

Volodymyr E. Momot

Olena M. Litvinenko

*Alfred Nobel University, Dnepropetrovsk, Ukraine*

## Relationship between corporate culture and effectiveness of an organization

Zależność pomiędzy kulturą korporacyjną  
a efektywnością organizacji

### Abstract

The study examines the effects of four major organizational culture traits, involvement, consistency, adaptability and mission on measures of company effectiveness, with the use of data collected from machine-building enterprises. The results indicate that the mission trait is the most prominent of the four traits in terms of fostering overall company performance, sales growth, market share growth and ROA.

**Key words:** *corporate culture; performance indicators of enterprise, personnel involvement.*

### Streszczenie

Praca bada wpływ czterech głównych cech kultury organizacyjnej tj. zaangażowania, zgodności, adaptowalności i misji na efektywność, z wykorzystaniem danych zebranych w przedsiębiorstwach przemysłu maszynowego. Rezultaty wskazują, że to właśnie misja jest najistotniejsza w odniesieniu do ogólnych wyników firmy, wzrostu sprzedaży, wzrostu udziału w rynku oraz wskaźnika rentowności aktywów.

**Słowa kluczowe:** *kultura korporacyjna, wskaźniki wyników przedsiębiorstwa, zaangażowanie personelu.*

## **1. Problem of general formulation and the relationship with important scientific and practical problems**

Corporate culture is a symbiosis of many factors, covering both external differences between the company and the system of internal relations including workflow features. The remarkable feature is that corporate culture allows us to satisfy seemingly conflicting human desire i.e. to be a unique personality, whose abilities are widely recognized, and yet to be a part of a particular social group or team. Therefore, it is very important to establish not only the conditions for the development and self-realization of an employee to demonstrate their importance for the company, but also to organize work of the whole personnel as a team. Effective implementation of these components in practice requires certain costs, that is why it is important to build foundations of corporate culture (development of corporate identity, organization of decent working conditions, building programs for career development, etc.) which facilitate increase in company efficiency.

The problem of linkage of corporate culture with the efficiency of the company is the focus of interest for many researchers; see for example [1, 2, 3, 4]. However, existing research, is mostly based on qualitative and speculative approaches.

## **2. Objectives of the study**

According to the aforementioned the list of tasks of current research is as follows:

- to examine main approaches to corporate culture from the point of view of selecting the most appropriate one for tracing influence on organization efficiency;
- to select the set of measurers of organization efficiency;
- to evaluate the link between corporate culture and organization efficiency.

Methodology of the research is hypotheses formulation and correlation analysis.

## **3. Main contents**

Today there exist a lot of treatments of typology of corporate culture focused on the account for various aspects of the organization. Since the basic

principles of the distinction differ, it is advisable to use several systems to obtain the most complete picture. For instance, the typology by G. Hoefstede [5] enables organizations to identify specific national characteristics, and therefore – it is the most large-scale classification level. Typology of corporate cultures introduced by J. Zonnenfeld [6] was based on somewhat narrowed analysis of the type of business organization. Cameron and Quinn [7] proposed classification on the basis of the ratio between focusing on the external or internal environment. Classification of Denison [8] is based on four parameters which describe the main organizational culture features. This classification allows us to consider a large number of factors which determine the current position of an organization.

According to Denison there are four basic features of organizational culture:

- 1) *mission* – organization purpose and direction;
- 2) *involvement* – personal involvement of people throughout the organization in achieving the mission;
- 3) *consistency (homogeneity)* – shared values, systems and processes that support efficiency and effectiveness in reaching goals;
- 4) *adaptability* – employees' ability to understand what customers want, change in response to new demands learning new skills and technologies to support success.

