



SUCCESS IN CHANGE

HUNGARIAN CHANGE READINESS INDEX 2019

A study by Staufen AG

STAUFEN.

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ABOUT THE SURVEY:

FOR THE „**HUNGARIAN CHANGE READINESS INDEX 2019**“, MANAGEMENT CONSULTANCY STAUFEN SURVEYED **A TOTAL OF 104 COMPANIES** IN HUNGARY ON THE SUBJECT OF „SUCCESS IN CHANGE“.

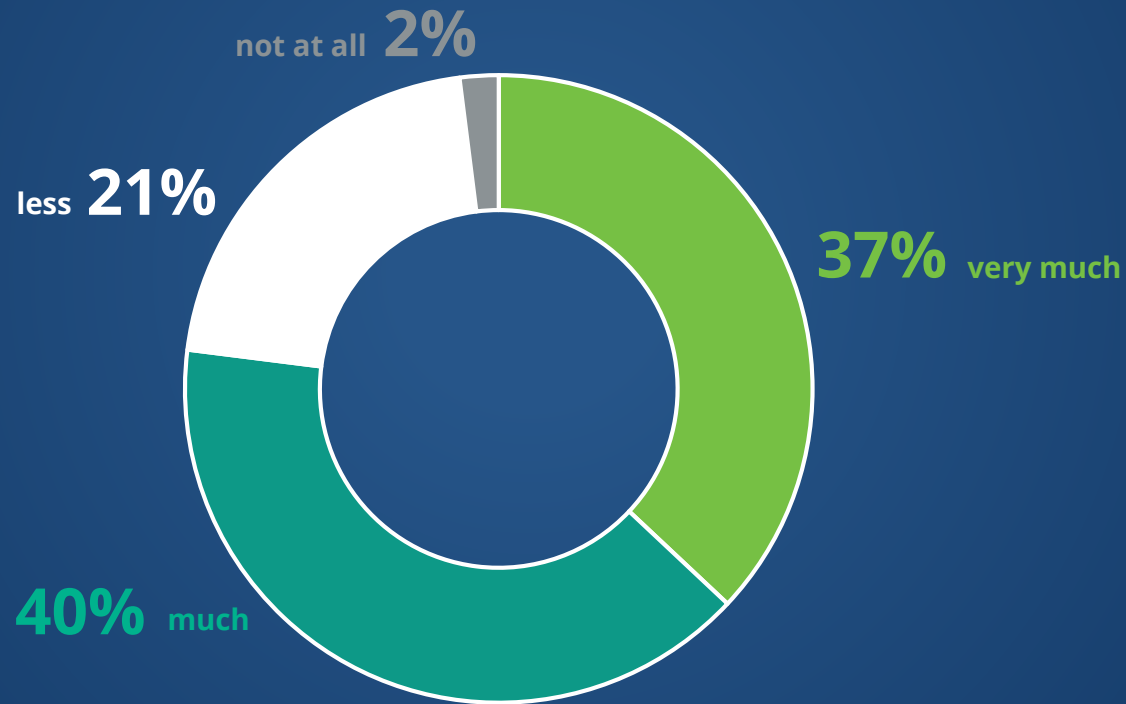
THE SURVEY TOOK PLACE **IN SPRING – SUMMER 2019**.

57 PERCENT OF THE COMPANIES SURVEYED COME FROM
THE AUTOMOTIVE INDUSTRY
THE ELECTRICAL INDUSTRY
THE MECHANICAL AND
PLANT ENGINEERING INDUSTRY.

PART 1:

GENERAL QUESTIONS.

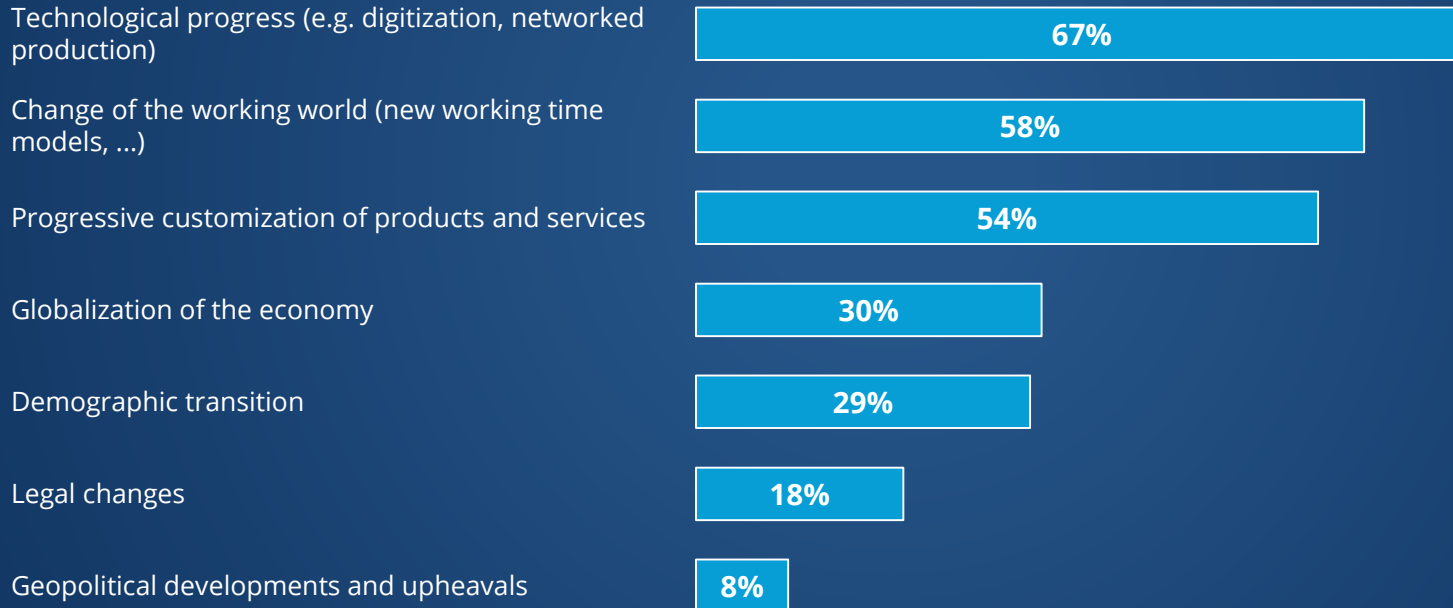
1.1: How much has your business changed over the past two years?



In Hungary three quarters of the companies are experiencing major changes

1.2: What were the main drivers of this transition?

Only participants who have stated in the previous question that their company has changed very much or much.



Participants were allowed to choose up to 4 options

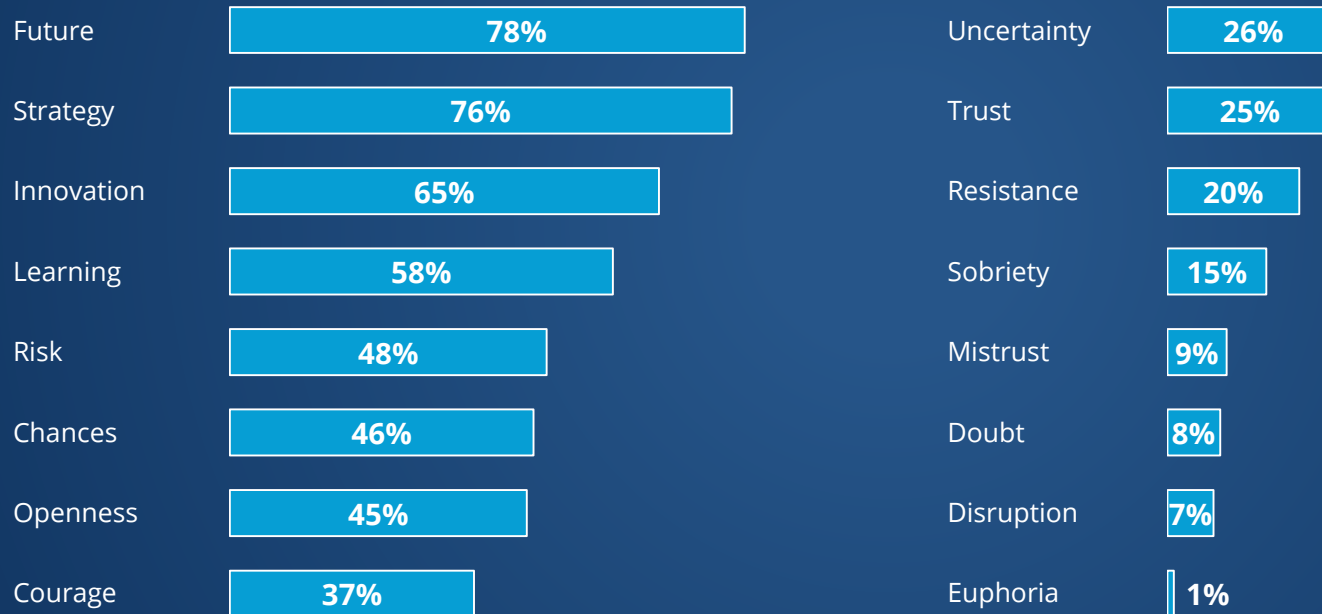
Technological progress and digitalization is the main driver of change

1.3: Which of the following terms do you associate with the topic of transition?



A good strategy is essential
to keep up in times of change

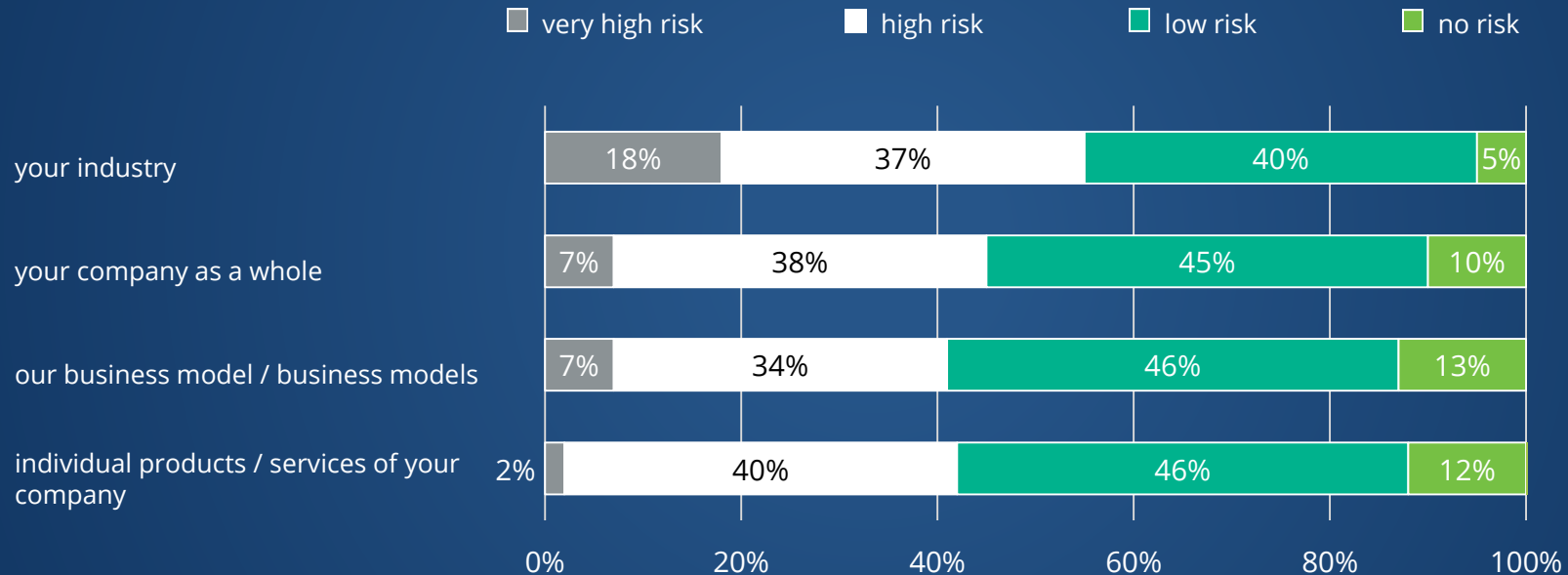
1.3: Which of the following terms do you associate with the topic of transition?



Participants were allowed to choose up to 8 options

**A good strategy is essential
to keep up in times of change**

1.4: To what extent do you generally see a risk of disruption for ...

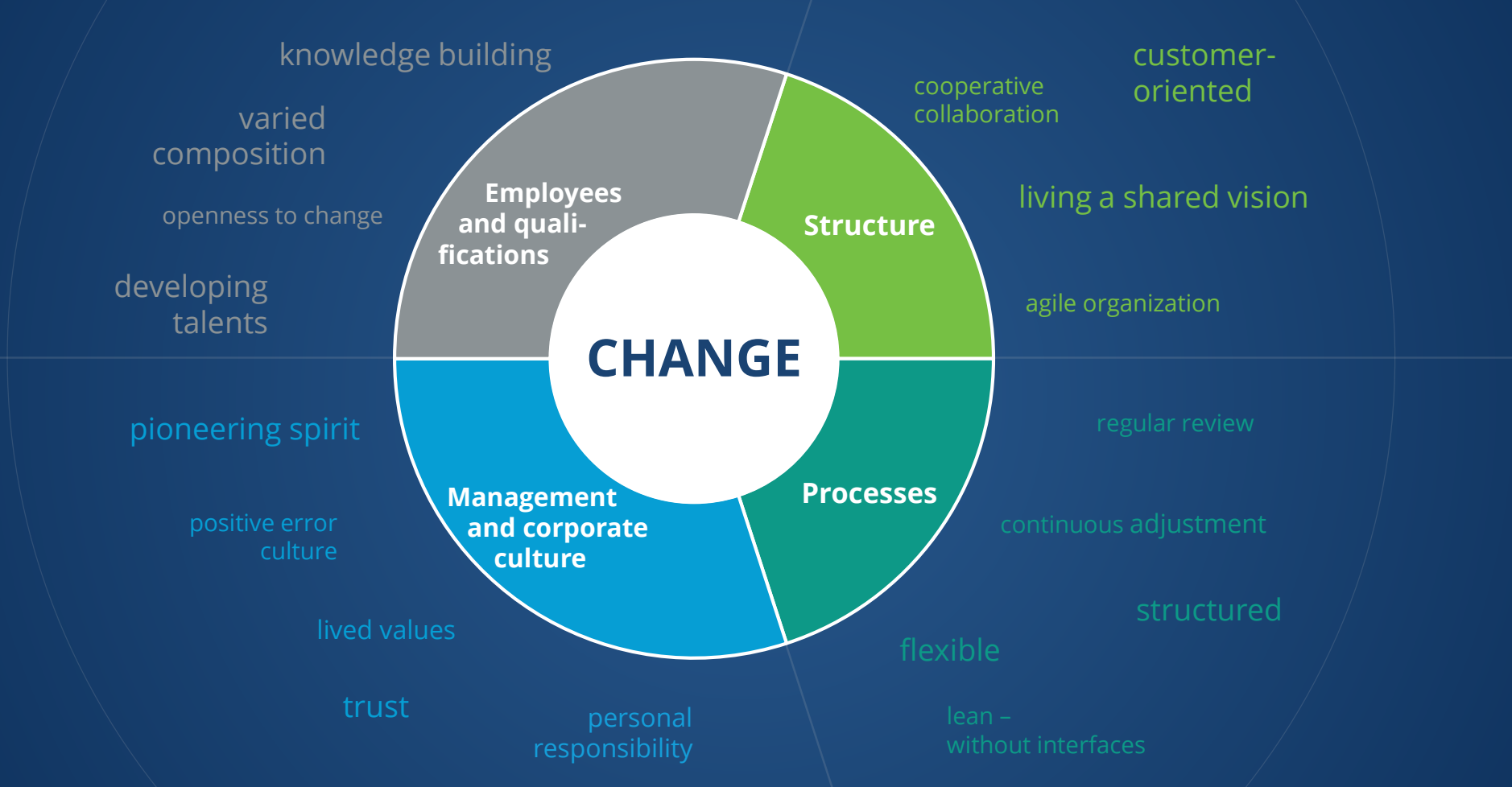


Risk of disruption is seen in every second company, especially in their own industry

PART 2:

CHANGE

READINESS INDEX.



