together is an emphasis on winning. Reputation and success are common concerns. The long-term focus is on competitive actions and achievement of measurable goals and targets. Success is defined in terms of market share and penetration. Competitive pricing and market leadership are important. The organizational style is hard-driving competitiveness.

Leader Type: hard driver, competitor, producer

Value Drivers: market share, goal achievement, profitability

Theory for Effectiveness: aggressive competition and customer focus produce effectiveness.

Quality Strategies: measuring customer preferences, improving productivity, creating external partnerships, enhancing competitiveness, involving customers and suppliers.

#### 4. The Hierarchy Culture

A very formalized and structured place to work. Procedures govern what people do. The leaders pride themselves on being good coordinators and organizers who are efficiencyminded. Maintaining a smooth-running organization is most critical. Formal rules and policies hold the organization together. The long-term concern is stability and performance with efficient, smooth operations. Success is defined in terms of dependable delivery, smooth scheduling and low cost. The management of employees is concerned with secure employment and predictability.

Leader Type: coordinator, monitor, organizer.

Value Drivers: efficiency, punctuality, consistency and uniformity.

Theory for Effectiveness: control and efficiency with appropriate processes produce effectiveness.

Quality Strategies: error detection, measurement, process control, systematic problem solving, quality tools

### How to utilize the OCAI

Organizations use the OCAI for different reasons.

- The OCAI will provide you with an impression of what the staff considers important. In that sense it can be used to gauge whether employees are content.
- The OCAI can also be used as a zero measurement preceding any company changes. Once these changes have been made, a second assessment can be performed.
- The OCAI helps to improve internal communication, if different cultures are mapped between different departments or locations.
- The OCAI is a useful tool in mergers or reorganizations
- The OCAI can also be used if there is a high staff turnover or absence through illness.

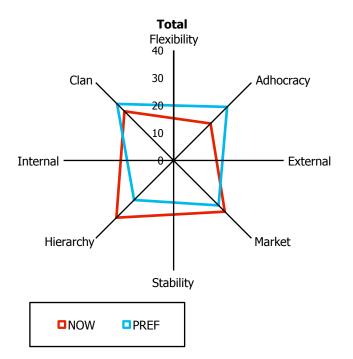
Cameron has stressed the use prior to mergers: measuring organizational culture should precede any merger in the same way as a financial analysis. The feasibility and, after targeted interventions, the success of the merger depend on it.

Measuring organizational culture has some major advantages:

- People become aware of the current and of the preferred culture. Where are we now and where do we want to or have to go? This can generate momentum for change.
- It is easier to predict which measures of change will turn out to be effective. Management will get more grip on change.
- Resistance to change can be anticipated; it will not happen completely unexpected.
- It offers starting points to encourage employees and thus use their energy and creativity that leads to more support for change.
- It is the basis for a step-by-step, systematic change plan.
- Successful, lasting change revitalizes everyone; the organization will be given new momentum leading to [causing] all kinds of positive effects.
- The OCAI assessment is the first intervention to initiate change.

Discussing the outcome, dialogue and awareness are very important, as stressed by Cameron & Quinn. It will initiate the mental process required to bring about lasting change: intentions will turn into behavior and actual change is a fact.

## **Results Company**



	current	preferred
Clan	25.27	29.07
Adhocracy	18.99	27.52
Market	26.32	23.11
Hierarchy	29.41	20.31
Total	100	100

Above you will find a diagram or profile of Company (69 participants). The cultural profile is a mix of the four cultural 'archetypes'. The red lines represent the current culture and the blue lines represent the preferred culture. From this we can deduct the following:

#### The dominant culture

The strength of your culture is determined by the number of points awarded to a particular cultural type. The higher the score, the more dominant the cultural type. Research has shown that strong cultures correspond with homogeneity of efforts, a clear sense of direction, an unambiguous environment and services.

The extent to which a company needs a strong, homogenous culture (instead of a varied, balanced mix of cultures) often depends on the environment: is the environment complex, how flexible should the organization be in order to respond effectively to a changing situation? If a culture is strong, changes will require more efforts.

#### In this case we see the following:

The dominant culture is the type that scored highest, in this case hierarchy culture (29.41 points): structure, procedures, efficiency and predictability. Followed by market

culture (26.32 points): result-oriented, production, goals and targets and competition. Third is clan culture (25.27 points): a very pleasant place to work where people share a lot of themselves and commitment is high. The adhocracy culture is present as well (18.99 points): a dynamic, entrepreneurial, and creative place to work.

Conclusion: apparently there is a mixture of cultures where an emphasis is placed on procedures and planning.

### Discrepancy between present and preferred culture

Look at the difference between the current and the preferred culture. Red represents the current culture, blue represents the preferred culture. Differences of over 10 points are especially relevant and should induce the company to take action. This discrepancy yields important information about any desired changes; which direction should the organization move in?

