

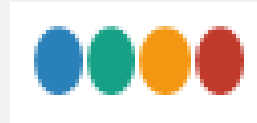


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SPP Global Organizational Diagnosis



INTRODUCTION

This Diagnosis was made with a focus on organizational aspects and in a comprehensive manner; we identified development areas and strengths, so as to be able to design and implement solution and improvement strategies that are presented in our proposal for Phase 2 of the project.

- ✓ Organizational Climate: We identified staff members' perceptions and attitudes.
- ✓ 360 Evaluation: Both the director and department heads received anonymous feedback from each of the staff members with whom they collaborate daily; certain parameters that affect proper performance for business activities were evaluated.
- ✓ Organizational Diagnosis: Interviews were conducted with department managers to hear their thoughts on and have them assess organizational climate from their own perspective, and also with regards to decision-making, leadership and communication.

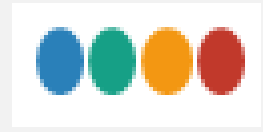




Organizational Diagnosis Goal

Describe the current situation of the company from an organizational point of view, identifying development areas and strengths throughout the value chain, so as to ensure efficient service provision and/or product distribution according to the requirements of the organization and the customer. This is done so that we are able to design and implement solution and improvement strategies.





ORGANIZATIONAL BACKGROUND

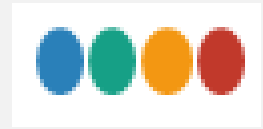
SPP Global is a hybrid between social and conventional aspects of fair trade; it has international reach and a high potential for growth and development.

Its organizational structure is based on the governing bodies made up of small producers elected through its General Assembly (highest governing body).

Governing bodies are the ones who establish guidelines and strategies to be implemented by the operational team headed by the Executive Director and middle level managers, i.e. the Managers of the different operational departments.

SPP has been a visionary and democratic project that has progressed despite economic constraints and the reduced number of people in its operational team.





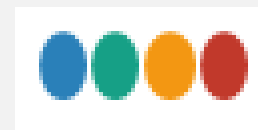
ORGANIZATIONAL BACKGROUND

Currently, SPP experiencing growth. This implies new challenges and the need for an organizational restructuring of the operational team to properly deal with change, all while meeting expectations and requirements of stakeholders, market players and consumers.

Current operational infrastructure is as good as financial resources allow it to be, without the possibility of investing in growth-related needs with future consequences.

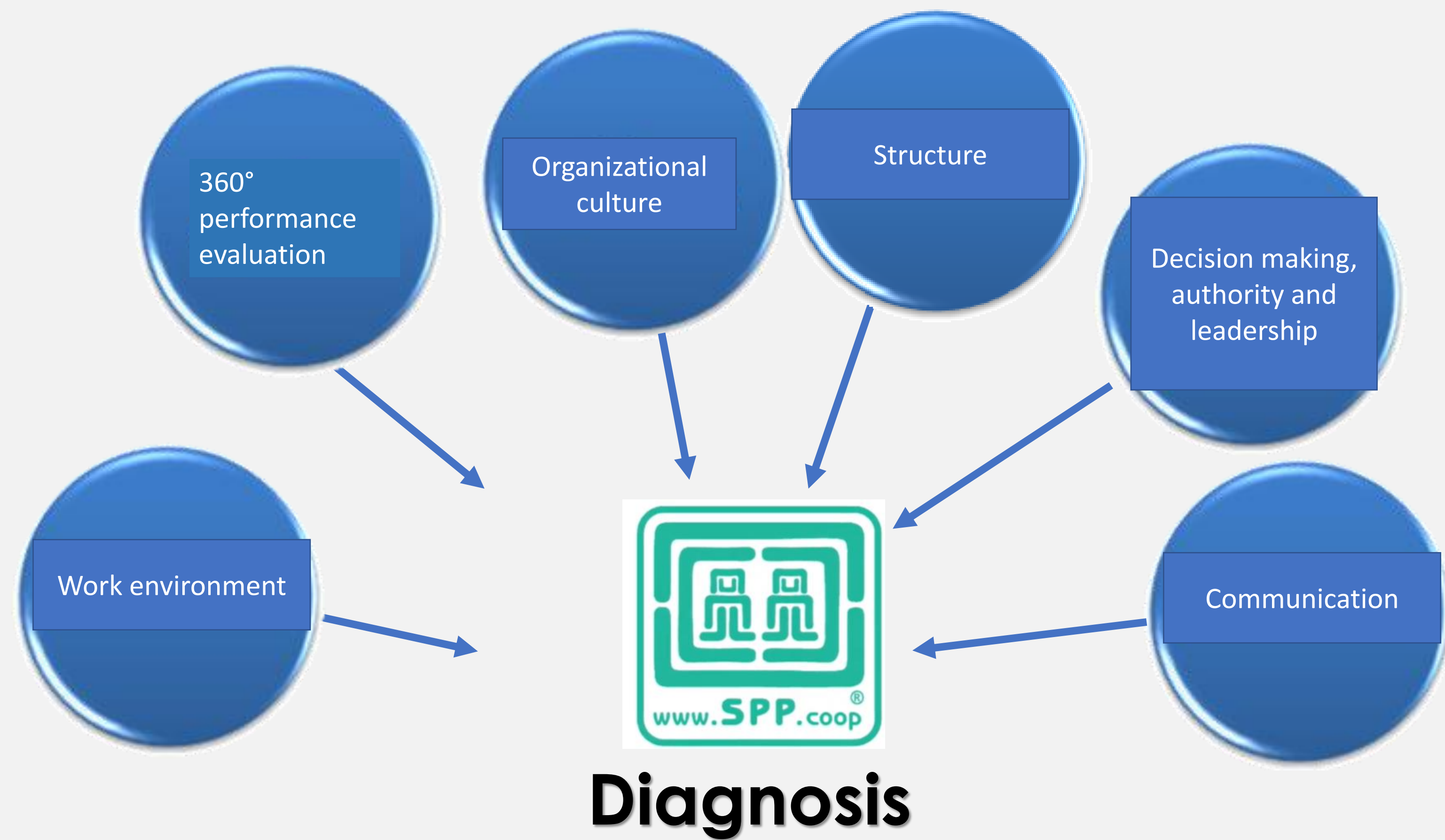
The OT is diverse: people belonging to at least 3 different generations and with different cultural backgrounds make it up. This represents a development area to establish a fluid work system with middle managers that guarantee achievement of SPP Global's strategies and new projects.





Methodology

1. To prepare this study, information and data were collected from all departments, in order to have a more comprehensive view.
2. Staff members took surveys and key employees were interviewed as well.
3. All information was then studied to generate a diagnosis spotting what the company's department areas are.





Organizational Climate (See annex: Organizational Climate Report)

The objective of the organizational climate study is to determine what perceptions and attitudes the staff have, in order to be able to design and implement adequate strategies that facilitate having a healthier workplace environment.



GENERAL CONCENTRATE:

