

Introducing maturity to your organization

Maturity is all about value

A mature company is much more valuable than its immature competitors. Toyota is nearly 4 times more valuable than General Motors, even though they are roughly the same size.

It is not about size though; it is about how much value you can create from your available resources – especially all the people connected to your business including workers, suppliers and customers. Handelsbanken is relatively small compared to the biggest banks but, pound for pound, it has managed to generate the highest level of profitability for over 40 years and is currently the highest rated company on [OMINDEX](#) the rating scale developed by the Maturity Institute.

You can find out your organization's maturity rating (OMR) very quickly and easily by answering a set of 30 questions – what we call the 'OM30' (see reverse) – and this will give you lots of ideas for both immediate and long-term benefits for you and your people.

Mature management is much simpler and easier

Maturity begins with a clear purpose, that people are happy to sign up to – it is highly motivational. The purpose is always about value – the best product or service at the best cost, without undue harm. This is in every stakeholder's interests – shareholders, investors, owners, employees, customers, citizens at large and government. Maturity creates a virtuous circle of value creation.

If it's that good and simple why isn't everyone doing it?

Because maturity is about getting many things right, all at once and continuously: most organizations find that very difficult. Shareholder returns and profitability are important but only shared values and a focus on tangible value pull everyone together as a complete system. The OM30 covers everything you need to work on, to become more mature. You can start tomorrow, on any one of them, and gradually bring them all into play.

'What's in it for me?'

Everything. It will provide a much higher level of professional development, regardless of your own management background. You will become more valuable, both to your own organization and any other organization seeking expertise in value improvements that are way past conventional capabilities. You will find managing people easier because they will already be wanting to improve on a daily basis. There is no downside to being more mature.

'So what should I do now?'

Simple. Just arrange for a conversation with one of our professionally-trained, Maturity Institute advisers and they will show you how and where to start. We encourage trying these ideas out as soon as possible, under guidance. As soon as you see the results (which you will, very quickly) you will begin to really understand what mature thinking and practice provides. You might even want to join MI so that you can meet other highly professional and mature thinkers and compare notes.

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OM30 Questions:

- **Corporate purpose** Does the organization have a clearly stated purpose? Societal purpose: does the purpose of societal value have clear primacy in this organization?
- **Value** Does the organization define 'value' and is it reconciled with our standard i.e. Output, Cost, Revenue, Quality
- **Market & intrinsic value** What are the primary determinants of the company's ability to sustain its present value today and into the foreseeable future?
- **Coherence between market & human values** To what extent is the organization's business and/or operating model predicated on reconciling its (market) value with changing societal values?
- **Governance** Does anyone on the Board or one of its committees, or the Executive, hold specific responsibility for human governance?
- **Trust** To what extent are the leadership and management team trusted by customers, employees, and other key stakeholders?
- **Values** Have at least 3 core values been expressed by the organization?
- **Principles** Name up to 3 of the most important principles espoused and adhered to by the organization.
- **Value potential** To what extent does the organization seek to maximise the value it generates from all of its human capital; both directly employed and within its supply chain and wider society?
- **Vision** How far into the future does this organization see and mentally plan?
- **Mission** Identify the top, specific priority that must be achieved within 3 to 5 years.
- **Accountability** What are the Board and CEO accountable or responsible for?
- **Strategic cohesion** To what extent do leadership, management and staff understand and work cooperatively towards a coherent set of strategic goals?
- **Culture** What evidence is there that the Board recognizes the importance of culture and is it being monitored effectively?
- **System** To what extent does your organization operate as a coherent and cohesive whole system?
- **Business planning** To what extent are improvements in the organization's capability in human capital management specifically factored into its current business plan?
- **Evidence-based management (EBM)** Is core management, decision-making process evidence-based in principle and practice?
- **Never-ending, continuous improvement** To what extent is the philosophy and practice of never-ending improvement embedded throughout the whole organization?
- **Quality system** Does the organization have a quality system and, if so, to what extent is it applied?
- **Innovation system** Does the organization have a system to measure the rate of innovation of the entire workforce (including suppliers) and, if so, to what extent is it applied?
- **Performance management system (PMS)** Is there a performance management *system* in place and is it widely and effectively followed to continuously improve TSV?
- **Learning & knowledge** To what extent is this a learning organization that continuously and expeditiously aims to acquire and apply knowledge, expertise and experience to continuously create more value and reduce risk?
- **Identifying the specific value impact expected from human capital** To what extent are business improvements based on linking human capital to the 4 value variables OCRQ?
- **Return on human capital** Has the organization adopted a discipline of linking human capital directly to financial returns by completing an ROI calculation?
- **Cooperation** To what extent is the organization characterised by willing, active and enthusiastic cooperation all the way from leaders and managers to the most junior job roles and suppliers?
- **People risk** To what extent does the organization have a comprehensive system for measuring and assessing the current level of human capital management risk within the organization?
- **Remuneration & Reward** Does the organization adopt and adhere to a clear set of key principles to underpin its remuneration and reward policy and link it directly to TSV?
- **Communication system** How much importance does the organization attach to communication and is there a system in place to ensure it is working?
- **Organizational agility, adaptability and flexibility** How well does the organization adapt to changing market conditions with a minimum of risk, cost and business disruption?
- **Stakeholders** Whose interests, among all of the organization's specific stakeholder/s, appear to be afforded primacy?
- **Decision making environment** To what extent would you describe high level decision making in your organization as collegiate?
- **Authenticity** The size of the gap between the organization's statements, external communications and claims of success, relative to the reality found in the evidence.