

# ORGAMETRICS

## case study



### PROBLEM:

Large Medical Device Company has sustained growth for more than 50 years as the market leader. The margins on the products have been so robust that the company puts more money into R & D than the sum total of its competitors. The result of this significant investment has afforded the company technological superiority.

Over the past 10+ years, competition has become formidable and the company's legacy sales force has not evolved to meet the challenge. The strategy to maintain higher pricing while gaining market share was conflicting and the organizational structure was not keeping pace with customer expectations. Leadership has been promoted based on past performance, yet the marketplace is changing faster than the leaders can evolve. The field sales force is challenged by the complexity of customer needs, a conflicting corporate message and legacy behavior that has created false confidence.

As growth has stagnated in key business units, how might this company get back to double-digit growth in this flat to declining market? How might this organization demonstrate greater productivity in the face of record Employee Engagement Scores?

### SOLUTION:

Before an organization gets engaged it must first get aligned. Put simply, one can run a fast race, but if that person is going the wrong direction - the effort is fruitless!

In order to get aligned, one VP/leader elected to get a baseline read on alignment. Specifically, the leader wanted to know the degree to which the employees had bought-in to the Mission, Vision and Strategic Plan. The findings were astonishing:

- **This strong Mission-driven organization was unable to correlate day-to-day tasks with the Strategic Plan.**
- **The communication was experiencing true attenuation between leadership and the individual contributors.**
- **There was a strong disconnect between management expectation and performance evaluation.**
- **The corporate rewards and recognition programs were not perceived as consistent with the Mission.**
- **Organizations defined as "Strategic" to the overall Company were underfunded.**

- **Resentment for "Corporate Initiatives" by the Field Sales organization was extremely high.**

Orgametrics provided a view into this organization that was never before seen. As the (above) challenges were identified, the leader pulled in the leadership team to identify solutions. The solutions were stack ranked based on perceived return and resource requirements to implement. These leaders not only identified a common goal but created a Master List of Action items to address the organizational misalignment(s). The exercise drove Teamwork and the outcome (Master List) drove Accountability. The VP drove Empowerment as he only responded when called upon. Communication improved as the corporate silos came down in an effort to reach that common goal. Everyone had an opportunity to demonstrate leadership through critical thinking, which truly fostered creativity.

Lastly, it was decided that in the spirit of continuous improvement, employee development was a must and the best way to imbue this value in the organization was to seek best practices. The sense of humility to acknowledge that you don't have all the answers is the beginning of driving organizational alignment. Orgametrics is the diagnostic tool that uncovers where (by title or other demographic) misalignment exists as well as its origin (i.e. Accountability). This metrics-based tool leverages net-promoter scores to define alignment in quantifiable/numeric terms - like a Sleep Number. Getting a baseline read on alignment is key!

### OUTCOME:

This medical device company was able to realize 13 percent year-over-year growth in a flat market within eight months of introducing Orgametrics. Employee turnover decreased more than 30 percent with restored trust and confidence in leadership. Sales forecast accuracy improved 20 percent which lead to significant supply chain cost savings.

The new strategy allowed for greater creativity in customer solutions resulting in a higher level of service. The field sales force was able to deliver hard cost savings of nearly \$1M/month in inventory management. Significant market share was gained while holding prices steady. Furthermore, the behavior changes resulting from Orgametrics became the driving force for real change and consistency into the future.