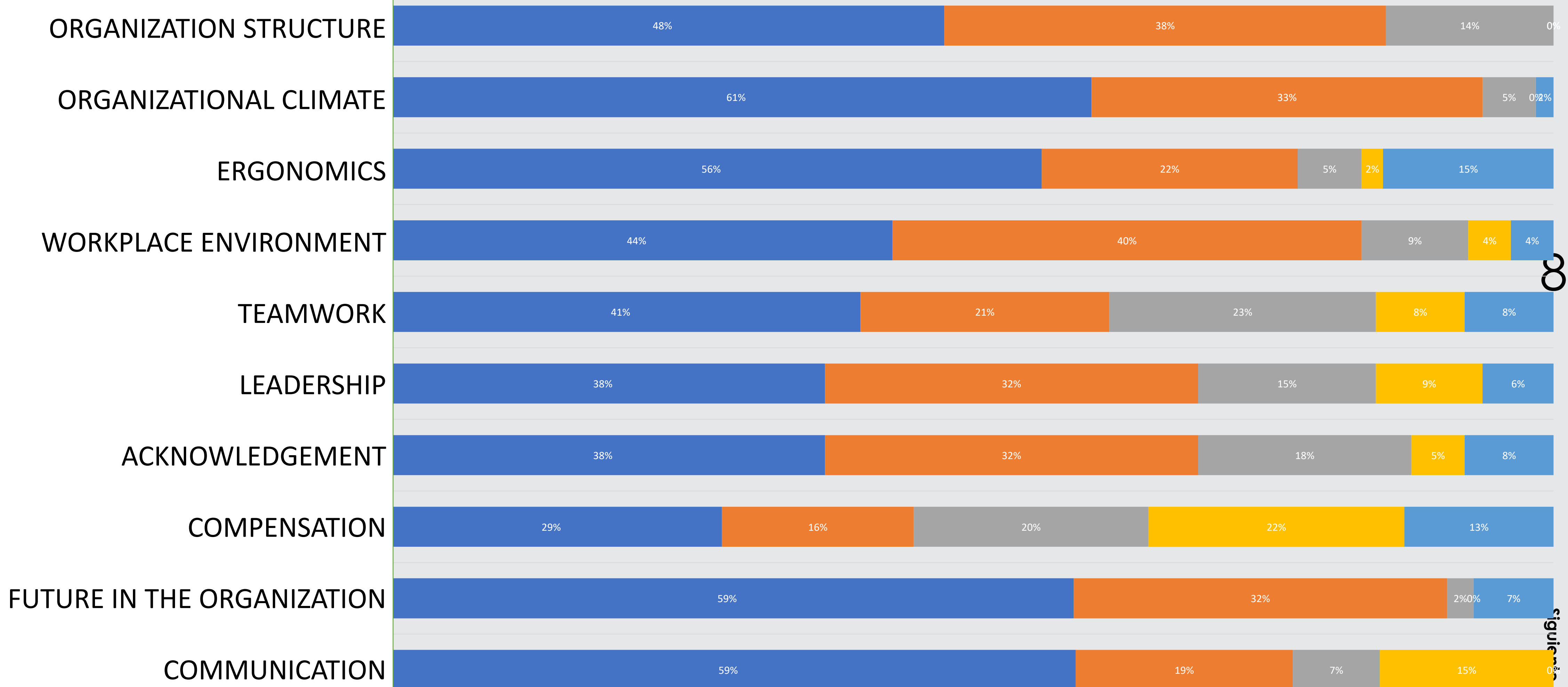


Figure 10



Organizational climate

- Overall results obtained in both the surveys and interviews are good or acceptable, although there are areas that can be improved by working with a focus on productivity and continuous improvement, implementing the recommendations listed in this diagnosis.
- Strengths and weaknesses we found in SPP's organizational climate are:

STRENGTHS

- ✓ Future prospects and potential for the organization
- ✓ Executive Manager with experience and vision to achieve the objectives of SPP Global, as well as the strategies and guidelines dictated by Governing Bodies.
- ✓ Work environment.
- ✓ Democratic structure of the organisation
- ✓ Promotion for horizontal work
- ✓ Open workspaces that encourage participation and proposals for improvements.

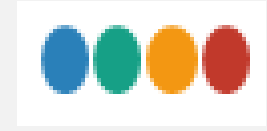
WEAKNESSES

- ✓ Excessive function load
- ✓ Below market compensation
- ✓ Some underqualified OT members
- ✓ Some OT members do not identify as much as they should with the organization's identity
- ✓ High level of frustration regarding the amount of tasks and completion deadlines requested.
- ✓ High staff turnover; insufficient accompaniment and induction period.



Organizational climate

- **Currently the organizational climate is cordial; however, it might sometimes be tense and with a lot of stress due to required demands and workload .**
- **Another factor that influences the organizational climate is high staff turnover, and sometimes unfilled positions for as long as recruitment processes take place after an employee departs; this affects the timely execution of department tasks, the environment, performance, work efficiency and internal-external relations.**
- **Despite current conditions and workloads, an acceptable workplace environment has been achieved, but necessary resources and improved working systems are needed to face current challenges.**
- **It is necessary for all collaborators to work together on a more appropriate methodology that allows them to focus and efficiently meet the objectives and goals set by SPP Global and the Governing Bodies, with the intention of reducing the high levels of pressure and workload, improving organizational identification and ownership sense**



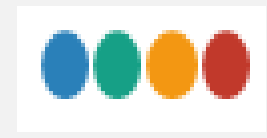
360° ASSESSMENT (See annex: General 360 ° Assessment Report)

The 360 evaluation study aims to determine the perceptions of staff members towards each of the colleagues with whom they collaborate on a daily basis, evaluating certain parameters that affect proper performance for business activities, in order to design and implement adequate strategies that make it easier for them to deliver efficient work in their department

The development areas in the coordinators team are:

- Planning and Organization
- Leadership
- Communication
- Initiative
- Interpersonal Skills

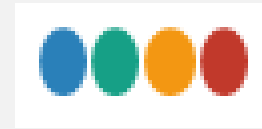




Organizational culture:

➤ **The organizational culture that currently exists in SPP Global is very oriented towards meeting the expectations of the board and the market, which are high and demanding. This results in the following:**

- ✓ Operations outmatch human resources
- ✓ High staff turnover
- ✓ Long learning curves and accompaniment phase are required for new staff to understand SPP Global's hybrid processes and dynamics.
- ✓ High levels of frustration, regular job performance, slowness in following up on agreements and priorities, extra workloads due to staff turnover, staff with lower skills than desirable.
- ✓ Issues regarding attitude, willingness and communication to solve problems.
- ✓ Department-related training for newcomers can and should be more efficient
- ✓ Permanent sense of urgency



Organizational culture:

- **The constant restructuring of positions and organization chart in search of solutions to find balance between operability workloads and working conditions.**
- **New activities emerge and it is not clear which department should be in charge of it or the interrelation between departments regarding the new task.**
- **The relationships among OT members is marked by a strong perception of being overwhelmed and by uncertainty regarding the level of task completion.**
- **The permanent accompaniment of department managers for the understanding of the context and nature of SPP Global impedes forming autonomous middle managers that are able to operate and improve their departments without greater interventions of the executive department.**
- **While horizontal work is promoted and middle managers are encouraged to voice their thoughts, ask their questions and make joint agreements during coordination meetings, it is still problematic to ensure proper functioning of this working system.**



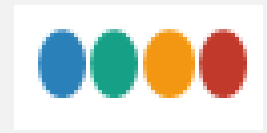
➤ **The organization is constantly growing as a result of changing demands and new projects, generating many changes and challenges to be faced by the organization.**

➤ **This growth has not been accompanied by an adequate organizational structure due to the following:**

- ✓ Lack of sufficient financial resources for an adequate and better qualified workforce
- ✓ Lack of staff in some key areas
- ✓ Some positions are not filled with 100 % matching candidate profiles
- ✓ Structural changes resulting from staff turnover

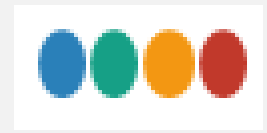
➤ **Middle managers, although assigned to implementing strategic matters, are more focused on solving and managing operational issues.**

➤ **The coordination of administrative and operational matters is concentrated in the same position, which is not healthy for the organization. It is suggested to split this position into two (this process is already being resumed, apparently).**



Structure

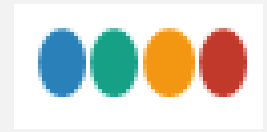
- **The fact that the Executive Department permanently accompanies middle managers - due to longlasting learning curves caused by high staff turnover - lead to the following:**
 - ✓ Bottlenecks
 - ✓ People don't take risks or responsibility, and don't make decisions.
 - ✓ People are in their comfort zone
 - ✓ Errors and delay in responses for customers
- **Although there are manuals and procedures in the organization, most staff do not put them into practice, which generates the following:**
 - ✓ Waste of time repeating instructions and working methods.
 - ✓ Medium quality of the work delivered
 - ✓ Absence of parameters for measuring the performance of processes and staff performance.
 - ✓ Little willingness on the part of some team members to solve these types of problems.



Structure

➤ **There are several factors that are playing a role in the high turnover of staff, among which are :**

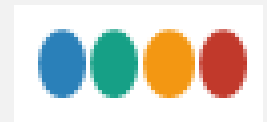
- ✓ High demands and pressure from Governing Bodies and the Executive Department to respond to the organization's international reach.
- ✓ SPP's level of competitiveness in the fair trade sector is very relevant despite operating with reduced staff (who do not always have all desirable skills) and despite lack of security regarding sustainability.
- ✓ Minimum acceptable and unattractive working conditions.
- ✓ Some employees do not identify as much with the organization.
- ✓ Lack of an adequate process of induction, training and mentoring for newcomers due to the need for them to solve problems immediately after they are hired.
- ✓ Difficulty for new staff to understand the dynamics and structures of SPP Global.
- ✓ Some staff members have skills that are below what is suitable to hold key middle manager positions due to lack of financial resources.