These basic features of organizational culture cover different mechanisms providing the increase in efficiency of an organization. For example, such feature of organizational culture as involvement helps organizations expand the number of alternatives to be taken into account while making decisions. Involvement stimulates so-called master's motivation and reinforces the sense of responsibility. Stronger involvement can strengthen group dynamics in solving complex problems, increase the staff commitment and enthusiasm in implementation of decisions and, thus, improve internal integration, increase flexibility of an organization and add creativity. As a result, organizations that have high rates of involvement are likely to be more effective in the business environment in which success depends on internal dynamics and where organizations should be flexible and creative.

These organizations can also take advantage of more positive attitude of staff. On the contrary, such a feature of organizational culture as homogeneity, which reflects high priority of public opinions and values, theoretically

increases efficiency and productivity of the organization by significantly reducing the need to create systems of direct control (and thus lower costs associated with the introduction of any innovation), and by improving coordination and communication. Thus, homogeneity can be treated as a specific predictor of possible improvement in economic efficiency. On the other hand, such feature of organizational culture as adaptability facilitates the conversion of external signals and customer expectations in internal changes as well as it improves an organization's ability to cope with growing dynamism and uncertainty of the environment. Hence, adaptability generally regarded as a specific indication of company's ability to conquer new territory (through innovation and product development, market expansion etc.) and the ability to compensate unforeseen external threats. And finally, such feature of organizational culture as the mission, based on “external concentration” of an organization, the priority of stability that allows organizations to maintain such important internal variables as goals and values, is considered the strongest factor leading to increased market share, improved financial performance and increase the overall efficiency of the organization.

In this regard, we can formulate two assumptions that can be tested empirically:

- 1) Each of the four aggregated characteristics of organizational culture makes a significant impact on the resulting efficiency of an organization and alone on a wide range of performance indicators, regardless of other characteristics;
- 2) Each individual characteristics of organizational culture affects a specific set of parameters to a greater extent than others.

Note that the first statement refers to direct influence of organizational culture characteristics on performance of a company (i.e.it means that unique characteristics of specific organizational culture will cause impact on individual indicator of enterprise performance when the effects of three other characteristics are eliminated), while the second statement refers to their relative influence. It should be emphasized that the relative influence of characteristics of organizational culture on enterprises' efficiency depends on the characteristics of national culture. While all four characteristics are likely to exercise positive impact on the overall performance of an enterprise, relative influence of each characteristic of organizational culture on specific performance can vary from one culture to another. Thus, we successively

examine the relative impact of different characteristics of organizational culture. In order to conduct a formal study of the effect of characteristics of organizational culture on performance of an enterprise, we have formulated a set of hypotheses:

*Hypothesis 1.* If the impact of the other three characteristics of organizational culture is excluded, each of the characteristics of organizational culture (a) involvement, (b) homogeneity (c) adaptability, (d) mission has a significant positive effect on performance of companies such as 1) sales growth; 2) market share increase; 3) ROA, 4) quality improvement, 5) the ability to develop new products, 6) satisfaction of an employee, and 7) the overall business performance.

Our next set of working hypotheses concerns two critical components of the profile of corporate culture and its impact on efficiency of an enterprise. First, as a natural extension of the above concepts considering individual effect of each characteristic of corporate culture model. Denison suggests that organizations which demonstrate a higher aggregate value of all four components of organizational culture (and therefore have a greater rank of general organizational culture) provide a higher level of efficiency. Further, Denison emphasizes the importance of balanced combination of characteristics of organizational culture. Four characteristics of organizational culture are often in conflict, which leads to paradoxes in the organization. Organizations that are able to provide the highest efficiency are the ones that can effectively deal with such paradoxes – they are organizations that can simultaneously achieve internal integration and external adaptability. Such organizations tend to practice different techniques, remove tensions, gain compromise, balancing internal and external focus, maintain flexibility and stability control along with hierarchical top-down and bottom-up involvement of staff.

Organizations that overestimate (underestimate) one of the characteristics of culture are more prone to risk of losing efficiency. Effective are usually those organizations that are able to solve the contradiction between different components of culture without going to simplistic compromises.

