



**OTI**

ORGANISATIONAL  
TRANSITIONS  
INVENTORY

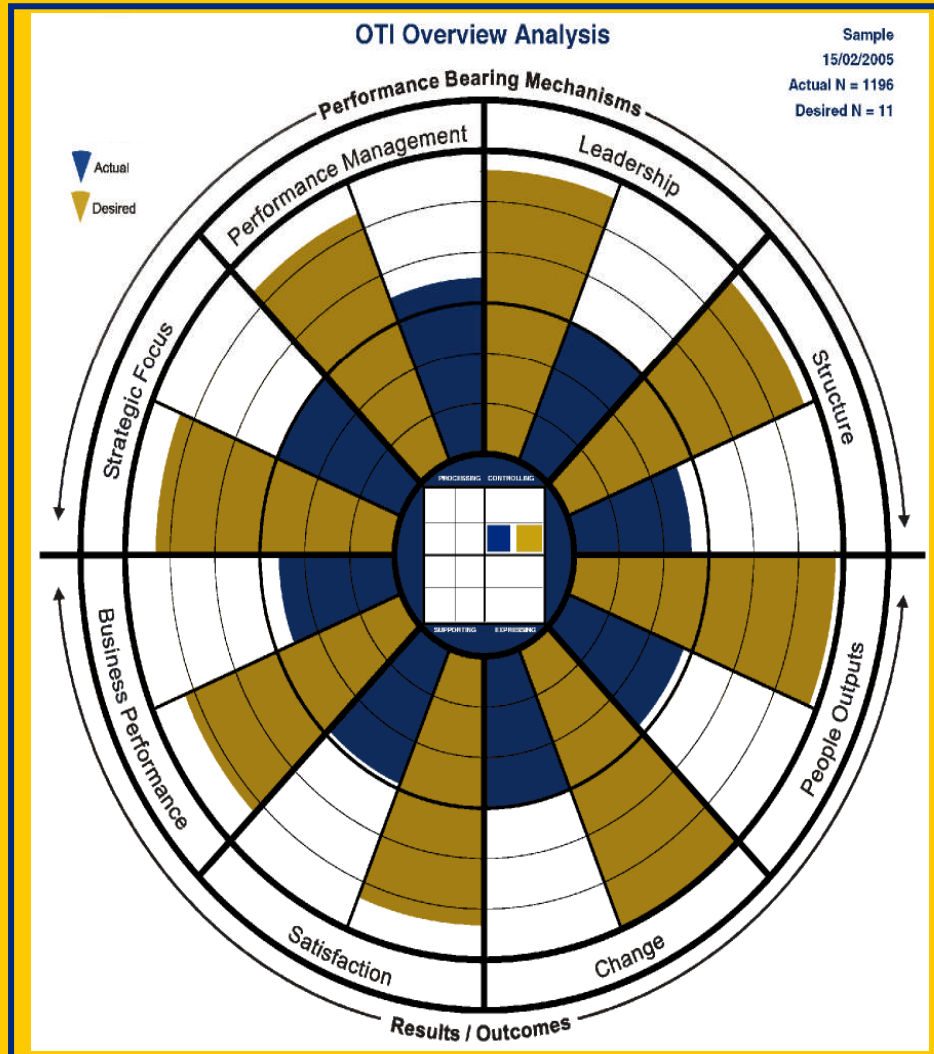
Measuring and assessing  
organisational effectiveness

# Measuring Organisational Effectiveness

- Measuring the tangible results of organisational effectiveness has been notoriously difficult
- All organisations bring a number of factors to their operation, but then it's a question of what they actually do that determines the quality of the results they achieve
- Diagnosing the cause-effect relationship between what organisations achieve (results) and what they do (performance drivers) enables greater organisational effectiveness
- This can be measured and benchmarked.
- A description of organisational culture / style can also identify what the strategy really needs to succeed



# What Kind of Organisational Effectiveness is Needed?



What is required when organisations must:

- Manage a downturn
- Bring about change/transformation
- Improve results/shareholder value
- Re-pattern the organisation to thrive in multiple markets
- Engage, enthuse and galvanise employees
- Demonstrate the desired values & culture
- Maximise resources & people
- Integrate people post M&A
- Fully execute the strategy

# What is Organisation Transitions Inventory?

OTI is a diagnostic tool identifying how the way things are done in an organisation impact the business and organisational results

It diagnoses, measures and benchmarks.

It quantifies the gap between where you are and where you want to be.

