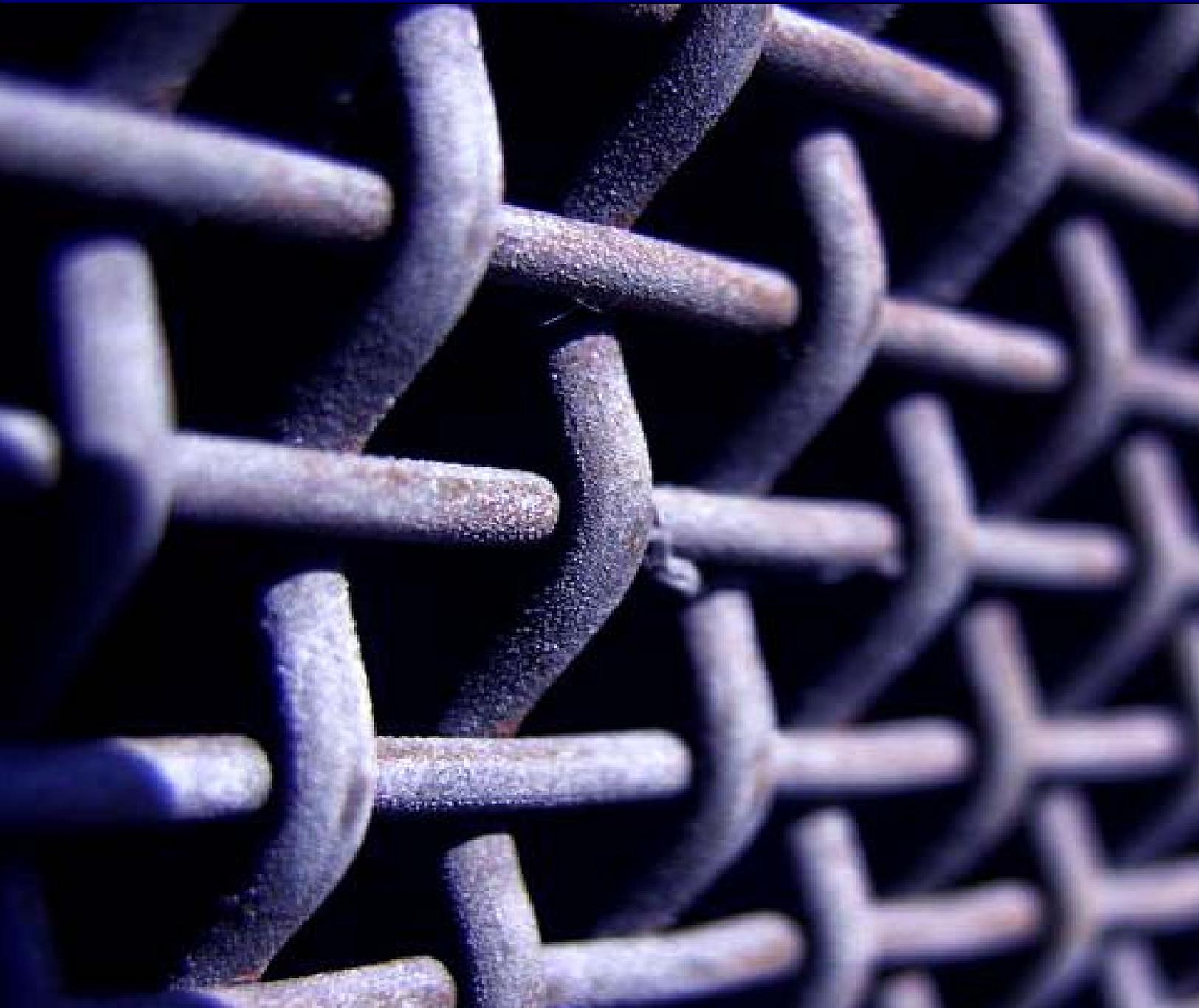


# Intelisearch White Paper

Culture Fit as an Imperative: The Business Case

**INTELISEARCH**  
*Discover Leadership.*



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The purpose of this White Paper is to bring practical and innovative value to our business clientele by examining and extending current thought leadership through actionable insights. Our belief in the value and usefulness of this advisory is evidenced by the integration of these principles into our methodology and their relevance to our successes.

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## Executive Summary

*This paper examines organizational culture as a platform from which practical value-increasing actions can be taken by corporate leaders. We shed light on why culture and culture compatibility are commanding increasing attention from employers and employees and summarize prevalent culture models. We draw from the body of relevant research data and from our consultative experience to provide actionable insights that will challenge your current thinking about the significance of culture compatibility - insights that will inspire you to interpret your unique corporate culture more critically and provoke you to evaluate the extent to which your and your employer's strategies are aligned to unleash their value creating potential in your enterprise.*

*Most importantly, we offer a framework you can use to catalyze progress toward this end that is commensurate with your and your organization's objectives, means and resolve. As management consultants in the area of executive search, we frame organizational culture and culture compatibility through the prism of opportunity (and responsibility) that exists in recruiting. The underpinnings of our model are expectations and tolerances.*

*"Culture compatibility is the complementary interplay between employee and employer expectations & tolerances; the residue of which lubricates the gears of an enterprise's momentum to move it forward, stall or weaken it"*

- Intelisearch

# Introduction

As most business professionals know, corporate culture is a term broadly used to describe the personality of a company. It is an eclectic characterization that varies widely in definition from person to person and among organizational development thought leaders themselves. Its far-reaching importance, however, is deeply held and uncontested. Unlike much mainstream *corporate-speak*, however, the notion has proved anything but a fleeting catch phrase in the constantly evolving galaxy of business jargon (remember re-engineering?) In fact, organizational attention to culture and culture fit and their implications is becoming an almost universal, high priority agenda item that few enlightened leadership circles are ignoring.