Decision-making, authority and leadership

Currently the staff structure does not correspond to the current needs of the organization, the following areas of improvement are identified to strengthen decision-making:

- ✓ *Decrease in staff turnover, especially regarding middle managers to strengthen their leadership as key employees.*
- ✓ Improve decentralized decision-making capacity.
- ✓ Avoid bottlenecks in decision making. Encourage more autonomous middle managers capable of solving problems more efficiently and effectively.
- ✓ Increase employee engagement and identification with SPP Global's vision and strategies
- ✓ Better adaptation to processes for organizational structure change and restructuring.
- ✓ Establishment of horizontal work systems, willingness to collaborate between areas to generate proposals and improvements (consolidate a change in the work culture)



Communication

- **Staff have the tools and means to transmit information, but in practice there are attitudes that make communication difficult.**

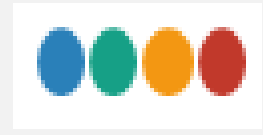
- **Communication is an area of improvement for the company since the following problems currently arise:**
 - ✓ Misunderstandings
 - ✓ Difficulties in reporting delays and follow-ups
 - ✓ Unfavorable attitude to work in coordination with other operational departments
 - ✓ Coordination problems
 - ✓ Constant complaints regarding workload
 - ✓ Tasks completed past due deadline and with medium or poor quality

- **Communication must be improved at all levels both vertically and horizontally, and be in line with the needs of the organization, the market, users and technology.**



360° PERFORMANCE EVALUATION





OBJECTIVE

The 360 evaluation study aims to determine the perceptions of staff members towards each of the colleagues with whom they collaborate on a daily basis, evaluating certain parameters that affect proper performance for business activities, in order to design and implement adequate strategies that make it easier for them to deliver efficient work in their department



ASPECTS EVALUATED

- ✓ **Company strategies:** This indicates the knowledge that the person has concerning the way in which the company is managed and how it relates to their work.
- ✓ **Customers:** This describes how good the person works to meet customers's expectations, whether internal or external.
- ✓ **Results:** It measures the quality of the work performed and how good the person works to fulfil their objectives.
- ✓ **Leadership:** It encompasses a series of characteristics and qualities that a person must have in order to play a leading role in the company, leading other people to perform their work in a better way.
- ✓ **Communication:** It implies the clarity with which the person conveys information and messages, as well as how easy he/she makes it for the staff to communicate with him/her.
- ✓ **Initiative:** This measures how willing the person is to adopt new ideas, as well as their ability to generate them.
- ✓ **Planning and organization:** This indicates how skilled the person is to plan and manage the work he/she is assigned to do.
- ✓ **Decision Making:** It involves the person's ability to make decisions that are appropriate and work for their established tasks.
- ✓ **Interpersonal Skills:** This measures the individual characteristics of staff members within their department.

