Before you start changing, it is essential to know how to manage culture as a supporting or hindering element.
Become Strategic with Change

- Business Impact
- Concrete change tools
- The Hofstede Model process
- The relation between organizational capital and HR
- Questions and answers
- Contact

Over 40 national and international market leaders with 500 systems in daily usage with more than 2.000.000 respondents annually are facilitated by FeedbackDialog technology.

FeedbackDialog is your strategic partner for building tools that assist in monitoring, evaluating and developing individuals and organizations. Our customers include professionals working in HR, management consultancy, recruitment and selection, training and coaching, customer care, operations and logistics.

The Hofstede Model allows you to describe who you want to be as an organization and compare this description with how your organization capital really is as described by its’ employees and management.

An integrated suite of concrete change tools allows you to implement changes while being able to recognize the impact the changes might have on other aspects of your organizations’ strategic goals.

The Model is based on six autonomous dimensions + two sub-autonomous dimensions:

- D1, Means oriented versus goal oriented
- D2, Internally driven versus externally driven
- D3, Easy-going versus strict work discipline
- D4, Local versus professional
- D5, Open systems versus closed systems
- D6, Employee oriented versus work oriented
- D7: Degree of acceptance of leadership style
- D8: Degree of identification with your organization

Organizations like ABB, Accenture, ABN Amro, Deutsche Bahn, IBM, Philips, Shell, the Red Cross, Unilever and the US Airforce are amongst those 1400 organizations scanned in over 20 countries during the last 20 years.
When to use the Hofstede Model?

The Hofstede Model provides users with concrete information about their corporate capital, also known as organizational culture or capital. Besides providing insight into what is the difference between what an organization wants to be like and what it is, the model provides users with concrete change tools as to how to increase the success rate of change programs by offering very detailed change levers.

- know who you are before you start changing
- see which concrete causes lay behind differences in what the organization wants to be and what it is.
- and experience which concrete steps you can take in order to increase the success rate of change programs.

Different issues: some examples

Issues regarding efficiency

One of our clients wanted to become less customer oriented, which by the way rarely happens. A scan showed that the problem was not a lack of customer orientation, but a lack of efficiency seen from a cultural perspective. It only then became clear that mechanics sent to industrial clients needed a set of standards by which they themselves could assess the efficiency of their task execution.

Issues regarding trust and cooperation

Within a subsidiary of an international insurance company cooperation between the IT department and their internal clients had completely been broken down. A culture scan revealed the cause, based on which trust and cooperation could be restored.

In a third world country the relationship between the local representative of a governmental donor from abroad and the recipient ministry had turned sour. Among other things the scans showed that the culture of the recipient ministry was more functional than that of the local office of the donor concerned. Management of the local office could not accept these findings by which the relationship deteriorated.

Issues regarding competition

A financial firm positioned in a niche market wanted to professionalize as big American players entered their niche market. A number of utilities were forced to privatize by which they had to become competitive.

A monopolist foresaw that EU-requirements would break open their secluded market position created by its national government. In order to face upcoming competition they wanted to be well prepared.

Issues regarding mergers and acquisitions

Two multinationals working in the health sector and competing against each other decided to merge activities in one of the countries in which they had not obtained a dominant position separately. In an on-going process of mergers and acquisitions in the insurance industry we were asked to assist a client in the integration of their operations. After this was realized we were asked to help them in the optimization of their operations.
The Hofstede model is unique in the sense that it offers concrete insight, in what an organization’s capital is and what management would want it to be. A concrete change tool to implement changes more successfully.

Some statement coming forward from the observation of the organization’s capital made by its’ employees were:

- We already do things the best possible way.
- The customer is important, but we should stick more to our principles.
- There is less scope for improvement than we often realize.

In a workshop the management decided that they wanted to work towards a corporate capital that was aimed at:

**There is always scope for improvement.**

Based on this decision, there are 16 possible change levers that have been proven to be most effective in realizing this particular kind of change.

These change levers are divided over several levels of effort, some can be implemented more easily and accomplished than others.

**Generic change effort**

We ensure that everybody is interested in meeting the needs of the client, externally but also internally.

**On the level of structure**

Cut the paper work by simplifying chains of command and by giving more discretionary power to those who interact directly with the customer

**On the level of formal and informal reward systems and sanctions**

Ensure that monetary reward in relation to customer satisfaction and turnover is more evenly divided throughout the organization

Create an effective system to handle suggestions for improvement made by clients/customers quickly and effectively and reward them accordingly. Important improvements are celebrated.