NB As Kim Cameron stated in an interview, if the difference is less than 10 points, this doesn't mean no action is required.

#### In this case we see:

The largest desired difference can be seen in hierarchy culture, with a decrease of 9.10 points: the focus on formality could become less. Subsequently adhocracy culture with an increase of 8.53 points could be more focused on innovation. Clan culture increases with 3.79 points and market culture decreases with 3.21 points.

The dominant culture in the preferred situation becomes clan culture, followed by adhocracy culture, market culture and hierarchy culture.

Cameron & Quinn stick to the principle that urgent action is required if the difference is higher than 10 points: this is not valid here.

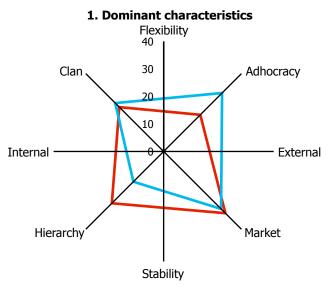
## **Cultural Congruence**

Congruence on the six aspects means that strategy, style of leadership, reward system, management of employees and organizational characteristics are based on the same values, and fall into the same cultural quadrant.

Research shows that successful organizations often have a congruent culture. They experience fewer inner conflicts and contradictions. Cultural incongruence will often stimulate an awareness of the necessity of change. It will take a lot of time and debate; it leads to differences in values, views, targets and strategies.

Sometimes the incongruence specifically occurs between different departments or people. It may be interesting to assess these separately.

## **Dominant Characteristics**



	current	preferred
Clan	22.80	24.87
Adhocracy	18.84	30.04
Market	31.74	29.54
Hierarchy	26.62	15.55
Total	100	100

For this aspect market culture scores highest: 31.74 points. The dominant characteristics are results oriented where a major concern is getting the job done. The other cultural types have respectively scored as follows: hierarchy culture (26.62 points), clan culture (22.80 points) and adhocracy culture (18.84 points).

Both in adhocracy culture and in hierarchy culture the point difference between the current and the preferred situation is greater than, or equal to, 10 (+11.20 and -11.07 points respectively). Market culture decreases with 2.20 points. Clan culture increases with 2.07 points.

## Organizational Leadership



	current	preferred
Clan	22.10	25.07
Adhocracy	21.14	26.81
Market	23.20	19.93
Hierarchy	33.55	28.19
Total	100	100

How do employees perceive the leaders or head of the organization, how do they behave?

The leaders are considered to be coordinators and organizers (hierarchy culture: 33.55 points). And they have more qualities: hard drivers, producers and competitors (market culture: 23.20 points). They are also considered to be mentors and parent figures (clan culture: 22.10 points). Leaders are least considered to be innovators and risk takers (adhocracy culture: 21.14 points).

The difference between the current and the preferred situation does not exceed 10 points in any of the culture types. There is no obvious necessity to introduce a new mix of culture types.

Both adhocracy culture and hierarchy culture require further attention with an increase of 5.67 points and a decrease of 5.36 points. Market culture decreases with 3.28 points and clan culture increases with 2.97 points.

#### 3. Management of employees Flexibility 40 30 Clan Adhocracy 10 Internal External Hierarchy Market Stability

Management of Employees

	current	preferred
Clan	33.04	30.87
Adhocracy	18.88	26.67
Market	23.03	19.64
Hierarchy	25.04	22.83
Total	100	100

Teamwork, consensus and participation are important: management of employees match the clan culture with 33.04 points.

Secondly we see hierarchy culture (25.04 points): security of employment, conformity, predictability and stability in relationships. Hard-driving competitiveness, high demands and achievement score 23.03 points (market culture). Individual risk taking, innovation, freedom and uniqueness are least prevalent, adhocracy culture scores 18.88 points.

The difference between the current and the preferred situation does not exceed 10 points in any of the culture types. There is no obvious necessity to introduce a new mix of culture types.

Adhocracy culture requires further attention with an increase of 7.78 points. Market culture, hierarchy culture and clan culture change with -3.39 points, -2.22 points and -2.17 points respectively.

## Organizational Glue



	current	preferred
Clan	28.84	35.17
Adhocracy	19.29	29.06
Market	24.29	20.26
Hierarchy	27.58	15.51
Total	100	100

The glue that holds the organization together is loyalty and mutual trust. Commitment to this organization runs high (clan culture: 28.84 points).

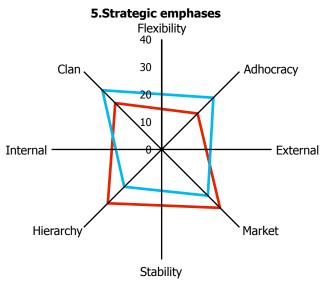
Next we see formal rules and policies. Maintaining a smooth-running organization is important: hierarchy culture scores 27.58 points.

Third we see an emphasis on achievement and goal accomplishment. Aggressiveness and winning are common themes (market culture: 24.29 points).

