

Workproduct 1

Q1 Characterize **Verdeco's current org. culture** based on today's presentation and available company materials.

Verdeco is more of a packaging company than a recycling company.

- Output = food based plastic

Verdeco focuses on

1. Solution
2. Innovation
3. Science and data
4. Value driven
5. "Sexy industry" (Attracting and inspiring industry)

Currently at Verdeco:

- US-focused company

- Supply chain is international, but jobs are in the US (South Carolina (building HQ there) and _____)
- 60-70 employees (dozen are white collars)
- Future Goal - 1 Billion dollar revenue by '27 - increase 5x in size
- Very few consultants
- Allows some employees to work remotely
- No well-defined positions at Verdeco
- Verdeco's culture is constantly changing
- Does inhouse training - no specific structure to training like a big company
- Compensation structure:
 - No formal equity scheme
 - Salary based
 - Performance-related bonuses (based on personal and company performances)
- Diversity and inclusion at Verdeco:
 - Always in the back of their heads when they do interviews
- Took over 2 facilities
 - The 2 facilities culture: previous mgmt left; only kept the current CFO
 - Now, flies people to different facilities to see how others work (not about beating the other facilities but helping one another be better as one whole organization)

Verdeco's organizational culture is one build on four foundational pillars of values. The foundational values that Verdeco tries to uphold are integrity, innovation, impact, and excellence. What follows will be a deeper dive into each value and outline how the company is trying to achieve the value in question.

The first value is integrity. Here, Verdeco wants to 'build trust with truth'. *(funny how this became a boasting point instead of a standard)* We can see this in the company because Verdeco has stated that it has a very strong focus on science and data. This is when it comes to the science behind the product, but we can also see it in the performance based compensation which Verdeco is adopting. Performance related bonuses means that there are very clear KPI's that are either met or not, which rates performance on data.

Next is innovation. They want to 'seek the impossible, and accept a challenge'. Verdeco tries to get an edge on the competitor through innovation. This is, once again, obvious from their product itself which does some things different than the competitor. They moved from the simple PET plastic solutions, to RPET sustainable solutions. This is a new technology which is more sustainable than previous PET plastic solutions which uses new technology. But also inside the workforce, Verdeco tries to be proactively innovative by allowing some employees to work fully

remote. Now, this is a very new trend and if this a positive or negative one remains to be seen, but what it does do is open up an international talent pool to choose from.

Continuing from innovation, we arrive at impact. Verdeco wants to 'create positive change & a better world for all.' This really is the goal of the company, to make a more sustainable use of our plastic, which of course has ripple effects across the globe, mainly into our oceans. But even inside the company, Verdeco tries to have a positive effect. We can see this through them providing inhouse training. It seems that some refining is necessary since it is unstructured as it is, but they want to provide their employees with the tools they need not to only improve in their current job but also beyond. Because you cannot put a price on a piece of mind and once

knowledge is given, it can never be taken away. So there is really not a more precious gift. In this way, they improve their employees lives and make the more potent for future endeavors. The last value is excellence. Verdeco wants to 'go beyond the expected'. Perhaps it's least original, Verdeco tries to implement a culture of excellence. This reflects again on the fact that they provide internal training to their employees and also that they offer performance based rewards. In that way, they try to incentivise a high performance culture.

Q2 Then, consider the **organization's strategy, goals, values, and vision, as well as the need to promote employee loyalty and motivation, engagement, performance-, impact- and customer- centrist, safety, ethicality, and inclusion and civility** that should feature in every sustainable organization's culture, to characterize the target culture for the company's new facility.

Vision for the new culture at Verdeco: last slide on slidedeck

- **Nurturing collaboration** is key
- Wants to create a **place for creativity**
- **Open lunch time** for white & blue collars (more probably for the white collars) - promote informal bonding

In South Carolina - building a new office there for white collars (managers, analysts, etc.)

- Never had a physical office before
- Blue collar (machine, operators, forklift drivers, etc.)

Adhocracy Culture and Clan Culture model

About the Adhocracy Culture model, Verdeco is committed to a circular plastics economy through material science, process innovation, and customer-centricity. Adhocracy Culture helps Verdeco to focus externally on innovation. Therefore, I recommend Verdeco build connections with customers and ask customers to show the success and achievement of the Verdeco production, about how Verdecos' rpet help sustainable manufacturing. These achievements can motivate employees and state the value and meaning of their work. After encouragement and motivation from external sources, Verdeco employees will push more on innovation.

About the Clan Culture, based on Verdeco company structure, a great employee relationship can improve work efficiency. And make employees know better about their company's shared value. HR can operate more flexibly. Therefore, I recommend the Verdeco open lunch or Afternoon Tea to all the white & blue collars of Verdeco. People will be able to communicate with each other during tea time, which helps employees know the task and mission better and provides opportunities to express and share opinions.