

ORGANIZATIONAL CULTURE ASSESSMENT QUESTIONNAIRE

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Organizational Culture Assessment Questionnaire

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Dimensions

The ***Organizational Culture Assessment Questionnaire (OCAQ)*** is based on the work of Dr. Talcott Parsons, a sociologist at Harvard. Parsons developed a framework and theory of action in social systems. He argued that all organizations must carry out four crucial functions if they are to survive for any substantial length of time. We have labeled these four functions ***managing change, achieving goals, coordinating teamwork, and building a strong culture***. One aspect of the way in which organizations achieve their goals is especially important, yet often neglected. This factor has been made into a separate, fifth scale: ***customer orientation***.

Each of the functions is supported (or, in some organizations, hampered) by the values and beliefs that are shared by the organization's members. These values and beliefs are powerful forces for organizational effectiveness--or for organizational failure. They are, however, most often unstated and unspoken; they are sometimes even actively concealed. But how can such abstract things as values and beliefs determine whether an organization fails or prospers?

Take, for example, the effectiveness with which an organization is able to deal with and manage changes in its environment--competition, technological changes, government rules and regulations, etc. If people in the organization believe that they can have little effect on or control over the environment, then they are not likely to invest much time or effort in trying to do so. In a purely objective sense it may be that an organization can actually do very little to affect its environment. Still, when organization members share a strong belief that they can have some effect on their environment they are likely to invest their energies in efforts that just might have some positive payoff. If they believe instead that they can't have any impact, then it isn't relevant whether or not that's really true; they won't try. And, the result can be disastrous for the organization.

Each of the five functional areas will be examined. We will be looking for values and beliefs that help or hinder the organizational performance of these crucial functions.

Managing Change. This area of action concerns how well the organization is able to adapt to and deal effectively with changes in its environment. All organizations are open, to some extent, to influences from their environments; that is what it means when we refer to organizations as "open systems." This fact has become even more obvious today, in times of rapid technological and social change, than it was in the past. In earlier times it was possible to ignore the organization's environment and the effects it had on the organization; this is no longer possible.

We have already mentioned an especially important belief that seems to support managing change effectively: the belief that one is able to affect the environment (whether or not such a belief is truly justified). The opposite is also true: belief that it is impossible to have any effect on the environment is likely to hinder the effective management of change, since sensible people who believe they can have little impact on their environment will probably not spend much time or energy trying to do so.

Scale I of the **OCAQ** assesses the degree to which respondents see the organization as effective in adapting to and managing change. The specific items ask about actual success in dealing with change and about the presence (or absence) of the sort of positive values just described. The six statements that describe managing change are:

- People are flexible and adaptable when changes are necessary.
- People feel that most change is the result of pressures imposed from higher up in the organization.*
- People have a clear idea of why and how to proceed throughout the process of change.
- Most people believe that change happens too quickly and causes too much disruption.*
- People believe they can influence or affect their work place through their ideas and involvement.
- People believe that their concerns and anxieties during periods of change are heard and taken into considerations.

*Reverse Scored

Achieving Goals. All organizations must achieve some aims or goals for clients or customers. Indeed, the role of the client or customer is so important that we have developed a separate scale to measure customer orientation. Having a clear focus on explicit goals has been proven repeatedly to have a very strong relationship to actual success and achievement. Goal achievement is also facilitated when the goals of the organization's members are "in line" or aligned with one another and with the overall goals of the organization.

What values or beliefs, then, can help an organization to achieve its goals? In terms of values, organizational achievement is supported by the basic value or need to achieve. That is, when organization members share the belief that it is important to be doing and achieving, this will help the organization to attain its goals. Quite a lot of basic and applied research has shown that performance is greater when people have a "need" to achieve, and that this need or belief can actually be learned as an adult. Another positive value is that of improving, in quality as well as performance; the Japanese call this "Kaizen," the belief in a constant and never-ending search for improvement.

The goal achievement function is measured by Scale II of the **OCAQ**, which asks respondents to describe how effective the organization is in achieving goals, the extent to which there are coherent and shared (aligned) goals, and the degree to which shared values support improvement and achievement rather than the status quo. The six statements that measure achieving goals are:

- Individuals and teams have clearly defined goals that relate to the goals or mission of the organization.
- People and teams are often expected to reach goals which they believe are unattainable.*
- Individuals and teams are measured and rewarded according to how well goals are achieved.
- Individuals and teams participate in defining specific goals.
- We constantly stretch our goals, to continuously improve.
- Individuals, teams, and functional areas often have incompatible goals.*

Coordinated Teamwork. Long term organizational survival depends on how well the efforts of individuals and groups within the organization are tied together, coordinated and sequenced so that people's work efforts fit together effectively. Because work efforts must "connect" and fit to form a whole, it is obviously ineffective when everyone believes it's OK to "do your own thing." What is less obvious is that it can be equally counterproductive to attempt to have everything carefully planned from the top, down to the smallest detail. With work and the world becoming more and more complex, what is needed are more effective ways of meeting unpredictable coordination demands, ways for organization members to "mutually adjust" their actions to take into account unplanned and unpredicted circumstances.