Finally we see commitment to innovation and development. There is an emphasis on being on the cutting edge: adhocracy culture scores 19.29 points.

Most prominent: hierarchy culture should decrease considerably, as indicated by the preferred cultural situation. Hierarchy culture would score 15.51 points. With a decrease of 12.07 points compared to the current culture, this is definitely a point of interest. Adhocracy culture increases with 9.77 points which requires attention and clan culture increases with 6.33 points, this also requires attention. Market culture decreases with 4.03 points.

## Strategic Emphases



	current	preferred
Clan	23.84	30.43
Adhocracy	18.48	26.59
Market	30.01	23.77
Hierarchy	27.67	19.20
Total	100	100

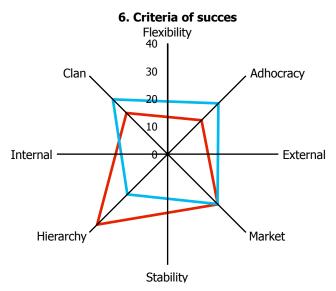
The organization emphasizes competitive actions and achievement. Attaining targets and winning in the marketplace are dominant. These are strategic emphases according to market culture (30.01 points).

Second with 27.67 points we find hierarchy culture. Emphases are on permanence and stability. Efficiency, control and smooth operations are important.

Third we see human development. High trust, openness, and participation persist (clan culture: 23.84 points). Finally we see acquiring new resources and creating new challenges. Trying new things and prospecting for opportunities are valued (adhocracy culture: 18.48 points).

The difference between the current and the preferred situation does not exceed 10 points in any of the culture types. There is no obvious necessity to introduce a new mix of culture types.

## **Criteria of Success**



	current	preferred
Clan	21.01	27.97
Adhocracy	17.32	25.94
Market	25.65	25.51
Hierarchy	36.01	20.58
Total	100	100

Finally, the criteria of success. What are the definitions of success in the organization, and which criteria are used to determine how successful the organization is?

The organization defines success on the basis of efficiency. Dependable delivery, smooth scheduling and low-cost production are critical (hierarchy culture: 36.01 points).

Additionally, success is determined based on winning in the marketplace and outpacing the competition. Competitive market leadership is key (market culture: 25.65 points).

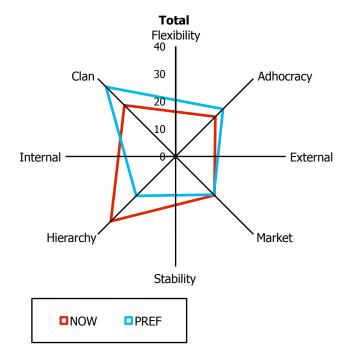
Next, the organization values development of human resources, teamwork, employee commitment and concern for people (clan culture: 21.01 points).

Finally, the organization is considered successful based on having the most unique or newest products. It is a product leader and innovator (adhocracy culture: 17.32 points).

Most prominent: hierarchy culture should decrease considerably, as indicated by the preferred cultural situation. Hierarchy culture would score 20.58 points. With a decrease of 15.43 points compared to the current culture, this is definitely a point of interest. Adhocracy culture increases with 8.62 points which requires attention and clan culture increases with 6.96 points, this also requires attention. Market culture decreases with 0.14 points.

## Congruence

In conclusion, after closely studying all six aspects, we could postulate that the current working culture is reasonably congruent. Less than 6 of the 24 differences (3) are larger than or equal to 5 compared to the average culture. No clear dominant culturetype is present in the different aspects.



**Results Department A** 

	current	preferred
Clan	26.32	35.75
Adhocracy	20.43	24.38
Market	19.96	19.63
Hierarchy	33.30	20.25
Total	100	100

Above you will find a diagram or profile of Department A (20 participants). The cultural profile is a mix of the four cultural 'archetypes'. The red lines represent the current culture and the blue lines represent the preferred culture. From this we can deduct the following:

### The dominant culture

The strength of your culture is determined by the number of points awarded to a particular cultural type. The higher the score, the more dominant the cultural type. Research has shown that strong cultures correspond with homogeneity of efforts, a clear sense of direction, an unambiguous environment and services.

The extent to which a company needs a strong, homogenous culture (instead of a varied, balanced mix of cultures) often depends on the environment: is the environment complex, how flexible should the organization be in order to respond effectively to a changing situation? If a culture is strong, changes will require more efforts.

#### In this case we see the following:

The dominant culture is the type that scored highest, in this case hierarchy culture (33.30 points): structure, procedures, efficiency and predictability. Followed by clan culture

(26.32 points): a very pleasant place to work where people share a lot of themselves and commitment is high. Third is adhocracy culture (20.43 points): a dynamic, entrepreneurial, and creative place to work. The market culture is present as well (19.96 points): result-oriented, production, goals and targets and competition.

