Maturity Levels in Business Organizations

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Organisations today are dealing with complexity and uncertainty on a scale that has never been seen before. The economic and social upheaval is changing the game faster than one can learn it.

Setting sensible goals for organizational development and overall process improvement requires an in-depth understanding of maturity levels within an organization.

Understanding the Meaning

Maturity level is a defined evolutionary plateau for organizational process improvement. Each maturity level matures an important subset of the organization's processes, preparing it to move to the next maturity level. The maturity levels are measured by the achievement of the specific and generic goals associated with each predefined set of process areas.

Before moving to different maturity levels let's understand the conceptual differences between mature & immature organizations.

Mature Organization

A mature organization possesses an organization-wide ability for managing development and maintenance processes. The processes are accurately communicated to both existing staff and new employees and the work activities are carried out according to the planned processes. The processes mandated are fit for use and are consistent with the way the work actually gets done. These defined processes are updated per need, and improvements are catered through controlled pilot-tests and/or cost benefit analyses. Roles and responsibilities within the defined process are clear throughout the project and across the organization. The managers monitor the quality of their products & services and customer satisfaction as well. There is an objective, quantitative basis for judging product quality and analyzing problems with the product and process. Schedules and budgets are based on historical performance and are realistic; the expected results

for cost, schedule, functionality, and quality of the product are usually achieved. By and Large, a disciplined process is consistently followed because all participants understand the value of doing so, and the necessary infrastructure exists to support the process.

In other words, a mature organization is one which is constantly evolving and learning from past decisions, which is ready to accept its mistakes & failures, welcomes alternative approaches and ideas and most importantly solicits & values input from its employees, regardless of their rank or title.

Immature Organization

In an immature organization, processes are generally not planned beforehand and implemented by practitioners along with their management during the course of the project. Even if a process has been specified, it is not rigorously followed or enforced. The immature organization is reactionary, and managers are usually focused on solving immediate crises. Schedules and budgets are routinely exceeded because they are not based on realistic estimates. When hard deadlines are imposed, product functionality and quality are often compromised to meet the schedule. There is no objective basis for judging the product/service quality or for solving product or service problems. Therefore, it becomes difficult to predict the product/service quality. Apart from this, a small or a large organization can be immature if its internal practices are more reactive and crisis-driven than proactive and plan-driven. It also depends on the culture of the organization. Some cultures don't plan the typical "linear" approach and adopt step by step methodology of completing a task or solving a problem and that's why very reasonably an organization gets labelled as immature.

Organizational Maturity Levels depend more on the nature of activities in the organization.

Relevance of Maturity Levels in Business Organizations

Maturity Levels acts a catalyst in improving the following Organizational development areas:

- Planning and implementing improvement activities
- Developing individual capability
- Integrating workforce development with process improvement
- Building workgroups and establishing a culture of professional excellence
- Motivating and managing performance
- Shaping the workforce
- Characterizing the maturity of workforce practices

An organization could be at any of the below listed maturity levels:

➢ Oblivious Maturity Level

- ➢ Exploratory Maturity Level
- ➢ Defined Maturity Level
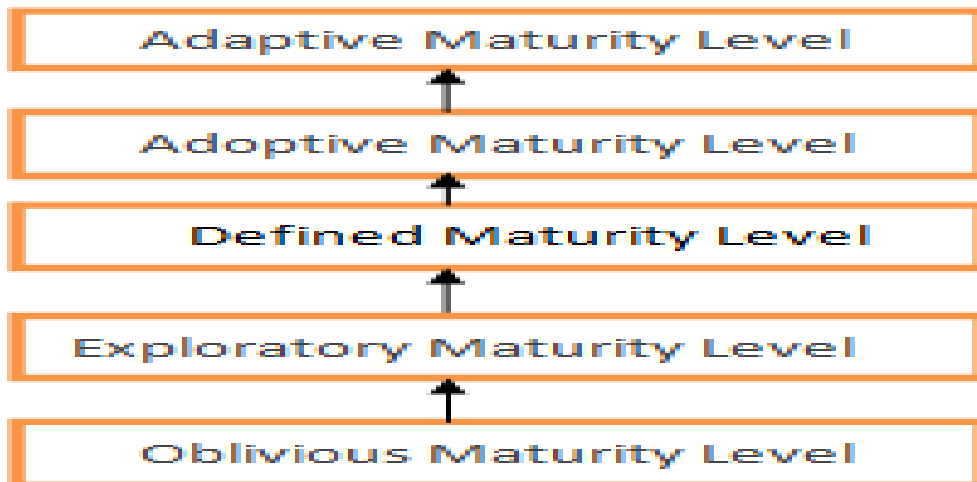- ➢ Adoptive Maturity Level
- ➢ Adaptive Maturity Level