“The manager who doesn’t share the values, but delivers the numbers...they have the power, by themselves, to destroy the open, informal, trust-based culture we need to win today and tomorrow.”

- Jack Welch

There exists a large body of research findings and real-world conclusions mapping out corporate / organizational culture from innumerable vantage points that merit productive discussion. That is beyond the scope of this text. Instead, we will drill into organizational culture and focus commentary around the most practical realities, applications and consequences business leaders care about. Specifically, in relation to employee-employer compatibility.

“A healthy corporate culture is your firm's employee value proposition and it's a powerful tool to attract the best and brightest people. And, it's not just the initial attraction. A company with an employment brand that clearly articulates their corporate culture is essential in keeping tomorrow's leaders. Understanding how a new employee will mesh with your corporate culture all comes down to "fit.”

- Marty Parker, *Financial Post*

Why all the buzz and fuzz over culture compatibility? What is it? What is at stake and what value is being derived? What are effective organizations doing? What’s in it for whom? Are there winners and losers? Is there a cost? What are the best-practice ways culture can be defined and categorized? Most importantly, what should your culture be and what can your organization do to reap its share of the benefits of a culture-fit aligned workforce? We will address these.

## Culture Fit as an Imperative: The Business Case

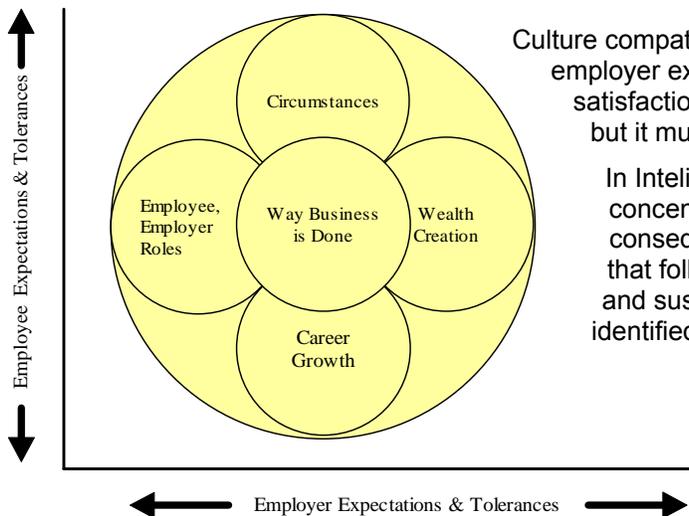
The thunderous noise (and action) around corporate culture is anything but esoteric or theoretical. It is based on the incremental value-creating benefits made possible by synergistic workforces that align well with employers. Benefits make sense based on reasoned assumptions about people and organizations, about human nature itself; about the fundamental pursuits of both – and about the interests of other stakeholders as well. In short, it is about exploiting culture compatibility to drive corporate and personal missions by knowing who one is and who one needs to be as employee and employer - and by ensuring expectations and tolerances align with, and for both.

### Reasoned Assumptions Between People and Organizations:

- Highest among employer missions is to continually optimize value creation
- Optimal value creation requires a motivated, committed, productive (MCP) work force
- An MCP work force cannot result from misaligned employer-employee expectations and tolerances
- Employer expectations / tolerances should not be compromised to align with those of individuals
- Employees can only embrace divergent expectations / tolerances productively and healthily - to a point
- Employees cannot (and may not even attempt) to ascribe to incompatible expectations / tolerances
- When employer adjusts to employee beyond reasonable tolerances – results / bond are jeopardized
- When employee adjusts to employer beyond reasonable tolerances - dissatisfaction develops
- Intelisearch's culture compatibility model asserts that areas of critical alignment relate to 1) the way business is done, 2) The charge and circumstances, 3) career growth, 4) pay philosophy and wealth creation, and 5) employee/employer roles & relationships

Table 1 Underlying Assumptions

### What Constitutes Compatibility?



Culture compatibility exists to the extent to which employee and employer expectations and tolerances align to mutual satisfaction. For alignment to matter, it must not only be real, but it must also be perceived as real.

In Intelisearch's *5-Factor Compatibility Model*, the concentric grouping measures charted reflect the five most consequential criteria. These are elaborated on in the text that follows. Common ground should be relevant, sufficient and sustainable. Any incongruence should be pre-identified/deemed workable from both sides.

