



VANTAGE POINT
see the present, shape the future

White Paper

The Development of Vantage Point™

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Executive Summary

Vantage Point™ is a values-based assessment tool that measures an organization's health and wellness. Based on the values and guiding principles of Organization Development (OD), the core concepts have evolved over time to reflect clients' experience that healthy workplaces tend to demonstrate certain capabilities. Namely, they show the ability to:

- **Cohere:** Seamlessly integrate people and systems in pursuit of the organization's core purpose
- **Engage:** Fully involve people
- **Adapt:** Continually improve, innovate, and develop
- **Lead:** Put core values into everyday practice.

Officially launched in July 2010, Vantage Point™ is the product of hundreds of hours of historical and live research into current

models, theories and practices. It was produced as a labor of love by a team of OD practitioners deeply experienced in the field. It has undergone peer review, beta testing, and rigorous reliability and validity testing by experts at Portland State University (Portland, Oregon, USA) to ensure the quality of information presented in its reports.

Why "Vantage Point?"

The tool was named "Vantage Point™," because it provides leaders with a window into underlying human dynamics that are key to organizational health but otherwise invisible.

Business Challenge

In July of 2010, under the auspices of the Oregon Organization Development Network, a team of OD consultants in the Pacific Northwest (Oregon, USA) assembled in common cause. Sharing a view of OD as the "art and science of co-creating healthy organizations" the group believed that if organizational health, as a construct, could be defined and measured, two important goals might be achieved.

1. It would serve to clarify OD as a field of practice within the business community.
2. It would also equip leaders with a practical tool for bringing opportunities to light that, with the help of OD professionals, would lead to developing healthier workplaces.

Taking this challenge to heart and encouraged by the work of Gallup, McKinsey and others showing a link between healthy workplaces and bottom line results, the team began examining these questions:

- What exactly is a healthy organization? What are its characteristics?
- How do these characteristics show up as employee perceptions and attitudes?

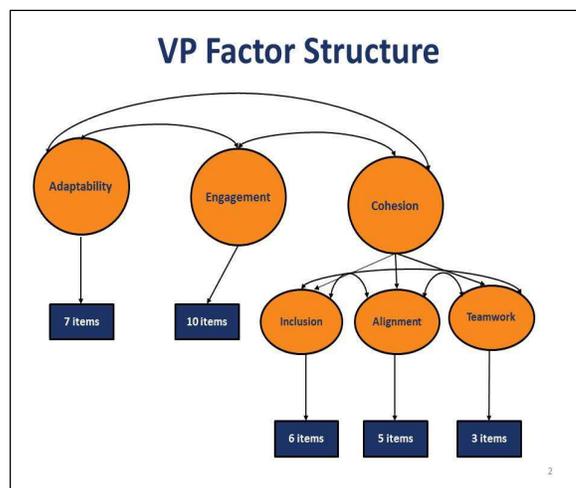
- Can a brief survey be developed to make these perceptions visible and measurable such that leaders might continuously improve workplace health?

This initial inquiry led to several discoveries. It became quickly apparent that no commonly accepted definition of organizational health existed within the field of OD, nor any standardized tool for assessing it. Thus, there was no way to measure, compare and discuss organizations using a common framework or reference point. It was also clear to the team that OD, as a profession, had failed to articulate a unifying definition of itself that conveyed a core purpose and encompassed the array of specialties in practice. This was evident by the number of specialty splinter groups springing up and by a lack of recognition from leaders in the business community that OD existed or might hold value for them. The team saw these unmet needs as a prime business opportunity with potential benefits for all parties.

Solution Description

The Vantage Point™ Model

As originally envisioned, Vantage Point™ would be a standardized survey containing the minimum number of items needed to cover the full spectrum of organizational health. The idea was to create an instrument, broad not deep, that would serve as an initial point of inquiry, enabling leaders to better see what was going on in their organization, select targets for change, sharpen their understanding of those areas through dialogue, and initiate a course of action.



The standardized portion of the Vantage Point™ survey has been refined through testing and now consists of 31 items that cluster into three scales or dimensions. One dimension, “cohesion,” further divides into three sub-scales.

During development, a debate emerged between proponents of standard vs. custom surveys that challenged the team to reconcile two apparently opposing views. The first claimed: “Every organization is the same. The factors used to assess the health of one can be used to assess the health of all.” The second asserted that “Every organization is different, the product of its own unique history, values, and success factors. The healthiest organizations have a strong sense of identity and are able to translate their core values into everyday practice by leaders who ‘walk

the talk’.” After concluding that both positions were true, “leadership” was added to Vantage Point™ as a customizable fourth dimension.