Not a single characteristic of organizational culture, if not balanced and aligned with the other three, leads to increased organizational effectiveness. For example, high levels of employee involvement not balanced with uniformity, adaptability and mission, can lead to discoordination of efforts, inadequate

focus on external processes, lack of focused strategies and common goals in internal conflicts. Similarly:

- 1) unbalanced focus on homogeneity may lead to increased resistance against necessary changes and low adaptability;
- 2) unbalanced focus on adaptability could lead to conflict with general objectives and complicate joint efforts;
- 3) unbalanced focus on the mission can lead to narrowing of philosophy throughout an organization and reduce flexibility.

Accordingly, we assume that the “aggregate value” and “balanced combination” of cultural profile do impact organizations' effectiveness independently.

Hypothesis 2. The higher is the aggregate (combined) level characteristics of organizational culture the higher will be (1) the rate of sales growth, (2) increase in market share (3) ROA, (4) improvement in the quality, (5) the ability to develop new products, (6) staff satisfaction; and (7) overall business performance.

Hypothesis 3. The less balanced is the combination of characteristics of organizational culture, the lower will be (1) the rate of sales growth, (2) increase in market share (3) ROA, (4) improvement of the quality, (5) the ability to develop new products, (6) staff satisfaction; and (7) overall business performance.

#### **4. Data collection**

We tested the formulated hypothesis on the basis of data collected at machine-building enterprises of Dnepropetrovsk, Zaporozhe, Odessa, Poltava and Sumy regions of Ukraine. Six enterprises were examined. This number, given the current state of domestic machine-building industry can be regarded as satisfactory. For the survey questionnaire well known Denison Organizational Culture Survey was used(see Appendix A), which consisted of 60 questions grouped in 12 subclasses for determining the level of each of the four characteristics of organizational culture (three subclasses for each of the individual characteristics of culture). The questionnaire was translated into Russian/Ukrainian with maximum preservation of meaning and content of the original issues.

In a survey conducted by the classical scheme using paper questionnaires top managers of the enterprises participated, so did middle and lower management levels as a whole – not fewer than 60 representatives from each organization. Totally, 495 persons participated in the survey. The structure of each sample is shown in Table. 1.

**Table 1.** Structure of samples used to test the formulated hypotheses

	<b>Enterprise</b>	<b>Top Management</b>	<b>Middle management</b>	<b>Line management</b>	<b>Total</b>	<b>Total Employees</b>
1	Public Enterprise Association “Southern Machine-Building Plant”	6	29	78	113	–
2	JSC “Kremenchug Automobile Plant”	3	23	65	91	5612
3	CJSC “Zaporozhe Automobile Building Plant”	5	21	54	80	15903*
4	JSC “Motor Sich”	4	21	56	81	25723**
5	JSC “Zaporozhe Plant of Heavy Cranes”	3	18	38	59	1022
6	JSC “Nasosenergomash” in Sumy	4	22	45	71	2337
	Total	25	134	336	<b>495</b>	

\* Including employees of industrial structures of the company, including employees of FSO SA (Poland), 11 domestic companies and 12 enterprises in Poland engaged in production of components and spare parts, but not including employees of financial institutions and distribution network of the company

\*\* Including branches in Snezhnoe, c Volochisk, airline “Motor-Sich” and the second production platform on the left bank in Zaporozhe.

Data concerning the number of employees was extracted from the official information of the corresponding companies. Data as to the number of employees of Production Association “Southern Machine-Building Plant” constitute the secret of the state and cannot be displayed.

The created samples are stratified, which significantly reduces the volume of samples and increases the reliability of the results, as well as the speed of fieldwork.

