

# Organisational Self – Evaluation as a Possible Tool of Organisational Analysis

VERESNÉ DR. SOMOSI MARIANN  
ASSOCIATE PROFESSOR

E-mail: szvism@uni-miskolc.hu

## SUMMARY

*The clue of enduring success of companies / institutes is the ability to recognise new challenges betimes and to react them quickly and flexibly. The management however does not dispose of the appropriate tools and methodological knowledge in cases of complex and complicated organisational forming to map fields in critical situations. During this presentation, I examine one of the possible systems of goals and fields of organisational analysis with the help of the organisational analysis process. I constructed a methodological typology; out of the methods I strongly deal with organisational self-evaluation as an effectively applicable method can also be used in the field of organisational forming.*

---

At the time of turbulent environments, the key to enduring success of companies is the ability of recognising new challenges in proper time and responding to them quickly and flexibly. Owing to this, changes in environment compel companies and institutions to change their strategies and structures at shorter and shorter intervals. When it comes to complex and complicated organisational changes (restructuring), the management, however, does not possess appropriate tools and methodology needed to provide structured and regular mapping together with logical structuring for companies and functional fields within the companies in a critical situation. As a result of all functional fields these factors, decisions are often made on an intuitive and individual basis.

This the effective implementation of the analysis proves to be a decisive element of successful organisational change. Due to increasing complexity of company and corporal structures, individual departments and sectors fields cannot be examined separated from each other, but should be looked upon as important elements of a complex system fitting into the “texture” of a complete company. To carry out wilful organisational changes requires giving a systematic consideration to interrelations within and outside companies together with a careful examination and management of interdependences and correlations.

The first part of this paper focuses on the most important stages of the analytical process (Fig.1), which is followed by some relevant methods elaborated in the second part. Finally, I will give a detailed analysis to organisational self-evaluation. The first stage of the analysis involves defining

subsystems i.e. giving a precise definition of the subject of examination. This is followed by defining the state – and operational analysis.

The actual structure of all company subsystems basically determines its own specific operational method and its efficiency together with its limitations whether the structure came about as a result of conscious or spontaneous interventions. To identify and get to know all these factors is a basic requirement for finding an effective solution. In compliance with all these, there exist so-called state-dependent causes of errors that depend on the basic organisational standards of the subsystem under examination. The errors can be detected by comparing them against effectual organisational problem-solutions identifiable in a given field. As for their character, errors can be classified into the category of company resources. Consequently, state analyses focus on contrasting the actual state versus the “ideal” state. In addition to this, the operation of all subsystems is hampered by numerous casual or constant errors that are perceptible and can be subjected to analysing. Defects and errors identifiable from disfunctions and disharmony constitute the group of so-called operational errors made up of occasional functional errors together with recurrent problems due to non-observance of regulations rules and methods determining the operation of the system in the course of day-to-day work. These types of operational errors can be subdivided under the category of loss. The first step to identify them is comparing their actual operational method against the method to be obtained.