Thus, Vantage Point™ changed from being a purely standardized survey and became a “hybrid.” For clients, this meant that in addition to receiving feedback on the standard dimensions and survey items, those who could articulate their own cultural values would have the option of adding up to ten more items to assess “leadership” – the degree to which employees incorporate the organization’s stated values into their work routines and decision-making. Guidance for consultants in how to develop these items is contained in the User’s Guide.

In its construction, the survey uses an affirmative approach to emphasize and build upon strengths, instead of focusing exclusively on what is not working for the organization. This was a deliberate and conscientious choice, designed to celebrate the vitality of an organization (which otherwise is often overshadowed by perceived weaknesses) as well as to reduce the trepidation respondents often experience when asked to provide honest feedback about their work environment.

Marketing and Distribution

As originally planned, Vantage Point™ would be developed for mid-sized companies in the Portland, Oregon metro region and marketed as an affordable path to a healthier workplace. Along the way, however, it became clear that the survey was equally suitable for government agencies and non-profits. If organizational type wasn’t a factor in predicting client fit, something else was: forging explicit agreements with prospective clients during the pre-contracting stage to ensure that:

- The assessment was for a positive, developmental purpose
- The Executive Sponsor would be personally and actively involved
- Survey participants would be informed about:
 - The confidentiality of the survey process and the positive intentions behind it
 - The results of the survey and what will be done in response.

The original plan for distribution was to make Vantage Point™ available to the Portland metro business community and support it through a network of OD consultants who would either be pre-qualified to use the tool based on their experience or complete an accreditation training

Building a Foundation for “Leadership”

Assisting clients who wish to define their cultural DNA in order to populate the “leadership” portion of the survey is outside the scope of Vantage Point. Some clients, however, may wish to undertake this work before using Vantage Point, potentially creating an opportunity for consultants with the expertise to facilitate this process.

program. This business model began to change, however, after the authors met John Dutton and the staff at Synermetric who liked what they saw in Vantage Point™. The idea of a partnership evolved in which Synermetric would add Vantage Point™ to their portfolio of tools, partner with consultants to administer the survey, and provide global marketing and distribution.

In return, a team from Oregon Organization Development Network would provide the survey, construct a User's Guide, continue working to establish validity, support Synermetric's marketing efforts, and backstop requests for assistance received from users by Synermetric. As this partnership has evolved, so has our definition of "customer:" fellow OD consultants, internal or external, with experience in conducting organizational assessments who wish to incorporate Vantage Point™ into their work.

Benefits - The Theory behind Vantage Point™

The basic hypothesis of Vantage Point™ is that healthy workplaces perform better for all stakeholders: investors, staff, customers, and society. The authors further contend that organizational health, as a construct, can be defined, measured, and used by progressive leaders to develop higher levels of overall vitality and performance within their workplace.

As Vantage Point™ defines it, healthy organizations have the ability to adapt, cohere, and engage people fully. These capabilities:

- Represent the "common core" of organizational health inasmuch as they affect the vitality of every workplace,
- Can be defined through a universal set of indicators or checkpoints, and
- Can be measured through a survey that shows how employees view these checkpoints through the lens of their daily experience.

The authors see "leadership" (defined as the ability of those in leadership roles to translate stated values into everyday practice through their words and actions) as a fourth capability that healthy organizations demonstrate. Unlike the other three, however, creating a useful measure of leadership is best done on a case-by-case basis, by adding custom survey items that reflect the particular guiding lights of the client organization.

As our theory predicts that healthy organizations, as measured by the Vantage Point™, produce better, more satisfying outcomes for all concerned, it's fair to ask: "What are the benefits that accrue to healthy organizations and what evidence shows this?"

After more than a decade of research and experience, McKinsey and company have substantiated the link between organizational health and performance¹. They have concluded that at least 50% of any organization’s long-term success is driven by health factors. The authors of Vantage Point™ have high confidence in our ability to independently confirm this linkage as the Vantage Point™ database grows and our validation plans unfold (see Reliability and Validity Testing, below).