## **5. Quantitative measurement of organizational culture characteristics and relating it to the effectiveness of organizations**

Measurement of quantitative characteristics of organizational culture was based on well-known Denison technique. To measure the qualitative characteristics of organizations' effectiveness the opinion of top executives of the surveyed enterprises was used. These top executives were asked to evaluate the effectiveness of their business over the past three years, according to the proposed performance criteria: (4) quality improvement; (5) the ability to develop new products, and (6) staff satisfaction, (7) the overall business performance. Obviously, such quantitative performance criteria as (1) the rate of sales growth, (2) increase of market share, and (3) ROA were calculated directly on the basis of 8 years beginning with the year 2004. Afterwards, for all the seven performance indicators standard five grades Likert scale was introduced. In this scale a grade one corresponds to performance that is significantly lower than the competitors', and grade five corresponds to performance that is much higher than the competitors'. Each of the first six indicators reflects a different aspect of performance, while the seventh indicator corresponds to the generalized assessment of an organization's effectiveness. Finally, in this study using standard statistical procedure the impact of organization's size was excluded.

## **6. Main results and discussion**

Results of the correlation analysis for the considered enterprises are summarized in Table. 2. Recall that according to Hypothesis 1 the correlation analysis of the relationship between each of the characteristics of organizational culture and performance indicators of the enterprise was conducted with the exclusion of the influence of other characteristics.

Preliminary analysis of these results shows that all correlation coefficients that describe the link of organizational culture characteristics with performance indicators of the organization differ from zero. However, the essential interdependence shows only mission with such characteristics of performance as the growth rate of sales, increase of market share and ROA. One can also talk about weak relationship between involvement and the degree of employee satisfaction. But the degree of employee satisfaction is an internal



variable that characterizes the efficiency of the company, and in this study we are more interested in the relationship between internal and external variables. And finally, there is very weak link between involvement and improvement of product quality, that is very important for modern competitive enterprise.

*Table 2. Correlation analysis of the relationship between individual characteristics of organizational culture and performance indicators of an enterprise*

<b>Dependent variable</b>	<b>Growth rate of sales</b>	<b>Growth in market share</b>	<b>ROA</b>	<b>Improvement of quality</b>	<b>Improvement of ability to develop new products</b>	<b>Degree of employee satisfaction</b>	<b>Overall effectiveness</b>
Involvement	0.12	0.15	-0.00	0.41 <sup>*</sup>	-0.03	0.37 <sup>*</sup>	0.34 <sup>*</sup>
Homogeneity	-0.22	-0.35 <sup>*</sup>	-0.13	-0.02	0.27 <sup>*</sup>	0.02	-0.13
Adaptability	-0.11	-0.02	0.06	0.02	0.29 <sup>*</sup>	0.14	0.07
Mission	0.72 <sup>*</sup>	0.66 <sup>*</sup>	0.51 <sup>*</sup>	0.16	0.02	0.17	0.33 <sup>*</sup>
Enterprise size	0.20	0.30	0.13	0.21	0.16	0.17	0.17

<sup>\*</sup> Significant correlations with confidence interval of 95%

*Source: authors' calculations*

A rather strong link between mission and performance indicators such as sales growth, increase in market share and ROA can be explained as follows – some basic factors that affect the overall level of manifestation of this characteristic of organizational culture are the presence of common goals of an organization, shared values by the leaders and all other members of the organization as well as monitoring of the movement to formulated goals, realistic tasks, employees' motivation and creative enthusiasm that arise from a shared vision of the future. Thus, creatively motivated employees who follow realistic goals, seeking to join efforts to achieve these goals asserting great importance to monitoring of the movement towards these goals are the foundation of success in competition. Unlike general considerations about the crucial role in the mission of an enterprise, which are rather common in scientific literature on strategic management and usually confirmed only by speculative considerations, this conclusion was based on a rigorous analysis of quantitative data.

Indeed, very often mission is perceived as a kind of organizational religion that has a positive effect based even on the very fact of its existence. Many enterprises organized numerous sessions on “studying” the mission; very often

the mission's visual representation in the form of posters, stretch marks, even unique plaques is the integral part of the interior of such “advanced” enterprises. However, the mere presence of verbally articulated mission is not at any rate a guarantee of market success of companies – crisis stage of economic development in the years 2008-2011 have preciously shown that.