Thus, in terms of the values and beliefs that support effective coordination, the value of collaboration and the belief that "we are in this together" (and must, therefore, work together to achieve common task goals) are important. In contrast, an especially unhelpful value is that of competition to see who can "do the best," independent of others. Of course, effective organizations do not simply ignore competition; they value competition, not internally but with other organizations. Within their own, internal cultures effective organizations typically emphasize the value of teamwork and cooperation.

OCAQ Scale III assesses the extent to which an organization is effective in coordinating the work of individuals and groups. This scale also gets at the extent to which the shared value of collaboration is present. The six statements measuring coordinated teamwork are:

- Teams often lack the authority needed to get the job effectively.*
- People believe in teamwork, the "what's in it for me" approach rather than "what's in it for me."
- People lack the interpersonal and technical skills they need to work effectively in teams.*
- People know what is expected of them and understand their impact on other people, teams, and functions.
- People believe in working together collaboratively, preferring cooperation over completion.
- Managers at all levels work together as a team to achieve results for the organization.

*Reverse Scored

Customer Orientation. Earlier we noted that this aspect of organizational achievement is so important that it merits separate treatment and assessment. The organizational sociologist Charles Perrow has examined the nature of organizational goals. He observes that while organizations often have specific product or service goals--a standard of quality or a type of product or service for which the organization is known--the crucial question is whether these internally-derived and defined goals match or fit with what clients or customers want of the organization. No matter how strong the culture and no matter how well the other functions are performed, if no one wants what the organization produces or does, then the organization is not likely to prosper.

The values that support an effective customer orientation function are not simply an overriding belief in the importance of the client or customer. Certain beliefs are associated with more and with less effective customer orientation strategies. For example, in some organizations people believe that the organization should create new products and then try to develop customer demand. A rather different strategy is based on the belief that new products or services should be natural extensions of existing product or service lines. It is the latter and not the former belief that supports effective customer orientation.

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Scale IV of the **OCAQ** assesses the extent to which organizational activities are directed toward identifying and meeting the needs and goals of clients and customers. The scale also examines the extent to which basic and strategic values that support an effective customer orientation are present.

The statements assessing customer orientation are:

- We give the highest priority and support to meeting the needs of clients and customers and solving their problems.
- Our policies and procedures help us to provide the service our customers and clients want and need.
- People often see customer and client problems as someone else's responsibility.*
- People are always looking for new ways to better serve clients and customers.
- Employees who do the best job of serving customers are more likely than other employees to be recognized or rewarded.
- When customers have problems with the products or services they receive, those problems are almost always resolved to their satisfaction.

*Reverse Scored

Cultural Strength. All organizations have a "culture," formed out of the pattern of values and beliefs shared by some, most, or all of the organization's members. You can think of culture as a sort of a "fabric;" when there are many different values and beliefs, some shared by many people in the organization and some shared by only a few, then the fabric is a sort of loose-knit weave, perhaps supported by a few critical, strong "warp" threads. However, when a certain group of values and beliefs is strongly shared by most or all of the organization's members, then the resultant cultural fabric is more like tightly knit broadcloth, with a clearly visible design. The former sort of culture is inherently "weaker" than the latter; it is less likely to direct or channel the actions of organization members. When the organization is faced with crises and must draw on all of its human and physical resources, then a loose-knit, "weak" culture will be less functional in helping the organization to survive. A strong culture will provide greater stability of organizational functioning.

It is important to remember that stability is not the same as effectiveness. It is *not* necessarily true that a "strong" culture, in which everyone strongly adheres to a clear set of common values and beliefs, will inevitably help an organization to survive and be effective. Whether a strong culture is also a *good* culture, helping the organization to function and survive in the long run, depends on the sort of values and beliefs that form the cultural fabric. When the culture is based on values that do not support the functions of managing change, organizational achievement, customer orientation, and coordinated teamwork--or when the values actually work against the effective performance of these functions--then a "strong" culture might actually hamper organizational survival. Or, to more aptly continue the fabric metaphor, the culture will become a shroud rather than a suit.

