Bureaucratic Mass Index Survey Results

Beyond Budgeting Roundtable/MLAB
November 2016
Q1. Roughly, how many organizational layers are there in your organization?

![Bar chart showing the distribution of organizational layers.

- All respondents
- Respondents in companies with 5k+ employees

Average for all respondents: 6
Average for respondents in organizations with 5k+ employees: 7.2

Source: MLAB BMI Survey for BBRT (n=81)
Q2: As you think about the level of supervision and oversight you receive from your boss, do you feel generally under-managed or over-managed?

<table>
<thead>
<tr>
<th></th>
<th>Under-managed</th>
<th>Neither over- or under-managed</th>
<th>Over-managed</th>
</tr>
</thead>
<tbody>
<tr>
<td>All respondents</td>
<td>18%</td>
<td>57%</td>
<td>25%</td>
</tr>
<tr>
<td>Non-managers</td>
<td>7%</td>
<td>57%</td>
<td>36%</td>
</tr>
</tbody>
</table>

Source: MLAB BMI Survey for BBRT (n=81)
Q3. How many direct reports does your boss have?

All respondents

Average for all respondents: 6.3

Source: MLAB BMI Survey for BBRT (n=81)
Q4. How much time do you spend on bureaucratic chores that you believe of are of limited practical value?

Source: MLAB BMI Survey for BBRT (n=81)
Q5. Which processes would you rate as “very” or “quite” valuable?

- Training: 68%
- Strategic planning: 60%
- Target setting: 46%
- Mgmt reporting: 43%
- Staff meetings: 40%
- Personal Perf. Review: 30%
- Budgeting: 23%

Source: MLAB BMI Survey for BBRT (n=81)
Q6: As you think about the role of functional staff in your organization, do you feel they devote most of their energy to improving business results or ensuring compliance?

<table>
<thead>
<tr>
<th></th>
<th>Mostly on Business Results</th>
<th>A Balance of Business Results and Compliance</th>
<th>Mostly on Compliance</th>
</tr>
</thead>
<tbody>
<tr>
<td>All respondents</td>
<td>19%</td>
<td>39%</td>
<td>42%</td>
</tr>
<tr>
<td>“Line” respondents</td>
<td>14%</td>
<td>28%</td>
<td>58%</td>
</tr>
</tbody>
</table>

Source: MLAB BMI Survey for BBRT (n=81)
Q7: What percentage of employees in your organization have 20% or more of their compensation tied to customer satisfaction, profitability or other external performance targets?

5% or less of employees: 53% of respondents

30% or less of employees: 76% of respondents

Source: MLAB BMI Survey for BBRT (n=81)
Q8. What percentage of your interactions with your manager and functional leaders are focused on internal issues (e.g., resolving disputes, securing resources, getting approvals)?

Size of respondent’s organization

- <1k employees: 40%
- 1-5k employees: 44%
- 5k+ employees: 52%

Source: MLAB BMI Survey for BBRT (n=81)
Q9: What percentage of employees have the discretionary authority to spend $1,000 or more of the company’s money?

- 5% or less of employees: 31% of respondents
- 10% or less of employees: 65% of respondents

Source: MLAB BMI Survey for BBRT (n=81)
Q10: How much control do you feel you have over your work environment?

<table>
<thead>
<tr>
<th></th>
<th>Substantial/tot control</th>
<th>Modest to no control</th>
</tr>
</thead>
<tbody>
<tr>
<td>All respondents</td>
<td>66%</td>
<td>44%</td>
</tr>
<tr>
<td>Non-managers</td>
<td>21%</td>
<td>79%</td>
</tr>
</tbody>
</table>

Source: MLAB BMI Survey for BBRT (n=81)
Q11: What percentage of employees have access to detailed performance data (e.g., financial, operational, customer) for their unit and other units in the organization?

- 10% or less of employees: 33% of respondents
- 25% or less of employees: 63% of respondents

Source: MLAB BMI Survey for BBRT (n=81)
Q12: In your organization, how common is it for individuals to dissent and challenge their leaders?

<table>
<thead>
<tr>
<th></th>
<th>All respondents</th>
<th>Large company respondents (5k+ employees)</th>
</tr>
</thead>
<tbody>
<tr>
<td>It’s relatively common</td>
<td>42%</td>
<td>27%</td>
</tr>
<tr>
<td>It sometimes happen (need a bulletproof case)</td>
<td>29%</td>
<td>43%</td>
</tr>
<tr>
<td>It rarely happens (can be career limiting)</td>
<td>29%</td>
<td>30%</td>
</tr>
</tbody>
</table>

Source: MLAB BMI Survey for BBRT (n=81)
Q13: When it comes to your organization’s values, how closely does the reality match the rhetoric?