Figure 1 Intelisearch Compatibility Model

### Consequences of Misalignment: A Downward Spiral for Both Sides

*When mutual dissatisfaction develops, a number of mission-impeding dynamics are set in motion:*

- Unhealthy tension and unavailing attempts at conflict resolution by either / both sides follow
- Employee hard-goal attainment is compromised (motivation, effort, urgency, quality of results)
- Soft process imperatives are compromised (relationship building efforts, followship, impact on others)
- Hard-goal attainment of team/interdependent functions are compromised (hampering relationships)
- Counterproductive employee/employer time & effort to resolve conflict further erode goal attainment
- Continuing unhealthy scenario & distraction have an increasingly corrosive effect on team achievement
- The less cohesive and effective the team, the greater the burden on top performers / hence turnover

*When employee dissatisfaction develops, it feeds on itself; making resolution less and less possible:*

- Feelings of under-appreciation, being irrelevant, unheard – even victimized
- Diminished professional self-esteem
- Resentment stemming from perceived lack of pre-hire transparency around tolerances / expectations
- Reduced commitment to employer objectives, increased loyalty to self over team and company
- Sub-optimal effort and less inclination to facilitate consensus / embrace dissenting views
- Increasing openness to pursue external opportunities – employee becomes a flight risk
- Impeded recruiting effectiveness resulting from bad PR catalyzed by unhappy departures

**Table 2 After-Shocks of Dissatisfaction**

### **Highly Effective Cultures with Well-Aligned Workforces Experience:**

- √ Heightened morale, productivity and job satisfaction
- √ Faster and greater internal development of talent
- √ Increased retention
- √ Improved performance of the enterprise (quality, sales, market share and profit growth)
- √ Greater return on stockholder equity
- √ Reduced litigation and related expenses and lost productivity costs

### **Misalignment Vs Healthy Differences**

Culture compatibility is not euphemistic license for an employer to expect all-accepting and unconditional loyalty to a manager, team or mission (or reciprocally for employee to expect same of the company). It certainly is not intended to license autocracy.

In fact, the most productive of cultures provide fertile soil for healthy debate and encourage divergent thinking and challenging the status quo. There is a world of difference, however, between the benefits that spirited discussion can bring – and the insurmountable problems that result from deeply entrenched, conflicting beliefs that persist between employee and employer. Effective, enlightened leaders should be adept at discerning these differences.

## When is Alignment Not Feasible?

It is also possible that what appears critically incompatible can be effectively negotiated to mutual satisfaction. Oftentimes, contrasting beliefs; especially those of the employee, reflect an imbalance that can be reconciled.

What we do mean by culture incompatibility, is a conflicting position between employee and employer that cannot productively and satisfyingly co-exist. Following are employee-employer expectation and tolerance scenarios where alignment cannot be forced or negotiated and misalignment cannot be accepted:

<b><u>Employer Should Not Alter / Compromise Expectations &amp; Tolerances When it:</u></b>
A. Is not controllable by the enterprise
B. Cannot occur soon enough to satisfy employee's patience thresholds
C. Contravenes company's (or company Chief's) stated mission, values, beliefs, commitment
D. Violates or undermines an established functional / company-wide program or strategy
E. Sub-optimizes achievement
F. Creates relative inequities for other(s)
G. Impedes the company's competitiveness (business, recruiting, supplier relationships, etc.)
H. Inhibits company-defining, culture-specific norms for leading, acting and interacting
I. Untenably hinders productivity, collaboration, morale, retention and value creation

**Table 3 Scenarios Untenable to Employer**

## When is Alignment Not Feasible? (Cont'd.)

<u>Employee Should Not Alter / Compromise Expectations &amp; Tolerances When:</u>
J. Behavioral / mental adjustments are not possible
K. Compromise contravenes the employee's basic beliefs and value system
L. Adapting sub-optimizes individual achievement
M. Embracing creates feelings of inequity, unfairness, or victimization
N. Necessary adjustments take the employee too far away from his/her natural style
O. Flexing would hinder productivity, collaboration, morale, commitment, value creation
P. Embracing compromises career development, job satisfaction, industry/company pride, financial needs

**Table 4 Scenarios Untenable to Employee**

## Are Aspects of Our Culture Working Against You?

Compatibility exists when the expectations & tolerances of employee and employer overlap enough along what is critical to both, to auger a mutually productive and satisfying long-term association. One that enables both sides to pursue respective interests without either making excessive compromise to sustain the relationship or produce valued outcomes.

There are numerous direct / indirect ways you can (and probably have) uncovered important things that satisfy or dissatisfy an employee or job candidate. Sources of feedback include:

Feedback From Current / Alumni/ Exiting Employees	Insights Revealed Relate to:
√ Written self-appraisals	<p><b>Circumstances</b>  <b>The Way Business is Done</b>  <b>Roles of Employee and Employer</b>  <b>Career Growth</b>  <b>Wealth Creation</b></p>
√ Succession planning input	
√ When bringing up a conflict to be resolved	
√ Merit increase / incentive payout talk	
√ Responding to pay / benefits program changes	
√ Internal scuttlebutt	
√ Responding to satisfaction survey / suggestion box	
√ During exit interview	

Feedback From External Job Candidates / Prospects	Insights Revealed Relate to:
√ When rejecting the overtures of internal / external recruiter	<p><b>Circumstances</b>  <b>The Way Business is Done</b>  <b>Roles of Employee and Employer</b>  <b>Career Growth</b>  <b>Wealth Creation</b></p>
√ During questions asked of internal HR, interviewer(s)	
√ When withdrawing candidacy or rejecting internal offer	
√ Giving pre-emptory feedback to a referring employee	
√ Industry / community / HR forum scuttlebutt	
√ Reactions to online job ads	

**Table 5 Uncovering Dissatisfiers**

As is readily evident, insights revealed through all forums were finite in nature, and could all be grouped into the elements identified. Hence, expectations and tolerances contextual to compatibility are grouped accordingly. Notably, you will also note most incidents (if not all) involving employee-related litigation can be similarly grouped and classified.