Returning to the results of the analysis given in the Table. 2, we must make another important conclusion, which at the first glance seems paradoxical – there is virtually no connection between organizational culture parameters and such major indicators of organization performance as growth in sales, market share, ROA. Moreover, as it turned out, the homogeneity of an organization has a weak negative effect on these parameters (the level of negative correlation between homogeneity and increase in market share suggests the existence of weak negative relationship between these variables).

The correlation between homogeneity, adaptability and the ability to effectively design and develop new products just reach the level after which one can infer the existence of a weak dependence.

All significant correlations, allowing to conclude even just a weak dependence, which were obtained by testing the hypothesis 1 on the independent effects of individual characteristics of organizational culture on performance indicators of an enterprise are marked by asterisks in Table 2.

As for the relationships between the characteristics of organizational culture and overall performance of a company, only a very weak correlation with the involvement is observed. Perhaps this can be explained by the presence of the relationship of this characteristic and specific performance indicators.

Quite interesting are the results concerning the link between an enterprise size and performance indicators. This relationship, as shown by the analysis, is practically nonexistent. Naturally, the sample of companies represented in the analysis is not too large, and the differences in the size of these companies, taking into consideration the fact that the quantity of staff of such large enterprises as “Motor-Sich”, “Zaporozhe Automobile Building Plant” includes a numerous remote branches, are not so significant, but the result is still quite interesting, although it needs further research.

The results of testing the hypothesis of two common characteristics of organizational culture's influence on the parameters of efficiency of a company are contained in Table 3.

*Table 3. Correlation analysis of the relationship between the level of organizational culture and performance indicators of a company*

<b>Dependent variable</b>	<b>Growth rate of sales</b>	<b>Growth in market share</b>	<b>ROA</b>	<b>Improvement of quality</b>	<b>Improvement of ability to develop new products</b>	<b>Degree of employee satisfaction</b>	<b>Overall effectiveness</b>
The general level of the organizational culture	0.51*	0.49*	0.43*	0.54*	0.51*	0.66*	0.59*
The overall level of imbalance between the characteristics of the organizational culture	0.06	0.10	0.06	0.00	-0.01	0.04	0.03
Enterprise size	0.23*	0.34*	0.16	0.22*	0.15	0.17	0.18

\* Significant correlations with confidence interval of 95%

*Source: authors' calculations*

It is obvious that the correlation observed is strong enough that to conclude that organizational culture as a whole significantly affects the enterprises' performance, and moreover, this impact is positive –the “stronger” (more expressed) organizational culture is, the higher is efficiency. This result is to be studied in more detail in the context of hypotheses 2 and 3. It makes sense to examine the relationship of such indicator as balance of the organizational culture with enterprise performance. Recall that the preliminary conclusion has been made about the existence of such a connection, which was explained by the fact that unbalanced culture can have a negative impact on the internal organization variables and hence affect its overall performance (Hypothesis 3). However, the calculation results clearly suggest the opposite–neither of individual performance indicators, not to mention the overall performance, is displaying any, even very weak coupling with organizational culture balance. Note that the effect of imbalanced culture was studied by excluding the effects of the organizational culture level (“power”)and enterprises' size.

The explanation of this quite remarkable fact is perhaps the following– the balance of organizational culture was evaluated as a result of statistical processing by computing interclass correlation coefficients (ICC)of different

hierarchical levels characteristics assessment made exceptionally by higher management. Thus, we can conclude that there is some subjectivity of the proposed procedures for investigation i.e. perceived rather than measured performance indicators of the company is observed, taking into consideration the opinion of exclusively the highest level managers. It should be noted that the above criticism is hardly to be withdrawn— only the highest level of management has sufficiently broad attitude to determine the parameters of enterprise performance and such important indicators of performance as quality improvement, the ability to develop new products and the degree of employee satisfaction can be determined only on the basis of expert evaluations. It should be repeated again that the determination of the first three indicators of performance is based on a completely objective quantitative information i.e. the weak link between organizational culture balance and indicators of an enterprise performance despite some subjective judgments used in identifying the latter still is an objective phenomenon, due to the fact that only one of characteristics of organizational culture affects activity of machine building enterprise.