Success factors of change

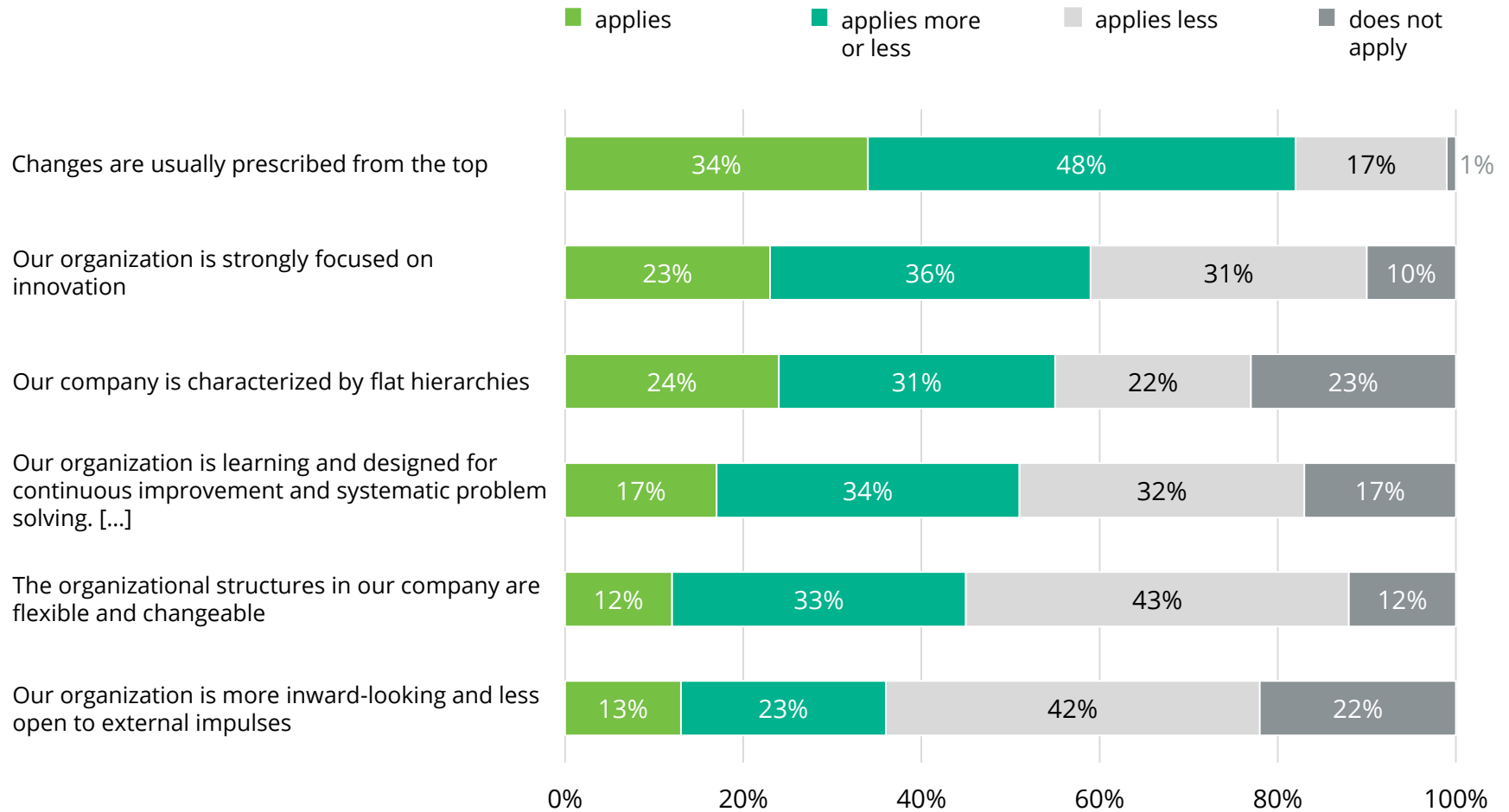
PART 2.1:

CHANGE

READINESS INDEX -

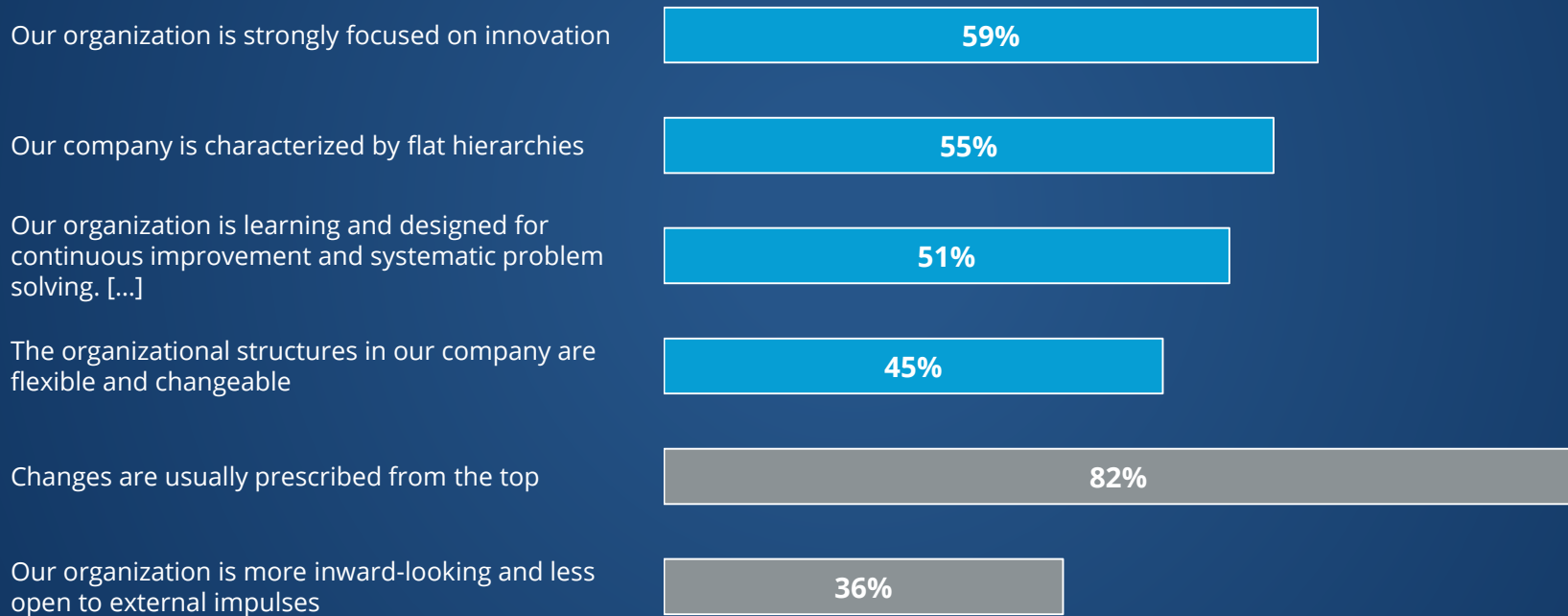
STRUCTURE.

2.1.1: What characterizes your organizational structures?



2.1.1: What characterizes your organizational structures?

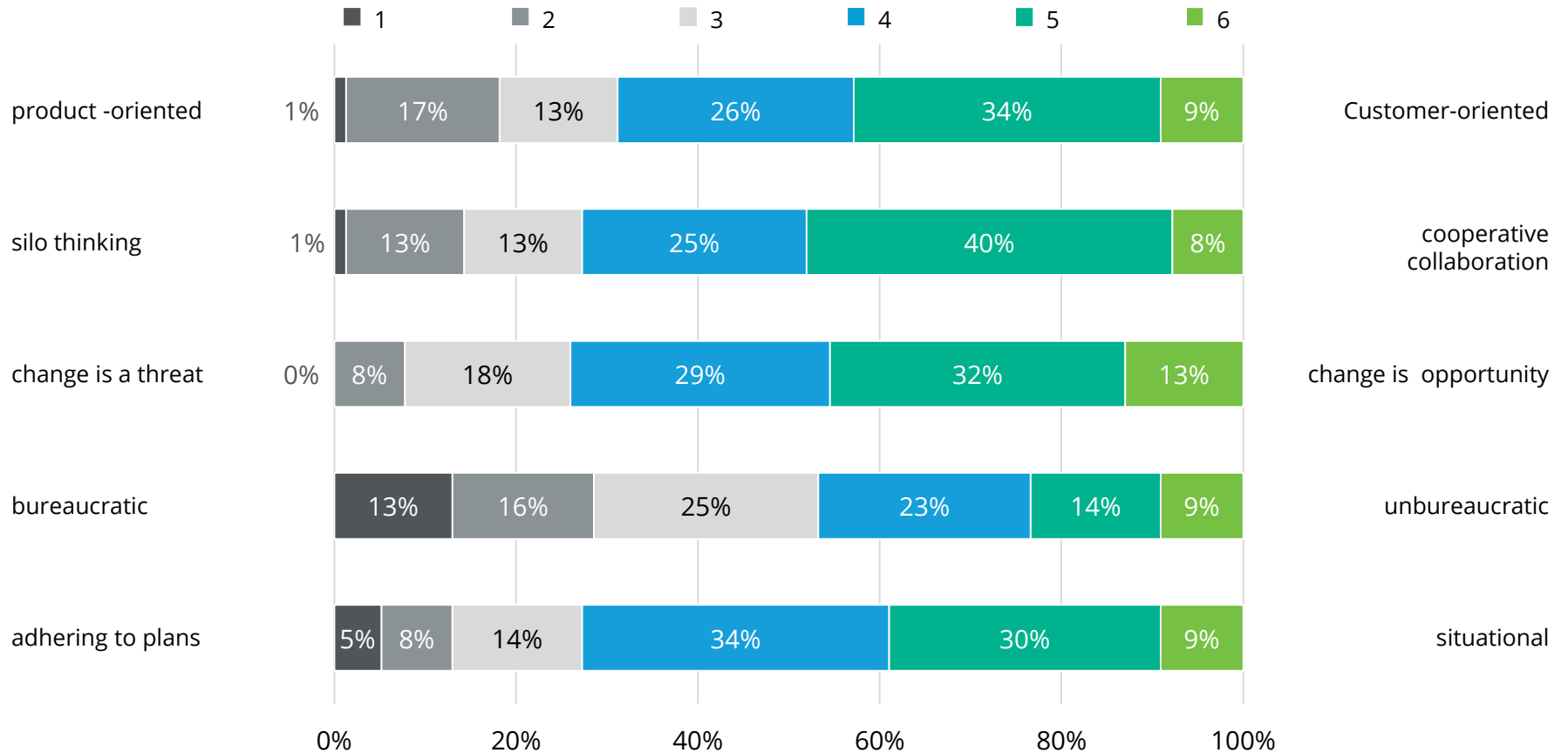
Answers „applies“ + „applies more or less“



Despite all agility:
Most companies still have a
classic organizational structure

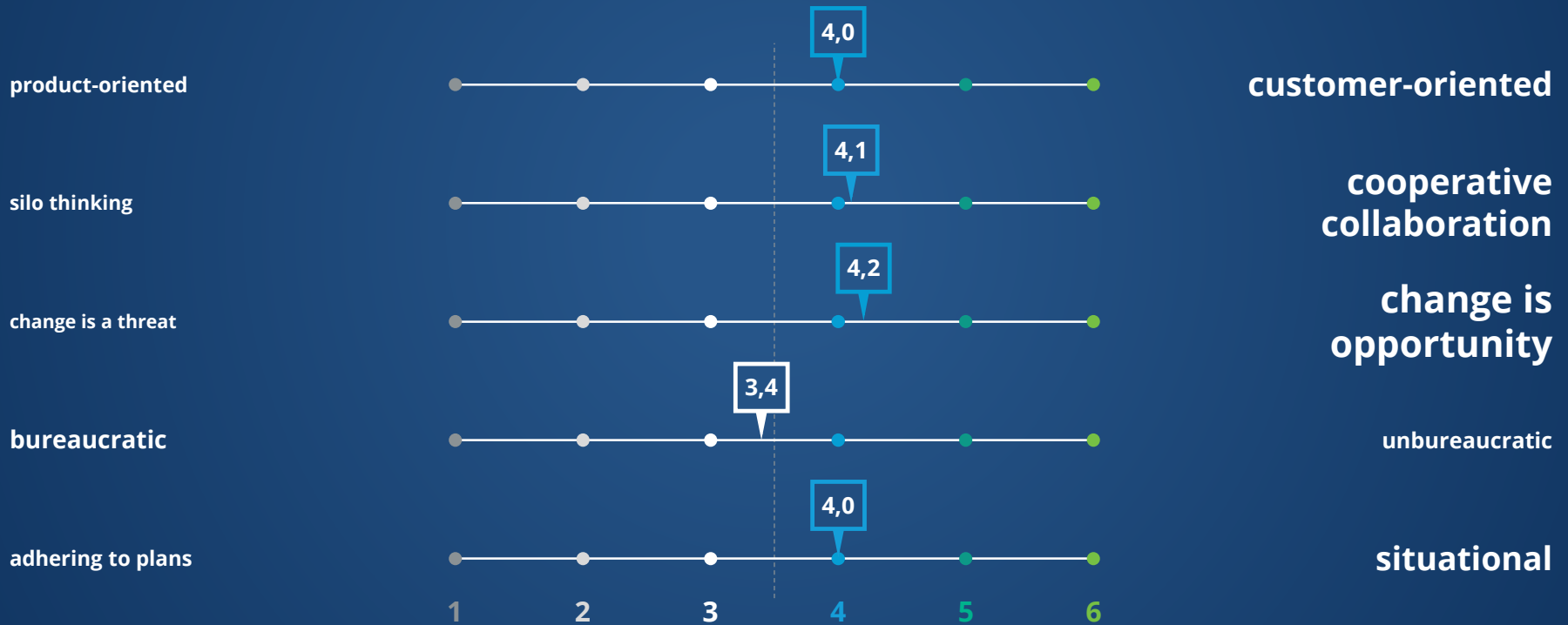
2.1.2: Please try to describe your organization using the following pairs of terms:

To indicate this, move the slider to the position that suits you.