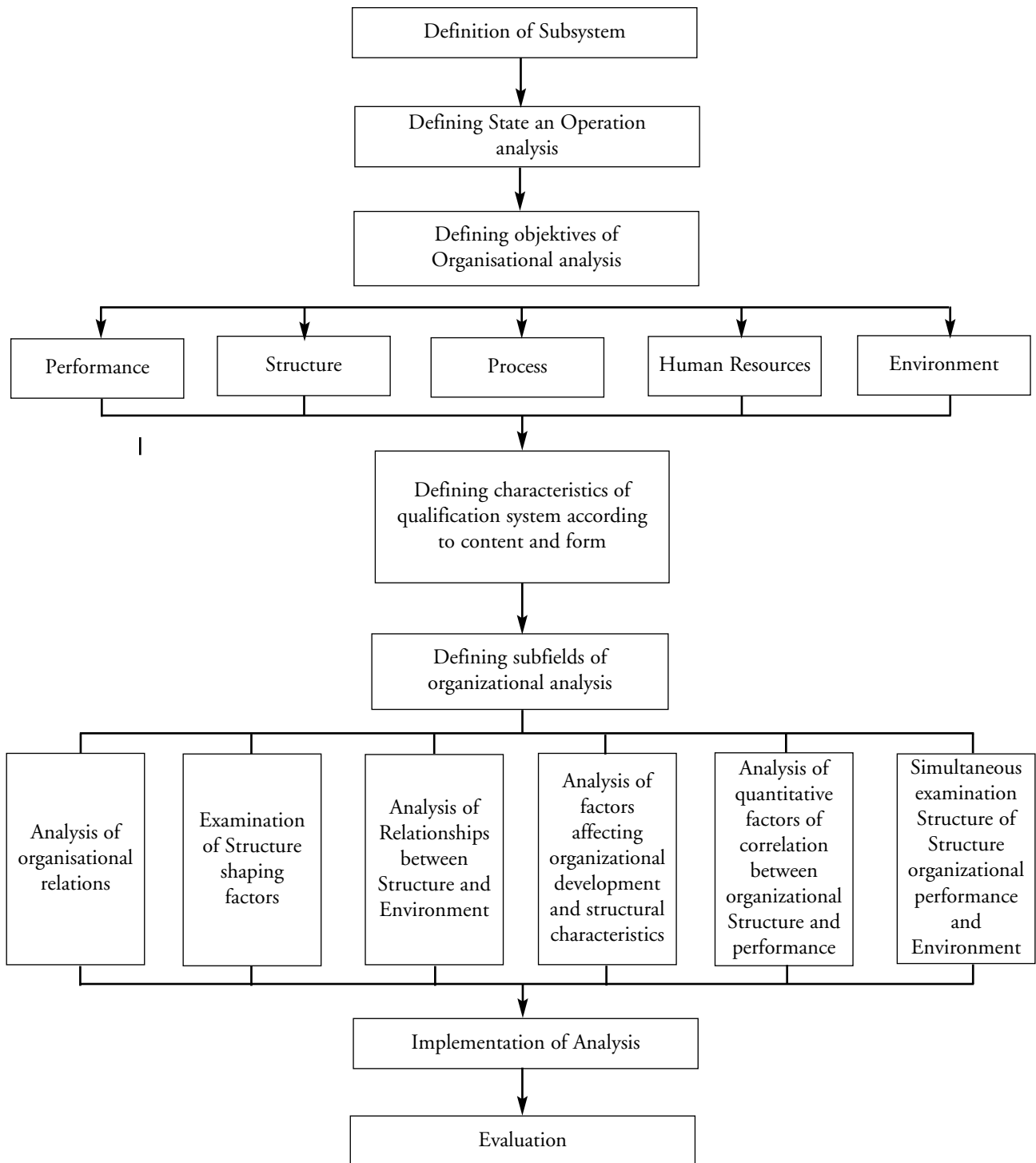


Fig. 1  
Process of organisational analysis

Operational analyses while evaluating the harmony and efficiency of the target-task-tool method can also provide information enabling to determine the optimal size of control, change interest and incentive systems and terminate temporary disfunction, meanwhile it is also possible to identify whether the system designer's goals failed due to casual errors or factors inherent in the structure and hindering its operation.

The third step is to set the target definable as a total of internal goals related to performance, process-network, structure and human relations combined with external goals linked with the environment. Each of the above-mentioned goals can occur by itself or in other kinds of combination as well. In order to identify the goals the system analysed needs qualifying.

This task is performed in step 4., when the characteristics of qualification systems are collected, presented and identified. Step 5. determines the objectives of organisational analysis comprising the examination of six subfields:

- > analysis of organisational relations
- > analysis of factors affecting company structure
- > analysis of relations between the company structure and the environment
- > analysis of factors affecting organisation development and organisational characteristics
- > analysis of quantitative factors determining relations between organisational structure and organisational performance
- > analysis of strategy, structure and organisational performance vs. the environment.

