

# Organizational Intelligence Survey

## Preliminary Assessment

Australian Managers

September 2003

Provided by:

Karl Albrecht International



## Summary

This report summarizes the opinions of a sample of Australian managers, regarding the "collective intelligence" of their organizations, as portrayed by Karl Albrecht International's OI Profile preliminary assessment instrument.

The managers provided their opinions during two seminars conducted by Karl Albrecht during June of 2003, one in Perth and one in Brisbane. During the full-day seminars, the attending managers learned the seven-dimensional organizational intelligence model as presented in Karl Albrecht's book *The Power of Minds at Work: Organizational Intelligence in Action*. After review and discussion of each of the seven components, the managers then scored their own organizations, using the OI Profile questionnaire, provided as an appendix to this report.

Out of about 200 managers and executives attending the two seminars (approximately equal numbers in the two cities), 128 provided answer sheets with their self-rating scores, representing an estimated 100 companies. At the time, the questionnaire did not ask for their organizational levels. It has since been modified for that purpose. All of the answer sets were coded in general terms as "managers," i.e. non-executive level. The group may also have included other levels, such as professional or specialist categories, but the general level of the participants was well above staff level.

The two tabulations presented are in the customary columnar format, and should be readily comprehensible without a detailed explanation. On questions where the frequency counts do not add up to equal the total population, the difference is accounted for by non-responses to the particular question.

One tabulation presents the questions in their original order, as answered by the managers who responded. They are grouped by the seven dimensions, or categories of OI, with seven questions under each of the seven dimensions. Question #50 identifies organizational level, which was uniformly coded as "Manager." Note that the group scores *follow* the series of questions to which they apply.

The second tabulation, without the group scores, presents the same questions, ranked in order of mean answer value. This allows for a quick appraisal of the highest and lowest scoring questions, and the pattern of scores.

There is a brief commentary preceding the tabulation of scores. It should be emphasized that these comments are preliminary, and should not be construed as definitive conclusions about Australian companies or their leaders.

## Commentary: Breakdown by Answer Value

(Tabulation begins on the next page)

The first thing to notice in the overall tabulation is the relatively critical trend in the Australian scores - they are remarkably low, across the board. Even allowing for what some people might claim to be a national temperament that tends to be somewhat cynical or critical, these are astonishingly low scores. Preliminary data from American firms suggests that this group of managers rate their companies considerably lower, across almost all scales, than do the Americans polled. (However, the American sample is still rather small, and concentrated in a relatively small number of companies, so comparisons are speculative at this point.)

Note that the lowest average of all 49 questions on the tabulation is for Item #45, "Mgrs Solve Performance Problems," which received a score of 2.38. Close to that score was Item #7, "Finding Future Leaders," which received an average score of 2.41.

Two items on the survey tied for the highest average score - Item #3, "Annual Strategic Review," and Item #25, "Employees Give Extra Effort," both of which received a 3.41.

Overall, less than half of the questions received scores of 3.0 or higher on the 5-point scale. Given the usual "central tendency" amongst survey responses, it is customary to view scores less than 3 as indicating a relatively critical opinion, or indicating that the particular factor being scored is in need of correction or improvement. Even scores ranging from 3.0 through 3.5 generally tend to indicate that the respondents are not particularly impressed with the factor being rated. In this respect, the fact that the *highest* average score on the entire survey was 3.41 is worthy of note.

Of course, a number of managers rated their organizations considerably higher than the average. On the highest-scoring questions, as many as 20-25 respondents rated their organization as 5 on the 5-point scale. However, on most questions the number of people assigning a 5 ranged from 1 to about 7-8. No question failed to receive at least 1 rating of 1, and no question failed to receive at least 1 rating of 5. For most questions, however, the number of managers voting 1 considerably exceeded the number who voted 5.

Of the seven group scores, only two managed to climb above 3.0 - "Strategic Vision" at 3.01 and "Heart" at 3.09.

The implications of these scores could be the source of interminable debate. Perhaps the most advisable conclusion, based on these limited results, would be that a further investigation of Australian managers' perceptions of the OI status of their organizations could be worthwhile, and it may be helpful to understand their perceptions better.

Again, it should be emphasized that this was a relatively small study and that the results, while interesting and thought-provoking, probably do not justify simple or final conclusions about Australian businesses or those who lead them.