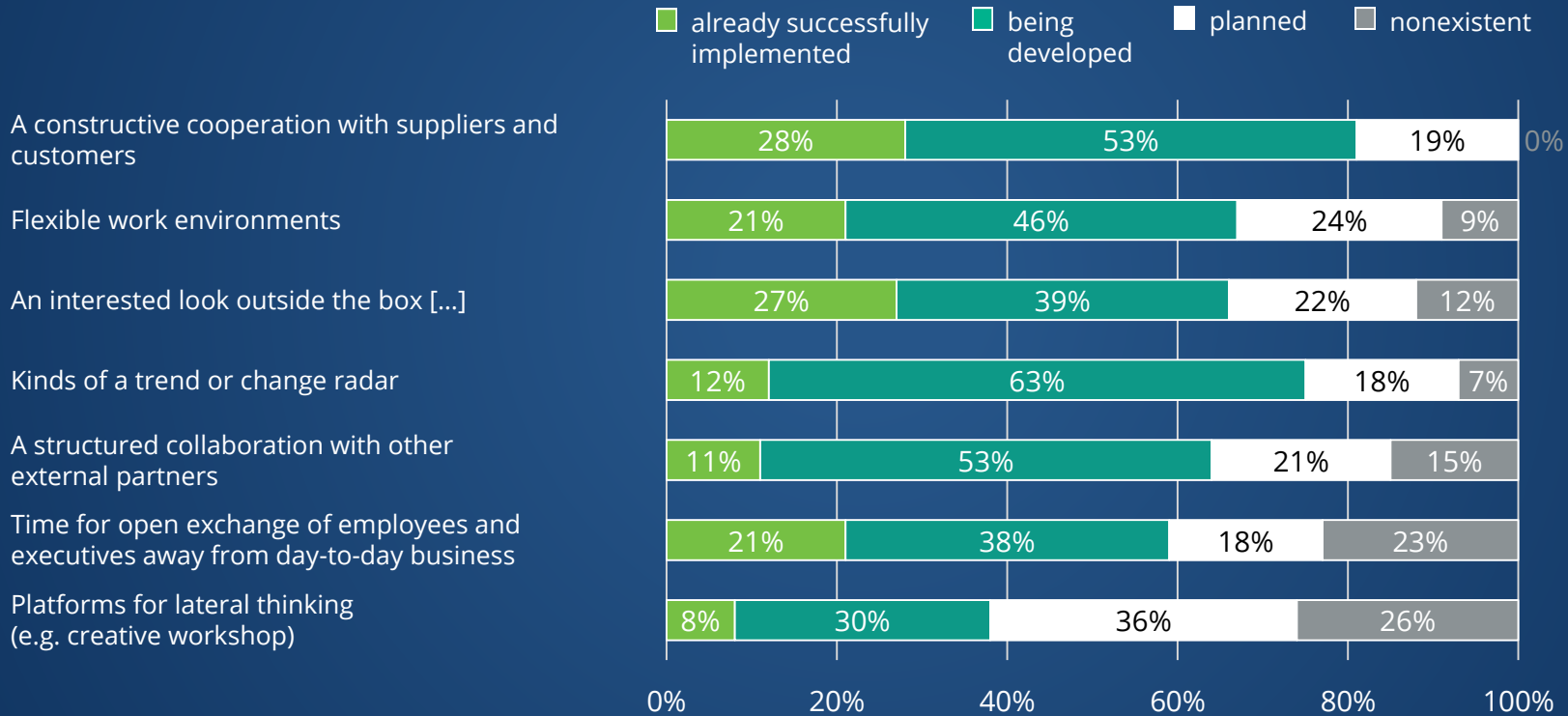
2.1.2: Please try to describe your organization using the following pairs of terms:

(expressed in average values)



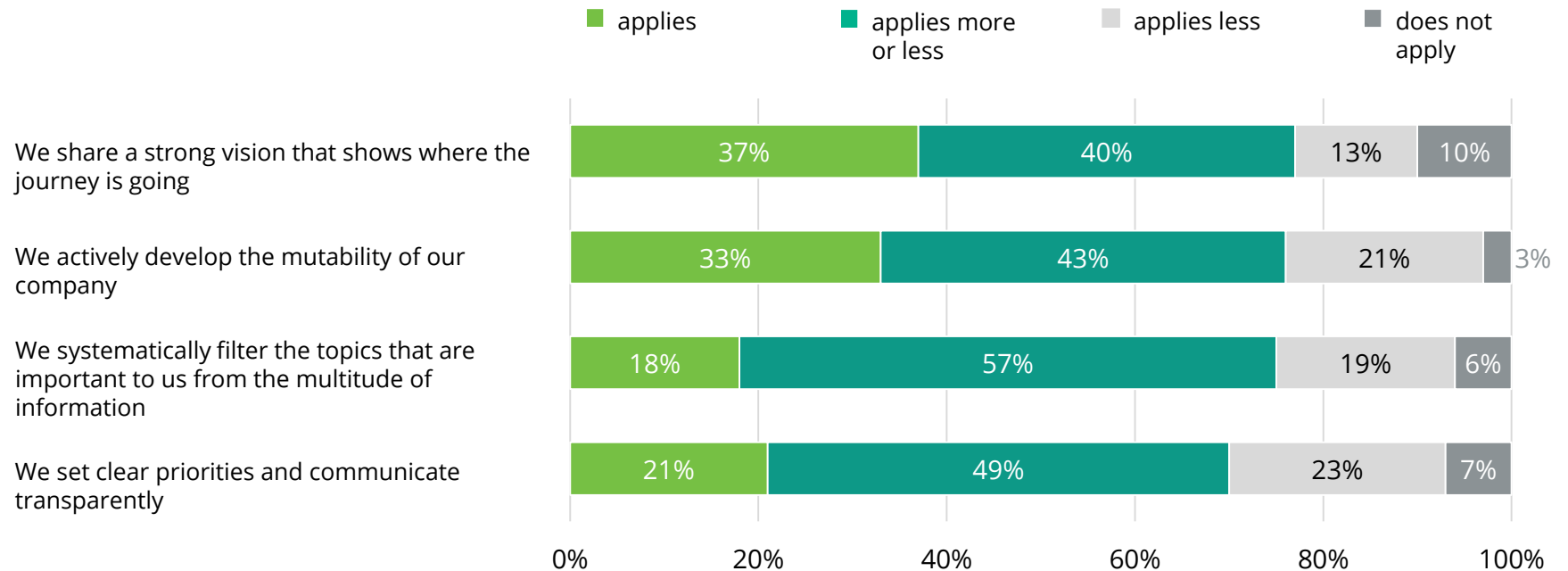
Many organizations are still characterized by **bureaucratic thinking**

2.1.3: To what extent does the following apply to your company?



There is still a **lack of creative thinking** among employees

2.1.4: Based on your company structure, to what extent are you prepared for emerging challenges?



2.1.4: Based on your company structure, to what extent are you prepared for emerging challenges?

Answers „applies“ + „applies more or less“

We share a strong vision that shows where the journey is going

77%

We actively develop the mutability of our company

76%

We systematically filter the topics that are important to us from the multitude of information

75%

We set clear priorities and communicate transparently

70%

Hungarian companies are **optimistic**
about their preparation for the future

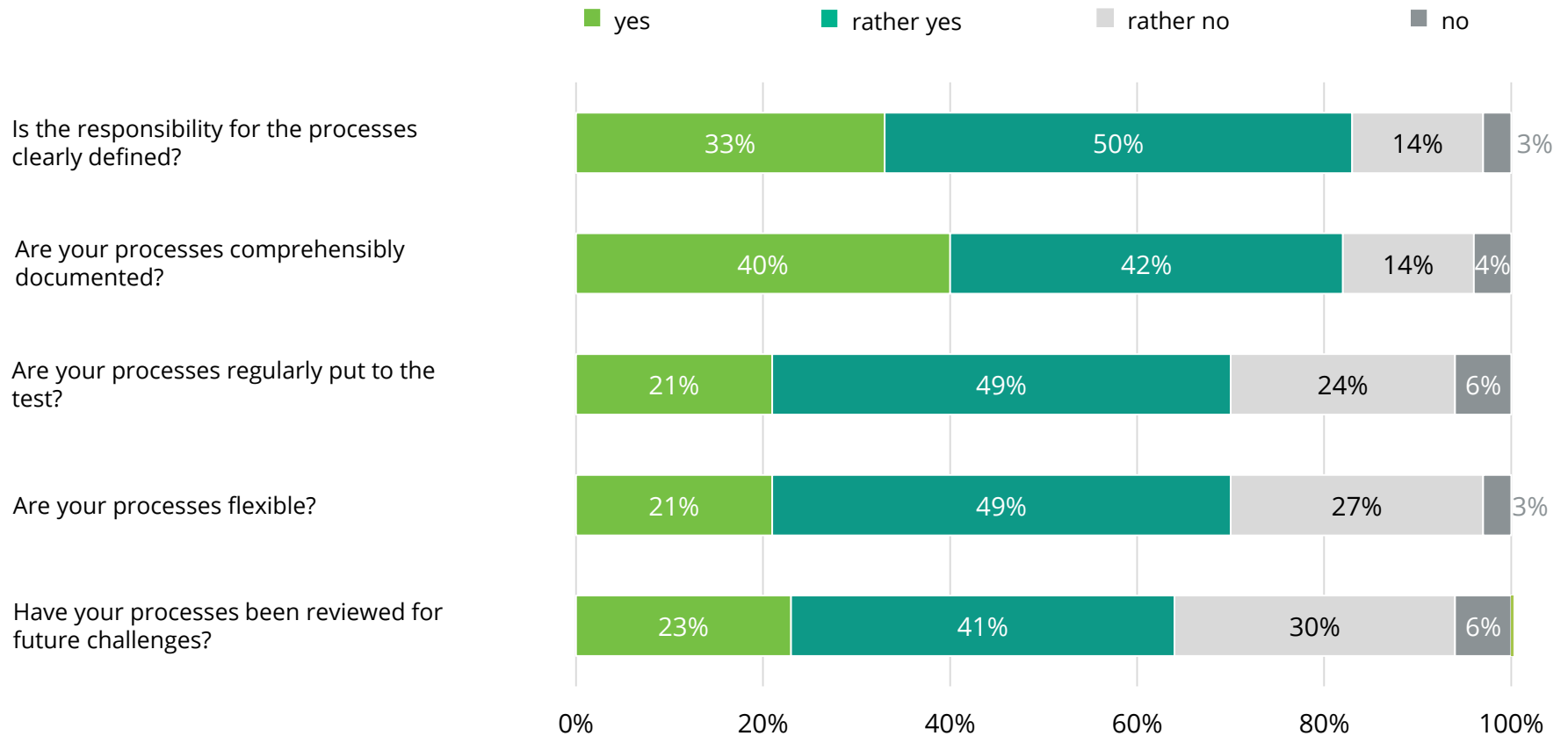
PART 2.2:

CHANGE

READINESS INDEX -

PROCESSES.

2.2.1: Please describe the status quo based on the following questions



2.2.1: Please describe the status quo based on the following questions

Answers „yes“ + „rather yes“

Is the responsibility for the processes clearly defined?

83%

Are your processes comprehensibly documented?

82%

Are your processes regularly put to the test?

70%

Are your processes flexible?

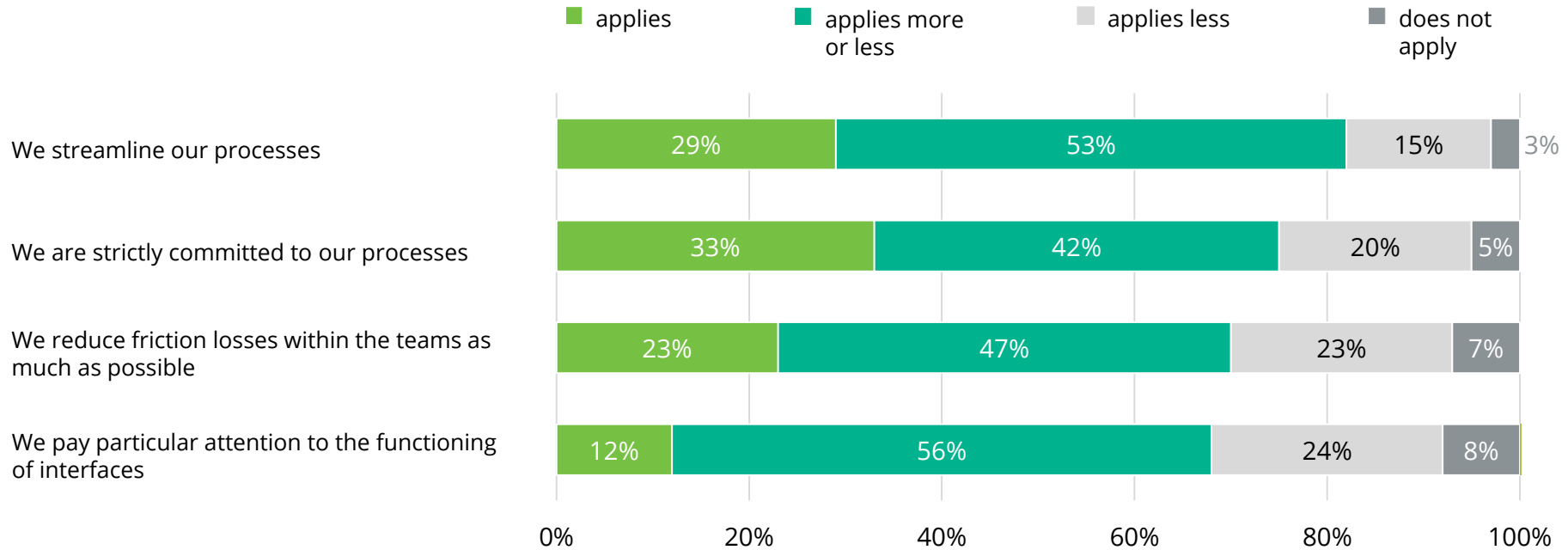
70%

Have your processes been reviewed for future challenges?

64%

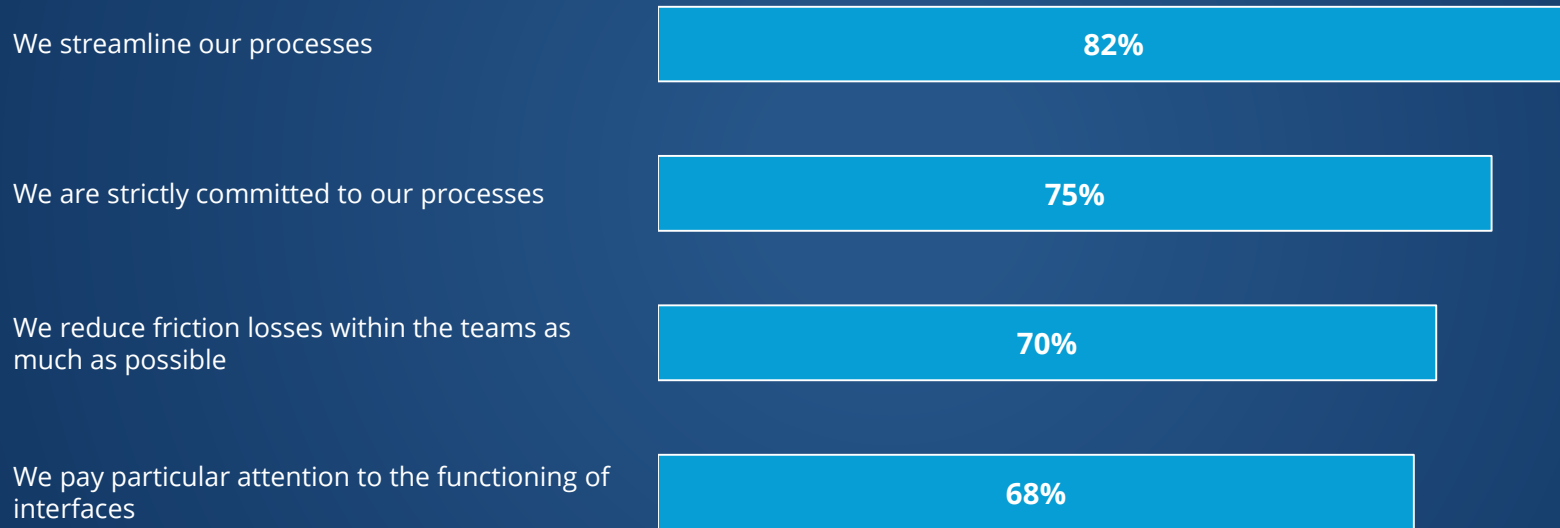
The **sustainability** of processes have **not** yet been **checked**

2.2.2: What is the idea behind the processes in your company?