Conclusion: apparently there is a mixture of cultures where an emphasis is placed on procedures and planning.

### Discrepancy between present and preferred culture

Look at the difference between the current and the preferred culture. Red represents the current culture, blue represents the preferred culture. Differences of over 10 points are especially relevant and should induce the company to take action. This discrepancy yields important information about any desired changes; which direction should the organization move in?

NB As Kim Cameron stated in an interview, if the difference is less than 10 points, this doesn't mean no action is required.

#### In this case we see:

The largest desired difference can be seen in hierarchy culture, with a decrease of 13.05 points: the focus on formality could be considerably less. Subsequently clan culture with an increase of 9.43 points could be more focused on people. Adhocracy culture increases with 3.95 points and market culture decreases with 0.33 points.

The dominant culture in the preferred situation becomes clan culture, followed by adhocracy culture, hierarchy culture and market culture.

Cameron & Quinn stick to the principle that urgent action is required if the difference is higher than 10 points: this is valid for hierarchy culture (-13.05 points).

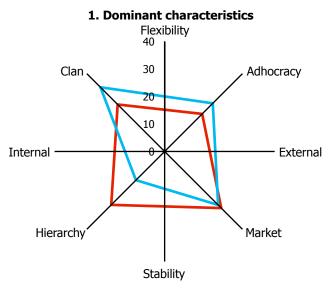
### **Cultural Congruence**

Congruence on the six aspects means that strategy, style of leadership, reward system, management of employees and organizational characteristics are based on the same values, and fall into the same cultural quadrant.

Research shows that successful organizations often have a congruent culture. They experience fewer inner conflicts and contradictions. Cultural incongruence will often stimulate an awareness of the necessity of change. It will take a lot of time and debate; it leads to differences in values, views, targets and strategies.

Sometimes the incongruence specifically occurs between different departments or people. It may be interesting to assess these separately.

## **Dominant Characteristics**

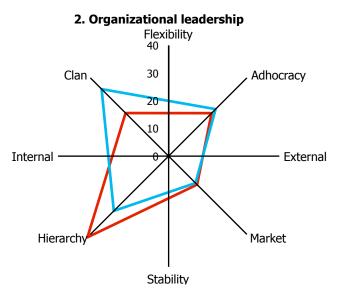


	current	preferred
Clan	24.15	33.00
Adhocracy	19.30	24.75
Market	29.10	27.50
Hierarchy	27.45	14.75
Total	100	100

For this aspect market culture scores highest: 29.10 points. The dominant characteristics are results oriented where a major concern is getting the job done. The other cultural types have respectively scored as follows: hierarchy culture (27.45 points), clan culture (24.15 points) and adhocracy culture (19.30 points).

Most prominent: hierarchy culture should decrease considerably, as indicated by the preferred cultural situation. Hierarchy culture would score 14.75 points. With a decrease of 12.70 points compared to the current culture, this is definitely a point of interest. Clan culture increases with 8.85 points which requires attention and adhocracy culture increases with 5.45 points, this also requires attention. Market culture decreases with 1.60 points.

## Organizational Leadership



	current	preferred
Clan	22.00	34.25
Adhocracy	21.95	24.00
Market	14.55	13.75
Hierarchy	41.50	28.00
Total	100	100

How do employees perceive the leaders or head of the organization, how do they behave?

The leaders are considered to be coordinators and organizers (hierarchy culture: 41.50 points). And they have more qualities: mentors and parent figures (clan culture: 22.00 points). They are also considered to be innovators and risk takers (adhocracy culture: 21.95 points). Leaders are least considered to be hard drivers, producers and competitors (market culture: 14.55 points).

Both in hierarchy culture and in clan culture the point difference between the current and the preferred situation is greater than, or equal to, 10 (-13.50 and +12.25 points respectively). Adhocracy culture increases with 2.05 points. Market culture decreases with 0.80 points.

#### 3. Management of employees Flexibility 40 30 Clan 30 Adhocracy 10 Internal Hierarchy Stability

	current	preferred
Clan	36.00	38.25
Adhocracy	17.75	21.25
Market	14.50	16.75
Hierarchy	31.75	23.75
Total	100	100

## Management of Employees

Teamwork, consensus and participation are important: management of employees match the clan culture with 36.00 points.

Secondly we see hierarchy culture (31.75 points): security of employment, conformity, predictability and stability in relationships. Individual risk taking, innovation, freedom and uniqueness score 17.75 points (adhocracy culture). Hard-driving competitiveness, high demands and achievement are least prevalent, market culture scores 14.50 points.

The difference between the current and the preferred situation does not exceed 10 points in any of the culture types. There is no obvious necessity to introduce a new mix of culture types.

Hierarchy culture requires further attention with a decrease of 8.00 points. Adhocracy culture, clan culture and market culture change with +3.50 points, +2.25 points and +2.25 points respectively.