It helps organisations through:

- Culture change programmes
- Mergers & Acquisitions due diligence
- Managing performance improvement
- Re-structuring
- Business process re-engineering
- Selection of outsourcing partners
- Qualification of the effectiveness of development interventions
- Understanding internal factors of customer / staff dissatisfaction

MEASURE CURRENT PERFORMANCE

FEEDBACK & ACTION PRIORITISATION

CONTRACT FOR CHANGE

REMEASURE & QUANTIFY RESULTS

# How Can Measurement Help Business?

Specific information about what creates effectiveness and ineffectiveness in your business is vital to decision – making, particularly when change is needed. OTI benefits the business by:

- pinpointing the information needed to improve organisational effectiveness;
- providing the Board and Key Decision-Makers with precisely what they need to know to ensure successful business operations and greatly reduce the risk of failure;
- putting senior management firmly in charge of the organisation and change initiatives;
- showing the relationship between business results and the way in which things are done;
- demonstrating how H.R. positively contributes to organisational performance.

	1st Percentile	10th Percentile	25th Percentile	50th Percentile	75th Percentile	90th Percentile	99th Percentile	Raw Score	Percentile Score
<b>Strategic Focus</b>									
Strategy-Clarity								13.23 18.00	54 95
Strategy-Challenge								14.51 16.91	53 80
Values								13.29 18.00	38 90
<b>Performance Management</b>									
Goals-Clarity								14.47 18.55	53 95
Goals-Fit								14.58 16.82	55 80
Goals-Review								15.00 17.09	71 89
<b>Leadership</b>									
Leadership								13.08 18.18	49 92
Management								14.02 17.27	55 91
Financial Rewards								12.31 16.27	50 83
Recognition								13.23 15.64	56 80
Participation								13.39 18.82	40 94
Co-operation								12.55 18.45	38 95
<b>Structure</b>									
Organisational Structure								11.06 15.91	50 96
Job Structure								13.09 17.91	31 91
Rules/Tradition								11.84 16.09	38 91
Resources/Processes/Systems								12.65 16.45	50 89

# Why believe the results of OTI?

Sample	RESULTS/OUTCOMES													
	PROFITABILITY	SUSTAINABILITY	GOVERNANCE	CUSTOMER SERV.	JOB SATISFACTION	EMPLOYEE SATISFACTION	MORALE	CAREER DEVELOPMENT	CHANGE INITIATION	CHANGE MANAGEMENT	RESPONSIBILITY	TW & CGW	COMMUNICATIONS	DECISION-MAKING
STRATEGY - CLARITY			+							+				+
STRATEGY - CHALLENGE			+							+				+
VALUES					+			+						+
GOALS - CLARITY	+	-		+	+	+		-			-			+
GOALS - FIT		+		+	+	+								+
GOALS - REVIEW	+	-		+	+	+		-			-			+
LEADERSHIP		+			+	+							+	
MANAGEMENT	+	+	+	+	+	+	+	++	+	+	+	+	+	++
FINANCIAL REWARDS	+	+	+	+	+	+	+		+	+				
RECOGNITION	+	+	+	+	+	+	+		+	+	-			
PARTICIPATION	+			+	+	+	+	-			-			+
CO-OPERATION	+	+		+	+	+						-		+
ORG - STRUCTURE	-	-	-	-	-	-	-		-	-	-	-	+	
JOB - STRUCTURE														
RULES / TRADITION	-	-		-	-	-	-			+		-		+
RES / PROC / SYST.			+		+	+								