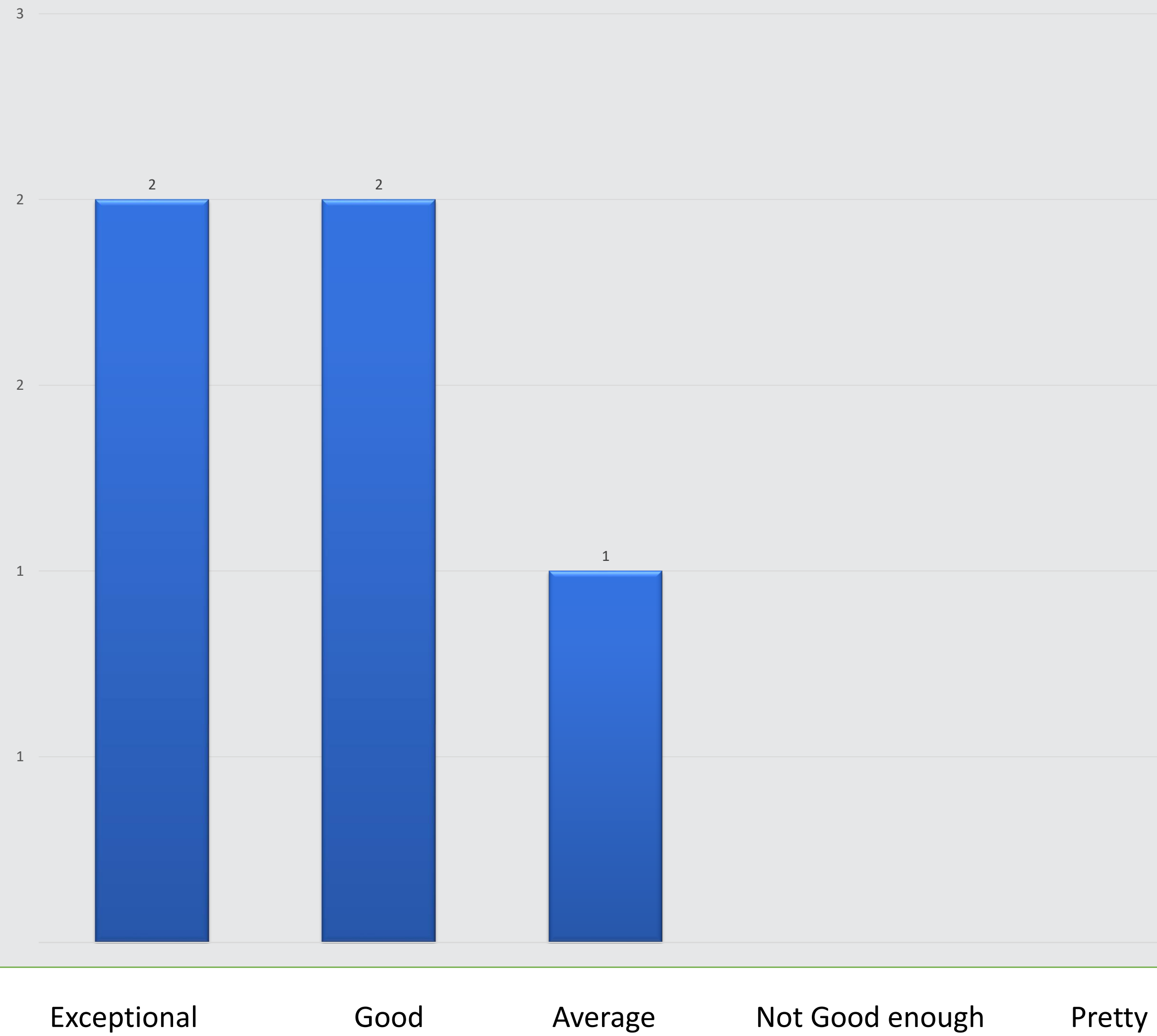




EVALUATION OF THE WORK PERFORMED BY JEROEN JOSEF AGNES

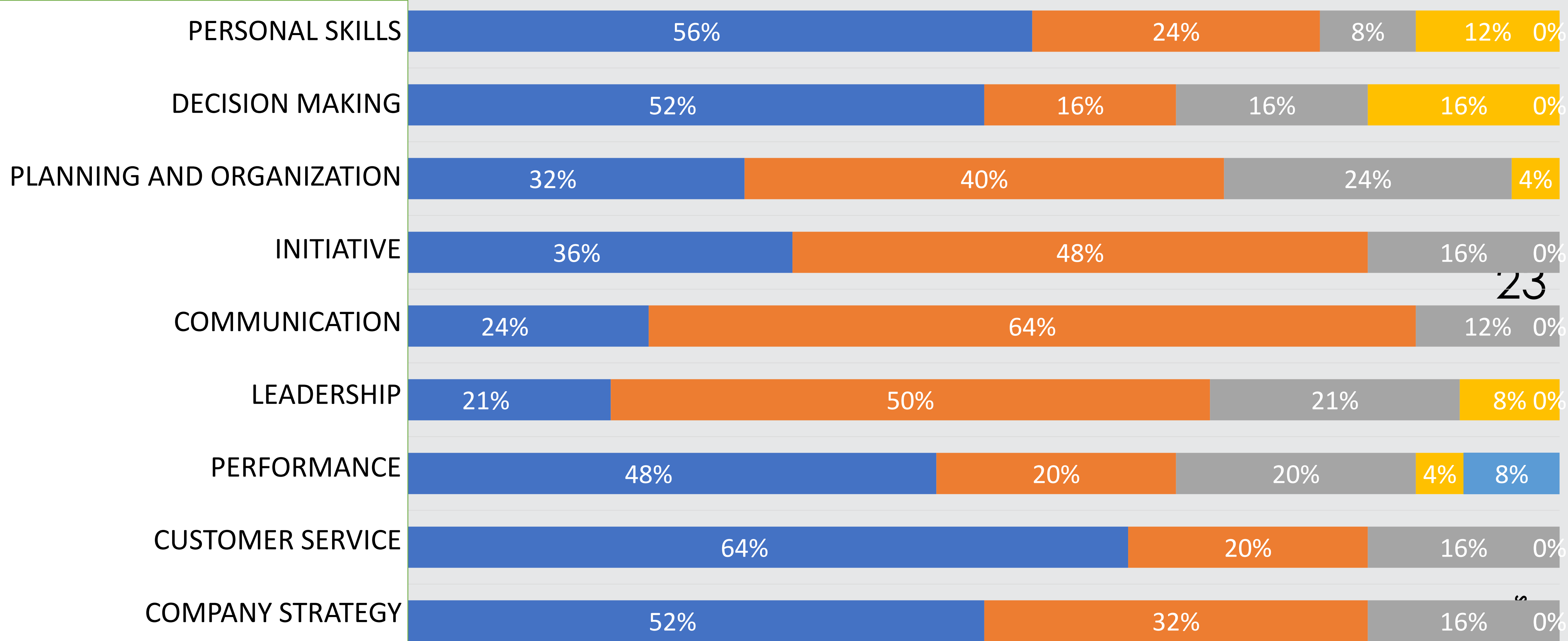


Overall, how would you evaluate the work performed by JEROEN JOSEF AGNES PRUIJN?





EVALUATION OF THE WORK PERFORMED BY JEROEN JOSEF AGNES PRUIJN



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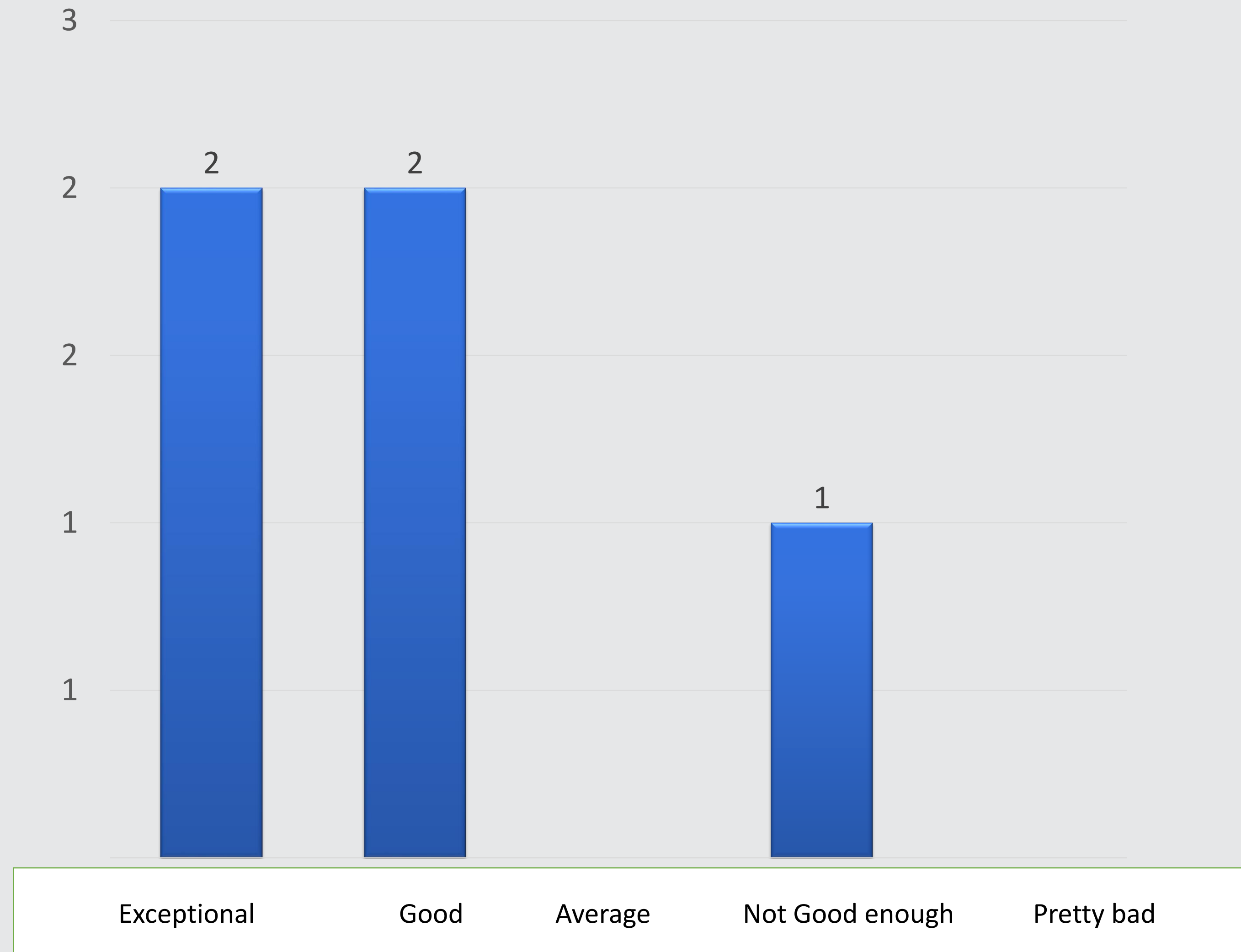
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EVALUATION OF THE WORK CARRIED OUT BY FRANCISCO GARFIAS

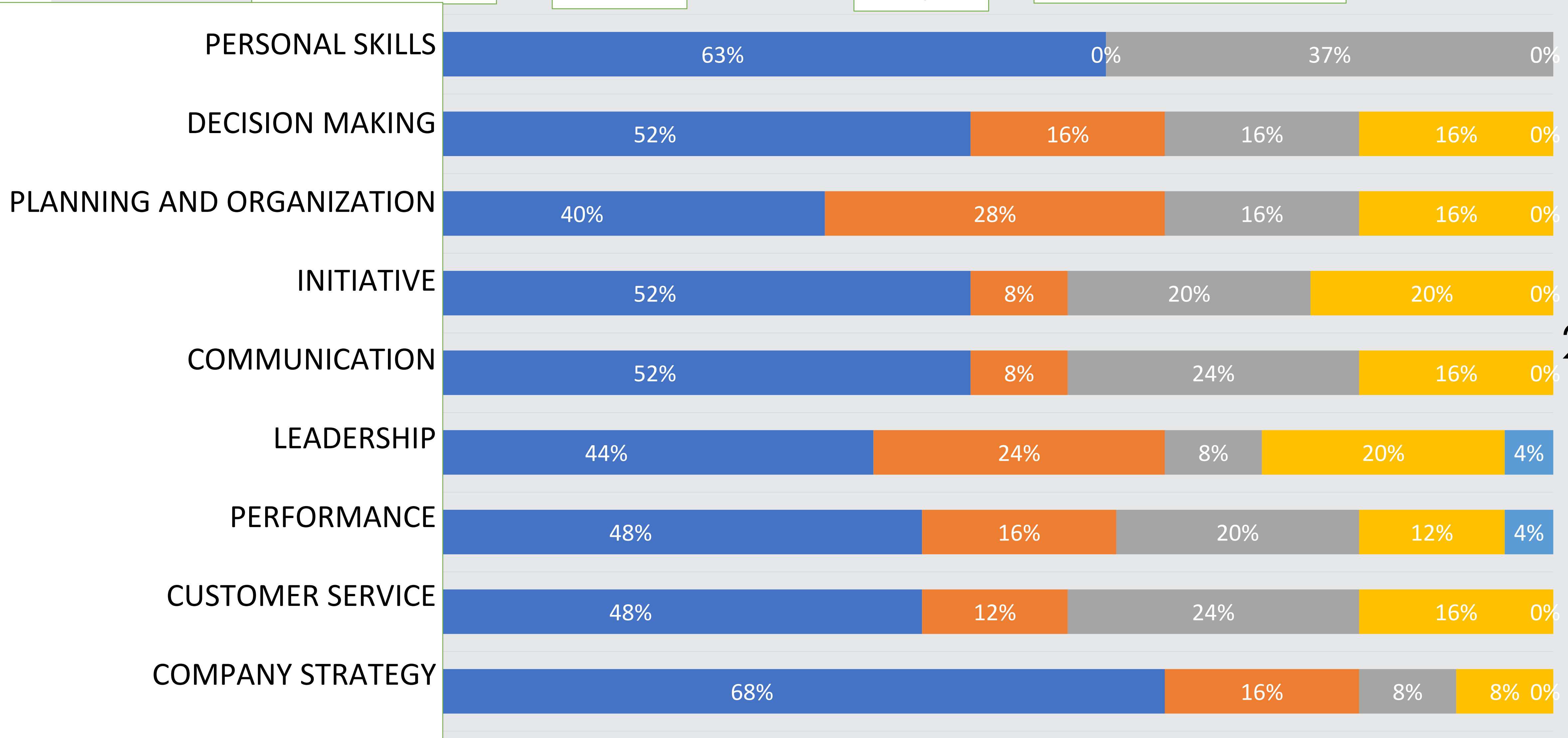


Overall, how would you rate the work performed by JOSE FRANCISCO GARFIAS MILLA?