Beta Testing

Beta #1 (February 2012 – December 2012)

Organization type: Public Utility, Engineering Group

Number of survey respondents: 160

Client Liaison: Manager, Administration

Executive Sponsor: Chief Engineer

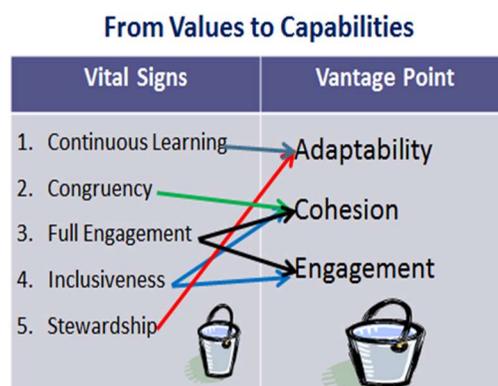
Overview: Consultants from the Vantage Point™ team worked with agency leaders to plan, communicate and administer the survey; review and respond to survey feedback; and develop action plans at the group level aligned with the four top priorities:

1. Accountability
2. Change readiness
3. Work environment
4. Resources utilization

Client Experience: “The information gleaned from the work was definitely critical. I think the most important part was the individual supervisors and the action plans they developed. It has changed how they do things.” (Quote from Client Liaison)

Lessons Learned:

- The five values underpinning the survey and used to structure the feedback report had not been internalized or embraced by the client’s leadership team as compass points for navigating their journey to organizational health and fitness. They were too numerous



¹ Keller, Scott and Price, Colin, “Organizational Health: The Ultimate Competitive Advantage,” *McKinsey Quarterly*, June 2011

and too abstract. In response, Vantage Point™ developers reorganized the survey to cluster into three pragmatic “capabilities.”

- The beta version of Vantage Point™ included several open-ended items designed to elicit comments that the consultants distilled into themes. Substantial time was required to scrub respondents’ comments for confidentiality and categorize them into recurring themes. Rather than enriching the data and helping the leadership team select opportunities, however, the comments seemed to be a distraction.
- The original survey platform used to run Vantage Point™ proved woefully inadequate to produce the number of reports (26) the client required. The team realized it needed a more flexible, robust survey engine, causing a search that ultimately led to a partnership with Synermetric.

Beta #2 (June 2014 – October 2014)

Organization type: Global capital equipment manufacturer

Number of survey respondents: 170

Client Liaison: VP Human Resources

Executive Sponsor: CEO

Overview: While planning followed the same path as the Beta #1, the client’s expectations were different. Rather than producing survey reports for every work group, this client wanted a single report at the organizational level with demographic breakouts by location, gender, age and length of service. Having already worked to clarify and instill the vision, mission and values into the organization, this client enthusiastically embraced the opportunity to test the degree of alignment by customizing the survey. Working together, consultants and clients developed an additional ten affirmations and sent these to Synermetric for inclusion in the “leadership” portion of the survey.

Lessons Learned

- Beta #2 represented the first opportunity to test the operational side of the partnership with Synermetric. Survey set-up, administration, customization and report preparation all went smoothly and easily. This was a vast improvement over Beta #1, and the Vantage Point™ team was delighted.

- The data from Beta #2 were used by Dr. Jennifer Rineer at Portland State University to test the reliability of Vantage Point™. The results of a Cronbach's Alpha test were above .9 for each construct, showing the three scales (adaptability, cohesion, engagement) to be highly reliable (see Reliability and Validity Testing).
- Again, the open-ended comments were problematic. Ensuring confidentiality and anonymity proved difficult. Categorizing and tallying comments to develop themes was time-consuming and once again had negligible value in helping the client team complete its primary task: selecting the items they most wanted to investigate further and ultimately change. Until these priorities come into focus, we have concluded that it is not helpful to invite anonymous responses to broad, open-ended questions. As a result, the Vantage Point™ team decided to remove these from the survey.
- There were pros and cons to having only a single, organizational level report. It was much simpler and easier to work with, and, while the location demographic did enable broad comparisons by location, the absence of breakout reports by work group prevented the dynamic that can occur when each manager's results are visible. As one person said in a meeting to debrief survey results: "As group leaders we each create our own sub-culture. I would like to have seen the results for my group."

Reflecting on both beta tests, we learned that providing feedback (reports) at the group leader level can have value in opening lines of communication and developing leaders. It is not without risks, however, and is most likely to be successful when:

- The purpose is developmental, not evaluative, and the environment is supportive.
- Confidentiality is maintained by establishing a minimum number of respondents for report generation. We used six.
- The assessment plan includes providing support for leaders in interpreting their reports, conducting debriefs with their teams, and creating action plans.

Client Experience: The VP of Human Resources said that the survey and subsequent dialogue brought insights to light that led to improvement initiatives in several areas, including performance management, employee benefits, and communication.