You can decide on which of the above-mentioned analyses should actually be carried out only after joining the parameters defining the qualification system with the various subfields of organisational analysis.

Hence, it is obvious that the qualification system assures a two-directional correlation: on one hand it connects the objectives of organisational analysis with the principles of analysis, on the other hand it defines the way of connection

with the subfields of organisational analysis through parameters related to the principles of organisational analysis. When determining the formation method for analytical parameters it should be clarified and considered whether we target at dispersion, cohesion of relations or a general tendency as a final goal because all these factors have an impact on the appropriate method to be chosen. Then the analysis can be carried out, followed by the evaluation according to the mode of representation and interpretability.

Comparative criteria based on analytical process-model

- > Task size
- > Defining and separating state – and operational analyses
- > Presentation of qualification system
- > Defining subfield and objectives of organisational analyses
- > Mode of formation for analytical parameters
- > Evaluation method
- > Conditions of application
- > Auxiliary methods applied in analysis
- > Number of participants in analysis
- > Content characteristics of qualification system

*Table 1. presents method – typology based on criteria indicated above*

**Table 1.**

METHODS CHARACTERISTICS	SUGAR METHOD [5]	PALWONS METHOD [4]	VALUE ANALYSIS [3]	TEST[1]
Task according to size	Analysis of subsystem, product groups, branches of business	Analysis of complete organisation	Analysis of complete system or subsystem	Analysis of complete system or subsystem
Dividing State and operational analysis	State	State and operation	State and operation	State
Defining qualification system according to form	Quantitative and qualitative parameters	Quantitative and qualitative parameters	Quantitative and qualitative parameters	Quantitative and qualitative parameters
Defining subfields of organisational analysis	Analysis of factors affecting company structure. Examination of relationships between company structure and environment	Analysis of strategy, structure, organisational performance together with environment	Analysis of organisational relationship and factors affecting development of organisation	Comparison of strategy, structure and organisational performance vs. environment
Selecting parameters for analysis	Comparison of performance indexes in each criterium against total possible score	On a positive – negative ended scale with relative measurement	Function/cost ratio	total score order of importance, ratio

Continuation of table 1.

<b>METHODS</b>	<b>SUGAR METHOD [5]</b>	<b>PALWONS METHOD [4]</b>	<b>VALUE ANALYSIS [3]</b>	<b>TEST[1]</b>
<b>CHARACTERISTICS</b>				
Evaluation methods	<ul style="list-style-type: none"> <li>– Questionnaires, examination sheets divided according to observation points/units</li> <li>– Spider-diagram presenting observation units</li> </ul>	Presenting on interval scale	Order of variation values	Verbal assessment of order and interval scale
Conditions of Application	Conditions of Application	Conditions of Application	Conditions of Application	Conditions of Application
Applied auxiliary methods	NCM, Sugar-method product structure analysis	Graph-method	Brain-storming, Osgood-Succi method, NCM, advantage-disadvantage analysis	Analysis of questionnaires, examination sheets/tests, problem list and that of conclusions
Quantitative and qualitative parameters	Group and individual	Group and individual	Group and individual	Group and individual
Content characteristics of Qualification system	<ul style="list-style-type: none"> <li>– Prospective expectation of market</li> <li>– Prospective competition</li> <li>– Prospective access to credit and other financial resources</li> <li>– Organisational background of internal management</li> <li>– Performing functions</li> <li>– Profitability and effectiveness indexes</li> </ul>	<ul style="list-style-type: none"> <li>– Requirement for company's appearance</li> <li>– Social and economic formations</li> <li>– Fixed assets</li> <li>– Current assets</li> <li>– Planning</li> <li>– Decision</li> <li>– Organisation</li> </ul>	<ul style="list-style-type: none"> <li>– Product structure</li> <li>– Regulators</li> <li>– Level of preparatory supply processes</li> <li>– Centralisation – decentralisation</li> <li>– Planning method</li> <li>– Interest</li> <li>– Organisational structure</li> </ul>	<ul style="list-style-type: none"> <li>– Product structure</li> <li>– Regulators</li> <li>– Level of preparatory supply processes</li> <li>– Centralisation – decentralisation</li> <li>– Planning method</li> <li>– Interest</li> <li>– Organisational structure</li> </ul>

Continuation of table 1.

