

The Role of Excellence Management to Create an Organizational Culture

إدارة التميز ودورها في خلق ثقافة تنظيمية

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الملخص

تواجه المنظمات المعاصرة تحديات جديدة حول كيفية إدارة القادة للمنظمات في جميع أنحاء العالم وكيفية بناء ثقافة تنظيمية قوية للتميز والإبداع من خلال مجموعة من الآليات التي تعتمد عليها إدارة التميز على الموظفين والعملاء والمساهمين، نحاول في بحثنا هذا الكشف عن المتغيرات والعوامل الرئيسية لإنشاء هذه الثقافة وترسيخها وتوضيح مجموعة من المفاهيم والدراسات المحققة من طرف علماء التنظيم والقادة الإداريين. الهدف الرئيسي من خلال هذه الدراسة تحديد إطار تصوري لفهم دور إدارة التميز في إنشاء الثقافة التنظيمية.

الكلمات المفتاحية: إدارة التميز، الثقافة التنظيمية، ثقافة التميز، القيادة، الآليات

Abstract:

Modern organizations are facing new challenges in the purpose how do leaders run organizations around the world, how are they successfully building a sustaining organizational culture of excellence and innovation through a set of mechanisms set by excellence management on followers, customers and shareholders , as a part of this paper; we have produced a research revealing the main variables and factors to create and embed such culture illustrating a number of management leaders and organizational scholars' implemented concepts and monographs. The main aim of this article is to define a conceptual frame to understand the excellence management's role in creating an organizational culture.

Key words: Excellence management, Organizational culture, Culture of excellence, Leadership, mechanisms

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Introduction

Excellence Management is one that achieves its purpose by meeting the needs of its stakeholders matching its resources to opportunities, adapting flexibility to environmental changes and creating an organizational culture. However, culture is concerned with subjective beliefs and unconscious assumptions which are not easy to be measured set by the excellence management through leadership; the own actor who is able to focus on particular aspects of the organizational culture such as performance, commitment, quality, customer service, creativity, teamwork and organizational learning and precise which area should have an urgent focus.

It could be confirmed that a “good” culture that should be appropriate to any organization has a strong impact on the organizational performance, behavior and identity. Leaders could help to create a culture as a priority which can probably support excellence, innovation and a high level of business performance.

This article will explain how excellence management could set culture among its goals through leadership to keep powerful and excellent.

This article will clarify some of cultural definitions and impacts within the excellence management.

The article will also give examples about how could culture help companies achieve perfect and remarkable outcomes.

The article will answer the following questions:

Main question: What is the role of excellence management in creating an organizational culture?

Sub- questions:

1. How can excellence management create a culture of excellence and innovation?
2. What is the role of leadership to embed the organizational culture?

First: Objectives of the study

1. Exposing the reality of managing excellence in Algeria
2. Determining the availability of a culture of excellence and creativity in the management of excellence and the mechanisms for achieving it
3. Presenting a theoretical framework on the basic concepts of each of the management of excellence, the culture of excellence, creativity and organizational

culture, and we will highlight the role of leadership in establishing the organizational culture.

4. Providing recommendations and proposals that contribute to the development of the main strategies of private and public organizations to move from the traditional management to a sophisticated administration looking for leadership and excellence.

Second: Excellence

It is important in this article to present the main concepts that contribute to highlight the Excellence dimensions' perspectives on the content.

1. Organizational Excellence:

The ability of organizations to contribute strategically by excelling in their performance, solving their problems, and then achieving their goals in an effective manner that distinguishes them from other organizations.

In addition to the distinction of leadership and subordinates, and the distinction of both the structure and the strategy, we also refer to the distinction of culture as follows:

2. Culture of Excellence:

It represents the degree of conformity of behavior and reflects the distinction of the values and beliefs of influential individuals in the organization, and includes elements (openness, cooperation, trust, originality, tribal activity, independence and facing problems). These elements contribute to enhancing the effectiveness of human performance.¹

3. The Foundations of Distinction:

Organizational or corporate cultures have been a fashionable topic in the management literature since the early 1980s. At that time, authors began to popularize the claim that the "excellence" of an organization is contained in the common ways by which its members have learned to think, feel, and act. *Corporate culture* is a soft, holistic concept with, however, presumed hard consequences.

Organization sociologists have stressed the role of the soft factor in organizations for more than half a century. Using the label *culture* for the shared mental software of the people in an organization is a convenient way of repopularizing these sociological view.²

4. Culture of Excellence Definition:

The concept of excellence is the ability to provide services in an innovative way different from others, and it is almost impossible to achieve excellence unless the

prevailing culture is a culture of excellence, and the culture of excellence is definitely different from the culture of laziness, indulgence, so achieving excellence calls for reviewing the culture to ensure that it is conducive to this distinction, or, it either denotes something else, and at the level of one organization. To achieve excellence, it is also imperative that the organization's culture of excellence develops.

