

## Improve Your Business through Values

There are critical issues preoccupying the boards of organisations around the world today:

- ▶ How to manage with fewer resources and add value?
- ▶ How to increase creativity and performance?
- ▶ How to engage and keep talented people?
- ▶ How to maintain social responsibility and ethics?

Building a successful corporate culture has become a significant source of brand identity and competitive advantage. Who you are and what you stand for is becoming just as important as the quality of products and services you provide.

### Why Values-driven organisations are the most successful.

- ▶ Values create culture
- ▶ Culture drives employee performance and motivation
- ▶ Employee motivation and behaviour drives customer satisfaction
- ▶ Customer satisfaction adds value

Research shows there is a strong link between financial performance and the alignment of an organisation's operating values with employees' personal values.

### **Corporate Culture and Performance, John Kotter & James Heskett**

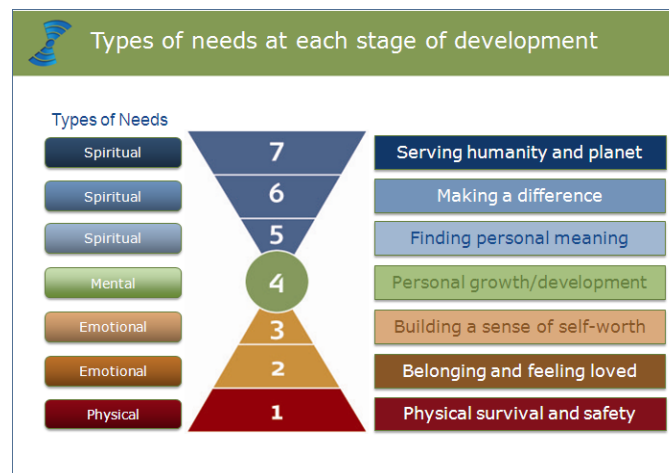
A study of 20 industries, found that firms with a strong adaptive culture based on shared values, outperformed firms with rigid or weak cultures by a significant margin. These companies had job creation rates seven times higher, stock prices that grew 12 times faster, and profit performance that was 750 times higher than companies that did not have shared values and adaptive cultures.

### **Built to Last: Successful Habits of Visionary Companies, Jim Collins & Jerry Porras**

Companies that consistently focused on building strong corporate cultures over several decades outperformed companies that did not focus on culture by a factor of six and outperformed the general stock market by a factor of 15.

### Measurement Matters

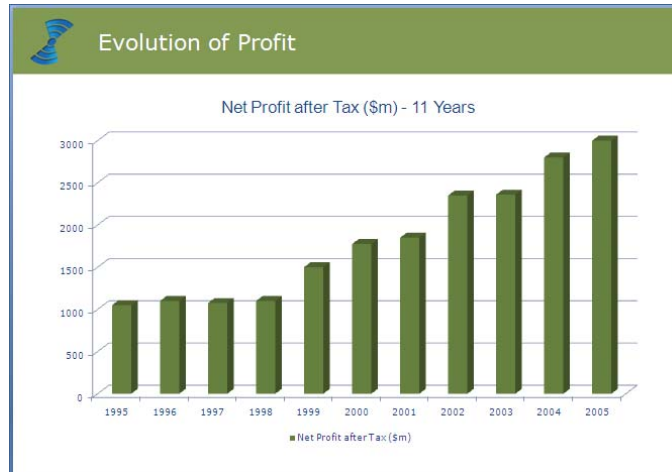
Traditionally, intangibles such as culture have been difficult to measure and have not been included in key performance indicators. In 1997, an innovative set of assessments that map 7 levels of values for individuals and organisations was developed called **Cultural Transformation Tools®**. These give diagnostic reports of organisational culture and a roadmap for continuous improvement, leadership, team and organisation development. There are Individual and 360° Leadership Values Assessments that provide powerful coaching tools to support cultural transformation.



## Improve Your Business through Values

### Proven Success

In 2000, ANZ a noted Australian Bank used the CTT assessment to understand its current values and to begin work on a programme of cultural transformation. Between 1999 and 2004, the level of employee satisfaction rose from 49% to 85%. The shift in values was accompanied by a significant improvement in shareholder value and profitability.



### What information will I receive by using a Cultural Values Assessment?

We start by working with senior executives to design a customised on-line values assessment that reflects the nature of your business and people. The survey results are presented as a variety of charts and reports:

#### 1. Values Chart

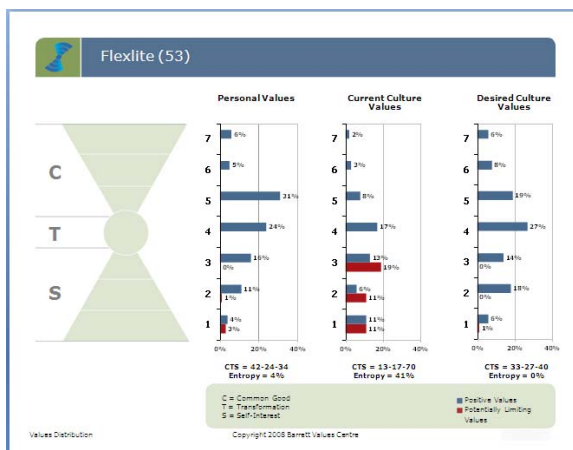
The Values Chart demonstrates the alignment of the top Personal Values, Current Culture Values and Desired Culture Values. It shows what the priorities of the employees in your organisation are, how they see the culture now - those aspects which are supporting the organisation and those which are holding it back and the values they believe will promote high performance in the future. It identifies where values are aligned and where there are differences.