**Remember: there is always scope for improvement.**
Evaluate
The first step in the Hofstede model is to determine which units you want to measure (e.g. management team, sales, R&D) and which hierarchical levels (e.g. top management, middle management, lower management and staff). A 72 question big survey goes out to the selected staff regarding their observation of the actual organizational culture and a survey goes out to the leaders of each unit. Furthermore the CEO gets a separate survey outlining the theoretical scope for change within a company.

Framework of change
The leadership of each unit, including the management team, decides which framework for change the company as a whole and each individual unit needs to have. This decision is made in a workshop guided by a certified consultant. Additionally, after connecting the framework decision to the actual results, the framework for change can be adapted to become more reachable (should differences be very big).

Change
Connect the framework and the actual results with concrete change actions.
Chose concrete change actions in a third workshop guided by the consultant.
HR is often considered a cost post in a company. With the HR information derived from the Hofstede measurement you will be provided with information that is directly relevant to every organization’s capital: the people that work in an organization and therefore the competitive edge of a company. We enable HR to prove their worth to financial decision makers by providing hard facts about personnel and link these to financial KPI’s.

The HR sub-dimensions presented below are derived from your organization’s score on the eight dimensions of the model and can therefore be directly linked to the optimal culture the management team decides it wants to have.

**Work motivation index**

We distinguish here two different types of motivation, work motivation and stay motivation.

The work motivation index shows to which degree culture supports or hinders you and your colleagues in realizing productive (effective) task execution. Your infrastructure and all your processes and systems may be put in place in order to create productive task execution.

Note that from a cultural perspective a clear distinction is made between a culture that stimulates people to work productively and a culture in which people are put under pressure to work hard.

**Stay motivation index**

This index shows to which degree your culture supports or hinders you and your colleagues to stay with your organization. If the culture scores 100, the work atmosphere will be so enjoyable that people like to stay.

Whereas if the culture scores 0, the work atmosphere will be awkward. People may detest work atmosphere, but they see no option to move on.

**Work and stay motivation combined**

Work and stay motivation have been constructed by combining two or more dimensions in the model. In this case we can also combine the actual scores on these two sub-dimensions in a meaningful way, to draw tentative conclusions.

The more your culture scores in the direction of CC while at the same time your colleagues don’t leave by lack of opportunities, the more your organization finds itself in the worst of all worlds. You are strongly recommended to move away from this position. The more your culture scores in the direction of BB or CC the more your organization finds itself in a situation not to be envied. Redress of this position is recommended.
A manager knows where he wants to go. Can the Hofstede Model bring him there?

Changing a culture is probably one of the most challenging and difficult tasks a manager has. Building a culture happens automatically, but it may not become the culture you would have wanted. And if you want to steer and monitor an organization into a particular direction, you have to be involved.

This takes the entire talent of managers. Therefore a manager should really try to get information about the real situation and not assume or guess.

And yes, you should also put in information of what you would like the culture to be. The actual and the wanted culture are both fully recognized in the Hofstede Model.

So basically the Hofstede Model is a tool of measurement.

Yes the Hofstede Model is a tool of measurement, but it is not a tool of soft measurement, it is rather a hard way to handle a soft subject.
Our contact details

General contact
Egbert Schram M.sc.
CEO FeedbackDialog
Tel: +358451375007
E: egbert.schram@feedbackdialog.com

Organizational and national Culture auditing
MMag. Michael Schachner
Tel.: +358 50 5680907
E: michael.schachner@feedbackdialog.com

Dr. Tapani Savolainen
Tel: +41762223392
E: tapani.savolainen@feedbackdialog.com

Bob Waisfisz M.Sc.
Tel: +31653240151
E: bob.waisfisz@feedbackdialog.com

Instrument building and research facilitation
Mitri Häkkinen B.Sc.
Tel: +358 44 568 0836
E: mitri.hakkinen@feedbackdialog.com

Main office location
Nahkahousuntie 5
00210 Helsinki
Finland

Websites
www.feedbackdialog.com
www.feedbackcatalog.com
www.hofstedemodel.com
www.itim.org

FeedbackDialog

FeedbackDialog is a leading European provider of automated HR evaluation and feedback instruments and offers a market place for HR professionals to publish and buy evaluation and feedback tools, such as 360°feedback tools, assessment centers and employee satisfaction surveys.

FeedbackDialog has employees in 6 countries and customers in 15 countries.

See also www.feedbackcatalog.com the marketplace for HR professionals

The company was founded in 2003 as a joint venture between an IT company focused on business intelligence and a leading HR consulting company.

It has been operating independent since 2004, following a MBO.

FeedbackDialog has developed technology that combines all parts of consultants’ evaluation and feedback processes into one platform.

The platform can be used to create evaluation and feedback products, these can be tailored to fit the needs of the end user.