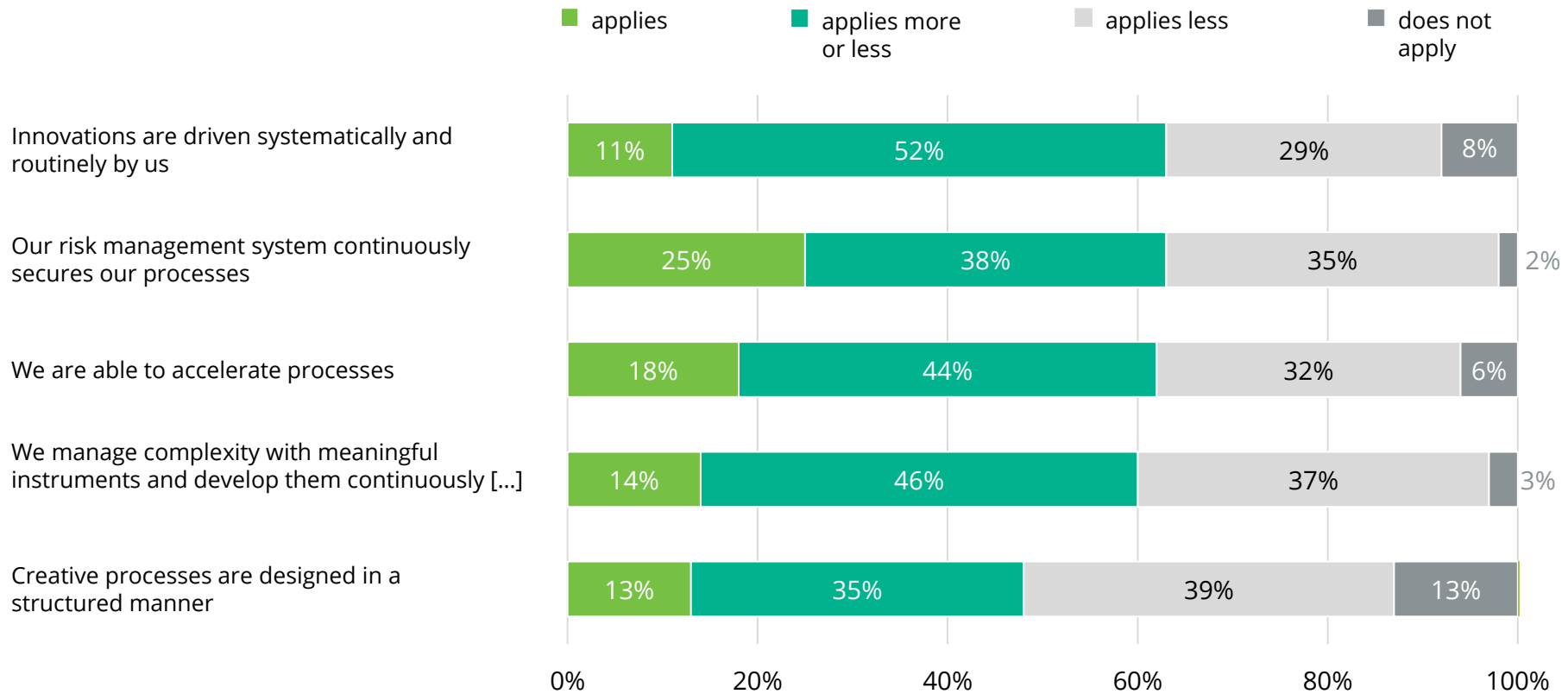
2.2.2: What is the idea behind the processes in your company?

Answers „applies“ + „applies more or less“



The focus is on
efficient processes

2.2.3: To what extent do you pay attention to a balanced relationship between dynamics and routine?



2.2.3: To what extent do you pay attention to a balanced relationship between dynamics and routine?

Answers „applies“ + „applies more or less“

Innovations are driven systematically and routinely by us

63%

Our risk management system continuously secures our processes

63%

We are able to accelerate processes

62%

We manage complexity with meaningful instruments and develop them continuously [...]

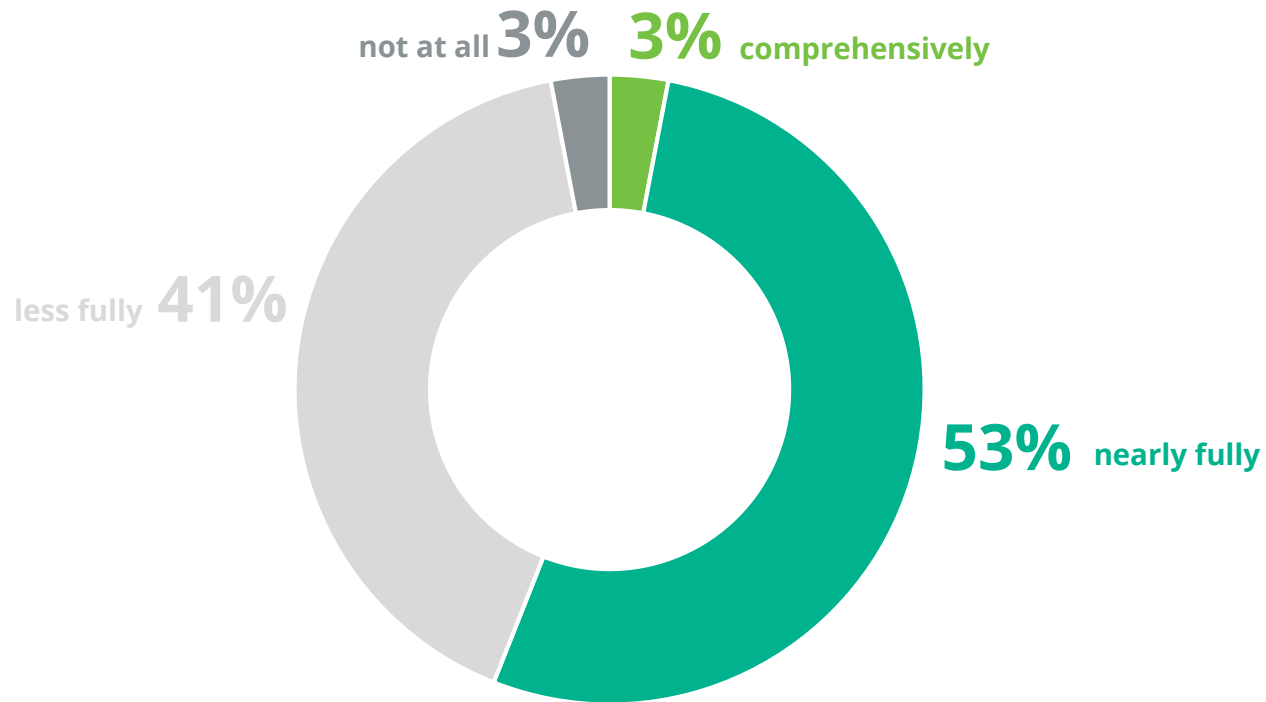
60%

Creative processes are designed in a structured manner

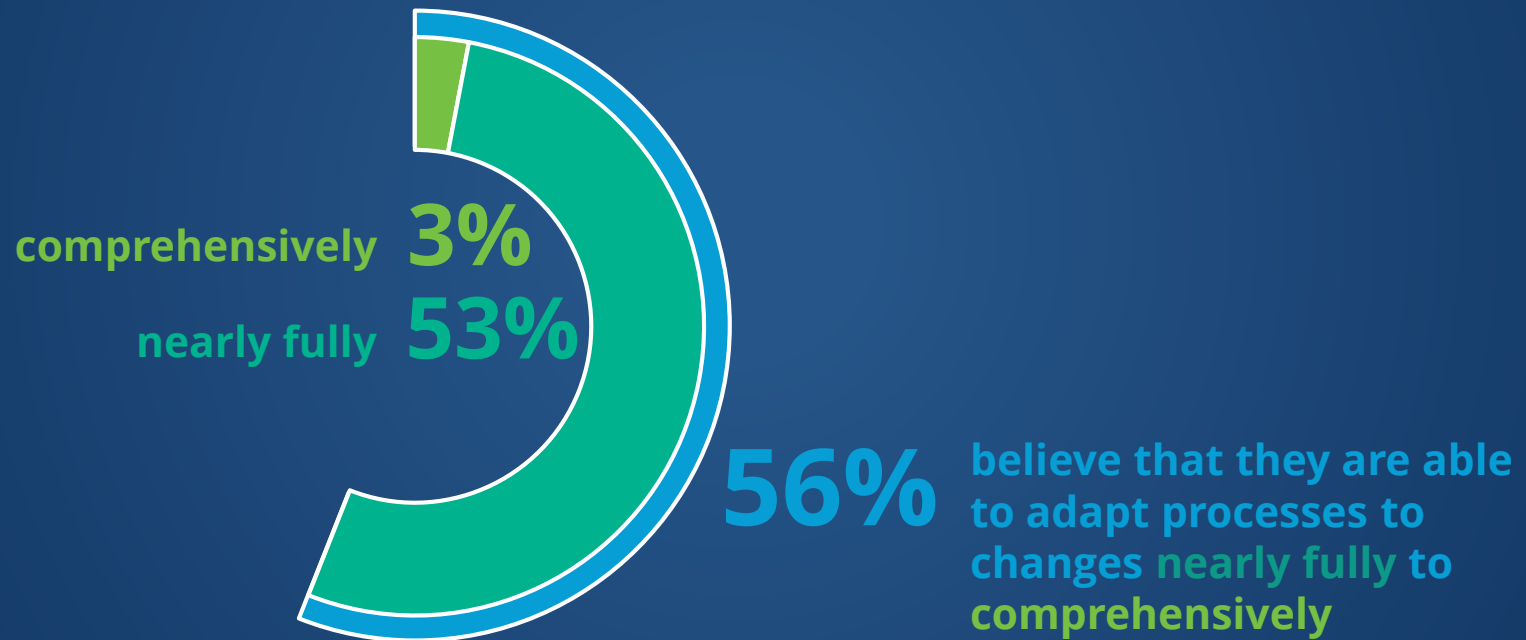
48%

Creative processes are very unstructured

2.2.4: To what extent do you succeed in continuously adapting processes to changes?



2.2.4: To what extent do you succeed in continuously adapting processes to changes?



Almost **half** of the **companies** are not yet able to **continuously adapt their processes**

PART 2.3:

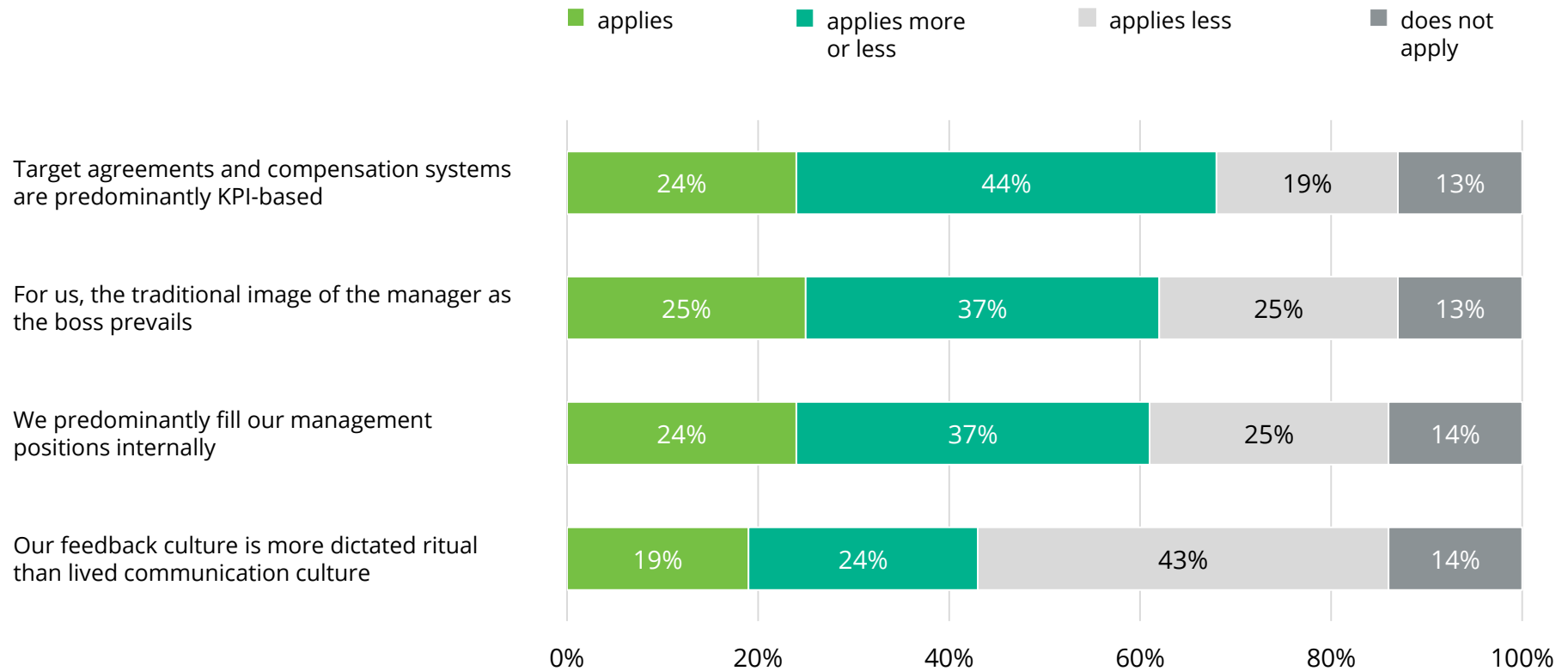
CHANGE

READINESS INDEX -

MANAGEMENT AND

CORPORATE CULTURE.

2.3.1: Which leadership and performance culture prevails in your company?



2.3.1: Which leadership and performance culture prevails in your company?