Fig (a) Flowchart depicting the different maturity levels in an organization

Level 1: Oblivious Maturity Level

At this level organizations are simply unaware of what's happening across the organization. Processes are usually not documented and change per need. The organization does not have a stable environment and may not know or understand all the components that constitute the environment. Success in these organizations depends on individual's organisational knowledge, competence, heroics of the people in the organization, and the level of effort expended by the team. Products and services of the organization frequently exceed the budget and schedule. The organization often over commits, abandons processes during a crisis, and is unable to repeat past successes Besides limited process acceptance, oblivious maturity level organization carry the phenomenon of very little planning and executive buy-in for projects.

Effort Matrix

Pre-Planning Stage

The oblivious maturity level of an organization requires enormous planning especially if the organization has aged without any significant thought process in the direction. Planning here refers to all possible methods adopted to bring a stable environment, systems & process in place and awareness on the financial punctuality mapping all potential threats. Almost 35% of the target time must be invested in wholesome planning, which actually gets invested in planning.

Implementation Stage

At oblivious maturity level, implementation of the plan is critical for people's openness to change, which is actually very low, coupled with sense of insecurity & instability. Seeking help of an OD expert would be a good idea at this juncture. This level of maturity needs more time than any other stage. Investment of time in implementation in upward stages is less because of a certain level of acceptance towards change. 50% of the time should ideally be allocated for implementation and monitoring the progress.

Post Implementation Stage

If everything goes well as planned then the remaining time from the earmarked timeslot will be profitable for the organization & may be utilized for absorbing the learning and reflecting maturity & practice the same rather than moving towards the next stage/level. It is also recommended that on reaching this level, people's efforts should be recognized and celebrated. A robust professional coaching/counselling session may be initiated for personal development, which will further boost their aspirations for achieving growth keeping the organizational goals/objectives in sync. This could reflect a step towards maturity with people's commitment and dedication.
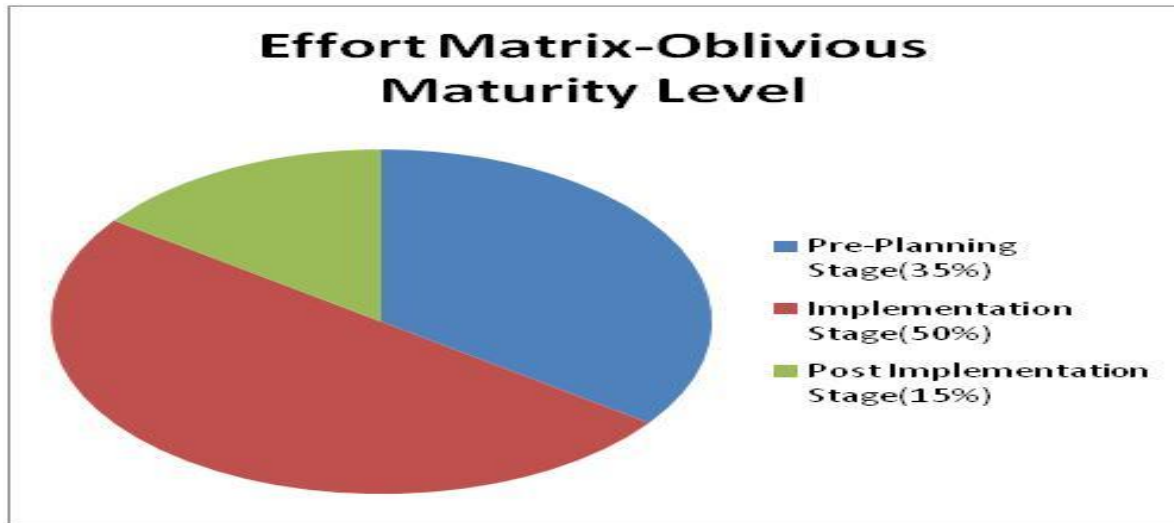
Effort Matrix-Oblivious Maturity Level

- Pre-Planning Stage(35%)
- Implementation Stage(50%)
- Post Implementation Stage(15%)

