

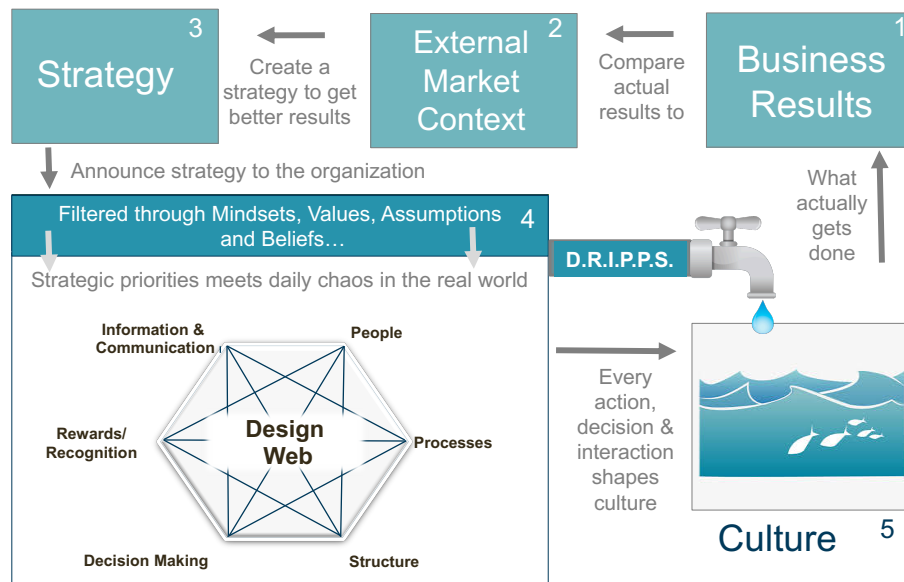


## Designing Organizations for High Performance

*We believe all organizations are designed to deliver the results they are getting.* If you have high customer satisfaction, are financially healthy and have happy employees and customers, it is due to good design. Sustained success is rarely an accident. The same is true if your results are poor. Find the root of the issue and resolve it, and results will improve.

Strategy alone is insufficient to produce better results. Your culture determines what will and will not get attention, so it delivers the results directly. We define culture as “the way things really get done around here.” Culture is the result of the design web – 6 key elements that interact on a daily basis to shape how the organization operates. This system is shaped the values, mindsets, assumptions and beliefs of the people in the organization. If you hold a mindset that is in opposition to a chosen strategy, the strategy will fail. Ever hear “culture eats strategy for breakfast?” It is true.

### **Organizational Performance Model**



Source: *Designing Organizations for High Performance*, David Hanna

Sadly, many of us are not aware of the values and beliefs that guide us. For example, we know of a company who was delivering projects late and over budget. They had tried process improvements, training, changing the reward system, all to no avail. The results did not improve. Further exploration revealed they believed they couldn't fire a project manager – a “warm body is better than nobody” was a mantra. This belief held them frozen to retaining poor performers and was driving high performers away, further reducing the ability to improve performance.



## The D.R.I.P.P. Acronym explains the nodes on the Web

There are 6 nodes on this web and their interactions are crucial to understanding what makes a company tick. DRIPPS is an acronym to help remember them:

- **Decision Making** – What style is most common: autocratic, participatory, consensus? Who is empowered to make decisions, who gets involved, where power is concentrated, how much fact checking is enough?
- **Rewards & Recognition** – What gets rewarded and how. This includes anything that incents or dis-incents behavior, such as management attention or inattention.
- **Information & Communication** – How transparent are you about results or decisions that have been made? What gets disseminated, how, to whom and when?
- **People** – What profile is used to select people? Who gets hired & fired? What type of jobs do they have? What behaviors will get an employee promoted or fired? What is the glue that holds people together – the ability to collaborate, create, control or compete?
- **Processes** – how formal are your business processes? How well do you prioritize of goals/objectives, how much does the organization focus on efficiency and effectiveness?
- **Structure** – This is seen in the form chosen such as hierarchical or matrix, the chain of command, spans of control, and departmentalization style.

DRIPP by DRIPP, the interactions along the web create the culture your employees swim in and your customers experience. What is dripping through the pipe in your company? What is the condition of the water in which your people swim and that your customers experience?

Even before the lag measures of sales, profit and customer satisfaction are affected, there will be signs. Look for chaos, confusion and friction – they might seem minor issues, but they are not. They are signs that misalignment is taking a toll, and addressing them early is always an advantage. Ask yourself and your co-workers:

### ***Where does friction exist?***

*It is a critical smoke signal.*

*If left unaddressed, it grows into a fire.*

If you want to improve your results and the culture in your organization, go look for chaos, confusion, conflict and friction, then look for the mindsets that created them!

If you need help identifying the root cause of your performance challenges (they are often different than you think!), let us know. Our people have been there and can help you determine your key leverage points.