Answers „applies“ + „applies more or less“

Target agreements and compensation systems are predominantly KPI-based

68%

For us, the traditional image of the manager as the boss prevails

62%

We predominantly fill our management positions internally

61%

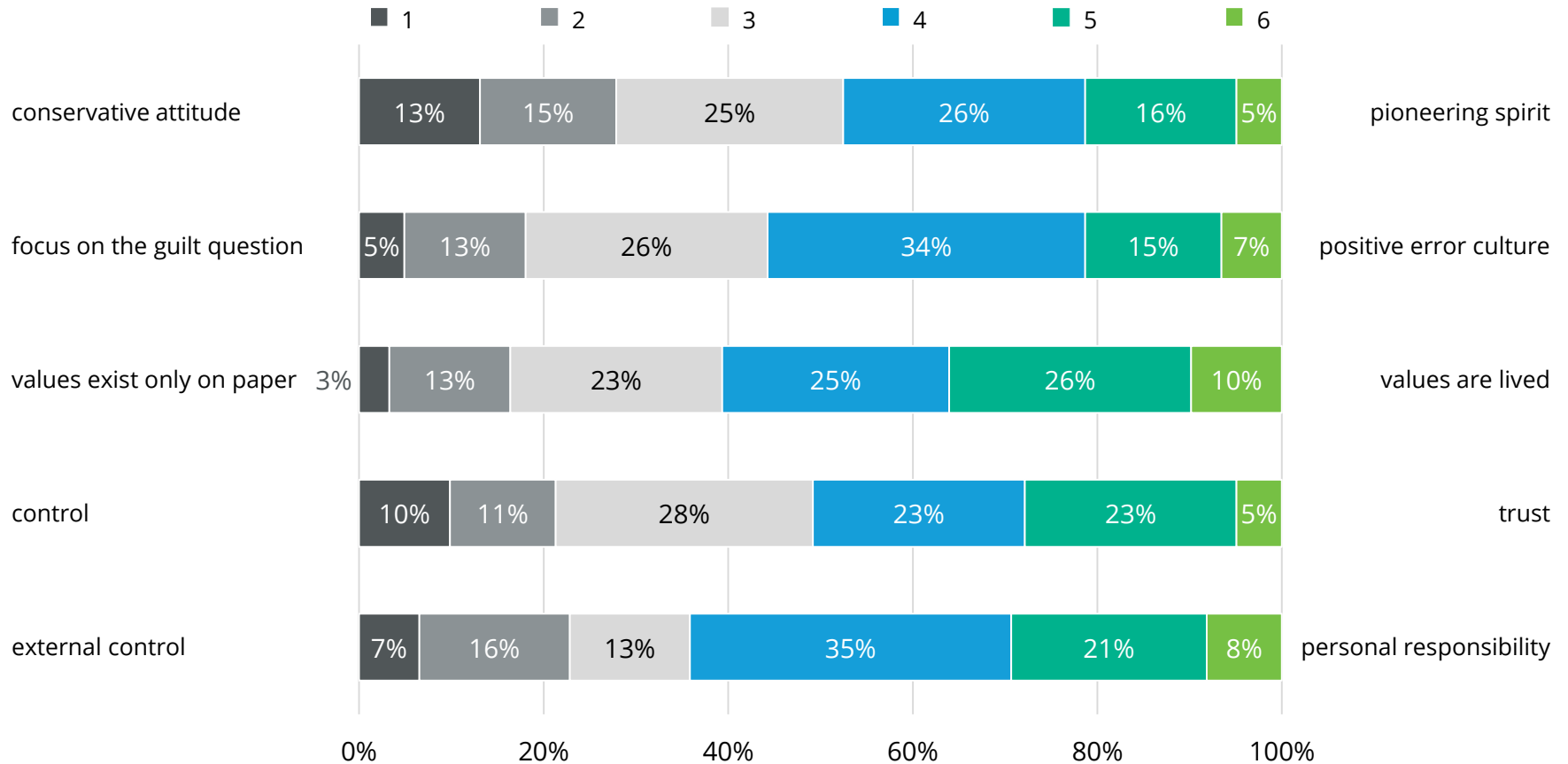
Our feedback culture is more dictated ritual than lived communication culture

43%

Traditional leadership culture prevails in 62% of all companies

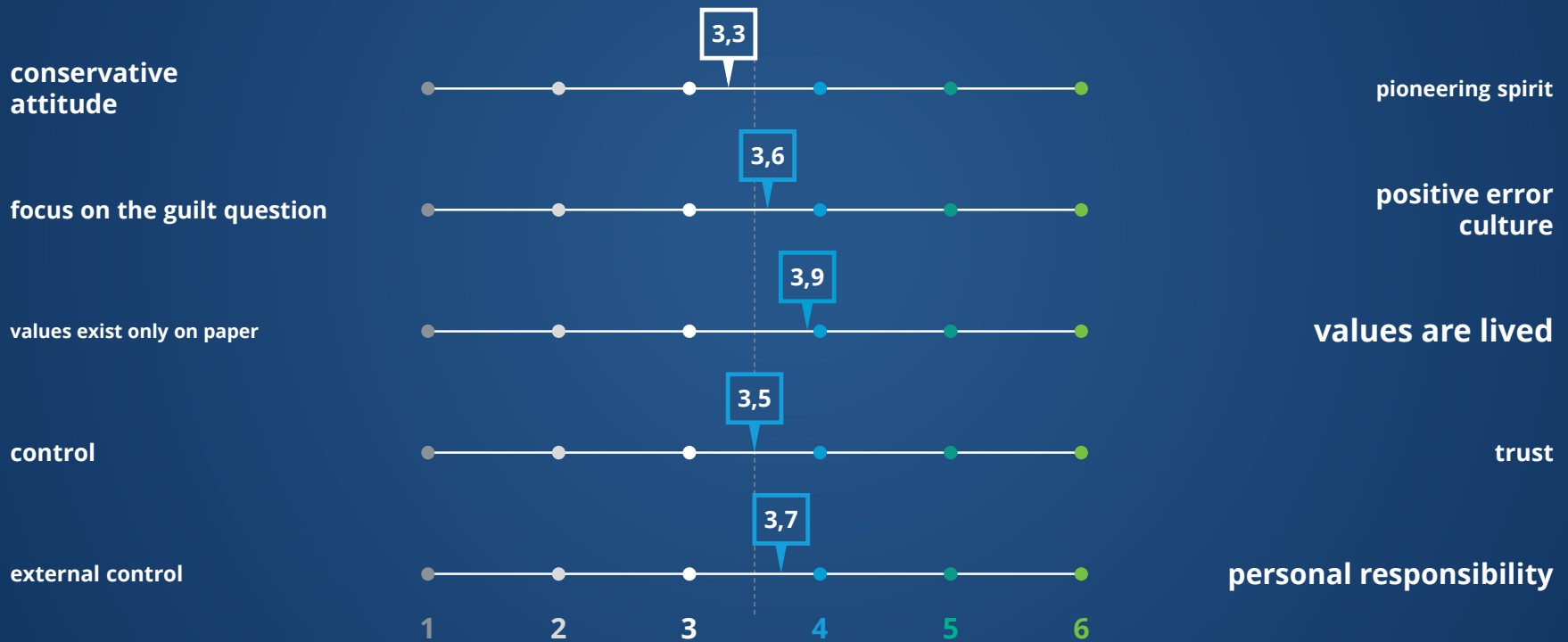
2.3.2: How would you describe the corporate culture of your company in general?

To indicate this, move the slider to the position that suits you.



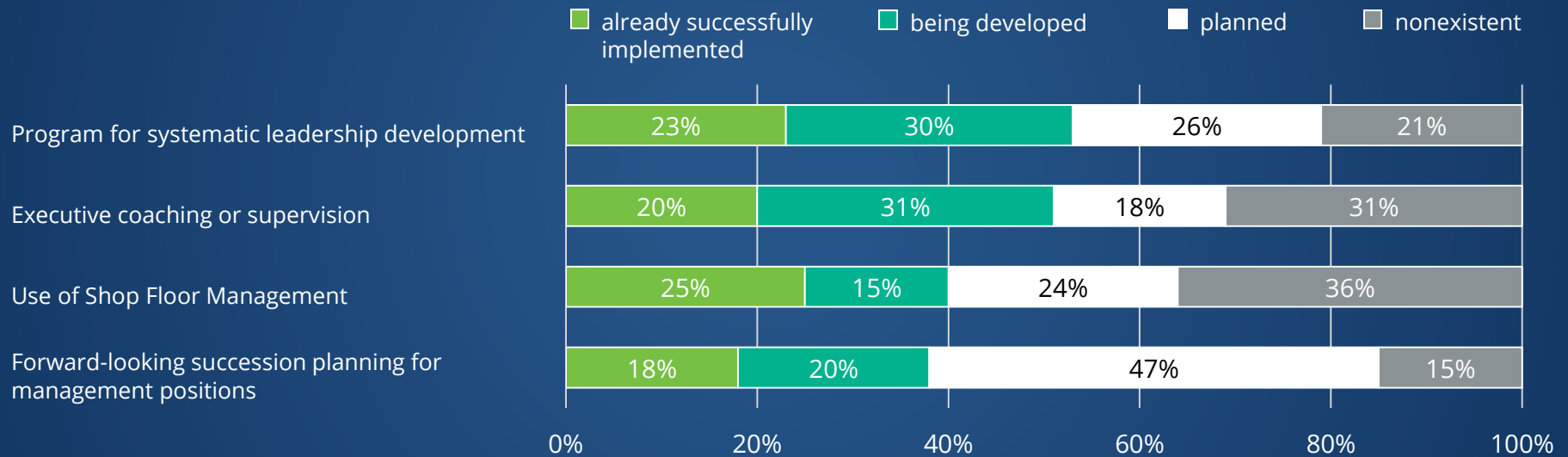
2.3.2: How would you describe the corporate culture of your company in general?

(expressed in average values)



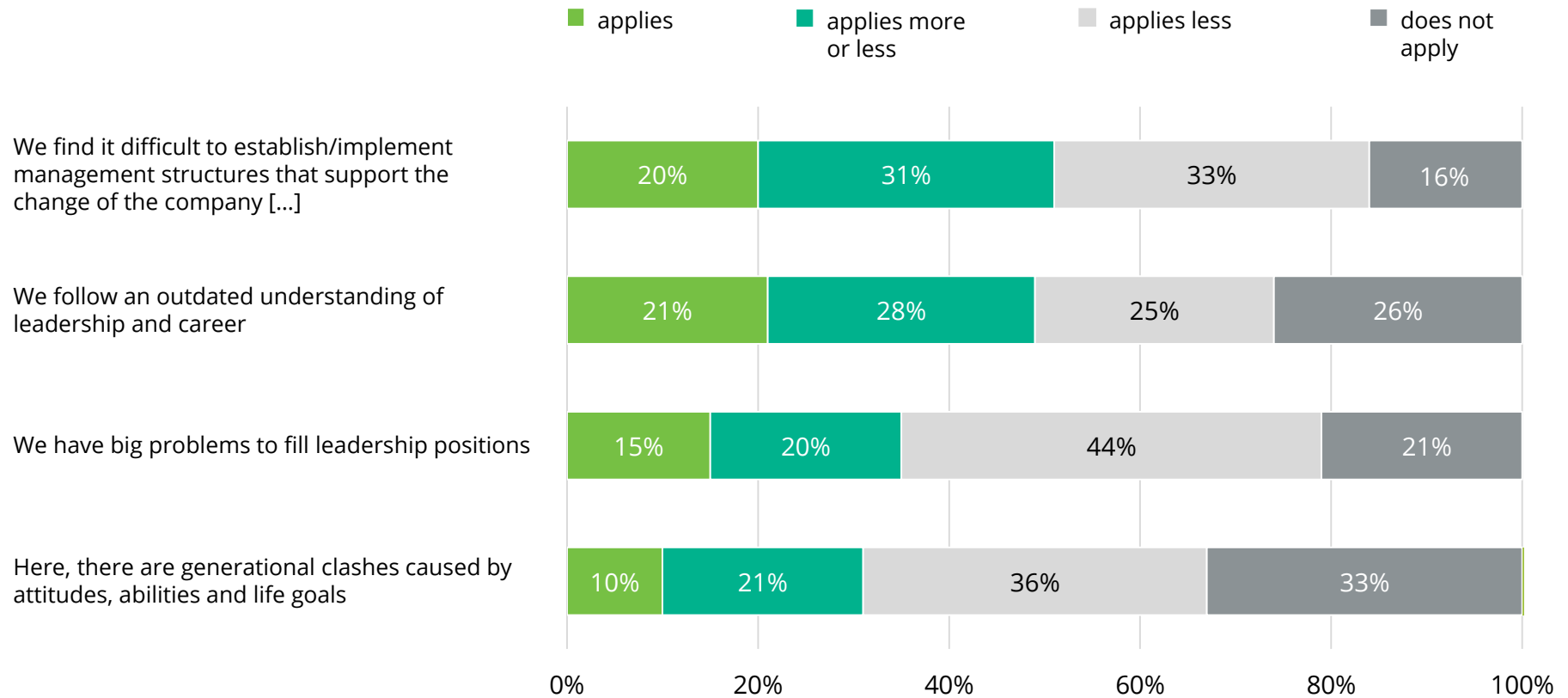
Corporate culture:
somewhere between a pioneer
spirit and independence

2.3.3: How is good leadership promoted in your company? Which instruments do you already use?



Only **every fourth** company has experience with **Shop Floor Management**

2.3.4: What are your current challenges in leadership and corporate culture?



2.3.4: What are your current challenges in leadership and corporate culture?

Answers „applies“ + „applies more or less“

We find it difficult to establish/implement management structures that support the change of the company [...]

51%

We follow an outdated understanding of leadership and career

49%

We have big problems to fill leadership positions

35%

Here, there are generational clashes caused by attitudes, abilities and life goals

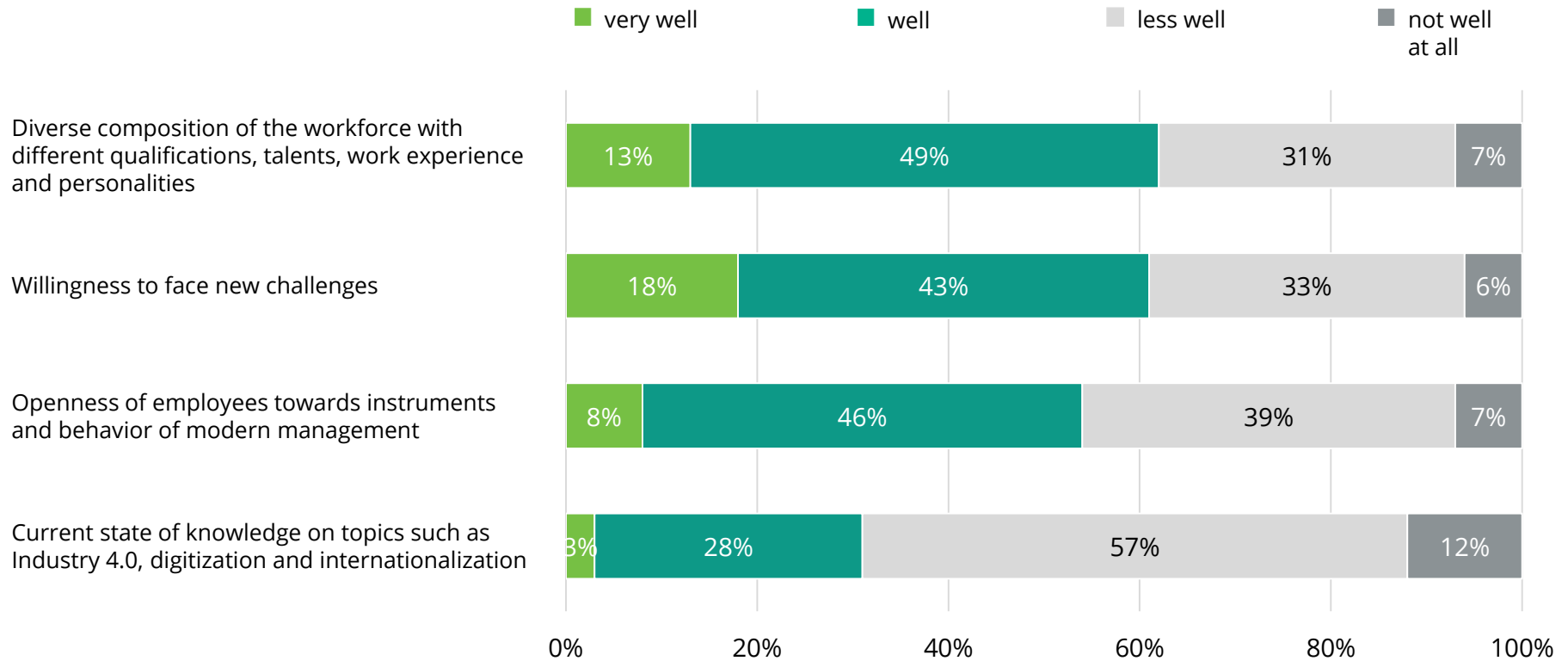
31%

Companies find it difficult to anchor **leadership forms** which **support change**

PART 2.4:

**CHANGE
READINESS INDEX -
EMPLOYEES AND
QUALIFICATIONS.**

2.4.1: How well are the employees in your company prepared for the work environment 4.0?



2.4.1: How well are the employees in your company prepared for the work environment 4.0?