Fig (b) Pictorial representation of Effort Matrix-Oblivious Maturity Level

Level 2: Exploratory Maturity Level

At this stage organizations are spending more time on research and understanding what vitality the emergent collaborations within and amongst teams in the organization carries. The importance of evenly distributed, cross-disciplinary and virtual teams and how it can affect the business is also assessed at this level of maturity. Here organizations begin to see the possibilities of what can be done and also understand how emergent collaborations can solve complex business problems. Formation of teams that will help drive this organizational development initiative within the organization is imperative. To move to the defined stage, there needs to be a very solid understanding of what emergent collaboration means to the organization. To take this leap, a strategic direction and vision formation is a pre-requisite.

Effort Matrix

Pre-Planning Stage

The exploratory maturity level of an organization requires almost the similar amount of planning exercise as required in the oblivious level which is aimed at assessing the importance and means of efficient emergent collaboration. Around 40% of the time could be invested in multifaceted planning before implementation.

Implementation Stage

The implementation time could ideally be around 50% at this level. This stage is crucial in terms of defining teams and collaboration amongst them. Elimination of personal biases, if any, would certainly bring about greater benefits. Up-grading the organization is the sole motive which might call for some tough decisions. At this stage it is vital to facilitate all new joinees on a continuous basis to ensure complete integration amongst its people, culture, systems and processes along with a two way expectation mapping.

Post Implementation Stage

If everything goes well as planned, remaining time i.e. 10% will be profitable for the organization could be utilized by people for pursuing the key learning's. Needless to mention, rewarding individuals and teams on accomplishment of each milestone, needs to be an ongoing process. It is quite possible that one can be successful or unsuccessful which needs to be observed / monitored on a progressive basis, but every effort should be made to find out the reasons associated with the failure and deviation for remedial actions.
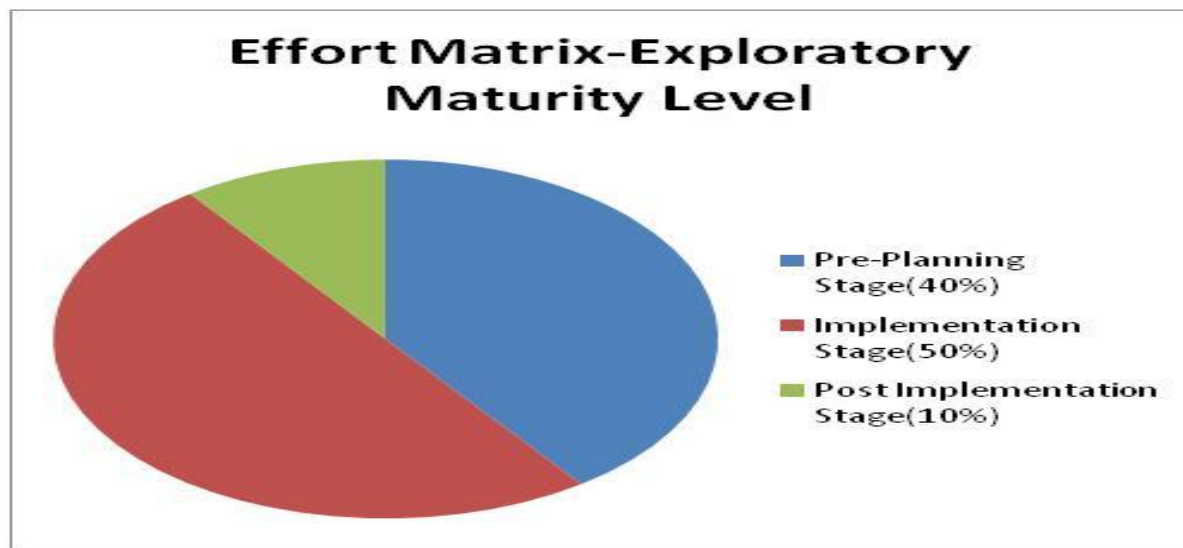

Fig (c) Pictorial representation of Effort Matrix- Exploratory Maturity Level

Level 3: Defined Maturity Level

Here the organization needs to have a clearly defined strategy and direction for the emergent collaboration efforts. At this stage, the organization is getting ready to communicate and share the direction and vision to the teams with clearly defined roles. At this level more often we see that the standard operating procedures are in place subject to some degree of change over time and measures of success are defined to evaluate the process/people performance. To progress to

the adoptive stage, organizations have to communicate their vision behind formation of the emergent collaboration and give direction to the teams and start implementing everything that was outlined and put together in the defined stage.

