

# Assessing Your Organization For High Performance



Module One

**The  
Transformation  
Model**



# What Is Assessment?

## Definition of Assessment:

The systematic analysis of key organization elements to determine their effectiveness, and how they fit together as a whole to achieve desired results

Assessment is done to determine current organization status and performance.

Once you know where you are and how you are doing as an organization, deciding what and how to improve becomes much easier.



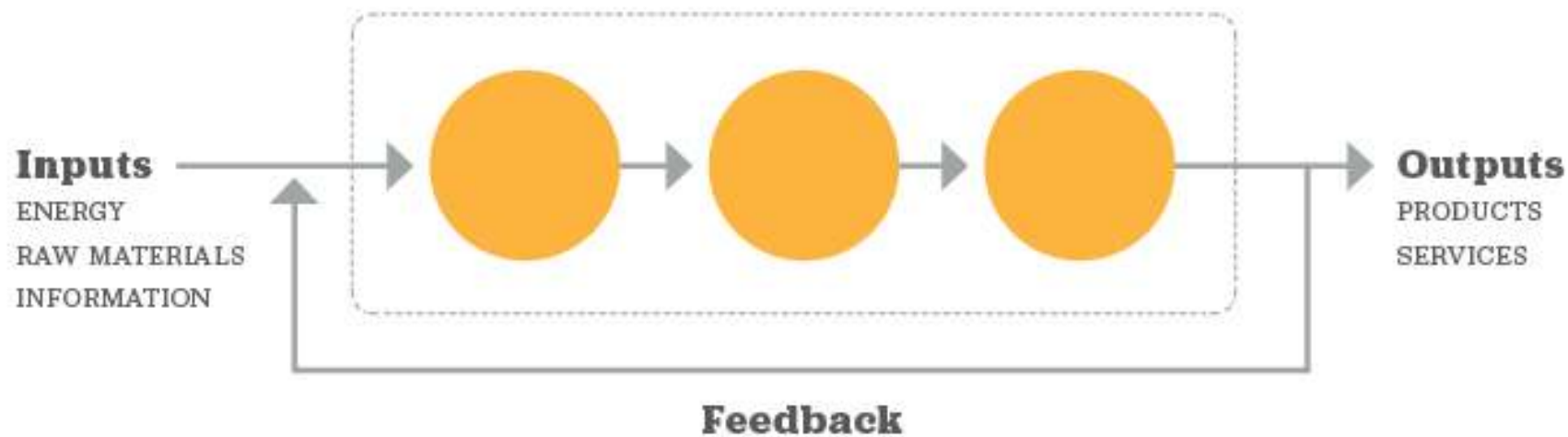


# Organizations As Open Systems

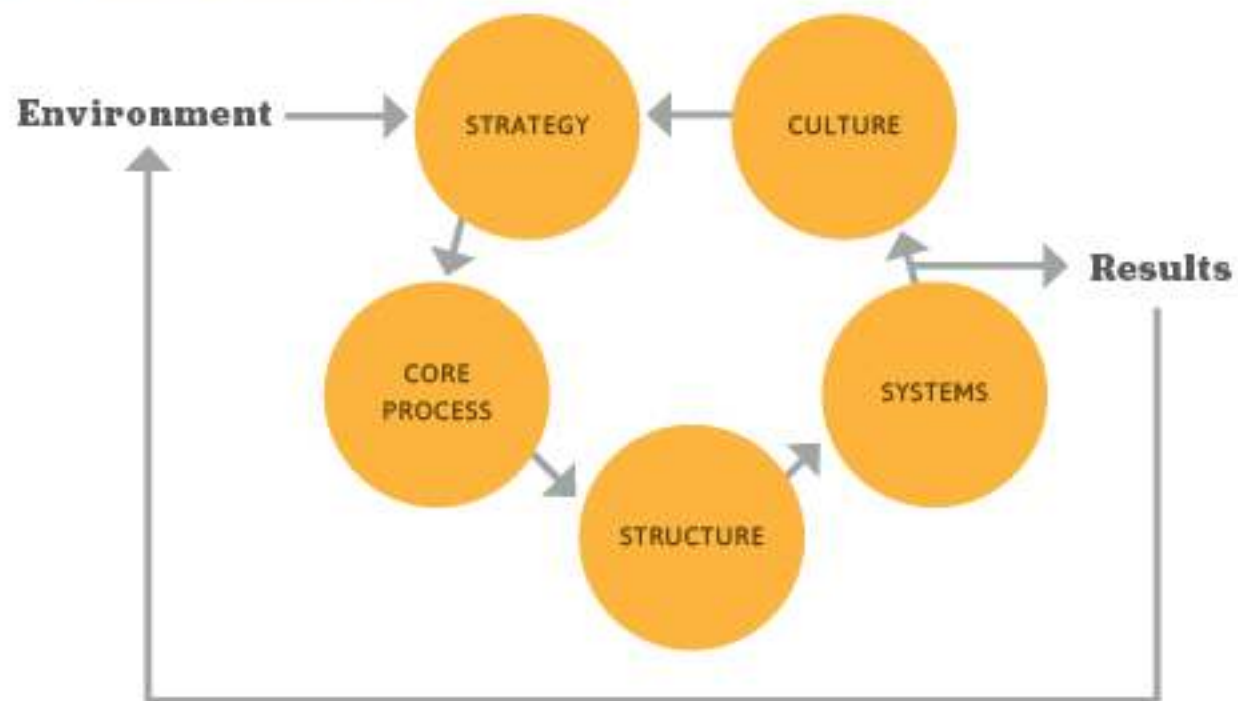
**Systems Definition:** A system is an arrangement of interrelated parts.

