

# Delivered additional profit of US\$ 13 million per annum through Organizational Culture strategy

## BUSINESS CASE

### Market trends

- Market share of the organization decreased from 18% (market leader) to 10% (at 3<sup>rd</sup> position)

### Cultural trends

- A belief among people that
  - delivering further strategic value can only be through technological improvements
  - certain problems can only be solved with more experience
  - improvements in their area should be undertaken by a separate team

## CHALLENGE

### What is the challenge

- Profit per employee decreased by 15% over 2 years in spite of no additional CAPEX
- Organizational improvements are not directly aligned to yearly strategic priorities
- Increase in operating cost by ~10% every year due to inflation
- No improvement in organizational metrics in spite of increasing average training hours of employees from ~30 hours to ~50 hours

### Where is the challenge

- Across the organization

### When was the challenge identified

- Challenge was identified as a strategic priority in FY 2015

## IMPACT

### What is the impact

- Increase in operating cost by ~20% over two years
- Yearly strategic priorities are not delivered by year end
- Decreased impact of employee training on net profit and total revenue

## TARGET

### What is the Target

- Decrease operating cost
- Deliver yearly strategic priorities in time
- Improve people skills so that every one can deliver higher strategic value

## OUTCOMES

### Improved Profits

- 70% of the net profits delivered in FY 2015 was from initiation of cultural transformation
- US\$13 million delivered as additional profit

### Leaders of Tomorrow

- Engaged employees could deliver up to US\$ 1 million in additional profit per annum
- A stronger belief among people that there is always scope to deliver strategic impact without technological advance
- A belief among people that they are the best suited to deliver improvements in their work area

Delivered using:

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