Answers „very well“ + „well“

Diverse composition of the workforce with different qualifications, talents, work experience and personalities

62%

Willingness to face new challenges

61%

Openness of employees towards instruments and behavior of modern management

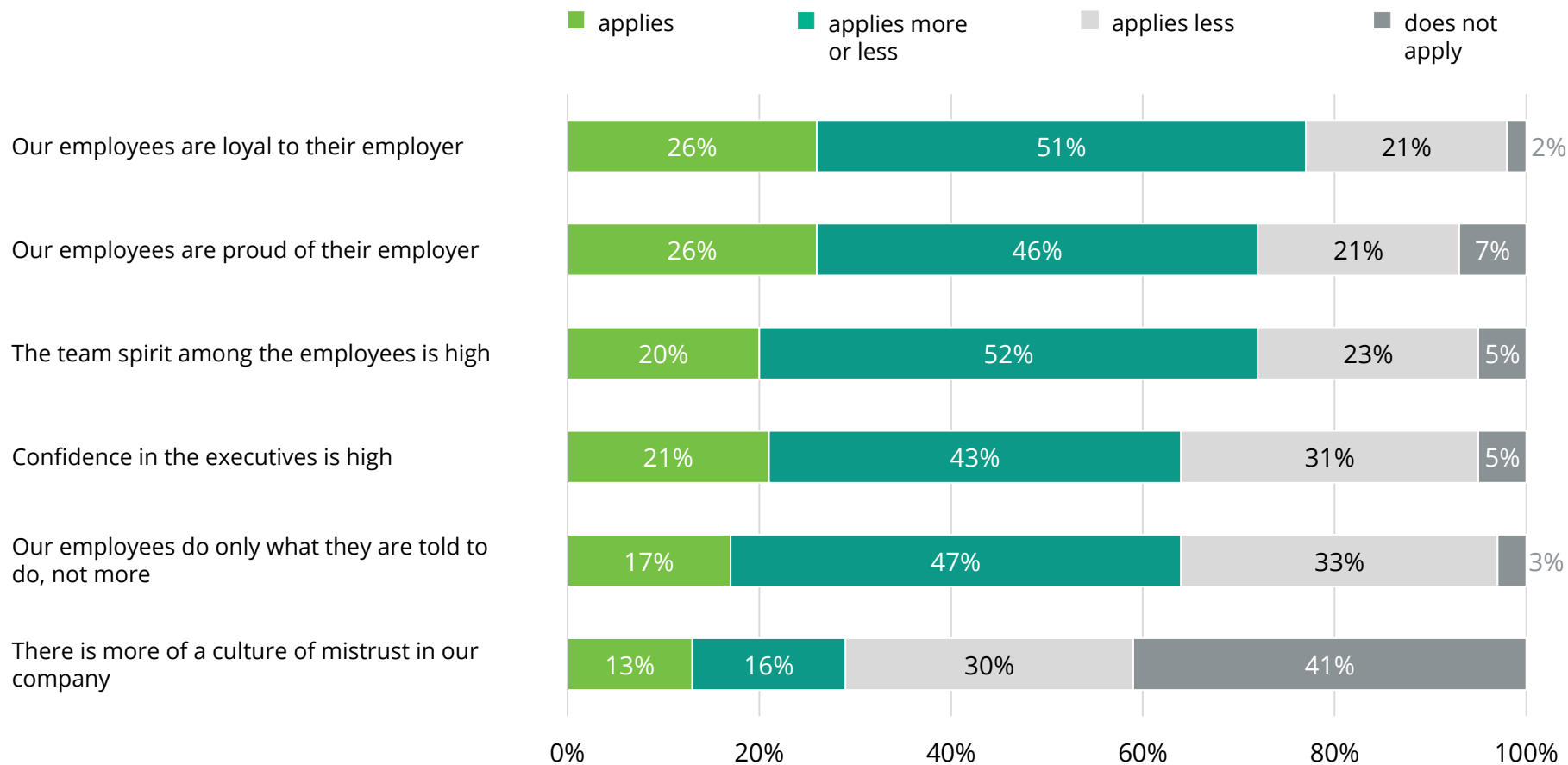
54%

Current state of knowledge on topics such as Industry 4.0, digitization and internationalization

31%

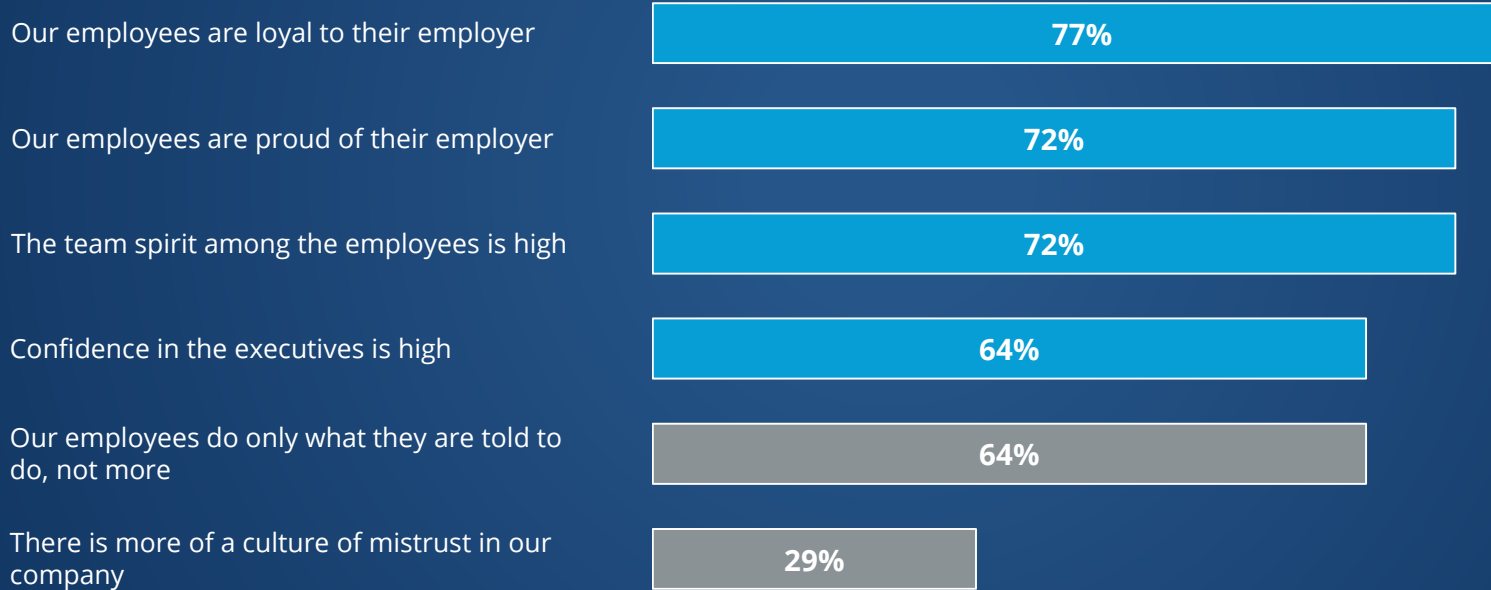
There is still a **lack** of **necessary knowledge** for the **work environment 4.0**

2.4.2: To what extent do your employees identify with the company?



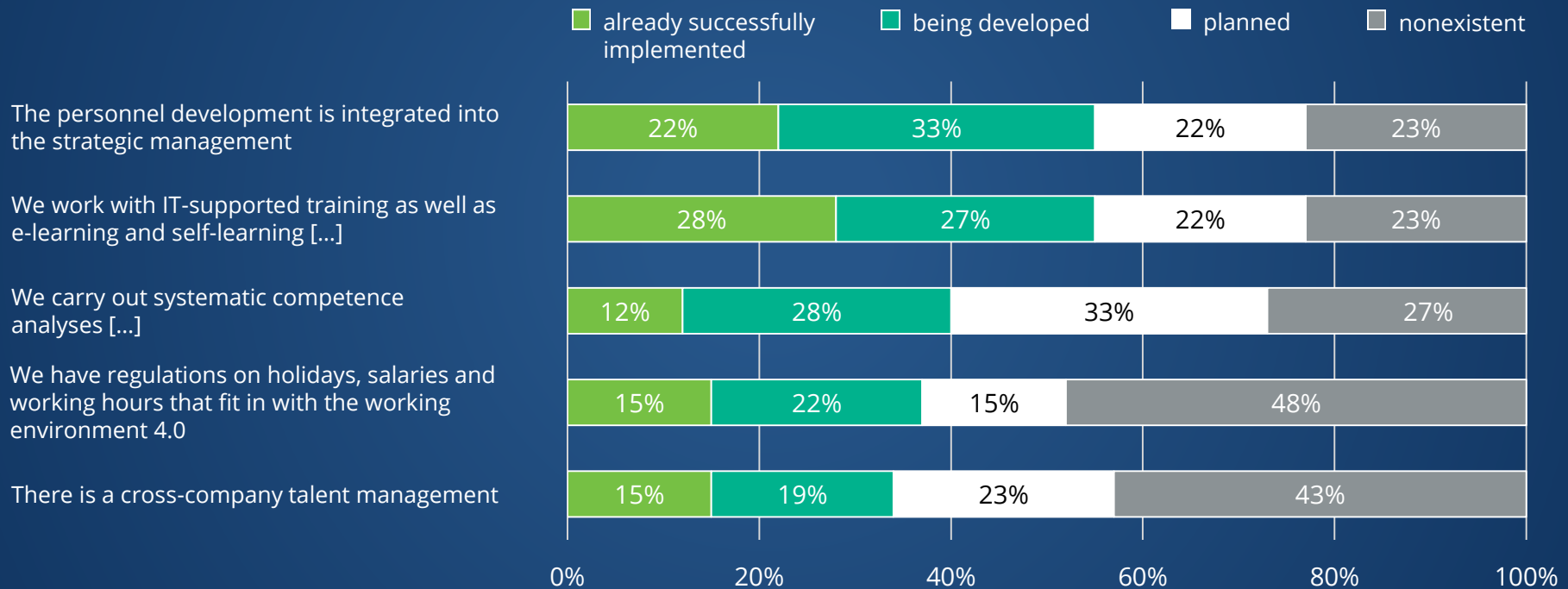
2.4.2: To what extent do your employees identify with the company?

Answers „applies“ + „applies more or less“



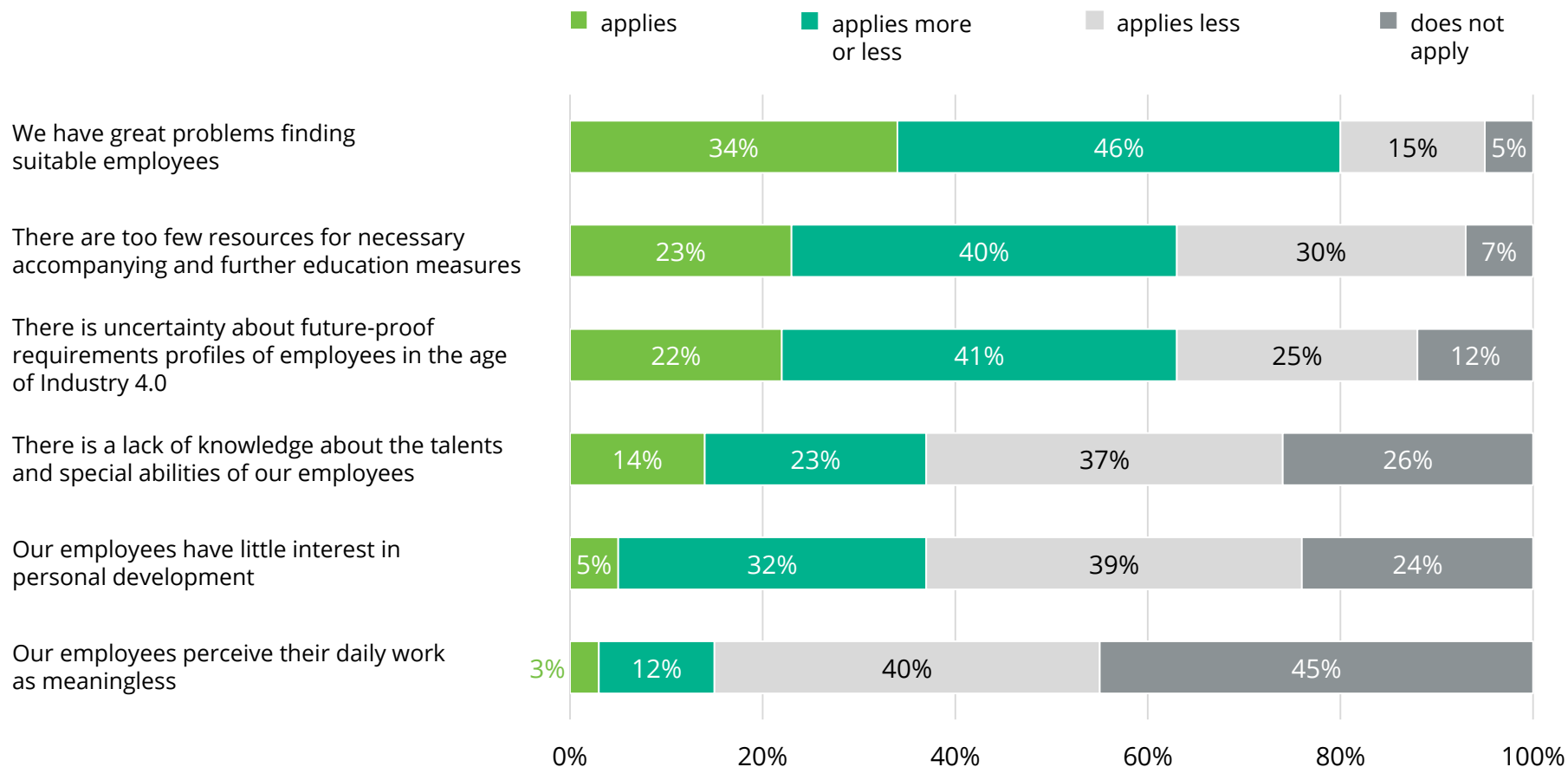
“Working by rule” is widespread amongst employees

2.4.3: What is your company doing to make employees fit for the Flexible Workplace 4.0?



Only **every second company** prepares its employees for the **Flexible Workplace 4.0**

2.4.4: What challenges does your company face in personnel management?



2.4.4: What challenges does your company face in personnel management?