Reliability & Validity Testing

Reliability Testing

After the two beta tests, the team worked with Dr. Jennifer Rineer and Dr. Frankie Guros from the Industrial/Organizational Psychology track of the Applied Psychology Department of Portland State University to determine the reliability and validity of the instrument. Using the data from the Beta #2, Dr. Rineer conducted a Cronbach's Alpha Test² to assess the reliability of the three scales - adaptability, engagement, and cohesion. The results of this test (.92, .92, .93 respectively) were substantially above the threshold required for reliability (.7), indicating that the three scales were discrete factors and that the items within each scale were related to each other. Exploratory Factor Analysis³ (EFA) revealed that one of the three factors, cohesion, seemed to consist of several sub-scales. Further analysis resulted in the identification of three sub-scales within cohesion: teamwork, alignment, and inclusion. Sub-dividing "cohesion" in this way made sense from both a statistical and OD point of view. The fact that "inclusiveness" had been one of the original five Vital Signs seemed to corroborate this factor. Further testing is underway to establish the reliability of the cohesion sub-scales.

Through the course of reliability testing, several key revisions were made to the survey. The number of survey items was reduced from forty-one to thirty-four. Survey items were carefully reviewed to ensure clarity, single focus, and cultural neutrality. To avoid acquiescence bias and provide a more concrete frame of reference, the response scale was changed from a 5-point (Likert) scale of agreement to a 5-point (Likert) frequency scale.

Validity Testing

Face and Content Validity

Face validity, the extent to which a test is subjectively seen as measuring the concept it purports to measure, is readily achieved by Vantage Point™. When experienced managers see the dimensions and read the survey, they are quick to recognize that employee perceptions about these things matter, that they tie directly to on-the-job behavior, productivity, and ultimately, business success.

² Santos, J. Reynaldo A. "Cronbach's alpha: A tool for assessing the reliability of scales." *Journal of extension* 37.2 (1999): 1-5.

³ Gorsuch, Richard L. "Exploratory factor analysis." *Handbook of multivariate experimental psychology*. Springer US, 1988. 231-258.

Content validity, the degree to which experts view survey content as reflecting the idea of a “healthy organization” was established through peer review⁴. The fact that Vantage Point™ was designed by a team of experts, thoroughly researched, vetted with peers, and refined through beta testing, makes for a strong case that Vantage Point™ covers the full range of factors associated with and indicative of a healthy organization.

Criterion Validity and Model Fit – September 2015 Testing

Criterion validity measures how well the set of variables that comprise Vantage Point™ correlate with other criteria that experts generally regard as being associated with healthy, effective organizations. “Model fit” assesses how well the factor structure “works” by measuring the strength of the relationship between individual survey items and the dimensions they are measuring. In October of 2015, Dr. Guros at Portland State University conducted a study of 263 respondents to address these two questions for Vantage Point.⁵

Using Pearson’s r^6 (correlation coefficient) a positive correlation was established between scores on Vantage Point’s factors and respondent attitudes toward other important indicators: job satisfaction, energy level, job performance (self-reports), intention to remain with employer, and organizational affiliation. Dr. Guros concluded that the strength of the correlations constituted evidence for “initial concurrent criterion validity.”

Using Confirmatory Factor Analysis⁷ (CFA), Dr. Guros determined that the Vantage Point model had an acceptable statistical fit. Further analysis of the CFA data revealed, however, that the fit would be stronger if some “weaker” items, those less strongly associated with their factors, were removed. Careful review by subject matter experts determined that three survey items could be removed without damaging the integrity of the tool, leaving thirty-one items in the survey. Removing these items enabled Vantage Point to meet the widely accepted standard for model fit (CFI = .90, RMSEA = .08⁸).

⁴ Peer review was conducted on October 21, 2011 using a small group design in which participants (33) at an Oregon ODN program meeting were asked to chart the values and practices of a “healthy organization” then asked to gauge the alignment with Vantage Point (then Vital Signs). 80% cited the degree of alignment as “high.”

⁵ Vantage Point Factor Structure and Initial Validity Testing: Results Summary, Frankie Guros, Portland State University, October 22, 2015

⁶ Ahlgren, Per, Bo Jarneving, and Ronald Rousseau. "Requirements for a cocitation similarity measure, with special reference to Pearson's correlation coefficient." *Journal of the American Society for Information Science and Technology* 54.6 (2003): 550-560.

⁷ Harrington, Donna. *Confirmatory factor analysis*. Oxford University Press, USA, 2008.

⁸ Hu, L. T., & Bentler, P. M. (1999). Cutoff criteria for fit indexes in covariance structure analysis: Conventional criteria versus new alternative. *Structural Equation Modeling*, 6, 1–55.