## Intelisearch's 5-Factor Compatibility Model

### 1. The Charge & Circumstances

- What needs to get done? (breadth of accountability and degree of excellence)
- How do things get done? (the process, rigor, approaches, time demands)
- When do things get done? (timeframes, prioritization)
- By whom do things get done? (extent of resources, who does what, who decides what)
- The company: are fundamentals strong/is function operating smoothly, or do significant challenges exist?
- The industry: is it appealing, or is mis-alignment perceived?

### 2. The Way Business is Done

- Decision-making (independent or by consensus? autonomous, or highly interactively with boss?)
- Influencing (hard-driving or via compromise? by force of personality, or business case?)
- Way functions interact with one another (siloes or collaboratively; does one dictate or inspire?)
- Communication (collegial or hard-edged? formal or informal? open up/down/laterally, or fragmented?)
- Way power is distributed (at top or pushed down? solid or matrixed reporting lines?)
- What is measured & rewarded (individually or by groups? process or results? short-term / long-term?)
- Is measured risk encouraged? is it welcome? dissuaded formally or informally?
- Conflict resolution: is it avoided or are differences managed? collegially or confrontationally, win-lose?
- Are objectives approached creatively, entrepreneurially and flexibly or process-intensively?
- Is the prevalent (and expected) orientation to people or procedures?
- Is success somewhat, moderately or heavily dependent on relationships / perception management?

### 3. Career Growth

- How will development occur? (mostly along way, or systematically via heavy internal/external training?)
- Where will advancement occur? (hierarchically only? intra-role/laterally? by selection or by initiative?)
- When will advancement occur (succession? pre-established plan, multiple/ circumstantial avenues?)
- Are employees valued only for continual advancement? or can it be for same-role growth/excellence?

### 4. Pay Philosophy / Wealth Creation

- Is process highly valued or is it a results-only culture that de-emphasizes process?
- Are individual's rewards fully controllable by self or impacted by group or company performance?
- Are rewards expressed mostly in cash? or do other vehicles distribute them over the long term?
- Are salaries competitive in / of themselves through cash, or only if value of company (stock) increases?
- Is pay less or more competitive at entry than it is ongoing?
- Does company proportionally reward strong and weak performers or disproportionately for excellence?

### 5. Employee-Employer Roles & Relationships

- Do employee needs come first? balanced against company needs, or subordinated to company needs?
- Are employer actions guided by paternalism or meritocracy?
- Are hierarchical status and power symbols rampant, or does egalitarianism prevail?
- Is managerial distance encouraged, or does connectivity define subordinate relationships?
- Does employee input factor into succession planning or does process take place above the employee?
- Is job security expected & offered? or are skills and impact the meritocratic determinants?

Table 6 Compatibility-Determining Sub-Factors

### **Why all the buzz and fuzz over corporate culture?**

A considerable body of research and empirical findings has uncovered a direct correlation between culture and superior performance. Kotter and Heskett (207 companies; 22 industries) found a significant relationship between culture and long-term performance. Munter, et al (764 companies in a range of industries) revealed a strong association between culture and profitability, quality and sales growth and customer satisfaction. Barnlund (study of mergers) found frequent failures due to incompatible cultures. Reeder, J.A., corroborated culture to be instrumental to superior performance and talent retention. Peters and Waterman have proven culture to be an essential quality of excellent organizations.

### **What are the best-practice ways cultures can be defined and categorized?**

Several corporate culture models have emerged from seminal research examining organizational culture - these define current thought leadership. Some are relatively fresh; others have withstood the test of time. Each is widely recognized as relevant and cited as reflecting the most current conclusions for business application. These include the paradigms of *Arthur F. Carmazzi*, *Blake and Mouton*; *Jeffrey Sonnenfeld*; *Adize*; *Deal and Kennedy*, *Charles Handy* and *Cameron & Quinn*. Their basic tenets are outlined and appended at the conclusion of this text.

### **What are effective organizations doing?**

Enlightened employers are taking stock of their shared values, beliefs, traditions and informal rules – and re-thinking their appropriateness in relation to their mission and guiding principles, businesses, competition, external environment and place in business cycle. They are determining the need for change, and how they should effect that change. Many are utilizing the research models referenced above as springboards from which to operationalize organizational improvement. Most importantly, they are assessing for culture fit.

### **Are there winners and losers? Is there a cost?**

Culture alignment in organizational terms is a non-zero sum game; where participants can either gain or suffer together. This contrasts sharply from zero-sum games; where a participant's gain or loss is exactly balanced by the losses or gains of the other participant(s). This means that employee-employer culture compatibility is linearly win-win for both parties. By extension, there is no bilateral or unilateral cost – quite the reverse; the result is increased mutual value.

### **Is employee-employer compatibility an all or nothing thing?**

Intelisearch's *5-Factor Compatibility Model* defines and breaks down all areas vital to *optimal* alignment. Of course few if any employee and employer will be fully concentric in *all* dimensions. Pre-identifying areas of incongruence allows both sides (although it is critically incumbent on the employer) to make sure *common ground* is strong and sustainable enough across all issues that are critical to both. Notably, pre-assessing alignment often inspires compromise that

transcends the pre-conceived thresholds of both sides. Specifically, this occurs when pre-analysis reveals that while both parties may be separated by seriously conflicting expectations / tolerances – philosophies and practices align exceptionally well on most other categories. In short; the cumulative synergies projected by objective analysis (as well as care, attention and time invested) tend to raise tolerances and lower expectations enough to create healthy alignment.