<b>METHODS CHARACTERISTICS</b>	<b>KIPA METHOD [2]</b>	<b>CHECKLAND METHOD[6]</b>	<b>ORGANISATIONAL SELF-EVALUATION</b>	<b>SIMULATION MODEL</b>
Task size		Sub-or complete organisation	Sub-or complete organisation	Complete organisation
Dividing state and operational analysis	Operation	State	State and operation	State and operation
Defining qualification system according to form	Quantitative and qualitative parameters	Quantitative and qualitative parameters	Quantitative and qualitative parameters	Quantitative and qualitative parameters
Defining subfields of organisational analysis	Analysis of organisational relations and examination of factors affecting relations between organisational and performance structure	Comparative analysis of organisational relationships vs. factors affecting company structure	Analysis of organisational relationships Examination of organisational characteristics Comparison of organisational performance against environment	Analytical comparison of the environment against factors affecting company structure, strategy, company structure and organisational performance
Selecting parameters for analysis	Defining indexes of preference and disqualification	—	Averages, frequency ratio	Causality relationship

Continuation of table 1.

<b>METHODS</b> <b>CHARACTERISTICS</b>	<b>KIPA METHOD [2]</b>	<b>CHECKLAND METHOD [6]</b>	<b>ORGANISATIONAL SELF-EVALUATION</b>	<b>SIMULATION MODEL</b>
Evaluation method	Evaluation of KIPA matrix by iterative Steps and/or assertive graphs	Evaluation of changes born as a result of contrasting conceptual model against reality with a view to derivability and feasibility	Normative (proceeding from left to right) Diagnostic (proceeding from right to left)	Elaborating/mapping complex relationships between structures and simulating their efficiency mechanism
Conditions of applications	—	—	Standpoint system for evaluating (categories) tests and texts	Sufficient company database
Applied auxiliary method	Brain-storming, Pareto, Haris, Guilford, Kendall	CATWOE-analysis	Questionnaires, RADAR	Casuality diagram, Brain-storming, individual mental model, scenarios
Number of participants in analysis	Individual and group	Individual and group	Group	Group
Content characteristics of qualification system	– Ratio of performing plan – R+D activities – Maintenance of fixed assets – Investments	– Decision allocation – Applied planning methods – Standard of R+D activities – Prospective market demands	– Inablers (management, strategy, controlling workmates, financial resources, processes) – Results (workmate-, customer- and social satisfaction, key-processes)	New structures and operational methods

With regard to the limits of this paper I failed to present some very important but, to my mind, better known methods like factor-analysis, cluster analysis, correlation computation, regression computation, mathematical computations with several unknown variables, statistical methods etc. in the table. The following statements, however, apply to all methods without exception.

- > Methods meet demands in different kinds of ways.
- > Methods provide various approaches for users and comply with the following expectations: adapt to decision-situation, enhance efficiency of decision process, conform to users interestedness and influence relationships generated by users roles, adapt to users way of thinking and communication pattern.
- > It can be calculated how efficiently each method is suitable for solving a given problem.

From now on I will focus on just one of the methods presented briefly above i.e. self-evaluation analysis (based on Prize-model). I will examine to what extent methodology applied in analysis more and more widely can be fitted into the process of organisational development. Self-evaluation intrinsically involves regular and systematic screening of activities and results accomplished by the organisation,

which enables the organisation to identify its strengths together with the areas to be improved. By performing the latter goal, qualitative self-evaluation provides a basis for both a future strategy and prepares the way for creating a development plan. During the process of self-evaluation all elements are compared against the model of an ideal organisation. This procedure is basically like “looking into the mirror” and can be concluded and proved that “there is not only one good solution”.