The organization is one step closer to realizing the business value of emergent collaboration. The strategic framework to make this happen is complete, and the organization is ready to begin implementing.

Effort Matrix

Pre-Planning Stage

The defined maturity level is a platform where people management and actual business realization could begin happening. This level would typically require abundant time in planning, close to around 75%. Extensive effort goes in forming and managing teams with all probable combinations worked out that best suits the organizational objectives. Care must be taken to maximize harmony and synchronization amongst the team and its members. From this level onwards, planning would be more time consuming. Planning in this context would imply people management and implementing the business strategies in an ever changing market dynamics.

Any strategic business failure would be a de-motivating factor both for people and the organization. It could also negate the achievement in the maturity front (Oblivious and Exploratory Maturity Level).Hence thorough planning which includes an inbuilt mechanism to deal with any exigency that might arise in the further processes. Plain speaking, this could involve wings within wings as in multiple plans in a single plan.

Implementation Stage

At this stage the implementation requires careful placement as it involves team dynamics and guided support to the underperforming teams. Effort should be made in right earnest to bring all individuals/team on a common platform, thus paving the way towards seamless progression across the organization. At this level, the OD factor and its acceptance become part and parcel of the culture, instead of the DNA of the organization. Both planners and executors are ready to move in organization's common direction & hence 20% of the benchmarked time is sufficient at this phase. Individuals and teams must be given some amount of liberty to develop a sense of ownership & belongingness, under close monitoring.

Post Implementation Stage

If everything goes well as planned, remaining time i.e. 5% shall be profitable for the organization. At this juncture, an organization may choose to introduce itself to the next level of maturity or may pursue the key learning's as reflected in the previous levels..
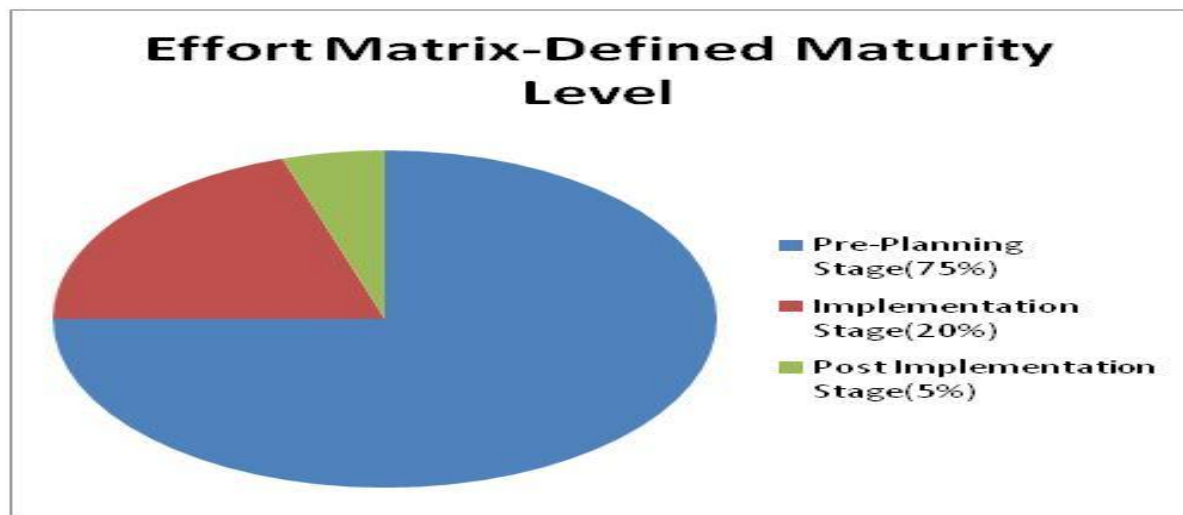

Fig (d) Pictorial representation of Effort Matrix- Defined Maturity Level

Level 4: Adoptive Maturity Level

At this stage the organization is in the process of complete implementation. Everything has been explored, teams have been established, the vision has been communicated, measures of success have been established, risks have been evaluated, and the road map and strategy have been developed. This is the stage of greatest learning for the organization as progress is evaluated per the success bench-mark and feedback is continuously collected. Employee resistance here is least as they try to embrace new strategies and technologies at work. The remainder of the emergent collaboration life cycle is spent in the adaptive stage.