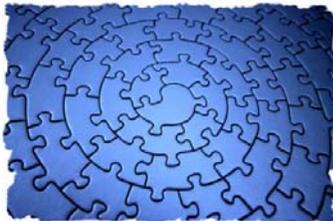
So, in effect, compatibility is almost never *absolute*. The mutual objective should be one of *healthy* compatibility that is specific to individual and employer and varies on case by case basis. Gaps should be truly and soberly tolerable to both sides.

Employers are defining and refining their organizational characteristics with the primary goal of improving enterprise performance. Following are key objectives and integration mechanisms:

- Instill pride in the personality of the company and inspire stronger commitment and long-term loyalty
- Modify rewards programs to inspire behaviors, goals and execution that reinforce company-wide strategy
- Revise performance management to better align expectations/feedback with desired outcomes
- Improve communications between employees and functions and between managers and employees
- Function more efficiently and harmoniously as a well-integrated, synergistic “organism”
- Better understand, address and satisfy client needs to exploit evolving opportunities
- *Strengthen cohesiveness of the culture by ensuring strong compatibility in those hired from the outside*

### **What culture is best?**

There is no single *perfect* culture for all to emulate. As we all know, some cultures are clearly more effective than others. *Built to Last* by James Collins and Jerry Porras outlines the characteristics of



18 US companies that sustained extraordinary performance in their respective markets for more than 50 years. Not surprisingly, these companies did not share any common, distinctive cultural attributes. However, all 18 companies knew the norms that maximized success for them and strived to hire people who could thrive in their unique culture. The objective should be to nurture the kind of culture that can help maximize value creation at all levels. Most postulate that ensuring culture compatibility *at entry* produces the most potent bond and sustained value for employer and employee alike. Consequently, cultures that high-performers find most appealing should be examined closely to consider re-culturization as an objective.

Following are the most common criteria winning enterprises ask themselves in defining, measuring and sustaining effective cultures:

## Should You Re-Assess Your Culture?

Twelve Key Criteria for Evaluating Your Culture
Do the behaviors we inspire, reward and punish align with our customers' best interests?
Do the behaviors we inspire/reward correlate with value creation and impact among top performers?
Do the behaviors we value unify employees and functions with one another?
Are the behaviors we value consistent with effective, best-practices leadership?
Do the behaviors and informal rules we value enhance our ability to attract and retain top talent?
Does the culture we aspire to align with our commitment to a highly diversified workforce?
Can the culture we aspire to meet our constantly evolving external / competitive circumstances?
Is the culture we embrace effectively communicable to all of our internal / external stakeholders?
Does the culture we espouse reinforce the vision and strategy objectives of our top leadership?
Do our culture objectives exploit our intrinsic strengths and historical competitive advantages?
Does our culture have sufficient resonance across geographic borders we employ / do business in?
Are there any aspects of our culture that are working against the best interests of the enterprise?

**Table 7 Culture Evaluation Framework**

# Ensuring Compatibility in Selection:

Reap the benefits that culture fit-aligned hiring provide. Chart a course that leads to success. Plan and take sensible steps that drive objective, value-creating conclusions and actions. Take applicable action before, during and after you interview the candidate. Following are some prudent interventions:

- ❖ **Size it Up.** Review and determine the current expectations and tolerances that describe your current culture and the position you are attempting to fill (along the five *determinants of employee-employer alignment*)
- ❖ **Be Customer Centric.** Arrive at your assessment based on how your culture is perceived; not how it is idealized or marketed. DO NOT rely on mission statements, shareholder reports, or recruitment brochures. Specifically, base it on the results of a culture audit showing how your current, exiting and even prospective employees and leaders see it. Be creative and resourceful. Access employee feedback to performance appraisals, and formal suggestion program responses – solicit candor from the external recruiters you use and even those who have successfully recruited from within your ranks. Contact candidates who rejected past offers and ask for their own process-driven impressions.
- ❖ **Find the Gap.** Review the differences between the way your culture is perceived and the way your company idealizes it. You will likely find your culture may not be viewed nearly as appealing as it is self-described and marketed.
- ❖ **Shake Out the Fleeting.** Distinguish between static culture characteristics and those that may be transient; perhaps due to aberrant circumstances or specific to and atypical leadership style.
- ❖ **Be a Truth-Seeker.** Be candid about the current and desired culture differences with your internal and external recruiters and in your own recruiting efforts. While you may feel internal pressure to depict the idealized, conflicting findings after on-boarding lead to short-lived tenures. While you should convey re-culturization commitments that may apply, you should be realistic about uncertainties and timing horizons relating to program improvements that are anticipated.
- ❖ **Prepare.** When assessing external talent, pre-plan an efficient set of questions and approaches that focus the exercise on the expectations and tolerances that matter, before you describe your own: (1) the way business is done, 2) the charge and circumstances, 3) career growth,

4) pay philosophy and wealth creation, and 5) employee/employer roles & relationships. DO NOT make the common mistake of disqualifying a candidate based on a conflicting current culture - since his/her style may depart markedly from it. Moreover, the candidate may have enmeshed well with a prior employer with a culture like yours. Choose an external search partner with an assessment framework that analytically benchmarks culture-compatibility.