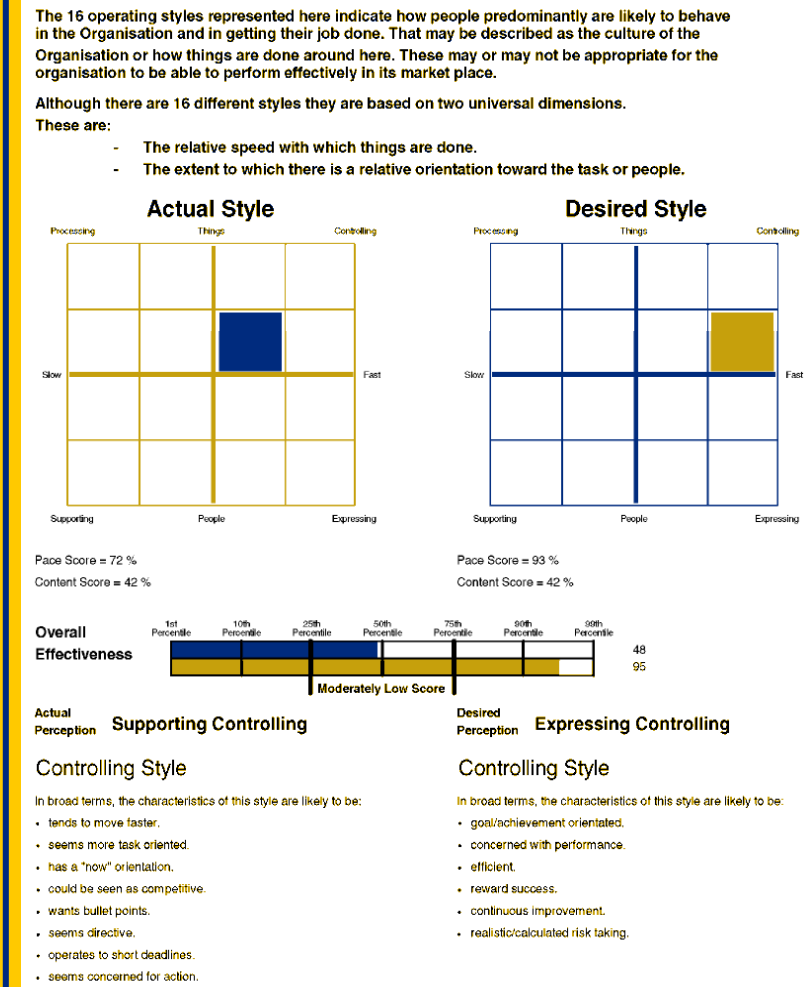
++ Strong positive relationship      -- Strong negative relationship  
 + Positive relationship                - Negative relationship

OTI provides a correlation matrix identifying the strength of relationship between performance drivers and organisational results.

- OTI is based on long standing research and well established business models (e.g. EFQM, Service-Profit Chain & Tomorrow's Company)
- It has very high validity, reliability and consistency ratings
- It has in-built standard statistical methodologies
- Its construct has been rigorously researched, tested and re-tested many times
- It has been used in the real-world and been shown to work
- The normative base against which your organisation's findings are compared includes over 7000 companies, including cross-national and multi-sector representation

# What Is The Organisations Overall Style?

- OTI also provides a description of the organisations overall style and culture
- The gap analysis allows for definition of the organisational style required by the imperatives of the business strategy
- This allows for alignment of behaviours against organisation values and the internal brand experience
- It also identifies dysfunctional organisational behaviour in discrete areas of the business
- It provides a reference point for the business to develop greater adaptability and versatility in times of greater competition or economic downturn



Actual Vs. desired operating style

# What Has Organisational Effectiveness Measurement Done for Others?

OTI is tried and tested in the real world:

- An FMCG client is making annual savings in its supply chain of over £5m p.a.
- A major construction materials firm achieved increased profits by £1 million+, and an ROI of over 300%
- A city based professional firm increased earnings per head by over 19%.
- A major retailer completely changed its culture and management practices resulting in hugely improved profit and share price.
- A traditional family firm moved to stock exchange flotation in 9 months (as opposed to the predicted 3 year timescale predicted by its professional advisors).

# How Can Effectiveness Be Measured Across The Business?

One of the great benefits of OTI is its ability to provide comparisons across the organisation  
This means that:

- Leaders can identify which areas of the business to give priority to
- Different factors can be given higher degrees of focus to achieve desired results
- Accelerated payback and quick wins can be identified quickly

## Organisational Transitions

Sample

### Sub-Group Comparison - (Part 1)

15/02/2005

Actual N = 1196

Desired N = 11

Part 1 measures the things that are done in the Organisation that create and sustain the outcomes or results achieved and the way those results are achieved. These 'performance bearing mechanisms' are the start point for the change process if the results being achieved are not exactly what is required.

### Strategy/Values

#### Strategy - Clarity

	1st Percentile	10th Percentile	25th Percentile	50th Percentile	75th Percentile	90th Percentile	99th Percentile	Raw Score	Percentile Score
ACTUAL								13.23	54
DESIRED								18.00	95
Subgroup1								13.16	53
Subgroup2								13.78	60
Subgroup3								12.88	51
Subgroup4								13.88	61
Subgroup5								13.26	54

# How Can You Find Out More?



*Performance Equations*

Contact your Client Director  
or call +44 (0)1252 545171