BUILD THE

CULTURE

AD✓ANTAGE

DELIVER
SUSTAINABLE PERFORMANCE
WITH CLARITY AND SPEED

TIM KUPPLER   TED GARNETT
TOM MOREHEAD

THE
CULTURE
AD✓ANTAGE

BuildTheCultureAdvantage.com

B

Operating Driver Evaluation

There are 75 questions in the overall operating driver evaluation. The first 40 are focused on Phase 1, Build the Foundation. A copy of the assessment may be downloaded at www.BuildTheCultureAdvantage.com. Use the following rating key to complete the assessment.

1 = Operating driver is not in place or major improvement is needed
2 = Operating driver is at least partially implemented but improvement is needed
3 = Operating driver is consistently and effectively implemented

Evaluating Your Cultural Foundation

Use the following guideline to evaluate your total score for the first 40 questions. All operating drivers are not equal, so consider this a general guide.

Less than 80 = Your cultural foundation is weak and it is impacting performance.

- Focus on Define to build a much stronger vision of the future and how your developing culture will support that vision.

- Engage the organization in the Align/Manage operating drivers in connection to one or two major priorities to learn from your initial alignment work as a team.

80 or more = You have strength in areas of your foundation but gaps are clearly impacting performance

- ◆ Focus on implementing the full Define/Align/Manage framework to build your cultural foundation with a connection to your top performance priorities.
- ◆ Use extensive feedback and prioritization to guide the work.

110 or more = You have a strong cultural foundation. Complete the remainder of the operating driver assessment

- ◆ Continue to close gaps in your foundation. Your organization is ready to focus on the higher level operating drivers in Phases 2 and 3.

Evaluating Your Overall Culture (Only if Your Culture's Foundation Is Strong)

Use the following guideline to evaluate your total score for all 75 questions if your cultural foundation is strong based on the result of scoring the first 40 questions.

Less than 200 = You have a strong cultural foundation. Substantial opportunity remains to align your culture in support of delivering sustainable performance

- ◆ Focus on the operating drivers in Phase 2, Expand the Approach, while closing any gaps in your cultural foundation.
- ◆ Prioritize your work on the more advanced operating drivers in Phase 3, Go Deep, based on those that most clearly support your current strategies and plans.

200 or more = Congratulations, you have many aspects of a high-performing culture

- ◆ Continue to close gaps that may exist in your foundation. Emphasize the more progressive approaches in Phases 2 and 3.
- ◆ Focus on innovation and speed in support of performance while preserving your strong cultural foundation.
- ◆ Extend your culture to clearly involve suppliers, partners, and/ or customers in progressive ways to maximize your value proposition.

Operating Driver Evaluation

Page 1 of 8

Item #	Question	Rating (1, 2, 3)
	Phase 1 – Build the Foundation	
	5.1 – Define, Step 1 – Evaluate Your Current Culture and Performance	
1	Are one to three critical performance priorities clearly defined (sales, profit, customer satisfaction, market share, quality, launching a new product or service, integrating an acquisition, etc.)?	
2	Have you clearly identified how those one to three performance priorities are connected to supporting your organizational vision, purpose, and/or mission?	
3	Have you defined the core individual values or behaviors people share or leverage well in your organization in support of those priorities?	
4	If a shift in values or behavior is needed, have you defined one to three values or behaviors that should be the focus of improvement (accountability, creativity, team orientation, etc.)?	
5	Strategic and Financial Alignment: Are priorities, goals, and measures clear and aligned across all parts of your organization with a strong connection to your key financial metrics?	
6	Motivation: Is there a strong sense of motivation stemming from higher level motivators like management recognition and peer recognition that leads employees to strongly believe they make a positive impact?	
7	Core Processes: Are core processes effectively designed and, if appropriate, are improvement actions in-progress to reduce any areas of substantial "pain" supporting them?	
8	Talent Management: Does your team have the talent and capabilities you need to succeed and are team members continually building their capabilities in the key areas you need?	
	5.2 – Define, Step 2 – Clarify Your Initial Vision	
9	Do you have a clear initial vision for at least the next one to two years of your organization (beyond a vision statement)?	

Rating Key
1 = Operating driver is not in place or major improvement is needed.
2 = Operating driver is at least partially implemented but improvement is needed.
3 = Operating driver is consistently and effectively implemented.