- ❖ **Firm-Up Synergistic Alignment.** Be sure to pre-build internal consensus among all on the interviewing team to make sure characterizations of culture are synergistic and do not present contradictory input. Make sure your internal interview process and that of your external recruiter) are “in sync” with one another. Make sure areas of culture explored by interviewers complement one another (and do not present off-putting and time-wasting redundancy).
- ❖ **Remain Open.** Create an interviewing environment in which the candidate can push back. Be open to evidence that may reverse your concerns. For example, a recent performance evaluation may reveal personal characteristics, excellence or impact that strongly depicts an orientation that would work especially well in your culture.
- ❖ **Protect the Culture.** Make sure incoming leaders do not mis-interpret transformational missions as mandates to change the culture. Unless the directive is so intended, ensuing actions could be internally divisive, confusing, and dilutive of enterprise-wide culture identity.
- ❖ **Draw Eclectic Data Points.** Familiarize yourself and other hiring executives and HR program owners with employers, geographies, even industries known for having cultures from which compatible talent can be drawn. This is especially productive from a transferability standpoint with centralized function job families such as finance and human resources, where domain expertise - not industry-specific knowledge is critical.
- ❖ **Apply an Effective Methodology.** Assessing for culture fit is both art and science - and it cannot be done effectively by winging it. There are numerous systematic approaches; with merits and drawbacks applying to each. These run the gamut from behavioral simulations and questions, to reference checking, to panel interviews to personality inventories. The *right* method needs to factor circumstances, interviewing team characteristics and other subtleties.
- ❖ **Know Challenges and Plot Solution Strategies.** Understand and come to grips with internal obstacles to execution. Craft issue-specific approaches that can address and overcome objections and internal barriers to assessing for culture fit – and doing so effectively.
- ❖ **Assess Your Success.** Review first-year acclimation of on-boarded talent and 360° feedback, interpret influencing and cooperation effectiveness, evaluate impact on team and internal customers; examine productivity and results in subordinates, and internal stakeholders.

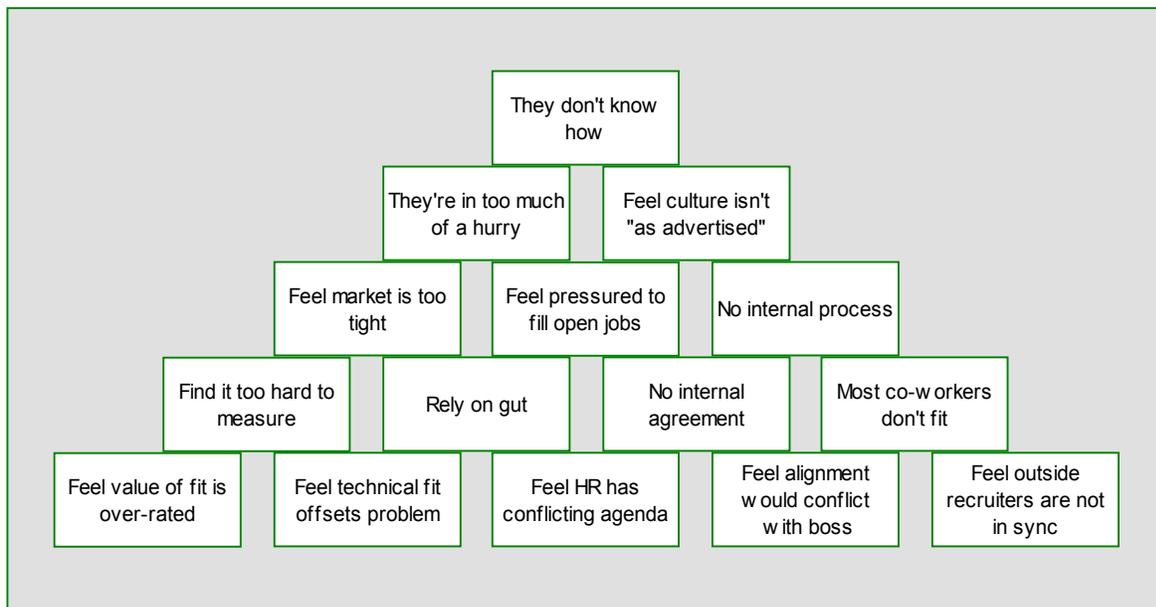
### Summary

- ⇒ A wealth of research shows strong a correlation between corporate culture and indices of high performance. These include end goals such as profitability, quality, sales growth and customer satisfaction. Culture-aligned workforces are more productive, collaborative, develop faster, reach higher organizational levels - and remain with the company longer than their lesser-aligned counterparts.
- ⇒ Ensuring a culturally-compatible workforce is an imperative not only because of the value-creation payoff, but also because of the costly fall-out that occurs when employee and employer are not sufficiently aligned or clash along critical dimensions.
- ⇒ Mis-alignment should not be confused with healthy openness in cultures; which occur often – especially in milieus that welcome divergence of thought and ideas. Incompatibility occurs when divisive differences are critical to one or both sides, and when these cannot be reconciled.
- ⇒ There are numerous situations in which compatibility between employee and employee cannot be produced and should not be attempted. Such efforts would be unavailing and / or, could not serve the needs and satisfy the objectives of either or both parties.
- ⇒ There are concrete and finite areas along which employee and employer need to be aligned in order for the relationship to be healthily productive and optimize the benefits compatibility brings. Intelisearch's 5-factor Compatibility Model presents these. They are 1) the charge and circumstances, 2) the way business is done, 3) career growth, 4) pay philosophy and wealth creation, and 5) employee and employer roles and relationships.
- ⇒ No single culture can or should be considered best. However, one that is conducive to creating the most value given employer-specific constraints and opportunities should be coveted. Such cultures have concentric properties – all cultures should re-assess themselves against these considerations. Feedback from relevant sources can be secured to produce a true profile of your culture along continuums that link with the compatibility model proposed. Re-culturization efforts may be prudent following such an assessment – the areas and degree to which it can occur depend on factors discussed earlier.
- ⇒ Once an enterprise has operationalized its culture along the 5-factor compatibility measures, it can plot a workable strategy that benchmarks external job candidates to ensure optimal compatibility in selection. The strategy relates to internal process, but also needs to be enmeshed with the evaluation methodology of external recruiters when intermediaries are involved.
- ⇒ Organizations can reinforce and multiply the value creating benefits of culture-compatibility in numerous ways. The cross-functional vehicles producing these are identified and approaches are advocated.