EVALUATION OF THE WORK CARRIED OUT BY FRANCISCO GARFIAS



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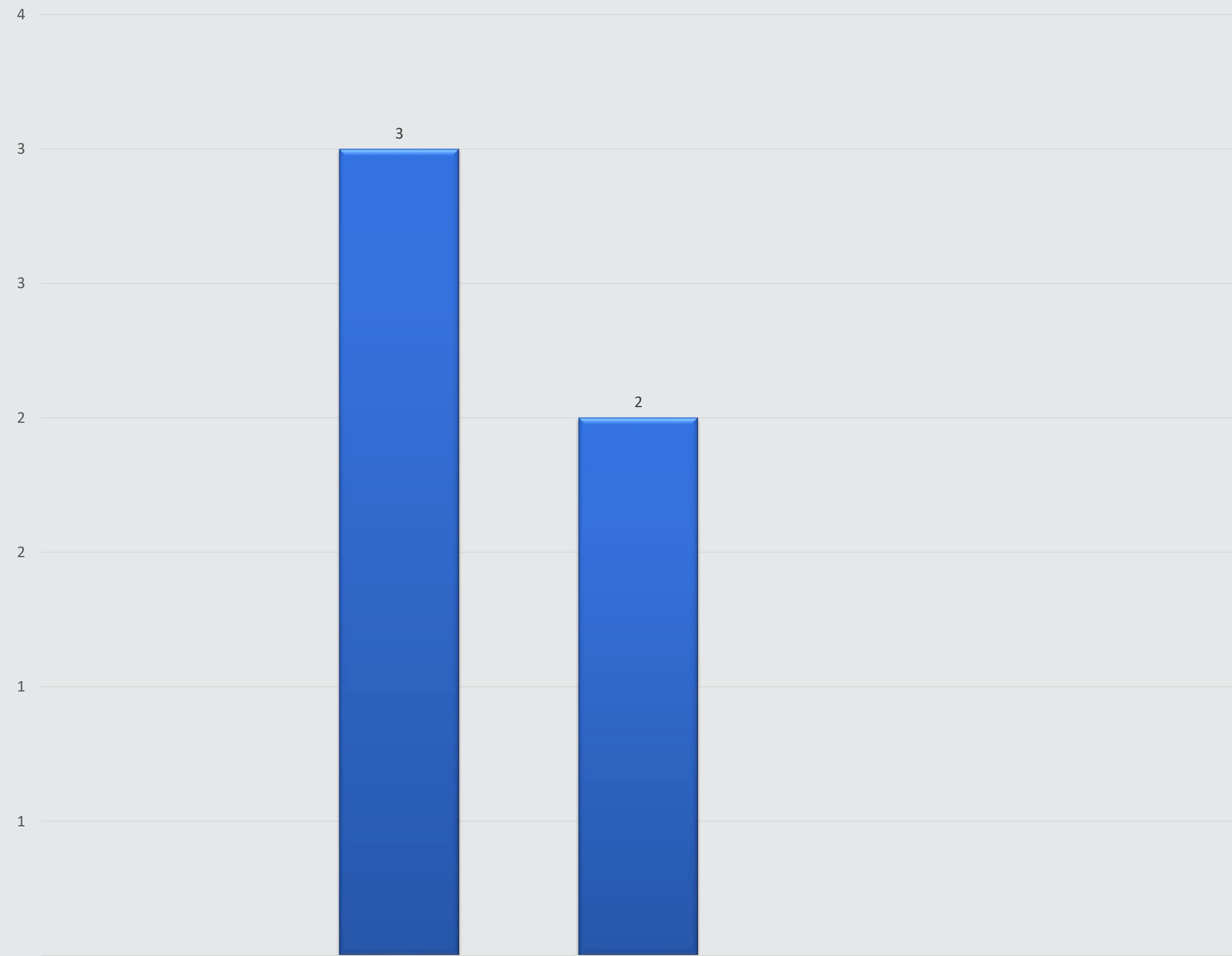
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EVALUATION OF THE WORK PERFORMED BY RUTH TOVAR BONILLA



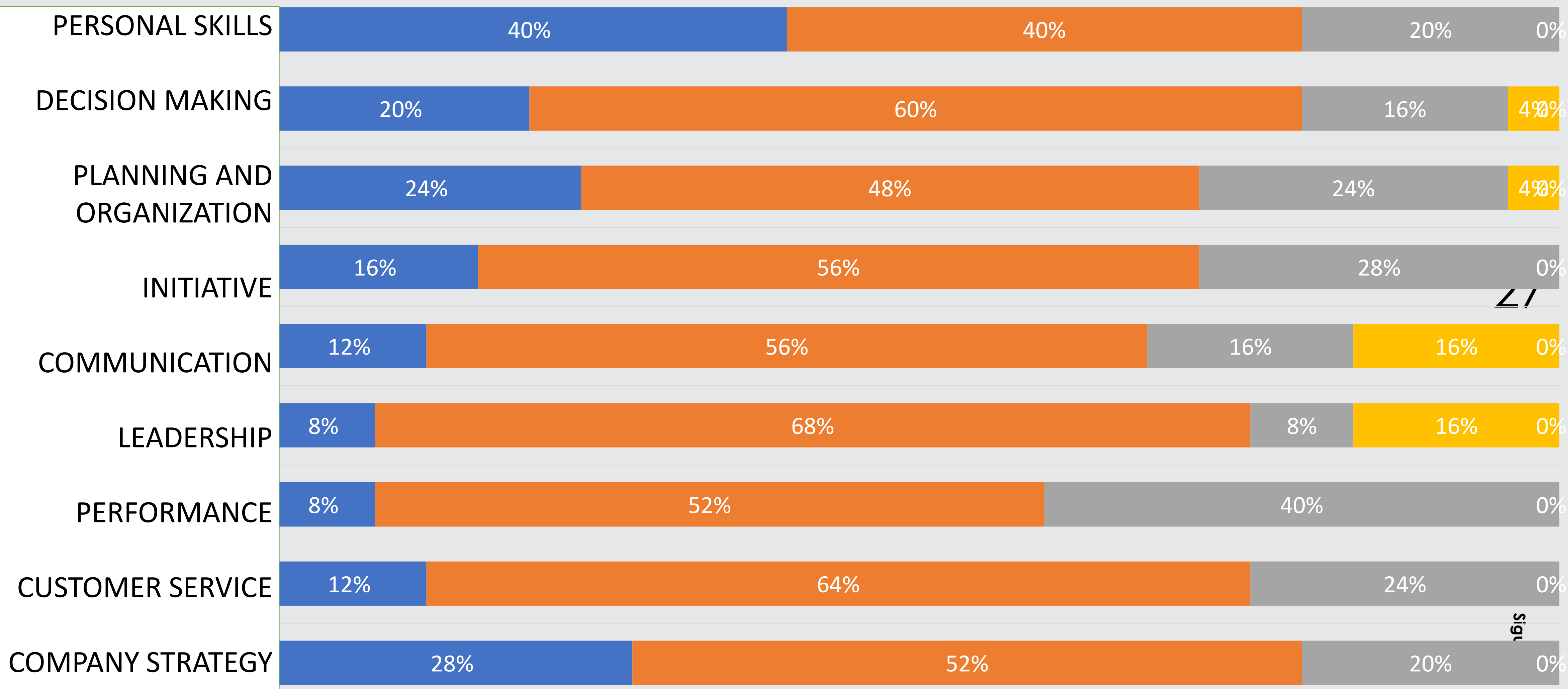
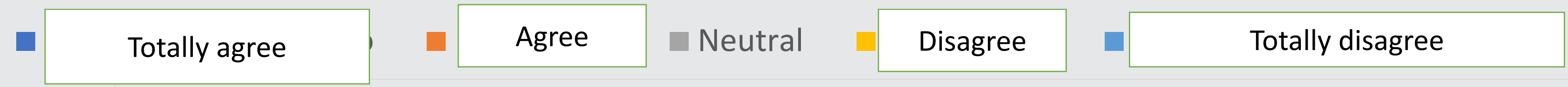
Overall, how would you rate the work performed by RUTH TOVAR BONILLA?