Teams are more easily formed, and employees start to open up and trust each other. Organization's morale begins to soar as employees begin to understand and appreciate their roles better and so the roles of their colleagues. Senior-level leaders gain greater insight into the way the organization operates. The organization now sees opportunities to engage and

inspire employees, retain and attract new talent by being perceived as innovative and employee friendly.

Effort Matrix

Pre-Planning Stage

The adoptive maturity level of an organization requires 88% of the targeted time in planning. An organization could gain tremendous business excellence at this stage if it thrives of capturing a sizable chunk of the market share or launching a new product/service etc. This is the stage wherein brand equity, imbibing employee's self worth or becoming a preferred employer can be seen. The planning has to be done in a manner which reflect greater employee engagement, encourage loyalty, lessened attrition greater sense of pride & ownership.

Implementation Stage

At this stage, the organization can see heightened morale and engaged employees. The implementation require lesser time (around 10% of the timeslot would suffice the purpose).

Post Implementation Stage

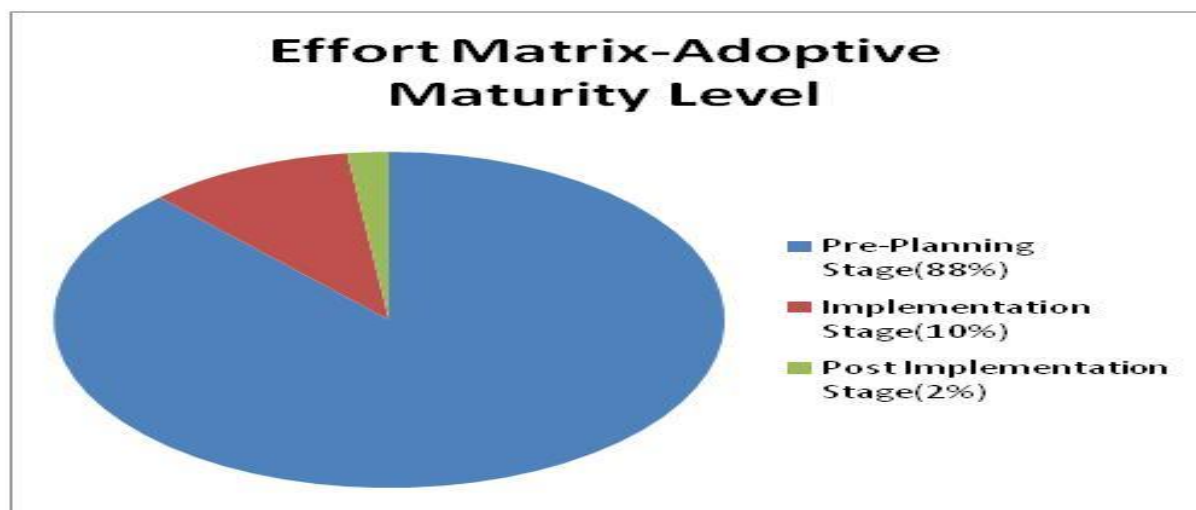If everything goes well as planned, balance time from the targeted time is a gain for the organization in totality.

Fig (e) Pictorial representation of Effort Matrix- Adoptive Maturity Level

Level 5: Adaptive Maturity Level

This adaptive stage isn't an end state; it's a continuous cycle of improvement and evolution. The adaptive organization has a very solid understanding of what works and what doesn't and is capable of making the right decisions. Organizations can easily regress into previous stages if, for example, they stop listening to and incorporating employee feedback into their efforts, which in turn can cause employees to abandon platforms. If employees don't feel supported and listened to, then chances are that adoption rates will never rise. The important thing here is that there are always going to be improvements, updates, changes to technologies, new best practices, new team members, new leaders, and evolved strategies. An adaptive organization is one that continuously learns and is able to improve/change accordingly.

This is where the organization sees the greatest business value from emergent collaboration as inefficiencies are eliminated, problems are solved and successes are repeated. The organization is now able to adapt to new changes, behaviours, or feedback from employees. Company morale increases as employees see that they have a voice and their feedback is being implemented. All necessary components for emergent collaboration are integrated and because of which sharing, finding, and collaborating on information are at their peak. The organization can now quickly create efficient and objective solutions. Productivity increases, opportunities are identified continuously and efficiently which further result in cost-saving or revenue-generating opportunities.