## The Challenge: Obstacles to Execution

The foregoing outlines the very real and compelling benefits of a culturally aligned workforce, and the problems associated with hiring mis-aligned performers. In fact, recent data reveals more than one in three (36%) leaders attribute 60% to over 90% of poor recruiting decisions to unsatisfactory culture fit. Despite this, most organizations are failing to step up to the challenge. A paltry 36% of leaders think their organizations always probe for compatibility, and 34% feel their employers only occasionally, or never assess for alignment.

### Why are many employers not assessing for culture fit?



**Table 8 Obstacles to Execution**

### What to do?

*Area for further discussion...*

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### Endnotes

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## Culture Fit as an Imperative: The Business Case

<b>CULTURE MODEL #1: ARTHUR CARMAZZI</b>	
<b><i>Blame</i></b>	The This culture cultivates distrust and fear, people blame each other to avoid being reprimanded or put down, this results in no new ideas or personal initiative because people don't want to risk being wrong.
<b><i>Multi-Directional</i></b>	This culture cultivates minimized cross-department communication and cooperation. Loyalty is only to specific groups (departments). Each department becomes a clique and is often critical of other departments - which in turn creates lots of gossip. The lack of cooperation and Multi-Direction is manifested in the organization's inefficiency.
<b><i>Live and Let Live</i></b>	This culture is complacency. it manifests Mental Stagnation and Low Creativity. People here have little future vision and have given up their passion. There is Average cooperation and communication and things do work, but they do not grow. People have developed their personal relationships and decided who to stay away from, there is not much left to learn.
<b><i>Brand Congruent</i></b>	People in this culture believe in the product or service of the organization, they feel good about what their company is trying to achieve and cooperate to achieve it. People here are passionate and seem to have similar goals in the organization. They use personal resources to actively solve problems and while they don't always accept the actions of management or others around them, they see their job as important. Most everyone in this culture is operating at the level of Group.
<b><i>Leadership Enriched</i></b>	People view the organization as an extension of themselves, they feel good about what they personally achieve through the organization and have exceptional Cooperation. Individual goals are aligned with the goals of the organization and people will do what it takes to make things happen. As a group, the organization is more like family providing personal fulfillment which often transcends ego so people are consistently bringing out the best in each other. In this culture, Leaders do not develop followers, but develop other leaders. Most everyone in this culture is operating at the level of Organization.

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### CULTURE MODEL #2: BLAKE / MOUTON

<b>Country Club</b>	Thoughtful attention to needs of people for satisfying relationships; comfortable, friendly organization atmosphere and work tempo.
<b>Authority-Obedience</b>	Efficient operations where human elements interfere to a minimum degree.
<b>Impoverished</b>	Exertion of minimum effort to get required work done.
<b>Organization Man</b>	Balancing concern for people with concern for production.
<b>Team</b>	Work accomplishment is from committed people; 'common stake' leads to relationships of trust and respect.

### CULTURE MODEL #3: JEFFREY SONNENFIELD

<b>Academies</b>	For steady climb through the organization; IBM is the classic 'academy' where employees think of themselves as "IBMer" for the rest of their life; constant training to reinforce the culture.
<b>Clubs</b>	Group consensus and the good of the organization comes first; employees tend to have substantial equity in their company and expect to stay throughout their career.
<b>Baseball Teams</b>	Entrepreneurial style; people are rewarded for their individual contributions; great emphasis on personal freedom and flexibility
<b>Fortresses</b>	<i>Concerned with survival; many are struggling to reverse their fortunes; No promise of job security or reward; often turn-around or crisis situations.</i>

<b>CULTURE MODEL #4: ADIZES</b>	
<b><i>Courtship</i></b>	Pre-organization birth; as in "falling in love," courtship may or may not lead to marriage and family; people are committed to developing an organization; entrepreneurship is pre-dominant.
<b><i>Affair</i></b>	Courtship leading nowhere..
<b><i>Infancy</i></b>	Very early stage company; performance is predominant.
<b><i>Infant Mortality</i></b>	<i>Death in the early stages.</i>
<b><i>Go-Go</i></b>	<i>Performance of the company and entrepreneurship are predominant traits.</i>
<b><i>Founder / Family Trap</i></b>	<i>Death due to lack of the development of administrative and integration functions.</i>
<b><i>Adolescence</i></b>	<i>Administrative roles and entrepreneurship are balanced as pre-dominant, with performance and integration less prominent.</i>
<b><i>Unfulfilled Entrepreneurship</i></b>	<i>Entrepreneurism high, but other styles can't develop.</i>
<b><i>Premature Aging</i></b>	<i>Performance and administration high, entrepreneurship low, integration never develops.</i>
<b><i>Prime</i></b>	<i>Performance, administration and integration are all balanced as pre-dominant; entrepreneurship is less prominent.</i>
<b><i>Stable</i></b>	<i>Administration and integration are balanced as pre-dominant; performance and entrepreneurship are less prominent</i>
<b><i>Aristocracy</i></b>	<i>Performance, administration and entrepreneurship are balanced as pre-dominant; integration is less prominent.</i>
<b><i>Early Bureaucracy</i></b>	<i>Administration is the pre-dominant trait; performance and integration is less prominent; entrepreneurship is non-existent.</i>
<b><i>Death</i></b>	<i>Administration is it; performance, integration and entrepreneurship are non-existent</i>