## Organizational Glue



	current	preferred
Clan	26.75	40.00
Adhocracy	22.55	28.75
Market	17.80	14.75
Hierarchy	32.90	16.50
Total	100	100

The glue that holds the organization together is formal rules and policies. Maintaining a smooth-running organization is important (hierarchy culture: 32.90 points).

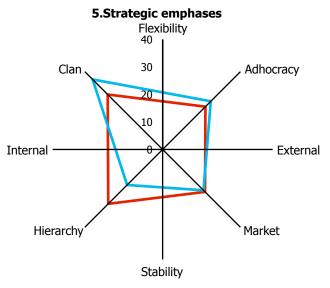
Next we see loyalty and mutual trust. Commitment to this organization runs high: clan culture scores 26.75 points.

Third we see commitment to innovation and development. There is an emphasis on being on the cutting edge (adhocracy culture: 22.55 points).

Finally we see an emphasis on achievement and goal accomplishment. Aggressiveness and winning are common themes: market culture scores 17.80 points.

Both in hierarchy culture and in clan culture the point difference between the current and the preferred situation is greater than, or equal to, 10 (-16.40 and +13.25 points respectively). Adhocracy culture increases with 6.20 points, this also requires attention. Market culture decreases with 3.05 points.

## Strategic Emphases



	current	preferred
Clan	28.25	36.00
Adhocracy	22.00	24.75
Market	21.80	21.00
Hierarchy	27.95	18.25
Total	100	100

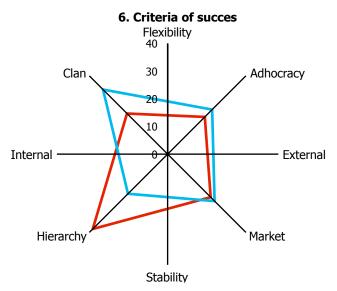
The organization emphasizes human development. High trust, openness, and participation persist. These are strategic emphases according to clan culture (28.25 points).

Second with 27.95 points we find hierarchy culture. Emphases are on permanence and stability. Efficiency, control and smooth operations are important.

Third we see acquiring new resources and creating new challenges. Trying new things and prospecting for opportunities are valued (adhocracy culture: 22.00 points). Finally we see competitive actions and achievement. Attaining targets and winning in the marketplace are dominant (market culture: 21.80 points).

The difference between the current and the preferred situation does not exceed 10 points in any of the culture types. There is no obvious necessity to introduce a new mix of culture types.

## **Criteria of Success**



	current	preferred
Clan	20.75	33.00
Adhocracy	19.00	22.75
Market	22.00	24.00
Hierarchy	38.25	20.25
Total	100	100

Finally, the criteria of success. What are the definitions of success in the organization, and which criteria are used to determine how successful the organization is?

The organization defines success on the basis of efficiency. Dependable delivery, smooth scheduling and low-cost production are critical (hierarchy culture: 38.25 points).

Additionally, success is determined based on winning in the marketplace and outpacing the competition. Competitive market leadership is key (market culture: 22.00 points).

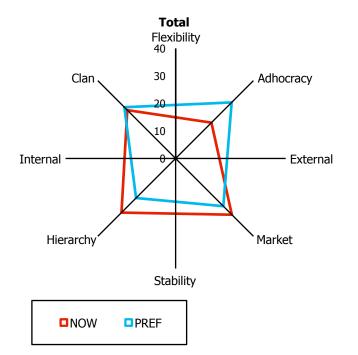
Next, the organization values development of human resources, teamwork, employee commitment and concern for people (clan culture: 20.75 points).

Finally, the organization is considered successful based on having the most unique or newest products. It is a product leader and innovator (adhocracy culture: 19.00 points).

Both in hierarchy culture and in clan culture the point difference between the current and the preferred situation is greater than, or equal to, 10 (-18.00 and +12.25 points respectively). Adhocracy culture increases with 3.75 points. Market culture increases with 2.00 points.

## Congruence

In conclusion, after closely studying all six aspects, we could postulate that the current working culture is not very congruent. Out of 24 differences 8 are larger than or equal to 5 compared to the average culture. No clear dominant culturetype is present in the different aspects.



**Results Department B** 

	current	preferred
Clan	24.85	26.34
Adhocracy	18.41	28.80
Market	28.92	24.53
Hierarchy	27.83	20.33
Total	100	100

Above you will find a diagram or profile of Department B (49 participants). The cultural profile is a mix of the four cultural 'archetypes'. The red lines represent the current culture and the blue lines represent the preferred culture. From this we can deduct the following:

### The dominant culture

The strength of your culture is determined by the number of points awarded to a particular cultural type. The higher the score, the more dominant the cultural type. Research has shown that strong cultures correspond with homogeneity of efforts, a clear sense of direction, an unambiguous environment and services.

The extent to which a company needs a strong, homogenous culture (instead of a varied, balanced mix of cultures) often depends on the environment: is the environment complex, how flexible should the organization be in order to respond effectively to a changing situation? If a culture is strong, changes will require more efforts.