An interesting feature was revealed in the analysis of aggregate level (“power”) of organizational culture on the performance indicators of an enterprise: there is a dependence of such performance indicators as growth in market share, sales growth and improvement of the quality (although the latter two parameters in much lesser extent) on the size of an enterprise. The explanation of this fact is probably that these performance indicators are really very closely related to the capacitance parameters of enterprises (size, capacity of production system, the number of employees and so on) and during the study of the overall impact of organizational culture on the effectiveness of enterprise this fact became evident.

To complete the range of tasks established in this study we should conduct variant analysis of specific pairs of unbalanced characteristics of organizational culture. One can build six such pairs: “involvement-homogeneity”, “involvement-adaptability”, “involvement-mission”, “homogeneity-adaptability”, “homogeneity-mission”, “adaptability-mission”. Corresponding results are summarized in Table. 4.

Table 4. Regression analysis of the relationship between individual characteristics of organizational culture and performance indicators of an enterprise

Dependent variable	Growth rate of sales	Growth in market share	ROA	Improvement of quality	Improvement of ability to develop new products	Degree of employee satisfaction	Overall effectiveness
Involvement-homogeneity	-0.06	-0.08	-0.05	-0.05	-0.23	-0.14	-0.13
Involvement-adaptability	0.12	0.10	0.11	-0.12	0.02	-0.05	-0.07
Involvement-mission	0.22	0.20	0.02	0.16	-0.02	0.30*	0.29*
Homogeneity-adaptability	0.21	0.27*	0.13	0.12	0.02	0.22	0.29*
Homogeneity-mission	0.03	0.03	0.09	-0.10	0.07	-0.08	-0.10
Adaptability-mission	-0.39*	-0.37*	-0.20	-0.06	0.08	-0.22	-0.34*
Enterprise size	0.39*	0.32*	0.38*	0.48*	0.62*	0.57*	0.47*

\* Significant correlations with confidence interval of 95%

Source: authors' calculations

It is seen that, contrary to theoretical hypothesis 3 which postulates that imbalanced organizational culture leads to lower efficiency of an enterprise, practical research shows that only one unbalanced pair of features “adaptability-mission” really shows a negative correlation with the performance indicators of the enterprise but this correlation does not allow to conclude that power of the interconnection is significant. Imbalanced couple “involvement-homogeneity” affects positively only a single performance indicator – the innovative activities but corresponding influence is very low. Imbalance in other pairs of characteristics of organizational culture shows no significant negative impact, or as to couples “involvement-mission” and “homogeneity-adaptability” this impact can be regarded as very weak and positive.

Thus, concluding the research of relationship between corporate culture and effectiveness of an organization one can make the following conclusions:

- 1) out of the four main characteristics of organizational culture (i.e. involvement, homogeneity, adaptability, mission) only mission indicates significant effect on the machine-building enterprise efficiency;

- 2) “The power” of corporate culture (its general level) proves to have positive impact on a machine-building enterprise efficiency;
- 3) the balance of corporate culture does not impact machine-building enterprise efficiency significantly;
- 4) as a direction for future research one can indicate detailed investigation of irregularly low impact of corporate culture balance on the machine-building enterprise efficiency.