- ↔ Each element of a system has an effect on the whole.
- ↔ The various parts of the system are interdependent.
- ↔ The sum of the parts is greater than the whole.
- ↔ An organization is a living system, dependent upon its external environment for survival.
- ↔ As a living system, an organization is “open” to influences and transactions with its environment.

## An Open System



## The Transformation Model



The Transformation Model provides a framework for viewing an organization as a living system. Using the model, leaders can see how the pieces of the organization fit together and then make conscious choices about how to improve their effectiveness. The model reduces organization complexity to seven key elements: Results, Environment, Strategy, Core Process, Structure, Systems, and Culture. The seven elements are viewed as a whole system of inter-related parts which must fit together and be closely coordinated if the organization is to be successful. High Performance can be built into every aspect of the organization by using the model to guide a comprehensive and integrated approach to change.

The seven elements of the model form the “big picture” of the organization. The first step is to analyze and understand each of the elements in order to know what is working or not working in the organization and how the elements are affecting each other. The next step is to adjust or redesign the elements so they are better aligned to the strategy and to each other. Using the Transformation Model to analyze and realign the organization will improve key results and lead to increased effectiveness.



## The Seven Elements of the Model

**Results:** Key results indicate the level of organization performance. Because they define the success and health of an organization, results are the starting point for understanding how well an organization is functioning. They indicate where the organization is strong and what it should continue doing, and also highlight weaknesses which need to be addressed. Everything is tied to results.

**Environment:** Organizations, like all living systems, can survive only to the extent they maintain harmony with their external environment. They must meet changing customer requirements, adopt new technologies, adjust to the competition, and consider the legal, social, and political climate. Most organizations eventually die because they fail to respond quickly enough to the changing environment around them.



## The Seven Elements of the Model continued

**Strategy:** There are two parts to strategy: business strategy and organization strategy. Business strategy identifies the direction and purpose of the organization, specifying products and services, market position, how the company differentiates itself from competitors, core competencies, and objective areas. A well-developed business strategy provides direction and guides the organization like a ship's rudder in a stormy sea. Organization strategy is the "being" or character of an organization, describing "who we are" and "how we want to operate." It includes the mission, ideal vision, guiding principles, and management philosophy of the organization. A clear organization strategy helps transform a company or office from a normal workplace to one that inspires and commits people to do their best.

**Core Process:** A core process is the major flow of work through an organization. Sometimes called the value chain, it is the sequence of events or steps performed by the organization to achieve its strategy and provide products and services to customers. When it is aligned with the strategy, all other business activity should support its accomplishment. Understanding, streamlining and properly supporting the core business process is the central job of any organization.





## **The Seven Elements of the Model continued**

**Structure:** Structure determines how people are organized around the core business process. It moves far beyond box charts, defining the boundaries between units, responsibilities and relationships between people. It further prescribes the coordination of tasks and allocation of resources to units within the organization. The proper question about structure is not whether it is the “right” one, but whether it supports the strategy and helps rather than hinders performance.





## The Seven Elements of the Model continued

**Systems:** Systems are standardized support processes which help the organization coordinate and organize itself. There are two kinds of systems: coordination systems and development systems. Coordination systems, such as information sharing and communication, measurement and feedback, and policies and procedures, reduce uncertainty and prescribe how things should be done. Development systems, such as recruitment and selection, training and development, and evaluation and feedback, help employees develop within the organization. Systems are often centralized, owned by management, and support the whole organization. The most effective systems are the simplest.

**Culture:** Culture is how the organization really operates. It includes leadership style, worker attitudes and habits, and management practices and beliefs which make up the distinctive “personality” of the organization. It is like the air that permeates everything and is both the source and outcome of organizational behavior. Culture mirrors the true philosophy and values of the organization — the ones people actually practice. As such, it is a measure of how well the organization has translated its philosophy (organization strategy) into action.



# The Transformation Model

## Assessment Elements





# Core Processing Mapping Worksheet

Team Name: \_\_\_\_\_

Key Inputs

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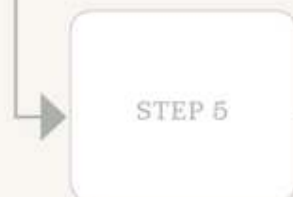
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Key Suppliers

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Key Support Groups

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