

A questionnaire: Which management model does your company prefer? Which is more appropriate?

Part 1 Your organization likely uses elements of all three models, but one may stand out. For each question, choose the answer most typical of your function or business—it is usually more informative to answer at this level rather than for a company as a whole.

Question 1. A frontline employee is dealing with an unhappy customer, who feels that the service the company provided wasn't as good as expected. How does the employee typically respond?

- A. She pushes back, explaining that the company followed its formal policies. If the customer pushes harder, the employee escalates the problem to her boss.
- B. She seeks to understand what went wrong—to get to the bottom of the problem, so that the system can be improved in the future.
- C. She realizes that the customer is upset and takes immediate action to placate him.

Question 2. How does a manager typically conduct a meeting?

- A. She chairs decisively, often seeking the views of others but making clear she is in charge. At the end of the discussion of each item, she gives her decision.
- B. She seeks debate, looking to get people involved. When appropriate, she puts forward her own perspective, and she allows the weight of the arguments to drive decision making.
- C. She runs the meeting swiftly—if there is a meeting, since she brings things forward for discussion only in exceptional circumstances. Whenever possible, she tries to push decision making to a lower level.

Question 3. Where does the head of your function or business prefer to spend his time?

- A. At his desk; chairing reviews and board meetings; seeking input from his direct reports.
- B. Debating strategic issues with his colleagues, reading up on the latest thinking, in the lab, or talking to experts about developments in the industry.
- C. Out in the field, meeting with customers and prospective customers; walking the corridors; talking with frontline employees about their work and their challenges.

Question 4. A subsidiary requests 5 percent more than the amount previously allocated so that it can invest in what it sees as an important new project. How does the boss at headquarters respond?

- A. He says no—there is a well-established process for requesting funds, and the subsidiary should wait until next year.
- B. He asks the subsidiary for more information: What is the business case? Why does this project merit special consideration? Depending on the answers, he may make an exception.
- C. He tries to help the subsidiary by providing a small amount of money to test the idea with limited funding. He adds that if the project seems successful, the subsidiary can ask for more money later.

Question 5. Your company is exploring a strategic alliance with a competitor. Which approach do people support?

- A. We have a very structured approach, are cautious about risk, and pay a lot of attention to the terms of contracts.
- B. We spend a lot of time getting to know the other party to see if there are complementarities and how well we can work together.
- C. We start very informally, trying out something low risk quickly and building up from there.

If your answers were mostly As, your organization's preferred management model is bureaucracy. If they were mostly Bs, it is meritocracy. If they were mostly Cs, it is adhocracy.

Part 2 Now consider your organization's external business environment. Again, please focus on the specific function or business you work in rather than the company as a whole. Your answers will indicate which model your organization favors.

Question 1. What is the level of regulation and compliance imposed on your function or business by external factors?

very low	low	medium	high	very high
Meritocracy or Adhocracy is favored			Bureaucracy is favored	

Question 2. How significant are the downside risks (safety and costs) if something goes wrong?

very low	low	medium	high	very high
Adhocracy is favored		Meritocracy is favored	Bureaucracy is favored	

Question 3. What is the rate of technological or scientific change (or both) in your business area?

very low	low	medium	high	very high
Bureaucracy is favored		Adhocracy is favored	Meritocracy is favored	

Question 4. To what extent do people in your function or business require advanced professional training to operate effectively?

very low	low	medium	high	very high
Adhocracy or Bureaucracy is favored			Meritocracy is favored	

Question 5. How much volatility exists on the demand side—for example, changing customer needs or emerging new segments?

very low	low	medium	high	very high
Meritocracy or Bureaucracy is favored			Adhocracy is favored	

Question 6. What is your operating environment's level of ambiguity—a lack of clarity about what course of action is required for your organization to succeed?

very low	low	medium	high	very high
Bureaucracy is favored		Meritocracy is favored	Adhocracy is favored	

Question 7. What is the degree of malleability in your operating environment—your ability to influence and shape it in your favor?

very low	low	medium	high	very high
Bureaucracy is favored		Meritocracy is favored	Adhocracy is favored	

Add up the number of times each model (bureaucracy, meritocracy, or adhocracy) is favored. Your answers probably won't be entirely consistent, so choose your model according to which is favored more often.