Exceptional Good Average Not Good enough Pretty bad



EVALUATION OF THE WORK PERFORMED BY RUTH TOVAR BONILLA

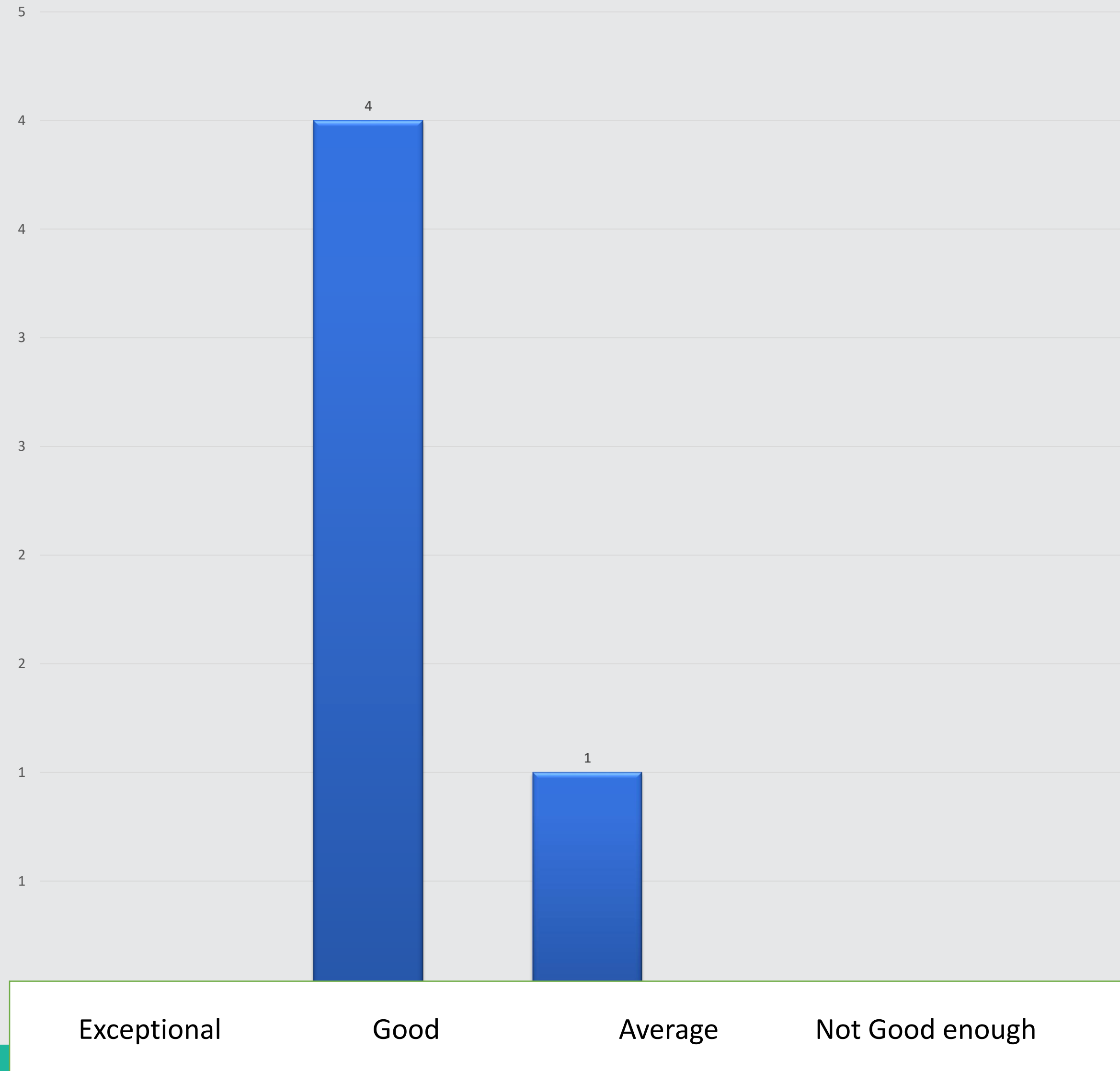




EVALUATION OF THE WORK CARRIED OUT BY MAURICIO GARCÍA MARTINEZ



Overall, how would you rate the work done by MAURICIO GARCIA MARTINEZ ?