#### In this case we see the following:

The dominant culture is the type that scored highest, in this case market culture (28.92 points): result-oriented, production, goals and targets and competition. Followed by

hierarchy culture (27.83 points): structure, procedures, efficiency and predictability. Third is clan culture (24.85 points): a very pleasant place to work where people share a lot of themselves and commitment is high. The adhocracy culture is present as well (18.41 points): a dynamic, entrepreneurial, and creative place to work.

Conclusion: apparently there is a mixture of cultures where an emphasis is placed on results and profitability.

### Discrepancy between present and preferred culture

Look at the difference between the current and the preferred culture. Red represents the current culture, blue represents the preferred culture. Differences of over 10 points are especially relevant and should induce the company to take action. This discrepancy yields important information about any desired changes; which direction should the organization move in?

NB As Kim Cameron stated in an interview, if the difference is less than 10 points, this doesn't mean no action is required.

#### In this case we see:

The largest desired difference can be seen in adhocracy culture, with an increase of 10.39 points: the focus on innovation could be considerably more. Subsequently hierarchy culture with a decrease of 7.49 points could be less focused on rules, protocols and formality. Market culture decreases with 4.39 points and clan culture increases with 1.49 points.

The dominant culture in the preferred situation becomes adhocracy culture, followed by clan culture, market culture and hierarchy culture.

Cameron & Quinn stick to the principle that urgent action is required if the difference is higher than 10 points: this is valid for adhocracy culture (+10.39 points).

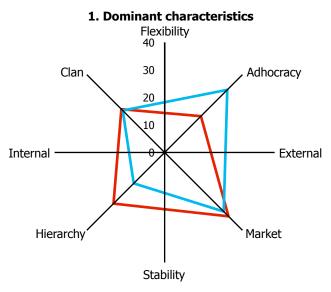
### **Cultural Congruence**

Congruence on the six aspects means that strategy, style of leadership, reward system, management of employees and organizational characteristics are based on the same values, and fall into the same cultural quadrant.

Research shows that successful organizations often have a congruent culture. They experience fewer inner conflicts and contradictions. Cultural incongruence will often stimulate an awareness of the necessity of change. It will take a lot of time and debate; it leads to differences in values, views, targets and strategies.

Sometimes the incongruence specifically occurs between different departments or people. It may be interesting to assess these separately.

## **Dominant Characteristics**



	current	preferred
Clan	22.24	21.55
Adhocracy	18.65	32.20
Market	32.82	30.37
Hierarchy	26.29	15.88
Total	100	100

For this aspect market culture scores highest: 32.82 points. The dominant characteristics are results oriented where a major concern is getting the job done. The other cultural types have respectively scored as follows: hierarchy culture (26.29 points), clan culture (22.24 points) and adhocracy culture (18.65 points).

Both in adhocracy culture and in hierarchy culture the point difference between the current and the preferred situation is greater than, or equal to, 10 (+13.55 and -10.41 points respectively). Market culture decreases with 2.45 points. Clan culture decreases with 0.69 points.

## Organizational Leadership



	current	preferred
Clan	22.14	21.33
Adhocracy	20.82	27.96
Market	26.73	22.45
Hierarchy	30.31	28.27
Total	100	100

How do employees perceive the leaders or head of the organization, how do they behave?

The leaders are considered to be coordinators and organizers (hierarchy culture: 30.31 points). And they have more qualities: hard drivers, producers and competitors (market culture: 26.73 points). They are also considered to be mentors and parent figures (clan culture: 22.14 points). Leaders are least considered to be innovators and risk takers (adhocracy culture: 20.82 points).

The difference between the current and the preferred situation does not exceed 10 points in any of the culture types. There is no obvious necessity to introduce a new mix of culture types.

Adhocracy culture requires further attention with an increase of 7.14 points. Market culture, hierarchy culture and clan culture change with -4.29 points, -2.04 points and -0.82 points respectively.

#### 3. Management of employees Flexibility 40 30 Clan 30 20 10 10 10 Hierarchy Market Stability

	current	preferred
Clan	31.84	27.86
Adhocracy	19.35	28.88
Market	26.51	20.82
Hierarchy	22.31	22.45
Total	100	100

## Management of Employees

Teamwork, consensus and participation are important: management of employees match the clan culture with 31.84 points.

Secondly we see market culture (26.51 points): hard-driving competitiveness, high demands and achievement. Security of employment, conformity, predictability and stability in relationships score 22.31 points (hierarchy culture). Individual risk taking, innovation, freedom and uniqueness are least prevalent, adhocracy culture scores 19.35 points.

The difference between the current and the preferred situation does not exceed 10 points in any of the culture types. There is no obvious necessity to introduce a new mix of culture types.