<table>
<thead>
<tr>
<th></th>
<th>Close to relatively close match</th>
<th>Modest to significant gap between rhetoric and reality</th>
</tr>
</thead>
<tbody>
<tr>
<td>All respondents</td>
<td>29%</td>
<td>61%</td>
</tr>
<tr>
<td>Large company respondents (&gt;5k employees)</td>
<td>17%</td>
<td>83%</td>
</tr>
</tbody>
</table>

Source: MLAB BMI Survey for BBRT (n=81)
Q14: Think of your department or business—what percentage of its budget (CAPEX/OPEX) is devoted to what you would regard as truly innovative projects?

5% or less of budget on innovative projects

25% of respondents

10% or less of budget on innovative projects

52% of respondents

Source: MLAB BMI Survey for BBRT (n=81)
Q15: Roughly, what percentage of your time is devoted to innovating vs. short-term priorities?

- 5% or less of my time: 17% of respondents
- 10% or less of my time: 52% of respondents

Source: MLAB BMI Survey for BBRT (n=81)
Q16: How easy is it for a regular employee to get a new project off the ground in your organization?

% Indicating “Difficult/Very Difficult,” by size of respondent’s organization

<table>
<thead>
<tr>
<th>Organization Size</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>1-100 employees</td>
<td>20%</td>
</tr>
<tr>
<td>100-1k employees</td>
<td>44%</td>
</tr>
<tr>
<td>1-5k employees</td>
<td>52%</td>
</tr>
<tr>
<td>5-10k employees</td>
<td>53%</td>
</tr>
<tr>
<td>10k+ employees</td>
<td>80%</td>
</tr>
</tbody>
</table>

Source: MLAB BMI Survey for BBRT (n=81)
Q17: What percentage of employees would regard innovation (e.g., in product, process, work methods) as part of their job?

% Indicating 20% of employees or less, by size of respondent’s organization

- 1-100 employees: 30%
- More than 100 employees: 73%

Source: MLAB BMI Survey for BBRT (n=81)
Q18: As you think about the major programs launched in your organization in recent years, do they seem focused on:

<table>
<thead>
<tr>
<th>Focus</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Creating the future</td>
<td>25%</td>
</tr>
<tr>
<td>An even mix</td>
<td>33%</td>
</tr>
<tr>
<td>Catching up</td>
<td>42%</td>
</tr>
</tbody>
</table>

Source: MLAB BMI Survey for BBRT (n=81)
Q19: To what extent do you believe the beliefs, biases, and loyalties of the top team are a barrier to proactive change in your organization?

<table>
<thead>
<tr>
<th>Not an impediment</th>
<th>Somewhat of an impediment</th>
<th>A significant impediment</th>
</tr>
</thead>
<tbody>
<tr>
<td>35%</td>
<td>29%</td>
<td>36%</td>
</tr>
</tbody>
</table>

Source: MLAB BMI Survey for BBRT (n=81)
Q20: To what extent does bureaucratic wrangling distort decisions, divert energy from value creating activities, and/or create negative energy?

% Indicating a “significant” impact, by size of respondent’s organization

- 1-100 employees: 10%
- 100-1k employees: 25%
- 1-5k employees: 52%
- 5-10k employees: 53%
- 10k+ employees: 54%

Source: MLAB BMI Survey for BBRT (n=81)
Q21: Over the last few years, do you feel your organization has become more bureaucratic or less so?

<table>
<thead>
<tr>
<th>Option</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less/Significantly Less</td>
<td>16%</td>
</tr>
<tr>
<td>No Change</td>
<td>34%</td>
</tr>
<tr>
<td>More/Significantly More</td>
<td>50%</td>
</tr>
</tbody>
</table>

Source: MLAB BMI Survey for BBRT (n=81)
Q22: To what extent do you believe each of the following factors constitutes a barrier to reducing bureaucracy within your organization?

- Those with power don’t want to give it up: 50%
- Front-lines lack skills / information: 48%
- Bureaucracy is familiar: 47%
- The complexity of business: 29%
- Hard to maintain control without bureaucracy: 28%

Source: MLAB BMI Survey for BBRT (n=81)
Q23: How many employees work in your organization?

- 1-100: 19%
- 100-1000: 19%
- 1000-5000: 29%
- 5000-10000: 20%
- 10000+: 13%

Source: MLAB BMI Survey for BBRT (n=81)
Q24: Which of the following most closely resembles your job title in the organization?

- Individual Contributor/Associate: 24%
- Manager: 33%
- Director: 18%
- VP: 13%
- SVP/EVP: 6%
- CEO/MD: 6%

Source: MLAB BMI Survey for BBRT (n=81)
Q25: What industry are you in?

- Financial Services and Insurance
- Technology and Media
- Manufacturing
- Professional Services
- Consumer products
- Non-profit
- Life Sciences and Health Care
- Public Sector
- Energy & Resources
- Transportation

Source: MLAB BMI Survey for BBRT (n=81)
Q26: Which of the following best describe your job function?

- Finance & Accounting
- Information Technology
- General Business
- Project Management
- Strategy & Planning
- Business Development
- Product Development & Management
- Research & Development
- Sales & Account Management
- Customer Service
- Human Resources
- Marketing & PR
- Administration

Source: MLAB BMI Survey for BBRT (n=81)