

Unlock the Power of Culture

Organizational Culture Powers Bottom-Line Results

In today's talent-driven economy, organizational culture isn't just a feel-good concept; it's a critical driver of business success. Decades of research, including recent studies, have demonstrated a clear link between a strong, positive culture and improved bottom-line results.

- NextArc's 2025 benchmark study on the 11 top performers in each S&P Sector, as measured by total shareholder return, found that the composite culture of these exemplary companies is stronger, by 22.6 points, than the average company in our normative database.
- Meta-analyses (e.g., Organizational Culture: A Systematic Review, 2024) confirm the strong relationship between culture and various business outcomes, including financial performance, employee retention, and productivity.
- NextArc's research on the Firms of Endearment (Person Publishing, 2014) concludes that culture is the foundation upon which these exemplar companies compete enabling them to outperform the S&P Ratings by 1,000 percent and even the so-called Good to Great companies by more than 300 percent.

In short, a **thriving culture** translates to a **thriving business**.

The Culture Blind Spot: Why Most Companies are Missing Out

Despite the overwhelming evidence, many organizations treat culture as an intangible, almost mystical force, rather than a strategic asset. They may sense its importance, but lack the tools and methodologies to define it precisely, measure it effectively, and manage it proactively. This "culture blind spot" leaves them vulnerable, unable to fully leverage the power of their workforce. But what if you could treat culture like a balance sheet asset, defining it with precision and measuring its progress period-over-period, just as you track financial performance on your financial statements? This is the power of a data-driven approach to culture management; you can have an "organizational balance sheet" that empirically links to your business plan desired results.



The Culture Performance Index

Your Cultural GPS

Metaphorically, the CPI functions like a GPS system for your organization's culture, navigating you through the process of cultural transformation



Defining Your Present Position

Just as a GPS pinpoints your current location, the CPI provides a quantitative assessment of your current cultural state. Through comprehensive assessments and data analysis, the CPI reveals your strengths, weaknesses, and areas for improvement across key cultural dimensions. This data-driven understanding of your "present position" is crucial for informed decision making and investment allocation.



Defining Your Destination

A GPS requires a destination to provide directions; similarly, the CPI helps you define your desired cultural destination. Working with your executive team, the CPI facilitates the process of articulating the specific cultural attributes needed to execute your business strategy and achieve your business goals through talent and culture. This "destination" becomes the target for your culture-building initiatives.



Turn-by-Turn Directions

Once your current position and destination are defined, the CPI provides "turn-by-turn directions" in the form of prioritized cultural actions. By identifying the key drivers that influence your desired culture, the CPI helps you focus your efforts and investments on the most impactful initiatives. It provides a roadmap for cultural change, outlining the specific steps needed to move towards your target culture. No wasted effort; no misallocated investments.



Estimated Time of Arrival (ETA) & Acceleration

The CPI not only provides directions, but also helps you track your progress and estimate your "ETA" for achieving the business-required culture. Through longitudinal analysis, you can monitor key metrics, measure the impact of your initiatives, and identify areas where you need to accelerate your efforts. This data-driven approach ensures that your cultural transformation is on track and delivering the desired results on budget.



The Culture Performance Index (CPI)

Your GPS to cultural transformation

The CPI is a user-friendly, yet sophisticated platform designed to help you manage organizational culture like a tangible asset. The CPI provides the insights and tools you need to understand your current cultural landscape, define your desired cultural destination, and chart a course for achieving it.

Advanced Analytics & Benchmarking



Unlimited Segmentation

Analyze culture by department, location, tenure, and more to uncover hidden trends and tailor interventions effectively.



Internal & External Benchmarking

Compare cultural performance across your organization and against industry best practices for meaningful insights.



Employee Net Promoter Score (eNPS)

Measure employee engagement, identify key drivers of loyalty and satisfaction, and dive into specific team experiences.



Benchmark to S&P Top Performers

Among the top performers in each of the 11 S&P Sectors, there is a strong correlation with culture. How does your company compare?



Comparative Heat Mapping

Visualize cultural strengths and weaknesses across teams to foster accountability.



Longitudinal Modeling

Track culture shifts over time and assess the impact of interventions.



Causal Factor Analysis

Identify the root causes of cultural challenges and implement targeted solutions for sustained success.