Scale V of the **OCAQ** assesses the strength of the organization's culture, asking respondents to report on the extent to which people agree on values and examining the extent to which certain "meta-values" are present, such as the belief that people should support their views with facts. Of course, an organization can conceivably rate high on this scale and low on all the others. That would indicate the most negative condition possible: a strong but dysfunctional organizational culture. The six statements assessing cultural strength are:

- People value and make use of one another's unique strengths and different abilities.
- Everyone knows and understands our objectives and priorities.
- People sometimes compromise company policy and procedures to reach operational goals.*
- Business decisions are most often made on the basis of facts, not just perceptions or assumptions.

- People have access to timely and accurate information about what's really happening in the organization and why.
*Reverse Scored

OCAQ Results and Diagnosis

All of the results are shown as "standard scores." Since each statement can receive a score of 1, 2, 3, 4, or 5, and there are thirty statements, the minimum numerical or "raw" **OCAQ** score is six and the maximum is thirty. Standard scores are calculated by examining the distribution of the raw scores for a large number of people in a variety of organizations who completed the **OCAQ** in the past. "Standard" means that the raw scores are distributed on a bell-shaped curve, with the lowest actual numerical **OCAQ** score receiving a standard score of zero and the highest being 100. The mean or average score is 50. About two-thirds of all scores fall between 33 and 66, so a score of 60 or above can be considered "high." A score of below 40 can be considered "low." It is important to remember that the items that make up the scales provide concrete directions about what you might actually do (and, sometimes, about what to avoid or stop doing) to improve your organization's culture in a way that allows you to do something about it.

The **OCAQ** is intended as a diagnostic aid, a first step in building better functioning organizations and strengthening and improving organizational cultures. Although the **OCAQ** can help you begin to see how well the crucial functions are currently working in your own organization, this is just a beginning. The **OCAQ** cannot tell you *how* a certain condition came about. To learn that you must go further, examining each of the critical functions to identify in detail the dynamics and causes of good or inadequate operation. **OCAQ** data can provide an "outline" that can be used as a starting point for an in-depth culture assessment. It will be up to you, however, to fill in that outline with concrete details and examples.

With respect to managing change you can ask how the organization (or your part of it) has changed over the past year or so, adapting to forces or changes in the environment. Think about a few specific examples of such changes, even if they are very small, to see if you can identify a pattern or some underlying "rules" that seem to apply. Think about your own personal reaction to the need for change, and about the assumptions others hold about change. Do people in your organization (or your division, department, or work group) avoid or ignore the need for change? Do people generally think that it's better to try to keep things as they are for as long as possible? Do most people in the organization assume that there's little they can do about the need for change? Try to look at these questions in the context of a specific, actual change that occurred.

Next, you might list the top two or three key goals of your organization, not just in ideal terms but in terms of actual achievements. Be specific and concrete; you are trying to identify what the *real* goals are, not just what the "public image" says about organizational achievements. Think about a specific example, a goal that was achieved. Was there widespread recognition of and pride expressed in the achievement? Did many people seem to feel that their personal goals were achieved as part of the organizational achievement? Is progress and achievement recognized and celebrated often? Look for the values and beliefs that support or fail to support organizational achievement.

Extending this line of thought, try to look at organizational goals from the viewpoint of your organization's clients or customers. What do your customers or those you serve really want and need? Make a short list and try to determine whether the organization is actually meeting these desires. Next, think of a specific interaction involving a client, a customer, or anyone who is served by the organization. Was the aim to sell that person on what the organization has to offer, or was it to find out what that individual actually needed? What sort of priority attention is given to customer problems and concerns? Do people believe that customers' problems are of great importance? Does their behavior demonstrate such a belief? Do organization members show, by the way they act, that they really value feedback, that is, by actually listening to clients and customers?

Now, try to describe the most important ways that work activities are coordinated. For example, are team meetings the basic approach to coordinating the work activities of the individual members of your work unit? Or, is coordination accomplished primarily through one-to-one meetings between a supervisor and each of that person's subordinates? Are inter-departmental meetings common? Do department heads meet with their peers? Are inter-department liaisons used? Again, try to think in terms of specific, concrete examples. Look, too, toward the underlying values: is competition more common than cooperation? Is there any value attached to cooperative or collaborative activities? Do people find it hard to coordinate because they are really competing with one another? Or, is it more common to see people working together to achieve common goals? Are people rewarded more for individual actions or is it common to see a whole team share in recognition of its achievement?