Answers „applies“ + „applies more or less“

We have great problems finding suitable employees

80%

There are too few resources for necessary accompanying and further education measures

63%

There is uncertainty about future-proof requirements profiles of employees in the age of Industry 4.0

63%

There is a lack of knowledge about the talents and special abilities of our employees

37%

Our employees have little interest in personal development

37%

Our employees perceive their daily work as meaningless

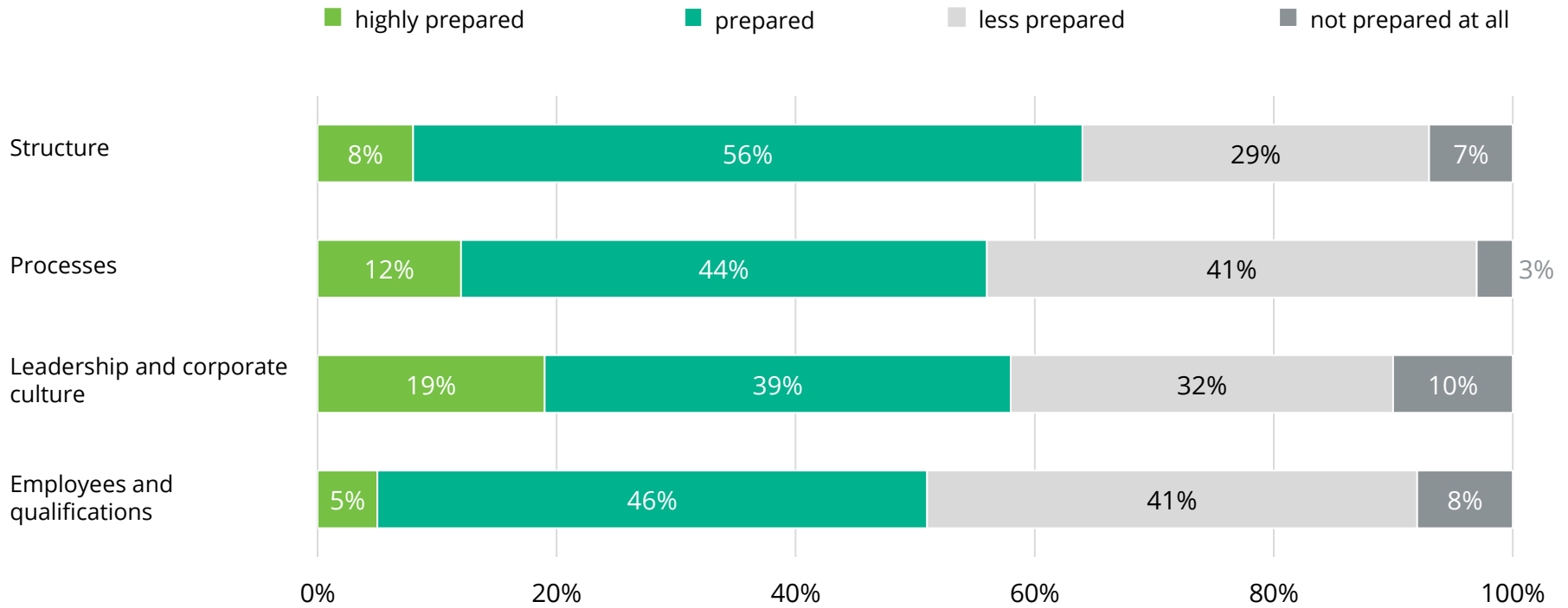
15%

Companies have **difficulties** finding **suitable** employees

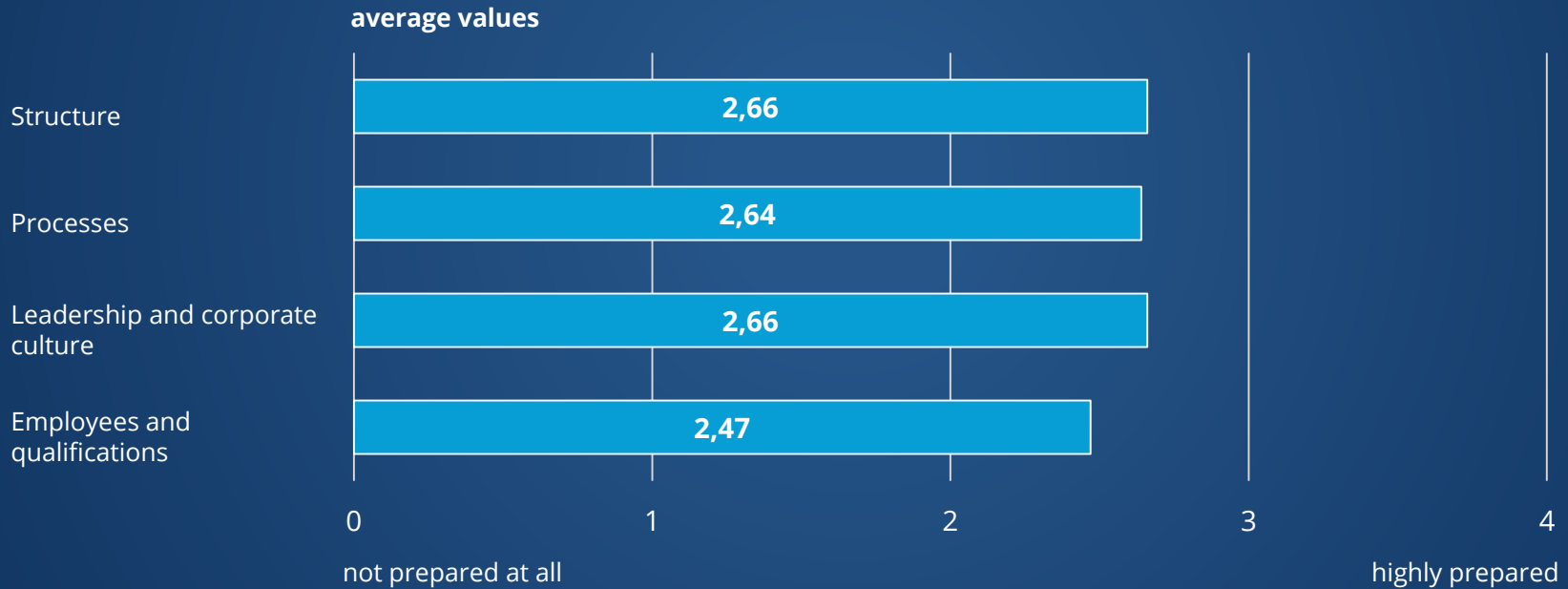
PART 3:

RESULTS AND OUTLOOK.

3.1: To what extent do you see your company prepared for the future in the following areas?



3.1: To what extent do you see your company prepared for the future in the following areas?



Companies have the **biggest problems** in the areas **employees and qualifications**

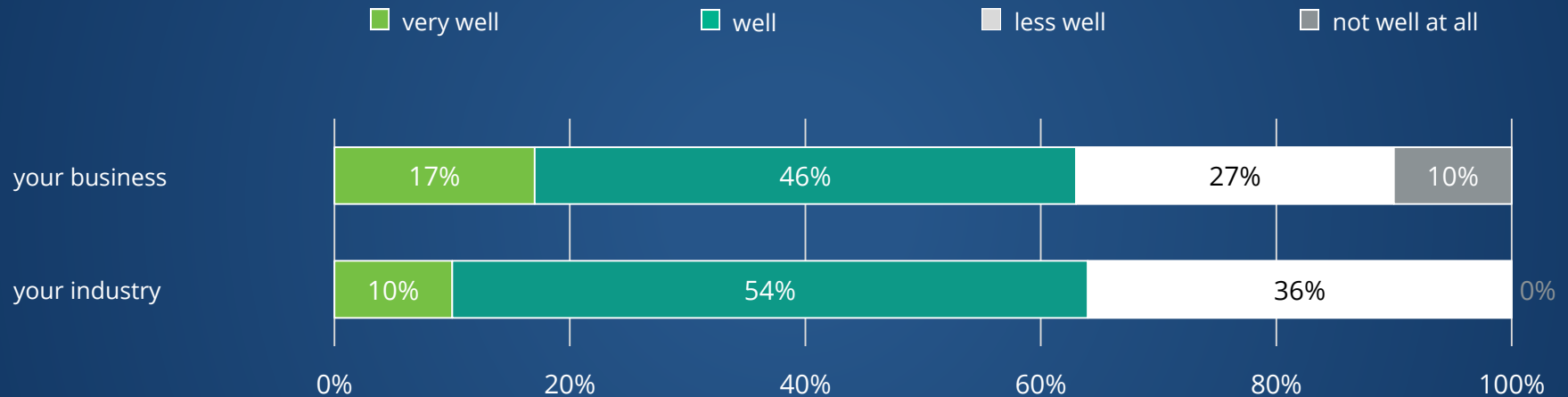
Change Readiness Index (CRI) of Hungarian companies

on a scale from 0 = "not at all" to 100 = "complete"



With the **CRI** companies are **best positioned** regarding **processes**

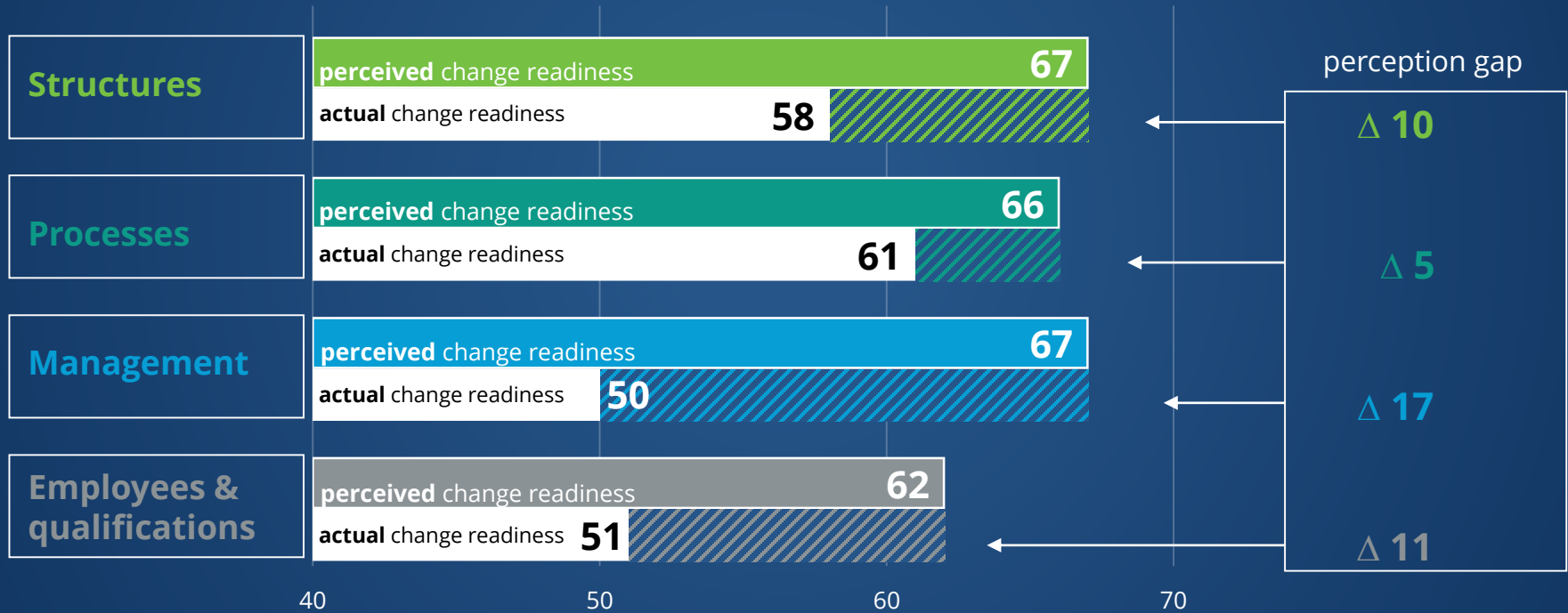
3.2: Please judge the responsiveness to change in ...



Companies see themselves
as **average** in the **industry** regarding
terms of change

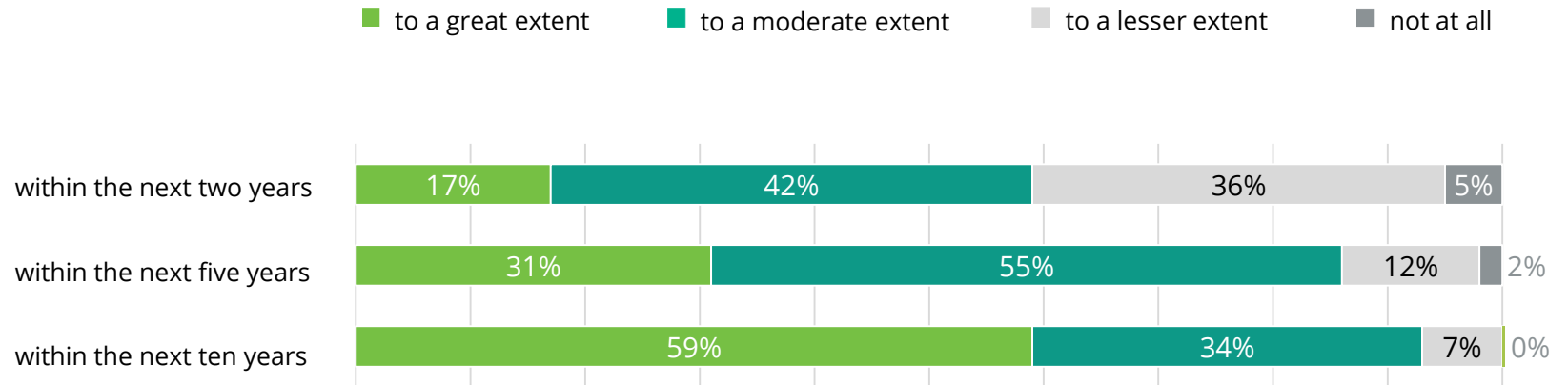
Assessment of adaptability

on a scale from 0 = "not at all" to 100 = "complete"



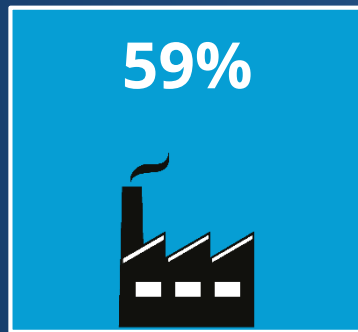
Companies **overestimate**
their adaptability to change

3.3: To what extent will your company change in the years ahead?

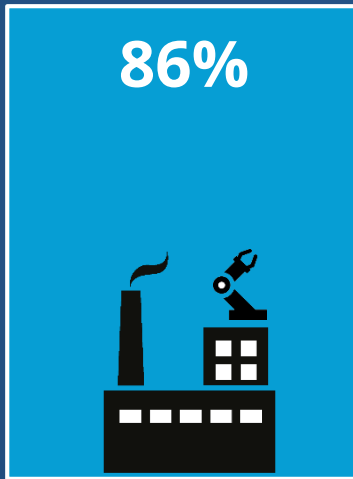


3.3: To what extent will your company change in the years ahead?

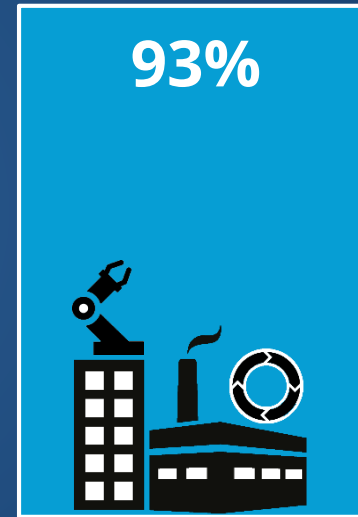
Answers „to a great extent “ + „to a moderate extent “



within the next
two years



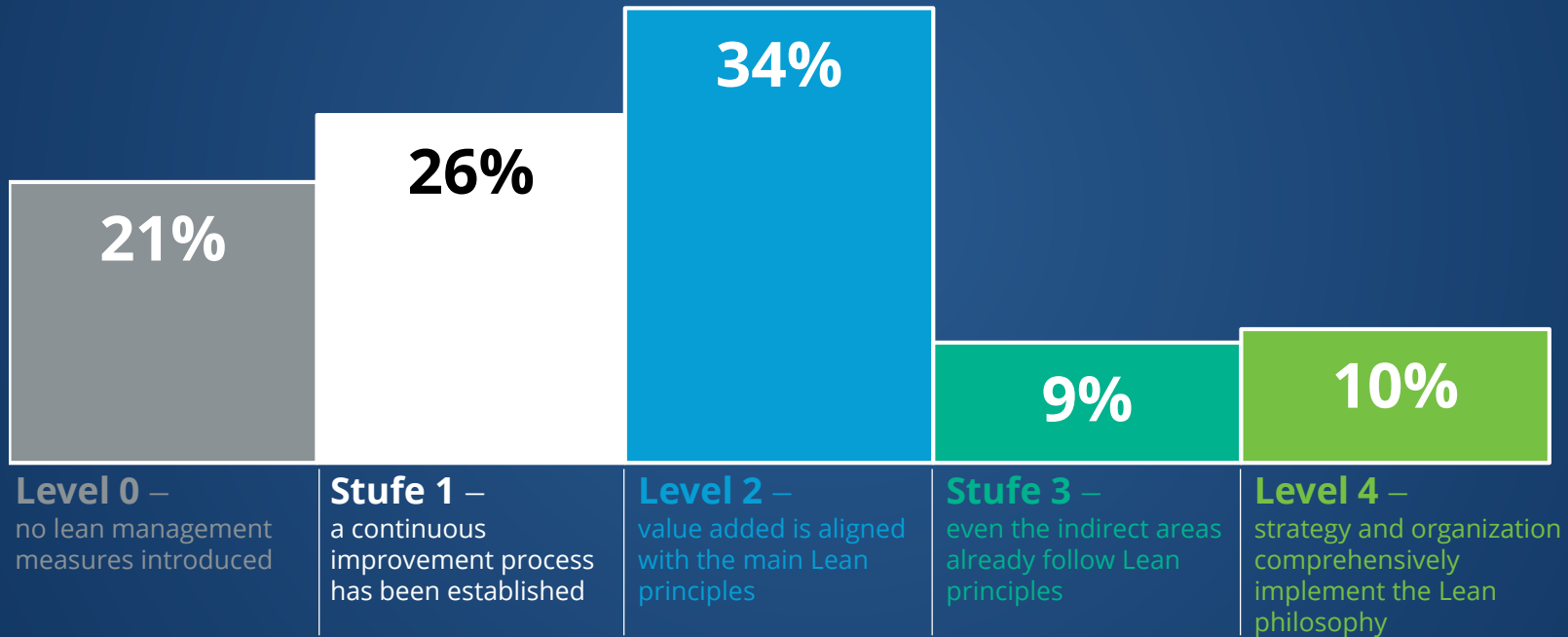
within the next
five years



within the next
ten years

Change is happening at a **rapid pace**:
60 percent expect **major changes**
within **two years**