Both adhocracy culture and market culture require further attention with an increase of 9.53 points and a decrease of 5.69 points. Clan culture decreases with 3.98 points and hierarchy culture increases with 0.14 points.

## Organizational Glue



	current	preferred
Clan	29.69	33.20
Adhocracy	17.96	29.18
Market	26.94	22.51
Hierarchy	25.41	15.10
Total	100	100

The glue that holds the organization together is loyalty and mutual trust. Commitment to this organization runs high (clan culture: 29.69 points).

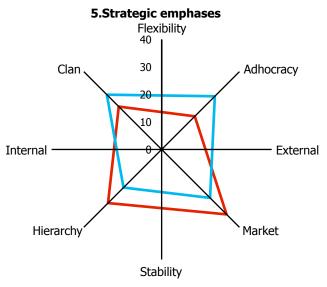
Next we see an emphasis on achievement and goal accomplishment. Aggressiveness and winning are common themes: market culture scores 26.94 points.

Third we see formal rules and policies. Maintaining a smooth-running organization is important (hierarchy culture: 25.41 points).

Finally we see commitment to innovation and development. There is an emphasis on being on the cutting edge: adhocracy culture scores 17.96 points.

Both in adhocracy culture and in hierarchy culture the point difference between the current and the preferred situation is greater than, or equal to, 10 (+11.22 and -10.31 points respectively). Market culture decreases with 4.43 points. Clan culture increases with 3.51 points.

## Strategic Emphases



	current	preferred
Clan	22.04	28.16
Adhocracy	17.04	27.35
Market	33.37	24.90
Hierarchy	27.55	19.59
Total	100	100

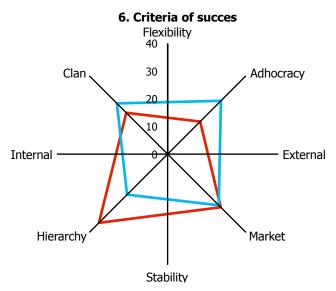
The organization emphasizes competitive actions and achievement. Attaining targets and winning in the marketplace are dominant. These are strategic emphases according to market culture (33.37 points).

Second with 27.55 points we find hierarchy culture. Emphases are on permanence and stability. Efficiency, control and smooth operations are important.

Third we see human development. High trust, openness, and participation persist (clan culture: 22.04 points). Finally we see acquiring new resources and creating new challenges. Trying new things and prospecting for opportunities are valued (adhocracy culture: 17.04 points).

Most prominent: adhocracy culture should increase considerably, as indicated by the preferred cultural situation. Adhocracy culture would score 27.35 points. With an increase of 10.31 points compared to the current culture, this is definitely a point of interest. Market culture decreases with 8.47 points which requires attention and hierarchy culture decreases with 7.96 points, this also requires attention. Clan culture increases with 6.12 points, this also requires attention.

## **Criteria of Success**



	current	preferred
Clan	21.12	25.92
Adhocracy	16.63	27.24
Market	27.14	26.12
Hierarchy	35.10	20.71
Total	100	100

Finally, the criteria of success. What are the definitions of success in the organization, and which criteria are used to determine how successful the organization is?

The organization defines success on the basis of efficiency. Dependable delivery, smooth scheduling and low-cost production are critical (hierarchy culture: 35.10 points).

Additionally, success is determined based on winning in the marketplace and outpacing the competition. Competitive market leadership is key (market culture: 27.14 points).

Next, the organization values development of human resources, teamwork, employee commitment and concern for people (clan culture: 21.12 points).

Finally, the organization is considered successful based on having the most unique or newest products. It is a product leader and innovator (adhocracy culture: 16.63 points).

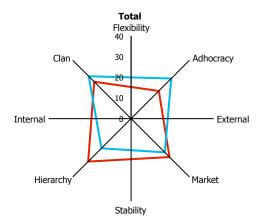
Both in hierarchy culture and in adhocracy culture the point difference between the current and the preferred situation is greater than, or equal to, 10 (-14.39 and +10.61 points respectively). Clan culture increases with 4.80 points. Market culture decreases with 1.02 points.

## Congruence

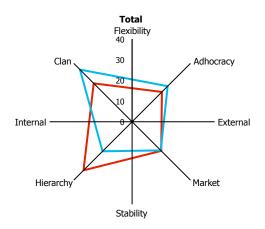
In conclusion, after closely studying all six aspects, we could postulate that the current working culture is reasonably congruent. Less than 6 of the 24 differences (3) are larger than or equal to 5 compared to the average culture. No clear dominant culturetype is present in the different aspects.

## **Comparison of the results**

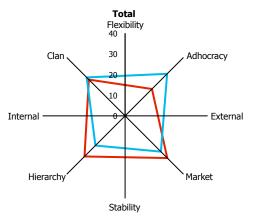
Below you see the different profiles of Company (69 participants), Department A (20 participants) and Department B(49 participants).