Basic values of self-evaluation

- > result-oriented
- > focusing on customers
- > management and consistent
- > management and consistent target setting
- > management based on processes and facts
- > further training and involving work mates
- > permanent learning, innovation and further development
- > developing partner relations
- > responsibility for the community.

All-inclusive self-evaluation examines nine elements divided into two groups. One of the sets is made up of enablers, where management, strategy, controlling work-mates,

financial resources operational and changing processes are subjected to systematic analysis. The other domain involves results together with analysing workmate-, customer – and social satisfaction with consideration to results of key-processes.

When an activity is examined through elements of enablers, we focus on the following issues:

- > How is an activity carried out?
- > Where are the results of the activity registered?
- > What makes the process itself and its indexes?
- > How is the process analysed?
- > How do we develop the process?
- > Do we make comparisons within or outside the organisation?

In connection with indexes the following issues come up in result analysis:

- > How, when and by whom was the index defined?
- > Is the index characteristic of the process under examination?
- > Does the numerical value of the index make a reliable, rational data?

- > What results have been achieved recently?
- > Are there any parameters related to planning? Is there an accepted fluctuation concerning the value index?
- > What happens, if you cannot reach the planned results?
- > Are numerical results compared?

Self-evaluation method applies RADAR for qualification.

Thus both the complex set of analytical parameters and the logic of analysis derived from analyses enable organisational self-evaluation based on Prize model to be termed as a kind of methodology for organisational analysis.

To sum up, it can be concluded that all procedures applied in methodology-typology can efficiently be applied for partial and all-inclusive organisational analysis. Depending on the inducing elements of organisational analysis, methodology suitable for analysing only one given subfield or their combination may also be sufficient in most cases, however, the main target and task are to consider the complete operational process, since it enables organisational change to be performed, provided it is properly prepared.

## REFERENCES

- ANTAL I. (1979/1980) A szervezetelemzés és szervezetfejlesztés technikái, *OVK, Budapest*
- KINDLER J. - PAPP O. (1977) Komplex rendszerek vizsgálata, *MK, Budapest*
- NAGY E. - MORGÓS A. - AUTH R. (1990) A szervezeti struktúra korszerűsítése értékelemzéssel, *Ipar-gazdaság, 1990. február*
- NOSZKAY E. (1988) A Palwons-módszer, *Vezetéstudomány 1988/9*
- SALAMONNÉ HUSZTY A. (1989) Szervezetfejlesztés és stratégiaalkotás, *Vezetéstudomány 1989/11*
- VECSENYI J. (1983) Szervezeti problémák megoldása Checkland módszerével, *Vezetéstudomány, 1983/10*
- GAGSCH B.-HERBST C. (1999) A struktúraváltási folyamatokat hatékonyabban kell végrehajtani, *Vállalati szervezés 1999/6*
- LIPP H. (1999) Vállalati szervezetek elemzése, kialakítása és értékelése, *Vállalati szervezés 1999/5*
- SZINTAY I.- VERESNÉ SOMOSI M. (2002) A rendőrség EU-konform irányítási modellje, *Belügyi szemle 2002/8*
- VERESNÉ SOMOSI M. (1993) Szervezetelemzés és –fejlesztés szakértő rendszerrel támogatott folyamatmodellje, *Vezetéstudomány 1993/3-4*

## Zusammenfassung

### Összefoglaló

A vállalatok, intézmények tartós sikerének a kulcsa az a képességük, hogy az új kihívásokat időben felismerik, s azokra gyorsan és rugalmasan reagálnak. A vezetés azonban gyakran nem rendelkezik a megfelelő eszközökkel és módszertani tudással ahhoz, hogy összetett szervezetekre, kritikus helyzetben, szervezetelemzést végezzen.

E cikkben a szervezetelemzés egy lehetséges célrendszerét és területeit vizsgálom a szervezetelemzés folyamatán keresztül. Összeállítottam egy módszer-tipológiát, s ezen módszerek közül kiemelten foglalkozom a szervezeti önértékeléssel, mint a szervezetelemzésben is hatékonyan alkalmazható metodikával.