September 20, 2003

Survey by Karl Albrecht Intl & AIM - June 2003

Organizational Intelligence - Australian Managers  
(Breakdown by Answer Value)

<b>Item</b>	<b>Descriptor</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>Mean</b>
1	Strategic Conversation	7	29	46	38	8	3.09
2	Environmental Scanning	6	34	47	33	8	3.02
3	Annual Strategic Review	11	19	30	43	25	3.41
4	Have a Value Proposition	13	28	39	34	14	3.06
5	Statement of Direction	8	24	33	41	22	3.35
6	Using Mission Statement	20	38	34	28	8	2.73
7	Finding Future Leaders	27	45	36	16	4	2.41
<b>GROUP</b>	<b>STRATEGIC VISION</b>						<b>3.01</b>
8	Share Plans & Results	4	33	37	43	11	3.19
9	All Understand Biz Idea	11	52	38	23	4	2.66
10	Depts Help & Share	11	36	50	23	8	2.85
11	Emps Sense of Belonging	14	32	48	32	2	2.81
12	Emps Sense of Partnership	17	55	34	21	1	2.48
13	Emps Believe in Success	9	23	55	34	7	3.05
14	Emps Lasting Relationship	4	20	45	49	10	3.32
<b>GROUP</b>	<b>SHARED FATE</b>						<b>2.91</b>
15	Processes Always Evolving	6	24	50	43	5	3.13
16	Encouraging Innovation	15	42	39	29	3	2.71
17	Encouraged to Improve Job	10	35	44	34	5	2.91
18	Allowed to Question	5	34	52	31	6	2.99
19	Minimum Bureaucracy	17	39	48	20	4	2.65
20	Leaders Admit Mistakes	13	33	49	28	5	2.84
21	Atmosphere for Change	5	30	44	44	5	3.11
<b>GROUP</b>	<b>APPETITE FOR CHANGE</b>						<b>2.91</b>
22	Quality of Work Life	3	22	54	46	3	3.19
23	Emp Interests At Heart	4	48	47	27	2	2.80

24	Pride in Organization	1	25	52	42	8	3.24
25	Emps Give Extra Effort	1	16	51	50	10	3.41
26	Career Opportunities	7	43	52	25	1	2.77
27	Mgrs' Attitude Toward Job	7	19	44	52	6	3.24
28	Mgrs Model Commitment	5	33	53	34	3	2.98
<b>GROUP</b>	<b>HEART</b>						<b>3.09</b>
29	Structure is Appropriate	8	22	50	39	9	3.15
30	Policies Support Mission	2	33	51	40	2	3.05
31	Business Processes Help	9	36	57	25	1	2.79
32	Info Systems Empower	8	26	52	37	5	3.04
33	Info Systems - Cust Value	7	33	52	30	6	2.96
34	Pass Responsibility Down	14	39	40	34	1	2.76
35	Dept Missions Aligned	11	36	54	25	2	2.77
<b>GROUP</b>	<b>ALIGNMENT &amp; CONGRUENCE</b>						<b>2.93</b>
36	Culture of Sharing Know.	12	32	46	33	5	2.90
37	Mgrs Respect Knowledge	7	25	36	52	8	3.23
38	Boundaries Porous - Ideas	10	37	47	27	7	2.88
39	Operating Info Flows	11	45	34	31	7	2.83
40	Execs Study Latest Ideas	17	31	35	37	8	2.91
41	Emp Learning & Devel	8	33	41	40	6	3.02
42	Mgrs Appreciate Skills	8	30	49	35	6	3.01
<b>GROUP</b>	<b>KNOWLEDGE DEPLOYMENT</b>						<b>2.97</b>
43	Emps Und Expectations	3	27	59	35	4	3.08
44	Mgrs Communicate Goals	4	36	57	28	3	2.92
45	Mgrs Solve Perf Problems	24	51	35	16	2	2.38
46	Bad Mgrs Not Tolerated	26	41	31	27	3	2.53
47	Emps Receive Feedback	4	27	45	47	5	3.17
48	Emps My Work Contributes	2	18	63	44	1	3.19
49	Emps Advance on Merit	6	39	54	26	3	2.85
<b>GROUP</b>	<b>PERFORMANCE PRESSURE</b>						<b>2.88</b>
50	Org. Level		128				2.00

N = 128

## Organizational Intelligence - Australian Managers

(Ranked Breakdown by Answer Value)

<b><u>Item</u></b>	<b><u>Descriptor</u></b>	<b><u>1</u></b>	<b><u>2</u></b>	<b><u>3</u></b>	<b><u>4</u></b>	<b><u>5</u></b>	<b><u>Mean</u></b>
1	Emps Give Extra Effort	1	16	51	50	10	3.41
2	Annual Strategic Review	11	19	30	43	25	3.41
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# Organizational Intelligence Profile

