

Culturelytics: Case study

Helping a major steel producer create a culture for sustainable rapid growth

Challenge

A world-leading steel producer had achieved unprecedented growth rates through operational efficiencies. But to achieve its ambitious vision, it needed to sustain this impressive momentum over time. Management understood that creating the right culture would be a key factor in doing this, and they called on Culturelytics to provide data-based insights on how to build a sustainable rapid growth culture.

Solution

Culturelytics deployed its culture analytics platform CultureGenome™, to conduct an in-depth study of organisational culture at three key production facilities in India and Oman, for a clear assessment of the company's existing culture and how best to build the optimal culture for their goals.

Results

Key insights from our analysis are presented to leadership in a **customised, interactive client dashboard**:



- Culture Coherence Quotient (CCQ™): 71/100.** CCQ is a measure of how aligned current culture is with company objectives. This score is in the 'amber' range, indicating that vital people issues must be addressed for the company to sustain the rapid pace of growth the company had achieved.
- Financial impact of culture:** We estimated that: a) cultural issues were resulting in 8.7% inefficiency in employee expenditures; b) the company was at risk of missing its revenue targets for the next financial year by **17%** if culture issues were not addressed.
- Detailed insights: the dimensions of organisational culture:** Detailed findings revealed where company culture was already supportive of the growth mandate, and where there were cultural issues that, if unaddressed, could make their impressive growth gains short-lived.

In summary, the company had successfully instilled many aspects of a growth-oriented culture in the organisation, with a sharp focus on productivity, efficiency, and cutting-edge data-driven production processes. But this achievement was not matched by the company's people management culture. Unstructured, untransparent processes were resulting in a lack of clarity, efficacy and trust, potentially undermining continued fast-paced growth.

Some highlights:

- Values Assessment:** Across facilities, shared vital values of teamwork, continuous improvement, and customer satisfaction. But there was significant 'dysfunction' in people management, with lack of recognition and job security, long hours, and short-term focus as inherent in the organisation.
- Influencer Networks:** This dimension reveals the all-important but unseen informal networks operating within the organisation. The analysis revealed that influence was highly concentrated with just a few people in the organisation, again indicating dysfunctional people management processes. Additionally, a group of key influencers in the company were identified for leadership development (see below).
- Leadership Pulse:** Leaders showed a solid orientation towards purpose and adaptability, but low levels of influence with employee networks. Additionally, the HR function was experiencing a lack of credibility and repeated requests for a more consistent approach to evaluation and training.
- People Speak:** A 360° web scan of employer reputation: what employees say about their work experience at the company, benchmarked against key competitors. Employees liked the dynamic work environment but expressed concerns about promotion processes, work-life integration, and lack of training. Only 50% would recommend it to a friend as a place to work, a lower score than for key competitors, posing a challenge to recruitment and retention.

Outcomes

The assessment results were used by company leadership to shape a targeted multi-year program of transformation in people management culture and practices in collaboration with Culturelytics, our sister consulting company, e2e People Practices, and Great Place to Work® Institute, India.

In one activity, 33 key influencers identified by the network analysis took part in e2e People Practice's Leadership Accelerator Program (LeAP), which was very well received by participants: 'I've learned many new ways to improve my leadership by appreciating, empowering, trust-building, coaching and making my team successful.'

Employee surveys show the new practices are already being appreciated by people across the organisation. A follow up CultureGenome analysis will be conducted to measure progress towards the desired culture in the organisation.

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