EVALUATION OF THE WORK CARRIED OUT BY MAURICIO GARCÍA MARTINEZ



■ Totally agree ■ Agree ■ Neutral ■ Disagree ■ Totally disagree

PERSONAL SKILLS



DECISION MAKING



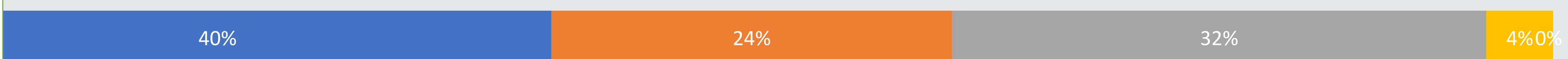
PLANNING AND ORGANIZATION



INITIATIVE



COMMUNICATION



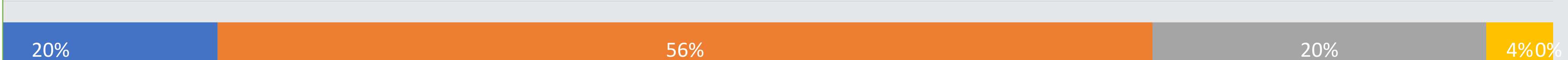
LEADERSHIP



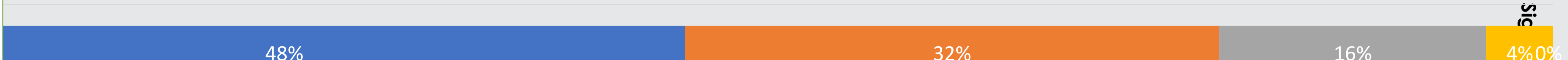
PERFORMANCE



CUSTOMER SERVICE



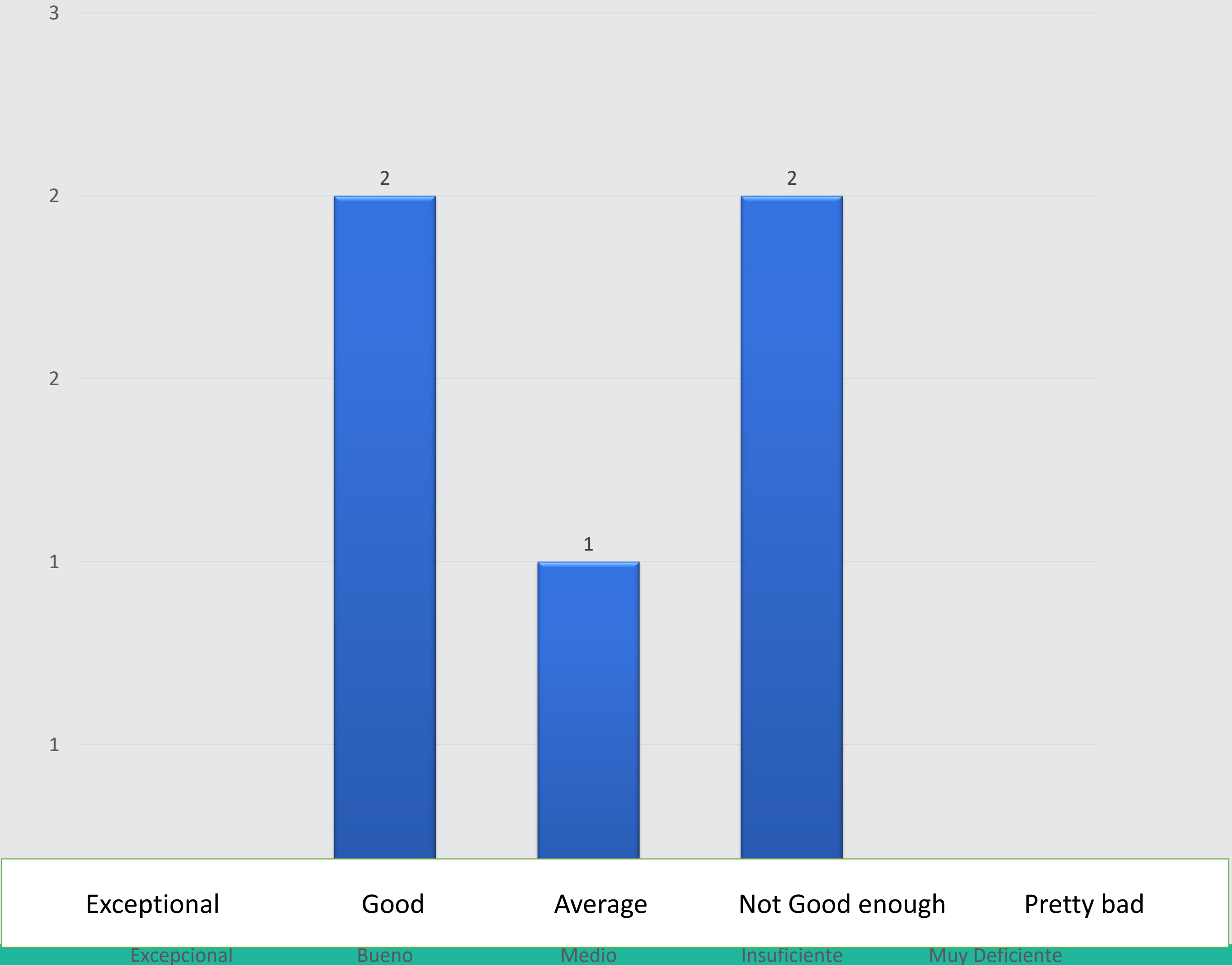
COMPANY STRATEGY



EVALUATION OF THE WORK PERFORMED BY DAVID MANUEL LAZCANO QUINTERO



Overall, how would you evaluate the work performed by DAVID MANUEL LAZCANO QUINTERO ?



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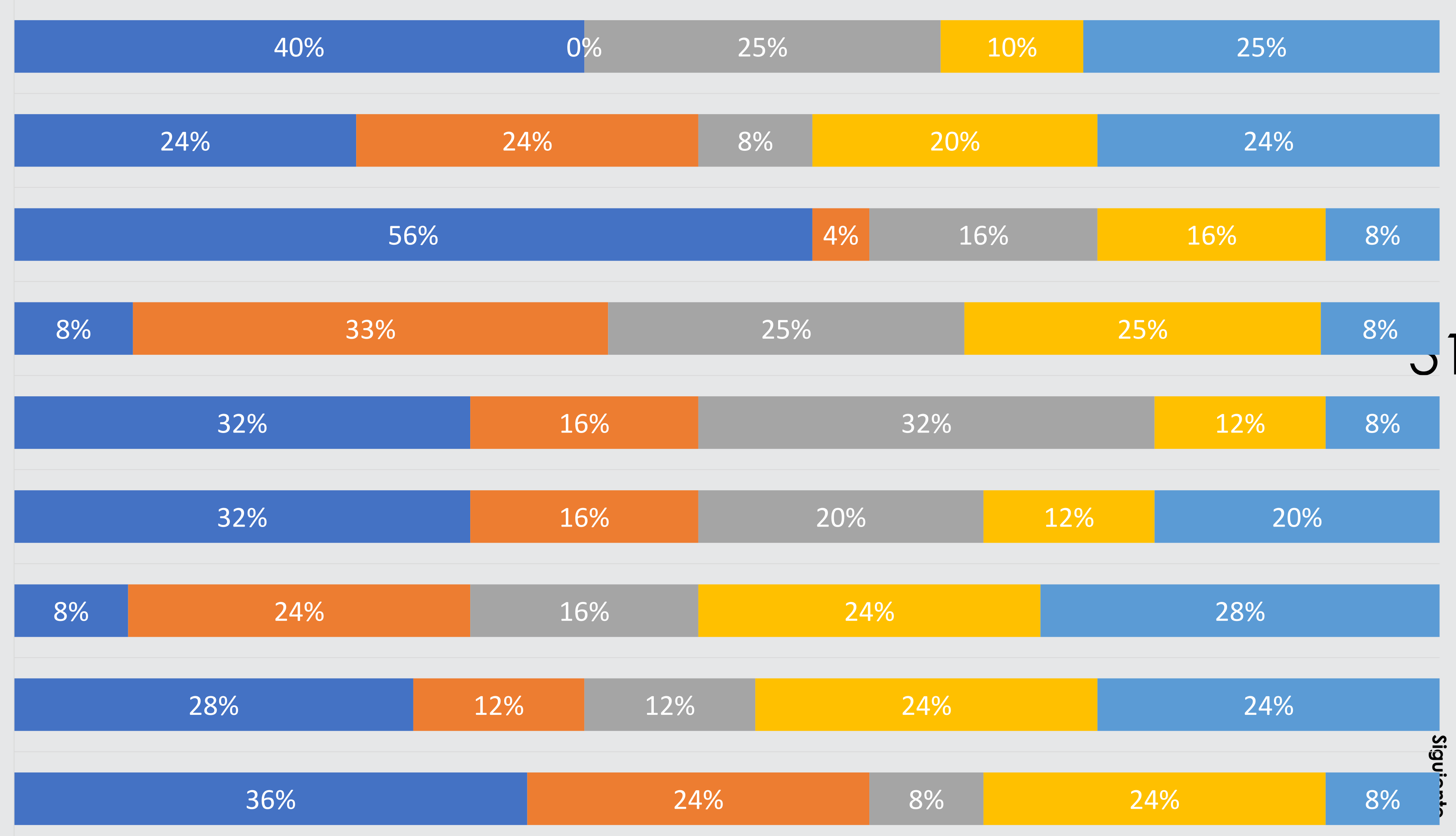


EVALUATION OF THE WORK PERFORMED BY DAVID M. LAZCANO QUINTERO



inWork | Training

- PERSONAL SKILLS
- DECISION MAKING
- PLANNING AND ORGANIZATION
- INITIATIVE
- COMMUNICATION
- LEADERSHIP
- PERFORMANCE
- CUSTOMER SERVICE
- COMPANY STRATEGY



siguiente



**RECOMMENDATIONS
AND PROPOSED
IMPROVEMENTS**





Recommendations

- ✓ As noted in the diagnosis, the structure of the organization does not correspond to the current requirements. Therefore, it is necessary to have an investment plan that allows SPP to have sufficient staff members that do match the profiles required for the positions.
- ✓ It is necessary to professionalize the organization seeking an organizational and operational structure according to current needs and future growth challenges.
- ✓ Current staff need to improve their processes and work systems approach so that they are ready for new projects. Strengthen horizontal work.
- ✓ Prompt restructuring of the operational team and achievable division of functions to better meet the demands and reach of the organization
- ✓ Review of workloads, delimitation of roles and scope of responsibilities
- ✓ It is required to form a team of high performance middle managers that are well capable of dealing with emerging requirements and demands
- ✓ Strengthening of assertive leadership in middle management and commitment to clear vision to advance in terms of expectations and growth regarding SPP Global.