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<b>CULTURE MODEL #5: TAYLOR &amp; ANTHONY</b>	
<b>Competitive Model</b>	<b>Partnership Model</b>
<i>Values And Styles Of Working</i>	
<ul style="list-style-type: none"> <li>Competing against others</li> <li>Winning against opponents</li> <li>Individual power / control</li> <li>Individual goals</li> <li>Accomplishing objectives</li> <li>Impersonal management</li> <li>Giving orders</li> <li>Hierarchal / structured</li> </ul>	<ul style="list-style-type: none"> <li>Relationships / team power</li> <li>Common, shared goals</li> <li>Communication / understanding</li> <li>Working with others</li> <li>Empowering people</li> <li>Personal bonds / empathy</li> <li>Building unified teams</li> <li>Leadership by example</li> </ul>
<i>Coping with Stress</i>	
<p style="text-align: center;">Tendency to <b>FIGHT</b> or <b>DENY</b>: Taking offensive</p> <ul style="list-style-type: none"> <li>Blaming / judging others</li> <li>Trying to change the situation</li> <li>Justifying themselves</li> <li>Intimidating others</li> <li>Withdrawing / denying</li> <li>Refusing responsibility</li> </ul>	<p style="text-align: center;"><i>Tendency to <b>PITCH IN</b> and <b>RESOLVE</b>:</i></p> <ul style="list-style-type: none"> <li>Doing whatever is necessary</li> <li>Facing the problems</li> <li>Taking care of priorities</li> <li>Bending to meet the situation</li> <li>Acknowledging emotions</li> <li>Stepping forward to help , assuming responsibility</li> </ul>
<i>Needs</i>	
<ul style="list-style-type: none"> <li>Admiration</li> <li>Expression of power</li> <li>Appreciation</li> <li>Validation</li> <li>Success / conquest , reassurance of power</li> </ul>	<ul style="list-style-type: none"> <li>Understanding</li> <li>Respect</li> <li>Acceptance</li> <li>Mutual trust</li> <li>Caring / authenticity, encouragement</li> </ul>

<b>CULTURE MODEL #6: DEAL &amp; KENNEDY</b> <i>(How things get done around here)</i>	
<b><i>Degree of Feedback</i></b>	Quick feedback means an instant response. This could be in monetary terms, but could also be seen in other ways, such as the impact of a great save in a soccer match.
<b><i>Degree of Risk</i></b>	Represents the degree of uncertainty in the organization's activities.

<b><i>Tough-Guy Macho</i></b>	Feedback is quick and the rewards are high. This often applies to fast moving financial activities such as brokerage, but could also apply to a police force, or athletes competing in team sports. This can be a very stressful culture in which to operate.
<b><i>Work Hard/Play Hard</i></b>	Characterized by few risks being taken, all with rapid feedback. This is typical in large organizations, which strive for high quality customer service. It is often characterized by team meetings, jargon and buzzwords
<b><i>Bet your Company</i></b>	Where big stakes decisions are taken, but it may be years before the results are known. Typically, these might involve development or exploration projects, which take years to come to fruition, such as oil prospecting or military aviation
<b><i>Process</i></b>	<i>Occurs in organizations where there is little or no feedback. People become bogged down with how things are done not with what is to be achieved. This is often associated with bureaucracies. While it is easy to criticize these cultures for being overly cautious or bogged down in red tape, they do produce consistent results, which is ideal in, for example, public services.</i>

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<b>CULTURE MODEL #7: CHARLES HANDY</b>	
<b>Power</b>	Concentrates power among a few. Control radiates from the center like a web. power cultures have few rules and little bureaucracy; swift decisions can ensue.
<b>Role</b>	People have clearly delegated authorities within a highly defined structure. Typically, these organizations form hierarchical bureaucracies. Power derives from a person's position and little scope exists for expert power
<b>Task</b>	Teams are formed to solve particular problems. Power derives from expertise as long as a team requires expertise. These cultures often feature the multiple reporting lines of a matrix structure
<b>Person</b>	Exists where all individuals believe themselves superior to the organization. Survival can become difficult for such organizations, since the concept of an organization suggests that a group of like-minded individuals pursue the organizational goals. Some partnerships can operate as person cultures, because each partner brings a given expertise / clientele to the firm

<b>CULTURE MODEL #8: CAMERON &amp; QUINN</b> <i>(Competing Values Framework)</i>	
<b>Clan</b>	An organization that concentrates on internal maintenance with flexibility, concern for people, and sensitivity for customers
<b>Hierarchy</b>	An organization that focuses on internal maintenance with a need for stability and control.
<b>Adhocracy</b>	An organization that concentrates on external positioning with a high degree of flexibility and individuality.
<b>Market</b>	An organization that focuses on external maintenance with a need for stability and control.

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