Total	current	preferred
Clan	25.27	29.07
Adhocracy	18.99	27.52
Market	26.32	23.11
Hierarchy	29.41	20.31
Total	100	100



Dept A	current	preferred
Clan	26.32	35.75
Adhocracy	20.43	24.38
Market	19.96	19.63
Hierarchy	33.30	20.25
Total	100	100



Dept B	current	preferred
Clan	24.85	26.34
Adhocracy	18.41	28.80
Market	28.92	24.53
Hierarchy	27.83	20.33
Total	100	100

## Adh

## **Different amount of participants**

Before comparing the results it is important to emphasize that the below statements are not statistically substantiated because the total amount of participants is too low. Besides that the sample sizes of the different profiles are not equal. The statements are therefore indicative.

## **Current culture**

If we look at the current culture the Total and Dept B profile are most alike. This can be explained by the sample size of Dept B being 2.5 times as large as that of Dept A.

Comparing the Dept A and Dept B profiles we see that Dept A has hierarchy culture as number one and Dept B market culture with hierarchy following closely. Dept A has a focus on the left hand quadrants, so on Internal focus and integration and Dept B has a focus on the lower quadrants, so on Stability and control.

Between the two profiles, we see the biggest difference in market culture with 8.96 points.

### **Preferred culture**

The preferred culture for Company shows a shift to more clan culture and more adhocracy culture and less hierarchy culture and less market culture. Looking at the two profiles of Dept A and Dept B we see that with Dept A there is a strong wish for more clan and much less hierarchy culture with adhocracy increasing and market staying roughly the same.

In the Dept B case we see a strong desire for more adhocracy and a decrease of both hierarchy and market culture as well as a smaller increase in clan culture.

### **Desire for change**

We can look at the difference between current and preferred culture as desire for change or level of satisfaction. In that case Dept A has a greater desire for change or seems less satisfied with a total difference of 26.76 points. For Dept B the total difference is 23.77 points.

### Follow-up

The results provide an interesting starting-point for the discussion how to proceed. Moreover it is important to reach consensus about the current situation, what works, what doesn't and what is to be improved. Next the preferred situation can be matched with reality and all developments within Company and adjusted if needed. This will provide a sound basis to move from current to preferred situation.

Check the OCAI workkit schedules to work out and confirm the results.

## Appendix: OCAI-questionnaire

## **Dominant Characteristics**

- **A.** The organization is a very personal place. It is like an extended family. People seem to share a lot of themselves.
- **B.** The organization is a dynamic and entrepreneurial place. People are willing to stick their necks out and take risks.
- **C.** The organization is very results oriented. A major concern is with getting the job done. People are very competitive and achievement oriented.
- **D.** The organization is a very controlled and structured place. Formal procedures generally govern what people do.

### **Organizational Leadership**

- **A.** The leadership in the organization is generally considered to exemplify mentoring, facilitating, or nurturing.
- **B.** The leadership in the organization is generally considered to exemplify entrepreneurship, innovation, or risk taking.
- **C.** The leadership in the organization is generally considered to exemplify a no-nonsense, aggressive, results-oriented focus.
- **D.** The leadership in the organization is generally considered to exemplify coordinating, organizing, or smooth-running efficiency.

## **Management of Employees**

- **A.** The management style in the organization is characterized by teamwork, consensus, and participation.
- **B.** The management style in the organization is characterized by individual risk taking, innovation, freedom, and uniqueness.
- **c.** The management style in the organization is characterized by hard-driving competitiveness, high demands, and achievement.
- **D.** The management style in the organization is characterized by security of employment, conformity, predictability, and stability in relationships.

## **Organizational Glue**

- **A.** The glue that holds the organization together is loyalty and mutual trust. Commitment to this organization runs high.
- **B.** The glue that holds the organization together is commitment to innovation and development. There is an emphasis on being on the cutting edge.
- **C.** The glue that holds the organization together is an emphasis on achievement and goal accomplishment.
- **D.** The glue that holds the organization together is formal rules and policies. Maintaining a smooth-running organization is important.

#### **Strategic Emphases**

- **A.** The organization emphasizes human development. High trust, openness, and participation persist.
- **B.** The organization emphasizes acquiring new resources and creating new challenges. Trying new things and prospecting for opportunities are valued.
- **c.** The organization emphasizes competitive actions and achievement. Hitting stretch targets and winning in the marketplace are dominant.
- **D.** The organization emphasizes permanence and stability. Efficiency, control and smooth operations are important.

### **Criteria of Success**

- **A.** The organization defines success on the basis of development of human resources, teamwork, employee commitment, and concern for people.
- **B.** The organization defines success on the basis of having the most unique or newest products. It is a product leader and innovator.
- **c.** The organization defines success on the basis of winning in the marketplace and outpacing the competition. Competitive market leadership is key.
- **D.** The organization defines success on the basis of efficiency. Dependable delivery, smooth scheduling and low-cost production are critical.

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