## Improve Your Business through Values

### 2. Values Distribution

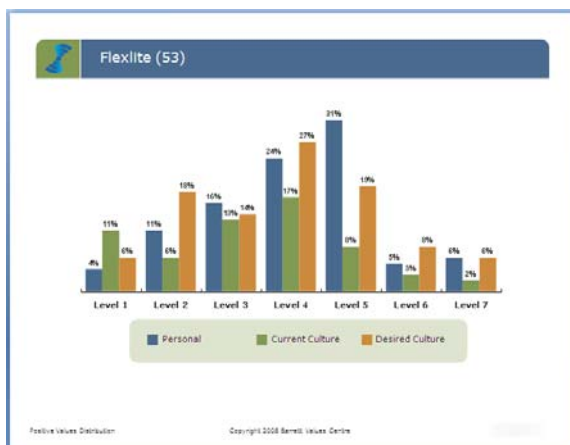
The Values Distribution diagram compares the distribution of all the responses (positive and potentially limiting) for Personal, Current Culture and Desired Culture values at each of 7 Levels.



It also shows the amount of cultural entropy. **Cultural entropy** measures the internal frictions, relationship issues, system or structural problems, and misalignments in your organisation that are working against the achievement of your mission, vision, and strategy. Cultural entropy has a direct impact on employee and customer satisfaction and, therefore, on performance.

### 3. Positive Values

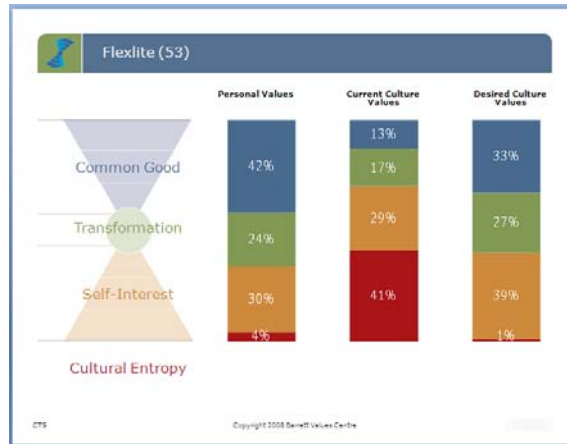
This diagram focuses only on positive values. Any significant jumps in the percentage distribution between current and desired culture at each level represents a request from employees within your organisation for greater focus on that particular area. The diagram shows the degree of alignment between personal values and both the current and desired cultures.



## Improve Your Business through Values

### 4. CTS Diagram

This allows you to see where employees are now, how they see the current culture, and where they want the focus to be in future.



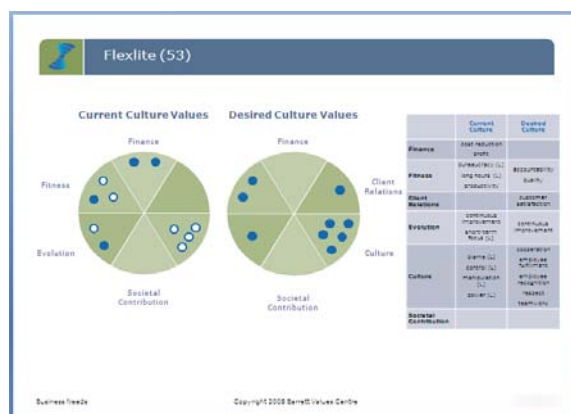
**Common good** – how your people and organisation make a difference to customers and society through service.

**Transformation** – ability of the organisation to adapt, renew itself and change.

**Self-Interest** – recognises a need to take care of basic business and personal needs.

### 5. Business Needs Scorecard

The Business Needs Scorecard translates cultural values into business strategy. It focuses on six key areas for high performance: finance, fitness, client relations, evolution (new products and services), culture, and societal contribution.



### Diagnostic Reports

These diagrams are accompanied by a detailed diagnostic report on the culture of the organisation that assesses how well values are aligned or misaligned, plus strengths and improvements - in other words, what is working and what is not working. It analyses data from leaders and employees to provide a road map for cultural transformation. Assessments and reports can be produced for: Individuals, Leaders, Teams, Departments, Organisations, Customers, Schools, Communities or Nations, plus Mergers etc. Leadership Values Assessments are often a next transformation step.