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## **Strategic Vision:**

1. Is there an ongoing "strategic conversation" throughout the organization, i.e., a continuing discussion of the business environment and ways to meet the challenges it presents?
2. Is there a formal, disciplined process for "environmental scanning," i.e., a systematic review of the business environment to identify key trends, threats, and opportunities?
3. Is there an annual strategic review, in which all executives and other key leaders reconsider the organization's environment, direction, and key strategic priorities?
4. Have the executives articulated a credible "value proposition," i.e., the organization's promise to the marketplace, as the heart of the strategic concept?
5. Is there a meaningful and compelling statement of direction, i.e., vision, mission, or key principles for guiding the enterprise?
6. Do managers use the mission or vision statement regularly for guidance in making key decisions and setting major priorities?
7. Does the organization have an effective process for identifying, developing, and promoting its future leaders and strategic thinkers?

## **Shared Fate:**

8. Does management share plans, priorities, and operating results with the employees?
9. Do people at all levels understand the key idea of the business and understand the overall strategic concept?
10. Do people in different departments help one another, share information and ideas freely, and generally support one another in getting work done?
11. Do employees express a sense of belonging, i.e., a sense that they are a part of the organization and not merely employees of it?
12. Do employees express a sense of partnership with management, rather than a sense of alienation and animosity?
13. Do employees believe in the organization's prospects for success?
14. Do most employees see their relationship to the organization as potentially long lasting?

## **Appetite for Change:**

15. Are the products, services, and forms of value delivery continually evolving and keeping up with the changing demands of the business environment?

16. Are natural mechanisms in place to encourage innovation, e.g., experiments with new ideas, new product development teams, employee suggestion programs?
17. Are employees encouraged to find better ways to do their jobs?
18. Are people at various levels allowed to question the accepted way of doing things?
19. Is bureaucratic "underbrush" (e.g., rules for the sake of rules, outmoded policies and procedures) kept to a minimum?
20. Are the leaders of the enterprise willing to admit their mistakes and cancel misguided ventures that aren't working?
21. Does management promote an atmosphere of openness to and acceptance of change, and of thinking about the business in new and original ways?

**"Heart":**

22. Do employees perceive the overall quality of work life in the organization as high?
23. Do employees believe that management has their best interests at heart?
24. Do employees express a sense of pride in belonging to the organization?
25. Are employees willing to put in extra effort to help the organization succeed and achieve its goals?
26. Do employees express optimism regarding their career opportunities with the organization?
27. Do managers approach their jobs with energy, enthusiasm, and optimism?
28. Do managers model commitment, energy, enthusiasm, and optimism in the eyes of the employees?

**Alignment & Congruence:**

29. Is the overall structure of the organization appropriate to the business mission?
30. Do policies, rules, and regulations make sense in light of the key business priorities?
31. Do business processes facilitate employee performance and productivity rather than impede it?
32. Do the information systems and tools empower the employees to do their jobs effectively?
33. Do the information systems enable employees to create value for their customers?
34. Are authority and responsibility passed as far down into the organization as possible?
35. Are divisional and departmental missions aligned so as to facilitate cooperation and coordinated efforts, rather than inter-unit conflict?

### **Knowledge Deployment:**

36. Are there natural "cultural" processes by which people share knowledge and exchange important business information?
37. Do managers show respect and appreciation for knowledge and education as key resources and work skills?
38. Are organizational boundaries "porous" to ideas and information, allowing people to share what they learn rather than "hoarding" information?
39. Do the information systems support the wide availability and free flow of useful operating information?
40. Do executives, managers, and key staff people continually study the latest business ideas, trends, and research results related to the business?
41. Has management instituted programs to support continuous learning and career development for all employees?
42. Do managers fully comprehend and appreciate the various individual skills, qualifications, and knowledge available from employees in their units?

### **Performance Pressure:**

43. Do employees at all levels understand clearly what their roles and responsibilities are, and what contributions are expected from them?
44. Do executives, managers, and supervisors communicate the performance goals, targets, and expectations clearly and continually?
45. Do supervisors act quickly and decisively to solve employee performance problems, rather than allow unproductive workers to undermine the efforts of productive workers?
46. Do senior and middle managers act to rehabilitate or remove failing managers, and to require a high level of managerial competence in all leadership positions?
47. Do employees receive feedback about their performance and recognition of their contributions?
48. Do employees feel their work contributes to the success of the enterprise?
49. Do employees believe their compensation and career successes are fairly determined by their job performance?
50. Which of these categories most closely describes your position in the organization?

- 1 = Executive
- 2 = Manager
- 3 = Supervisor/Specialist
- 4 = Staff
- 5 = Other