Recommendations

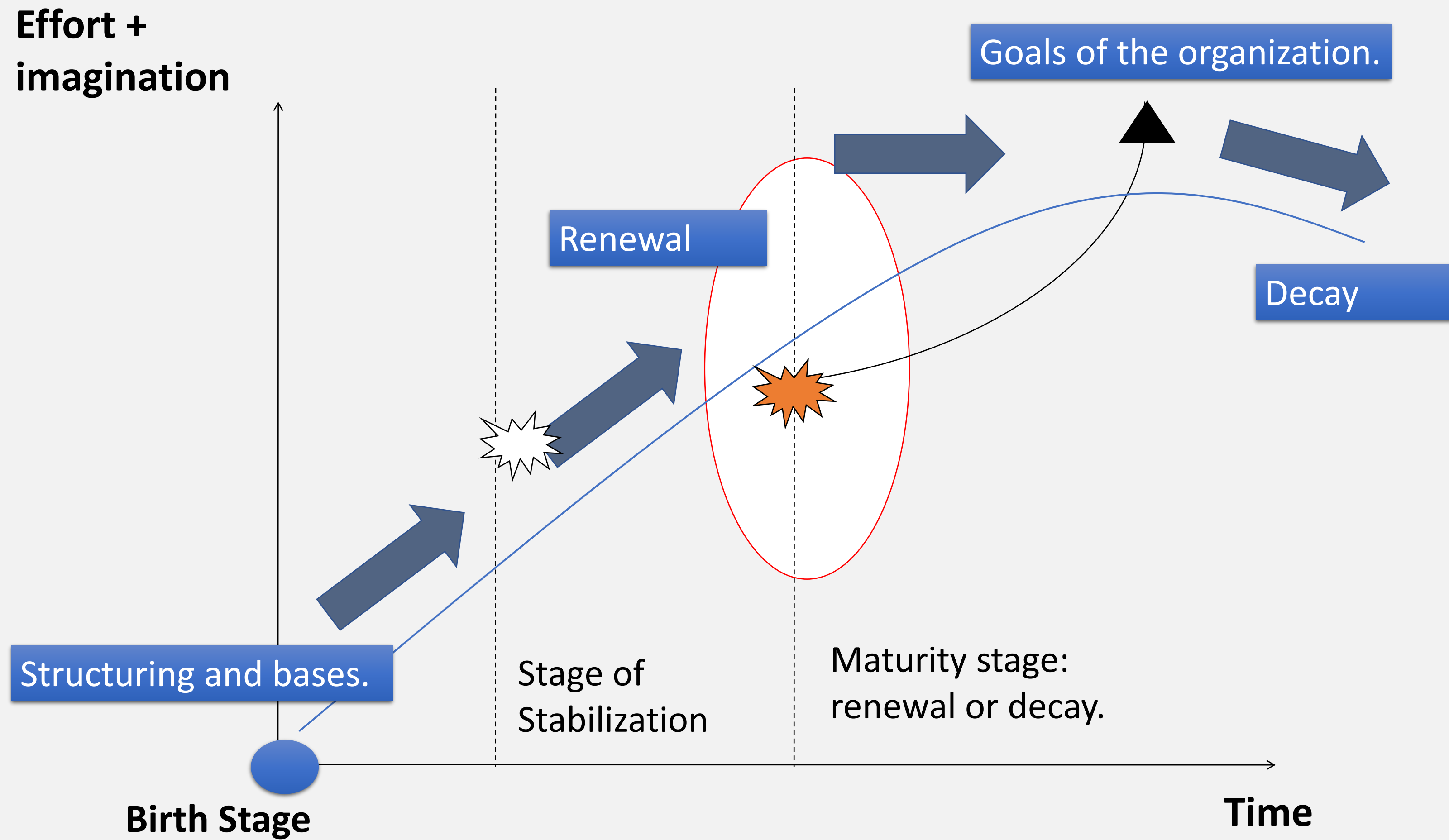
- ✓ The professionalization of the organization will imply an increased investment to have more qualified and skilled staff for the activities to be developed, so as to achieve their permanence in the organization.
- ✓ Foster employee identification with the vision, objective, mission and nature of the organization day by day.
- ✓ Develop and use digital tools that allow strategic planning to prepare department plans and programs with clear goals and constant performance evaluations.
- ✓ Improve internal induction and training process for new staff.
- ✓ Improve time management, planning and organization of activities.
- ✓ Review and improve operational team's processes related to external parties.
- ✓ Responsibility and awareness should be fostered to improve the quality of the internal and external service provided by the company.
- ✓ Implementation of work tools that facilitate follow up, monitoring and evaluation of activities by department.



ANNEXES



STAGES OF THE COMPANY





STAGES OF THE COMPANY

Characteristic	Description
Conditions are modified and cause inefficient responses and operations	Internal and external variables are constantly changing; if the organization does not implement renovation and change-response mechanisms, it's a loss in terms of efficiency
Procedures and routines do not work as before	Systems and procedures lose their effectiveness
Unalignment results in conflicts and tensions	Organization's efficiency loss is reflected in interactions between the people who make it up. People tend to find who's to blame rather than focusing on achieving goals
To adjust to change, a structural change is to take place	These unalignments require a new approach as to how to operate the organization. A change strategy must be adopted.





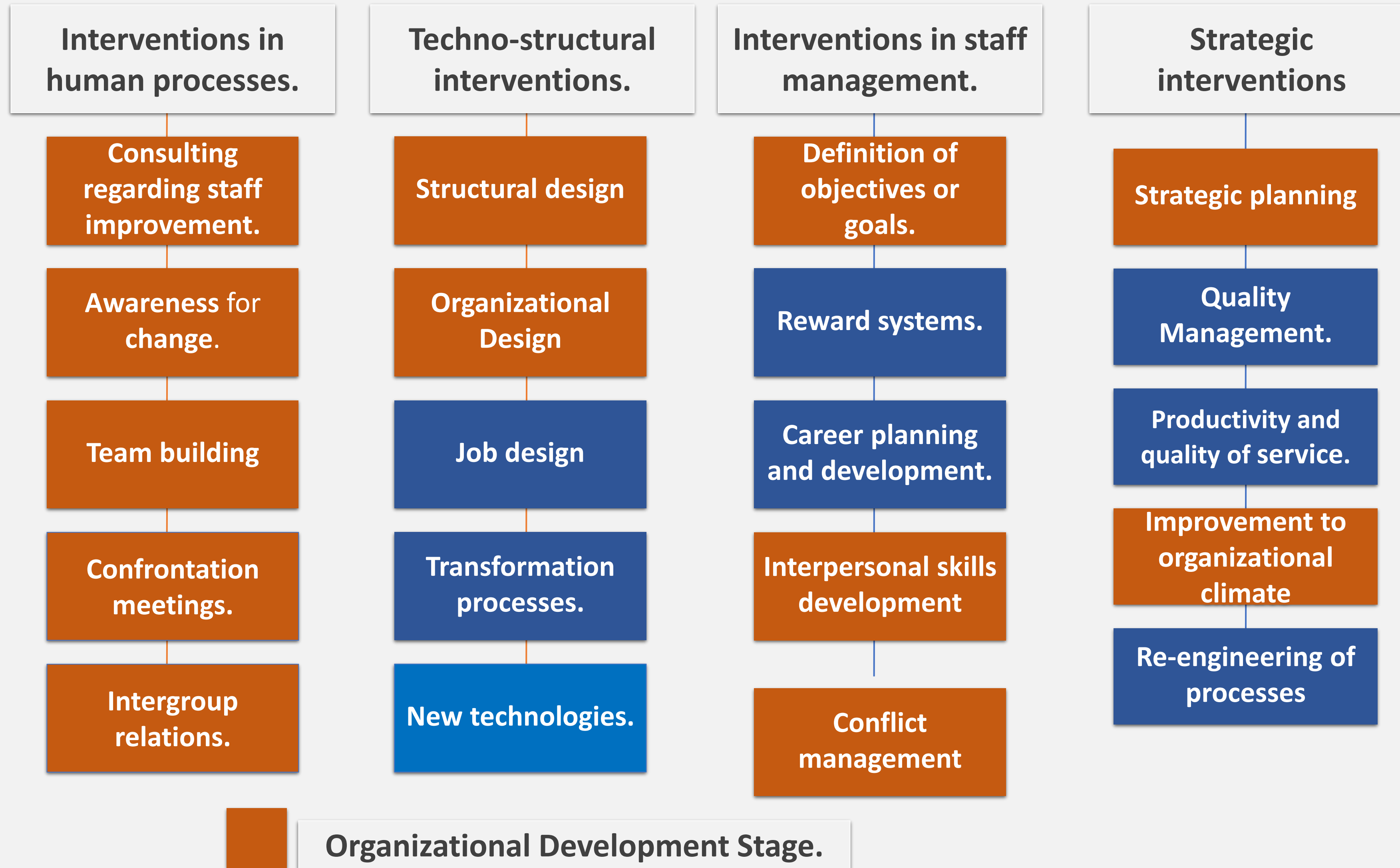
STAGES OF THE COMPANY

Characteristic	Description
If the service you provide ceases to exist or is modified, the company will disappear	Mission is updated; it's necessary to review initial foundations; identify deviations and set new goals, adopting a change strategy that ensures organizational continuity
Going back to the first stage is somehow mandatory	Birth stage offers flexibility regarding operations, a malleable and easy-to-adapt structure, initiative-centered leadership, <u>creativity</u> and innovation from people, as well as clear, continuous and informal communication
When going from one stage to another, crisis always occurs. This requires an adaptation effort from the organization	It's important to consider the consequences of the change stage, paying attention to signs of unwillingness to change, <u>so as to</u> take action against it
Well-managed crisis leads to evolving into the stage	It's recommended for change makers to have clear minds, team up with all people involved and keep fluid communication regarding progress made





SCHEME OF IMPROVEMENTS





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Contact

MBA. SC. César G. Romero García

Tel: 55 39938735

InWork Consultant