Operating Driver Evaluation

Item #	Question	Rating (1, 2, 3)
5.3 – Define, Step 3 – Define Values and Expected Behaviors		
10	Do you have values and expected behaviors clearly defined that apply to the work of all employees?	
11	Are values and expected behaviors consistently and regularly communicated to employees?	
6.1 – Align, Step 1 – Clarify Strategic Priorities		
12	Are a small number of strategic priorities clearly defined and communicated that support your vision, build value for customers, and place priority on, if applicable: • major areas that are deteriorating your credibility with customers. • major core process issues. • urgent areas of focus necessary to stabilize financial issues.	
6.2 – Align, Step 2 – Engage Your Team in Identifying SMART Goals		
13	Are SMART goals defined and tracked that support each strategic priority? SMART goals are **S**pecific, **M**easurable, **A**ttainable, **R**elevant, and **T**imely.	
14	Is a large part of your organization engaged in feedback and prioritization activities to define strategic priorities and/or supporting goals?	
15	Are top-level goals clearly translated (connected) to relevant supporting goals throughout all parts of the organization?	
16	Are employees involved in feedback and prioritization activities to define supporting goals as sub-groups/teams?	
6.3 – Align, Step 3 – Clarify and Track Key Measures		
17	Are clear measures in place and communicated that support your top-level strategic priorities and goals?	
18	Are both leading (influence the end result) and lagging (end result) measures defined?	

Rating Key
1 = Operating driver is not in place or major improvement is needed.
2 = Operating driver is at least partially implemented but improvement is needed.
3 = Operating driver is consistently and effectively implemented.

Operating Driver Evaluation

Page 3 of 8

Item #	Question	Rating (1, 2, 3)
19	Are the measures that directly support top-level goals also translated to supporting measures (leading or lagging) for regular tracking?	
20	Are measures consolidated in dashboards for regular tracking in a visual and accessible format?	
7.1 – Manage, Step One – Maintain a Management System for Priorities and Goals		
21	Are there regularly scheduled reviews of priorities and goals for the top of the organization?	
22	Do regular reviews of top-level goals include a clear measurement, comparison with plan, and adjustment of goals and plans where appropriate?	
23	Are additional regularly scheduled reviews of lower level or "translated" goals and measures completed and goals or plans adjusted where appropriate?	
24	Do employees receive clear feedback on performance at least every six months?	
25	Do employees receive regular informal performance feedback (daily/weekly)?	
26	Are employee performance issues (behavior and/or results) quickly confronted and resolved by managers?	
27	Are regular reviews of lower-level goals in sub-groups (teams, locations, departments, etc.) completed and include a clear measurement, comparison with plan, and adjustment of goals and plans where appropriate?	
7.2 – Manage, Step Two – Manage Communication Habits and Routines		
28	Are regularly scheduled (at least quarterly) communication meetings held in some form (face to face, webcast, recording, cascaded communication, etc.)?	
29	Do communication meetings include status updates on the overall organization and, if applicable, the supporting work group/location/dept.?	

Rating Key
1 = Operating driver is not in place or major improvement is needed.
2 = Operating driver is at least partially implemented but improvement is needed.
3 = Operating driver is consistently and effectively implemented.

Operating Driver Evaluation

Item #	Question	Rating (1, 2, 3)
30	Are there frequent additional communication updates through e-mail, web, or other formats?	
31	Do communication habits include a clear connection to customer satisfaction in some form (goals, measures, etc.)?	
32	Is there extensive informal communication to support the formal communication habits?	
7.3 – Manage, Step Three – Build Motivation throughout the Process		
33	Are there any major compensation or benefit issues that are clearly impacting overall motivation and is a plan in place to minimize the impact?	
34	Are there formal individual rewards or incentives for meeting performance goals/targets?	
35	Are there formal or informal individual reward or recognition approaches for supporting the values and expected behaviors?	
36	Is there extensive management recognition for positive individual and group performance?	
37	Are there team/sub-group reward or incentive systems in place for meeting performance goals/targets?	
38	Are there recognition systems for personal milestones or events (birthdays, company anniversaries, degrees, etc.)?	
39	Are regular social or team building events held at least quarterly?	
40	Are there special recognition events when major company goals are met?	
Total Score for Build the Foundation Assess the remainder of questions only if you have a strong cultural foundation (a total score of 110 or higher).		

Rating Key
1 = Operating driver is not in place or major improvement is needed.
2 = Operating driver is at least partially implemented but improvement is needed.
3 = Operating driver is consistently and effectively implemented.

