



The Culture Analyst™

Assessing Culture
and Cultural Fit



RUSSELL REYNOLDS ASSOCIATES



From Ability to *Compatibility*

Organizational culture plays a defining role in many of the strategic leadership and management decisions that CEOs must make.

More often than not, the success or failure of a newly hired senior executive hinges on how well that individual understands and fits with the organization's culture—an issue of compatibility rather than ability and experience. In order to reliably factor in the impact of culture on leadership and organizational strategies, Russell Reynolds Associates has developed the Culture Analyst™—a proprietary offering that comprehensively measures culture across more than two dozen variables, giving leaders objective, quantitative information to help them make critical leadership decisions. The Culture Analyst™ gives boards and CEOs actionable insight that can lead to better decision making in evaluating candidates for key roles, integrating business units and organizational goal setting and strategic planning.

Assessing Culture and Cultural Fit

The Culture Analyst™ reports provide a quantitative, multidimensional measurement of an organization's culture—the culture it currently has, the culture to which it aspires or both. The preferences and inclinations of individual executives also can be measured and compared with the organizational assessment to see how well they align. Russell Reynolds Associates combines these data with references, interviews and its in-depth understanding of each client's needs and cultures to add additional precision to key leadership processes:

Diagnosing Culture—The Culture Analyst™ gives CEOs and boards an unvarnished view of their organization's culture, allowing the organization to compare the culture it actually has with the culture that its branding, messaging and strategic plan says that it has. This helps shed light on issues that might impede the execution of strategy. Cultural differences within the organization (among business units, geographies and position level) also can be understood, providing insight into the successful integration of subcultures, as well as turnover and retention issues. When the Culture Analyst™ assessment is administered annually, this diagnosis can serve as a reference point for the progress of culture change initiatives.

Enhancing Leadership Selection—The Culture Analyst™ gives a powerful extra dimension to the evaluation of finalist candidates, allowing the consideration of compatibility along with ability. Identifying areas of possible misalignment allows those issues to be addressed in candidate discussions or the selection deliberations before a final decision is made; it can then be incorporated into the successful candidate's professional development plan, increasing the likelihood of long-term retention.

Integrating Cultures—The Culture Analyst™ aids in the integration of different cultures in corporate restructuring initiatives, as well as in mergers and acquisitions and the management of portfolio companies. It provides a framework to identify and create a commonly agreed upon culture and identifies discrepancies between differing cultures and subcultures, allowing integration problems to be proactively addressed and mitigating the risk of potential post-integration conflicts.

Making the Intangible Tangible

Designed by our team of psychologists and assessment specialists, the Culture Analyst™ offering measures an organization's culture across 28 unique and critical dimensions, including innovation, sense of teamwork and emphasis on results. The Culture Analyst™ assessment begins with an online survey taken by members of an organization who have been selected for their knowledge of its culture. Participants respond to a set of statements about their organization, designed to measure the current culture, a desired culture or both.

Survey Dimensions

Culture Strength This index measures to what extent individuals within the organization feel there is a distinct culture or set of core values that drive behavior and the degree to which employees feel able to articulate that culture.	Discipline	Captures the organization's rigor in day-to-day functioning, including emphasis on detail, integrity and professional development
	Openness	Defines the organization's openness to people, thoughts, ideas and alternative methods
	Strategic Growth Orientation	Captures the extent to which an organization is oriented toward innovation, long-term planning and top-line growth
	Performance Orientation	Measures the emphasis placed on results, quality and high performance
	Relationships	Covers interpersonal issues such as communication, collaboration and enthusiasm

The result is a point-by-point portrait of the 28 specific dimensions that define the organization's culture, as well as an overall measure of Culture Strength—how clearly the culture is being communicated and demonstrated by members of the organization. Survey results can be analyzed according to client-specific variables to provide insight into where there is cohesion and consistency among different groups within the organization regarding attitudes and strategy, or where differences exist or areas of tension or miscommunication should be addressed. Individual cultural fit subsequently is measured with a survey that assesses an individual's cultural preferences and then compares them with the organizational baseline.

Applying the Results

Like all surveys, the accuracy of the Culture Analyst™ depends on the sample size. For best results in a search context, we recommend that the Culture Analyst™ survey be given to at least 50 percent of a senior management or relevant group. In a larger diagnostic project, the demographic breakout analysis will be valid when the survey is administered to at least 50 percent of the relevant executives in each breakout group, or to a minimum of 20 people selected from a group of significant size.

It is important to note that in analyzing cultural fit, the Culture Analyst™ assessment does not evaluate candidates on the basis of age, race, sex, national origin, religion, disability or other protected characteristics, and candidates are evaluated solely on their fit to the organization's current culture, the desired culture or both. The reports are not an analysis of the candidate's skills and abilities but rather an analysis of the candidate's compatibility with the organization's culture based on the completed surveys. Accordingly, any candidate evaluation should be just one factor among many that is considered when making employment decisions.

A Strategic Approach to Today's Leadership Challenges

The leadership challenges faced by today's CEOs, boards and senior leaders do not occur in isolation, and cannot be addressed that way. Russell Reynolds Associates' consultative approach to executive and board-level search and assessment provides leaders with tailored strategies that help drive long-term growth and success.



About Russell Reynolds Associates

Leadership. In today's global business environment, success is driven by the talent, vision and leadership capabilities of senior executives.

Russell Reynolds Associates is a leading global executive search and assessment firm with more than 300 consultants based in 39 offices worldwide. Our consultants work closely with public and private organizations to identify, assess and recruit senior executives and board members. We value teamwork, serving our clients with a collaborative approach that spans our international network of sector and functional experts.

Our in-depth knowledge of major industries and our clients' specific business challenges, combined with our understanding of who and what make an effective leader, ensure that our clients secure the best leadership teams for the ongoing success of their businesses. For more information, please visit us at www.russellreynolds.com.

The Challenge

A specialty pharmaceutical company under new ownership and leadership uses the Culture Analyst to get a clear reading on the company's culture and to set a vision for the future.

After this company was taken private by a global enterprise and a successor to the existing CEO was identified from among internal candidates, the incoming CEO was charged with developing the strategy to measure and potentially change the organization's culture, and to build consensus among a fairly new leadership team regarding the vision and business strategy for the future. The executive team would need to understand their current culture accurately and identify any inconsistencies with the culture required to achieve its goals.

The Russell Reynolds Associates cultural assessment team administered the Culture Analyst™ survey to the dozen members of the senior leadership team and presented the findings at an offsite strategy meeting. The findings pinpointed aspects of company culture that were out of alignment with its goals, while also identifying strengths to be preserved.

The Solution

The Culture Analyst™ findings helped frame the discussion of the company's goals and strategic vision, and were used to identify the structural changes necessary to drive performance, as well as necessary alignments to leadership development plans and internal communication strategy. The company is introducing the Culture Analyst™ survey to a wider group of leaders to garner insight into how company culture is perceived at different levels within the organization. In addition, they are re-administering the survey annually in order to measure and assess progress toward their desired culture.



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