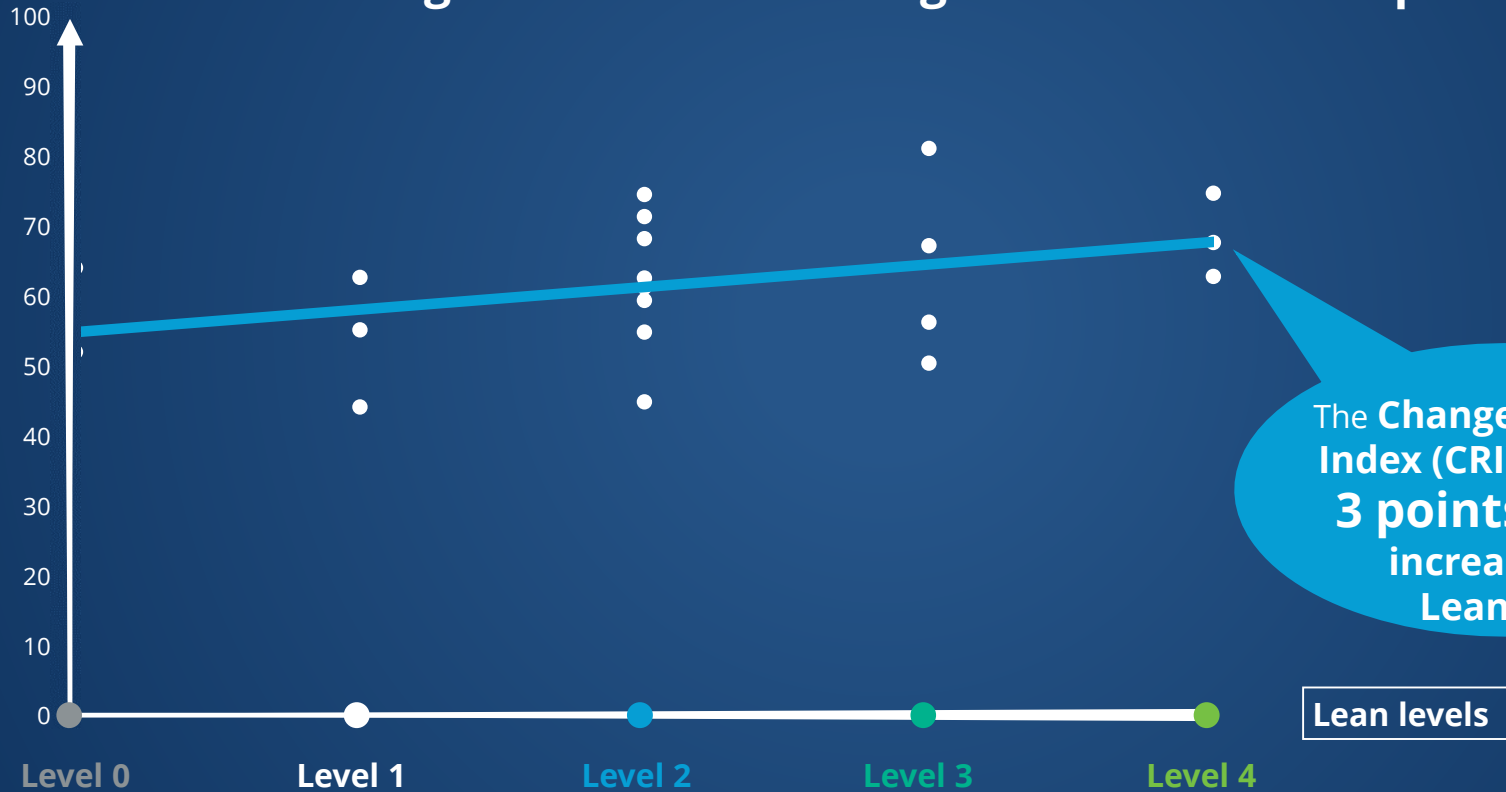
3.4: To what extent have you established Lean Management in your company?



**Lean on the rise:
47 percent of companies still
have a long way to go**

CRI

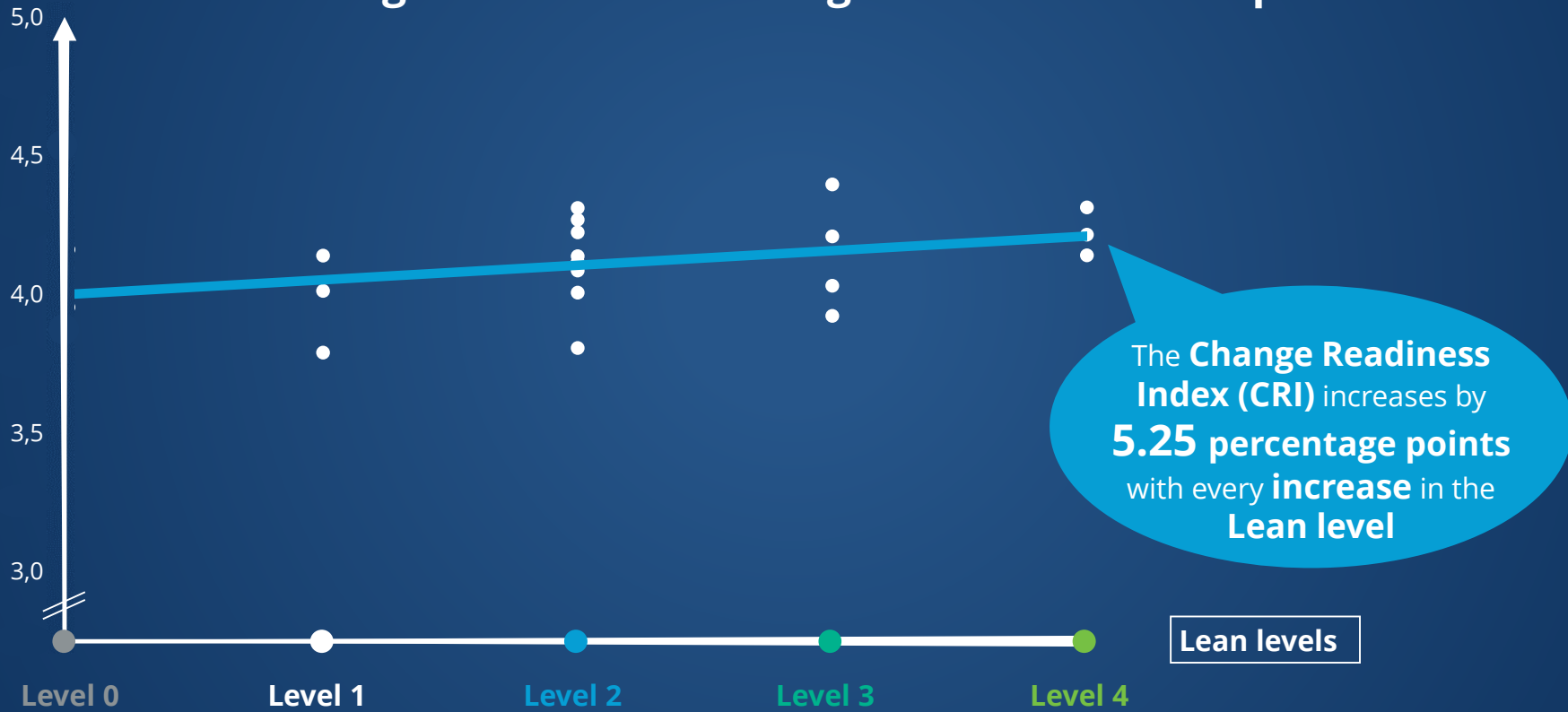
Relationship between the **degree of implementation of Lean Management** and the **change readiness of companies**



There is a **clear connection** between **Lean** and **readiness for Change**

Ln CRI

Relationship between the degree of implementation of Lean Management and the change readiness of companies

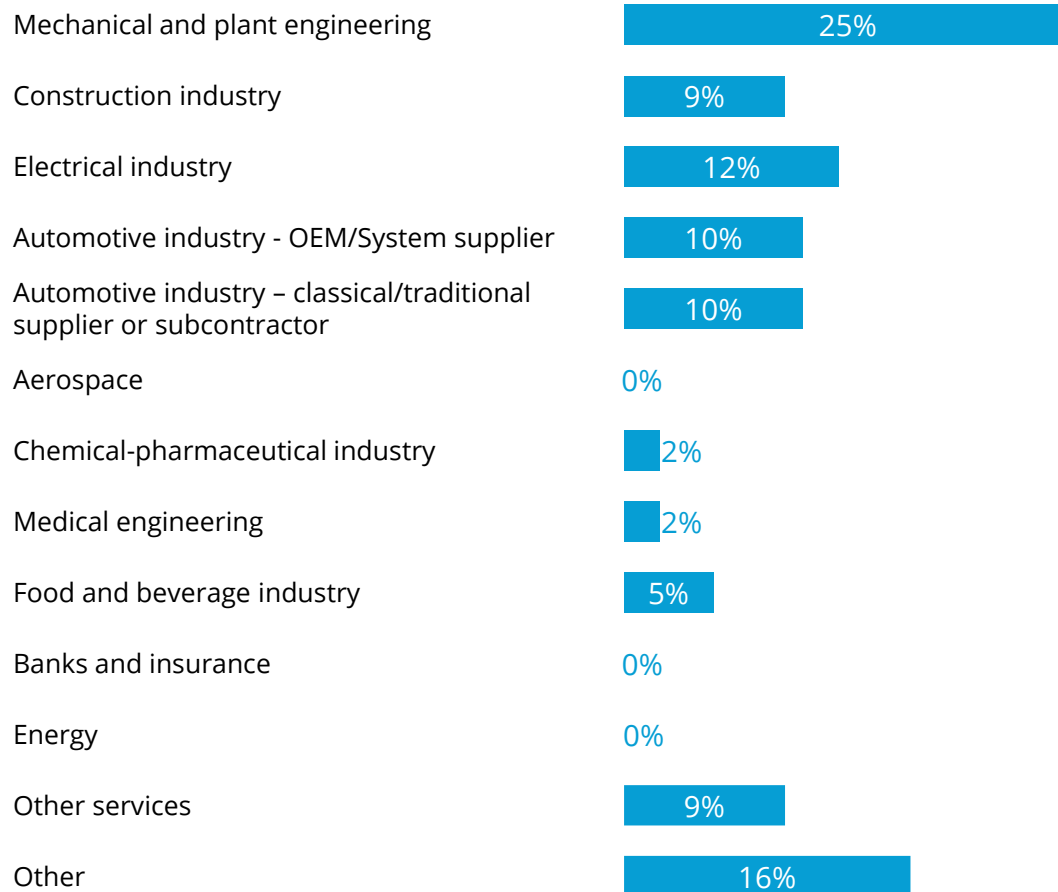


There is a **clear connection** between **Lean** and **readiness for Change**

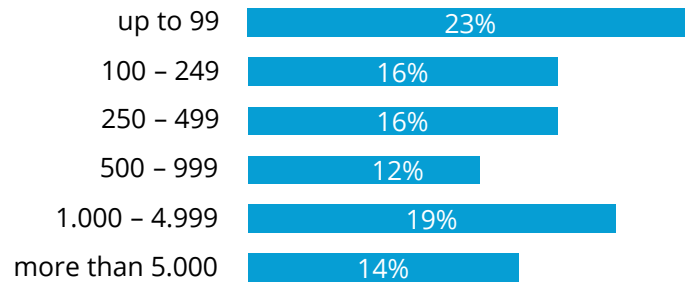
PART 4:

STATISTICAL QUESTIONS.

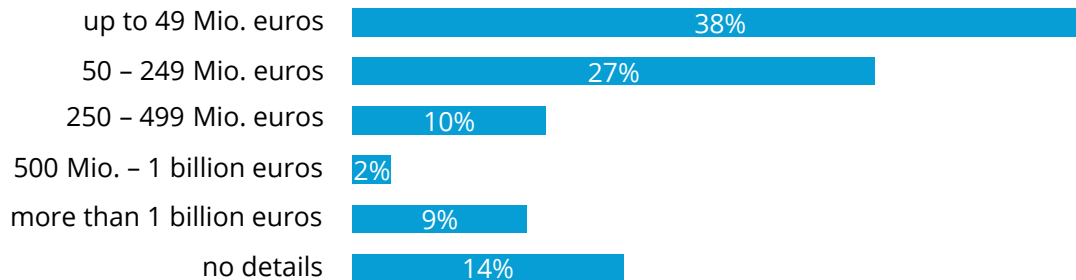
4.1: What industry does your company operate in?



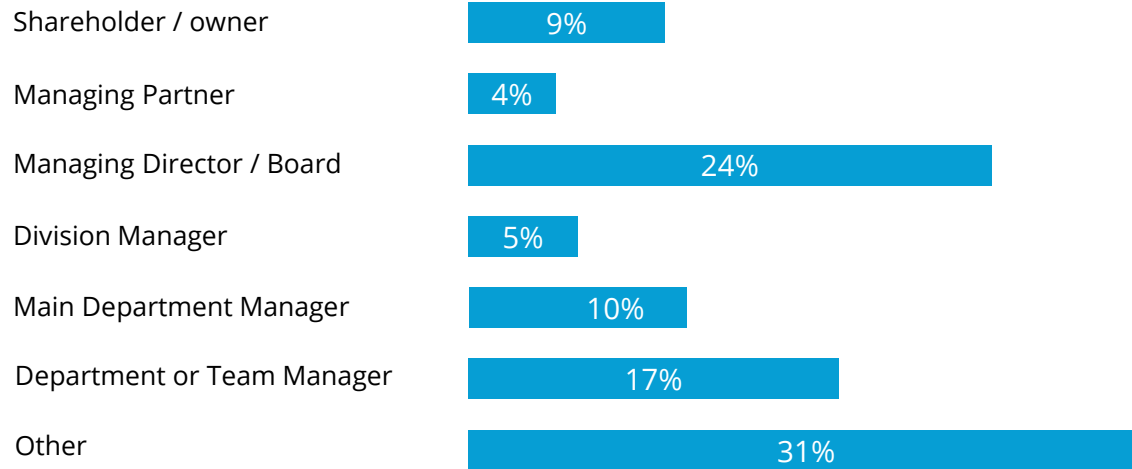
4.2: How many employees does your company have?



4.3: How big is your annual turnover?



4.4: What role do you play in your company?



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THERE IS AN EVEN BETTER ONE.

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