Operating Driver Evaluation   *Page 5 of 8*

Item #	Question	Rating (1, 2, 3)
	Phase 2 – Expand the Approach	
	8.1 – Develop a Greater Vision	
41	Is a clear and compelling vision for the future of your organization (not a vision statement) defined?	
42	Is the vision consistently communicated among employees, not just from the top leader?	
	8.2 – Build a Culture of Collaboration (additional questions are in section 5.4)	
43	Is there a clear structure of ongoing cross-functional teams that support the strategic priorities of the organization?	
	8.3 – Develop Key Competencies (additional questions are in section 5.4)	
44	Is an effective employee development system in place?	
45	Does the employee development system balance the development needs of individuals with the needs of the organization?	
46	Does the employee development system include a substantial focus on strengths-based development?	
47	For larger organizations: Is there a competency structure in place to provide a framework for the development of specific competencies over time?	
48	Are clear and effective development actions defined with an emphasis on the top priorities of the organization or supporting team, department, or other sub-unit?	
49	Are there 360 degree feedback systems in place for managers and some form of at least boss and peer feedback for all other employees?	
50	Is there broad application of training on effective teamwork or supporting skills/competencies?	

Rating Key
1 = Operating driver is not in place or major improvement is needed.
2 = Operating driver is at least partially implemented but improvement is needed.
3 = Operating driver is consistently and effectively implemented.

Operating Driver Evaluation

Item #	Question	Rating (1, 2, 3)
51	Is there broad application of training on effective coaching or supporting skills/competencies?	
8.4 – Refine Your Foundation and Build Collaboration as You Expand the Approach		
52	Are the top leaders of your organization moving toward providing strategic direction and supporting a structure of collaboration through teams across the organization?	
53	Are goals tracked for cross-functional teams with at least as great an emphasis as individual goals?	
54	Are measures tracked for cross-functional teams?	
55	Is there a management system to regularly review progress of cross-functional teams and provide support and feedback?	
56	Are there communication systems in place for interaction with cross-functional teams and for team-to-team communication?	
57	Are innovative recognition systems in place to support cross-functional work (positive competitions, special awards, etc.)?	
58	Are there deeper approaches for motivation such as volunteering, progressive wellness programs, etc.	
59	Is there clear performance management for teams and a related development system to improve team effectiveness?	
60	Do managers quickly and constructively confront behavior issues at all levels of the organization?	
61	Do peers regularly confront performance issues (behavior and/or results) in a constructive way with each other?	

Rating Key
1 = Operating driver is not in place or major improvement is needed.
2 = Operating driver is at least partially implemented but improvement is needed.
3 = Operating driver is consistently and effectively implemented.

Operating Driver Evaluation

Item #	Question	Rating (1, 2, 3)
Phase 3 – Go Deep		
9.1 – Leverage Leadership Development		
62	Does leadership development include analysis of lessons learned from management of internal priorities and application to current priorities?	
63	Are priorities for leadership development clearly identified that support the values and expected behaviors?	
64	Does leadership development extend deep in the organization to cover cross-functional team leaders, first-line supervisors/managers, and other personnel?	
65	Does leadership development include experiential learning to allow leaders to practice new techniques in a "safe" environment?	
9.2 – Focus on Succession Development		
66	Is a formal succession development system is in place with regular review by the top leadership team?	
67	Does your succession development system include a variety of inputs to support behavior and results (360 feedback, personality, performance results, etc.)?	
68	Is mentoring or other focused development provided to accelerate development and pass on experience/knowledge?	
69	Does the succession development system cover potential candidates for supporting cross-functional teams, departments, locations, and other sub-units (not just top management)?	
9.3 – Acquire Talent to Fit Your Developing Culture		
70	Is a structured new hire system in place that includes assessment of cultural fit?	
71	Are a variety of approaches used to evaluate new hires and to emphasize the values/expected behaviors such as pre-hire values assessments, team interviews, and behavioral interviewing questions?	

Rating Key

1 = Operating driver is not in place or major improvement is needed.
2 = Operating driver is at least partially implemented but improvement is needed.
3 = Operating driver is consistently and effectively implemented.

Operating Driver Evaluation   *Page 8 of 8*

Item #	Question	Rating (1, 2, 3)
72	Does your organization clearly market aspects of your effective culture to attract top talent?	
9.4 – Refine Your Foundation and Drive Innovation as You Go Deep		
73	Does your organization specifically emphasize major priorities to improve innovation and speed?	
74	Are you managing the implementation of leading-edge technology to support collaboration?	
75	Are you managing major priorities to grow collaboration with outside organizations (partners, customers, etc.)?	
Total score for the operating driver assessment		

Note: A copy of the evaluation may be obtained at
www.BuildTheCultureAdvantage.com

Rating Key
1 = Operating driver is not in place or major improvement is needed.
2 = Operating driver is at least partially implemented but improvement is needed.
3 = Operating driver is consistently and effectively implemented.