Not just a measurement tool, but a strategic platform for building a high-performance culture.



Culture Performance Index (CPI)

Not just a survey tool, but a comprehensive platform built on years of rigorous research and practical application. Time tested to transform organizational culture.

Unlimited Issue Indexing



Innovation Index

Measures the extent to which your culture fosters creativity, experimentation, and risk-taking.



Ethics & Compliance Index

Assesses the strength of your ethical framework and the prevalence of compliant behavior.



Belonging Index

Gauges the degree to which employees feel valued, respected, and included.



Collaboration Index

Measures the effectiveness of teamwork and cross-functional collaboration.



Performance Index

Tracks the relationship between culture and key performance indicators.



Culture as Management Science

Grounded in the science of culture building, CPI provides a framework for creating a "magnetic culture" that attracts, develops, and retains top talent. This research has identified the "causal factors" that determine an organization's culture, the "key drivers" that need to be addressed to shape a high-performance culture, and the specific indices that provide insight into vital organizational issues.



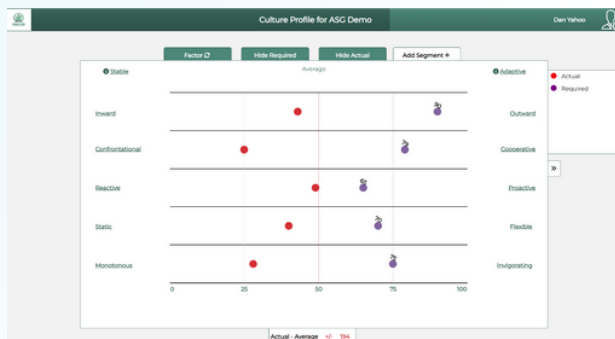
The Culture Performance Index (CPI)

Your Culture GPS

1

Macroscopic View

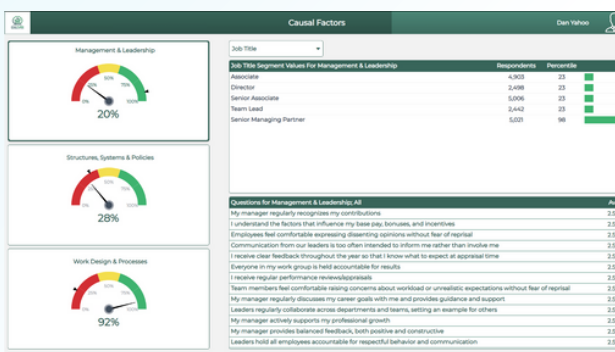
See your current-actual culture vs. your business-required culture (as defined by your senior leadership team) vs. NextArc's normative-average culture vs. a constructive benchmark composite culture of 11, cross-sector companies that have created the greatest total shareholder returns over the past decade. All profiles are presented on 5 competing values scales that are valid and reliable for profiling any organizational culture.



2

Causal Factor Scores

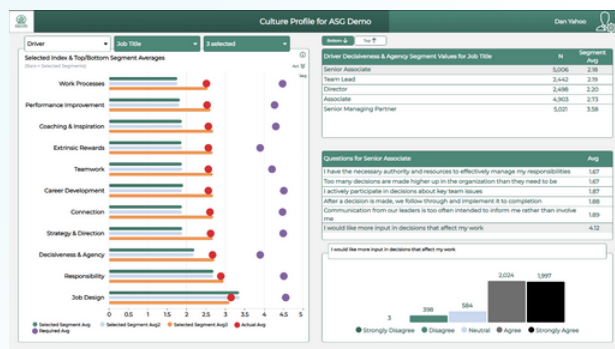
These are the 3 managerial levers that wield the greatest influence on organizational culture formation. Your scores can be marked against your business-required or your normative average or an external constructive benchmark of high performers.



3

Actionable Drivers

The 11 culture drivers enable you to take company-wide as well as more localized action to improve your culture. The Drivers that are the greatest restraint to your business-required culture display at the top of the Pareto Chart. This focus enables the most efficient application of culture improvement resources.



4

Employee Engagement & Disengagement

CPI's Employee Net Promoter (eNPS) model enables you to see and understand relative employee engagement company-wide or by any structural or demographic segmentation you wish.