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## APPENDIX A

### Organizational Culture Diagnostics by Denison

*Each statement should be scored with our estimation of the questioned feature relatedness to our organization.*

*Score is from 1 to 5 (1 is minimum and 5 is maximum).*

*No integer score can be asserted: 1,5, 2,5, 3,5, 4,5*

*Relationship between corporate culture and effectiveness of the organization*

№	Item	Score
<b>ADAPTABILITY</b>		
<i>Creating Change</i>		
1	The way things are done is very flexible and easy to change.	
2	We respond well to competitors and other changes in the business environment.	
3	New and improved ways to do work are continually adopted.	
4	Attempts to create change usually meet with resistance. (Reversed Scale)	
5	Different parts of the organization often cooperate to create change.	
<i>Customer Focus</i>		
6	Customer comments and recommendations often lead to changes.	
7	Customer input directly influences our decisions.	
8	All members have a deep understanding of customer wants and needs.	
9	We encourage direct contact with customers by our people.	
10	The interests of the customer often get ignored in our decisions. (Reversed Scale)	
<i>Organizational Learning</i>		
11	Innovation and risk taking are encouraged and rewarded.	
12	We view failure as an opportunity for learning and improvement.	
13	Lots of things "fall between the cracks". (Reversed Scale)	
14	Learning is an important objective in our day-to-day work.	
15	We make certain that the "right hand knows what the left hand is doing".	
<b>MISSION</b>		
<i>Strategic Direction &amp; Intent</i>		
16	There is a clear mission that gives meaning and direction to our work.	
17	There is a long-term purpose and direction.	
18	Our strategic direction is unclear to me. (Reversed Scale)	
19	There is a clear strategy for the future.	
20	Our strategy leads other organizations to change the way they compete in the industry.	
<i>Goals &amp; Objectives</i>		
21	There is widespread agreement about goals.	
22	Leaders set goals that are ambitious, but realistic.	
23	The leadership has "gone on record" about the objectives we are trying to meet.	
24	We continuously track our progress against our stated goals.	
25	People understand what needs to be done for us to succeed in the long run.	
<i>Vision</i>		
26	We have a shared vision of what the organization will be like in the future	
27	Leaders have a long-term viewpoint.	
28	Short-term thinking often compromises our long-term vision. (Reversed Scale)	
29	Our vision creates excitement and motivation for our employees.	
30	We are able to meet short-term demands without compromising our long-term vision.	
<b>CONSISTENCY</b>		
<i>Coordination and Integration</i>		
31	Our approach to doing business is very consistent and predictable.	
32	There is good alignment of goals across levels.	
33	People from different parts of the organization share a common perspective.	
34	It is easy to coordinate projects across different parts of the organization.	
35	Working with someone from another part of this organization is like working with someone from a different organization. (Reversed Scale)	
<i>Agreement</i>		
36	When disagreements occur, we work hard to achieve "win-win" solutions.	
37	There is a "strong" culture.	
38	There is a clear agreement about the right way and the wrong way to do things.	
39	It is easy to reach consensus, even on difficult issues.	
40	We often have trouble reaching agreement on key issues. (Reversed Scale)	
<i>Core Values</i>		
41	There is a clear and consistent set of values that governs the way we do business.	
42	There is a characteristic management style and a distinct set of management practices.	
43	The leaders and managers "practice what they preach".	
44	There is an ethical code that guides our behavior and tells us right from wrong.	
45	Ignoring core values will get you in trouble.	

<b>INVOLVEMENT</b>		
<i>Empowerment</i>		
46	Most employees are highly involved in their work.	
47	Decisions are usually made at the level where the best information is available.	
48	Information is widely shared so that everyone can get the information he or she needs when it's needed.	
49	Everyone believes that he or she can have a positive impact.	
50	Business planning is ongoing and involves everyone in the process to some degree.	
<i>Capability Development</i>		
51	Authority is delegated so that people can act on their own.	
52	The capabilities of people are viewed as an important source of competitive advantage.	
53	There is continuous investment in the skills of employees.	
54	The "bench strength" (capability of people) is constantly improving.	
55	Problems often arise because we do not have the skills necessary to do the job. (Reversed Scale)	
<i>Team Orientation</i>		
56	Cooperation across different parts of the organization is actively encouraged.	
57	People work like they are part of a team.	
58	Work is organized so that each person can see the relationship between his or her job and the goals of the organization.	
59	Teams are our primary building blocks.	