Effort Matrix

Pre-Planning Stage

The adaptive maturity level of an organization is the vision of every organization. A 360 degree approach could be adopted reflecting 95% time invested in planning to cater to the internal and external customers. This is the stage wherein organization must focus in absolute terms on preparing systems and processes wherein success could be predicted with miniscule deviation within a combination time, effort and strategy.

Implementation Stage

The implementation at this stage only requires a push and the desired results could be achieved by investing only 5% of the remaining time.

Post Implementation Stage

Reaching this level requires strengthening of the systems & processes and their continuous monitoring. People need to be treated as greatest assets who bring along with them an inherent vast talent & potential energy.
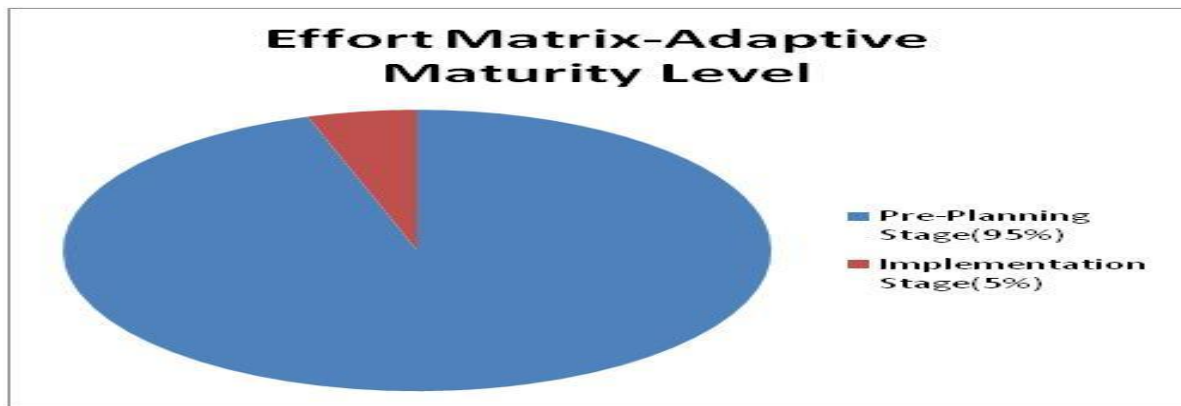

Fig (f) Pictorial representation of Effort Matrix- Adaptive Maturity Level

Moving Through Maturity Levels

The expected course of development for an organization is a sequential progress through the Maturity levels. The organization needs to stabilize at a given maturity level before advancing. Because each level builds upon the foundation of the previous level, skipping levels can be counterproductive. Organizations with mismatched levels in different process areas in a single product/service can put improvements at risk. For example, a maturity level 3, product engineering process is more likely to fail if maturity level 2 management practices make for poorly planned schedules or a lack of change control.

Possible Implementation Issues

Here are few implementation issues which may occur during the organization's movement towards maturity:

- If an organization's internal practices are reactive and crisis-driven then taking organization towards maturity is an endless task/prone to all probable failures.
- Primitive business & product/service development approach of top business heads towards organizational development and resistance to change will not let the organization mature.
- In absence of clear process objectives and directions by management which are linked to business objectives, confusion may mislead people from reaching the desired change.

- Without proper training on the new processes, approach and means to achieve laid down objectives; the onset of anxiety amongst the organization's staff is likely to slow down the process of organization's maturity.
- In absence of any direct or indirect payout associated with the change, some employees may not get ready for adoption of changes.
- In case resources are not estimated and provided, frustration may put an end to the organization's willingness to mature.

Conclusion

The organizations having the highest maturity levels are basically learning organizations & such learning organizations:

- Understand why they are doing, what they are doing
- Know "what to do" when problems are encountered (don't overreact to special causes – concentrate on finding common causes)
- Error-proof their processes to allow for human fallibility
- Convert "blame" into "opportunity"
- Balance "empowerment" and "ownership" with CONTROL
- Measure and predict how much further they have to go to achieve their goals

One of the major challenges for any organization is to deal with organizational restructuring – Mergers, acquisitions, re-organizations, and rapid growth. Each merger or re-organization can dramatically change the culture of the "original" organization. Although Maturity process can help an organization going through such changes however it is still a rocky road which could only be encompassed with a systematic approach and gradual developments.

About the Author

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