Finally, consider the strength of your organization's culture. If you really think about it, can you identify a clear set of five to ten actions--priorities, goals, and ways of working together, etc.--that most people in the organization would say are really important? Or, does it appear that most people don't agree on these things, having their own personal views? If you have been able to clearly define patterns of managing change, of organizational achievement, and of coordinating teams, then you should be able to tell whether or not there is a strong, shared culture and what the specific values and beliefs are that form the foundations of the culture that exists. Values and beliefs are identified by patterns of action and behavior, not by statements and assertions.

SOLUTIONS

Building a better, more functional organizational culture, one that provides a solid foundation for organizational effectiveness, is a slow and difficult process. There are no quick fix solutions to the problem of improving an ineffective culture. There are, however, solutions. To start with, they all require a strong commitment to improvement, from top-level managers. If you're working with a part of an organization ô a division, for example ô this means the executives who head up the division, not necessarily those at the top of the entire organization. The top-level managers of the organizational unit under consideration should then lead the development of a shared vision of what can be, of what is possible. The **OCAQ** can then provide organization members with baseline data, information that shows clearly the discrepancies between the way things are and the way they should be. Once the existing patterns of culture are unfrozen, through concrete, data-based awareness, it is possible for managers and administrators to become *leaders*. They do so by taking on leadership roles. This means first developing and articulating a vision. Then, leaders work with employees at all levels to use feedback data (such as provided by the

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OCAQ) to plan and implement actions that move the organization in the direction of that vision. A vision must include appropriate and functionally effective values and beliefs, the sort of values and beliefs that facilitate positive organizational functioning (and that are assessed by the **OCAQ**).

It is best to start at the top, working with the top executive group to develop a shared organizational philosophy and the sort of policies and programs that can serve as vehicles for putting that philosophy into action. Improvement can, however, occur at the division, department, or even the work group level. The key is having someone in a formal leadership position that is willing to commit the time and energy to take a real leadership role. Dr. Edgar Schein, a well-known organizational psychologist and one of the most highly regarded organization development practitioners in the United States, has said that it may well be that the only really important thing that leaders do is to create effective organizational cultures. It is our view that once a focused commitment has been made by an authority figure (at whatever level of the organization), it is possible to change cultures, to define and inculcate new and more productive beliefs and values, and to revitalize organizations.

APPENDIX I: ORGANIZATIONAL CULTURE ASSESSMENT QUESTIONNAIRE

ORGANIZATIONAL CULTURE ASSESSMENT QUESTIONNAIRE

In this organization...

1. people are flexible and adaptable when changes are necessary.
2. individuals and teams have clearly defined goals that relate to the goals and mission of the business.
3. teams often lack the authority needed to get the job done effectively.
4. we give the highest priority and support to meeting the needs of clients and customers and to solving their problems.
5. people value and make use of one another's unique strengths and different abilities.
6. people feel that most change is the result of pressures imposed from higher up in the organization.
7. people and teams are often expected to reach goals which they believe are unattainable.
8. people believe in teamwork, the "what's in it for us" approach rather than "what's in it for me."
9. our policies and procedures help us to provide the service our customers want and need.
10. everyone knows and understands our business objectives and priorities.
11. people have a clear idea of why and how to proceed throughout the process of change.
12. individuals and teams are measured and rewarded according to how well goals are achieved.
13. people lack the interpersonal and technical skills they need to work effectively in teams.
14. people often see customer and client problems as someone else's responsibility.
15. people sometimes compromise company policies or principles to reach operational goals.

In this organization...

16. people believe that change happens too quickly and causes too much disruption.
17. individuals and teams participate in defining specific goals.
18. people know what's expected of them and understand their impact on other people, teams and functions.
19. people are always looking for new ways to better serve clients and customers.
20. business decisions are most often made on the basis of facts, not just perceptions or assumptions.
21. people believe they can influence and affect their work place through their ideas and involvement.
22. we constantly stretch our goals, to continuously improve.
23. people believe in working together collaboratively, preferring cooperation over competition.
24. employees who do the best job of serving customers are more likely than other employees to be recognized or rewarded.
25. people have access to timely and accurate information about what's really happening in the organization and why.
26. people believe that their concerns and anxieties during periods of change are heard and taken into consideration.
27. individuals, teams, and functional areas often have incompatible goals.
28. managers at all levels work together as a team to achieve results for the organization.
29. when customers have problems with the products or service they receive, those problems are almost always resolved to their satisfaction.
30. everyone strongly believes in a set of shared values about how people should work together to solve common problems and reach mutual objectives.