The culture of excellence is a set of ways of thinking, behavior and dealing with most of the employees in the organization with each other on the one hand, and with the beneficiaries, customers, suppliers and shareholders on the other hand, it covers most of the organization's relations with the local community, and this culture consists of a set of values, goals and systems that support excellence.³

5. The Pillars of the Culture of Excellence:

- **Strong focus on research:**

It includes obtaining a range of patents and honors for research and development results, and encouraging participation in research contracts with other organizations.

- **Excellence in the culture of alliances with society, industry and government, and in the various missions and projects at all levels:**

That is, integrating learning, teaching, research and exploration with the world that surrounds the organization through smart partnerships that benefit the organization, and it is the culture through which the organization seeks to participate, listen and make a difference in the world that surrounds it.

- **Excellence through a Culture of Quality:**

Ensuring excellence at all levels of the organization, while providing strict (technical) requirements to strengthen the incentives for excellence in the organization and to ensure that the systems and procedures that follow lead to quality.⁴

6. Characteristics of Distinct Organizational Culture:

Characteristics of the organization's distinct culture: Among the most important characteristics of distinct culture:

- **Regularity in behavior and adherence to it:** As a result of interaction between individuals, they use common language, terms, phrases and rituals related to behavior in terms of respect and behavior.
- **Standards:** There are behavioral standards regarding the amount of work that must be accomplished.

- **Controlling values:** There are basic values that the organization adopts and every member is expected to adhere to, such as high quality, low percentage of absence and compliance with regulations and instructions.
- **Philosophy:** Each organization has its own policy in treating employees and clients.
- **Rules:** They are instructions issued by the organization and vary in severity from one organization to another, and the individual in the organization according to the rules set for him.⁵

Third: Organizational Culture

1. Organizational Culture Concept:

Peters and Waterman wrote:

“Without exception, the dominance and coherence of culture proved to be an essential quality of the excellent companies. Moreover, the stronger the culture and the more it was directed toward the marketplace, the less need was there for policy manuals, organization charts, or detailed procedures and rules. In these companies, people way down the line know what they are supposed to do in most situations because the handful of guiding values is crystal clear”.⁶

Talking about the culture of a company or organization became a fad, among managers, among consultants, and, with somewhat different concerns, among academics. Fads pass, and so did this one, but not without having left its traces. Organizational, or corporate, culture has become as fashionable a topic as organizational structure, strategy, and control. There is no standard definition of the concept, but most people who write about it would probably agree that organizational culture is all of the following:

- Holistic: referring to a whole that more than the sum of its part
- Historically determined: reflecting the history of the organization
- Related to the things anthropologists study: such as rituals and symbols
- Socially constructed: created and preserved by the group of people who together form the organization
- Soft: although Peters and Waterman assured their readers that “soft is hard”
- Difficult to change: although authors disagree on how difficult.⁷

2. Definition of Organizational Culture:

Organizational culture has always been the center of interest of scholars, it is also a major key to assure sustaining organizations over decades, as it is insufficiently clarified in this paper.

Schneider, Ehrhart and Macey [68] define organizational culture as a set of 'shared basic assumptions, values, and beliefs that characterize a setting and are taught to newcomers as the proper way to think and feel'. These proper ways of thinking and feeling are continuously reviewed, reinforced, and communicated through 'the myths and stories people tell about how the organization came to be the way it is as it solved problems associated with external adaptation and internal integration'.

Part of the process of creating and preserving an organizational community comes about through sharing, communicating, negotiating, and redefining the existing social and cultural norms of those who enter the organization. The culture provides cohesion for the organization and a sense of identity for its members. Often, but not inevitably, the cultural values that will become the accepted norms of the new collective are seeded by their leaders and founders. Subsequently, that defining and cohesive value-set becomes the accepted values of all organizational members through a process of inculcation and socialization [69].⁸

3. Types of Organizational Culture:

Here in this article are presented the four types of the organizational culture set by Handy which were based on Harrison's classification:

Handy

-*The power culture*, which is one with a central power source that exercises control. There are few rules or procedures and the atmosphere is competitive, power-orientated and political.

-*The role culture*, in which work is controlled by procedures and rules, and the role, or job description, is more important than the person who fills it. Power is associated with positions not people.

-*The task culture*, in which the aim is to bring together the right people and let them get on with it. Influence is based more on expert power than in-position or personal power. The culture is adaptable and teamwork is important.

-*The person culture*, in which the individual is the central point. The organization exists only to serve and assist the individuals in it.⁹

4. Organizational Subcultures:

Within the organization there will exist different subcultures. An organizational culture is the articulated culture for the whole company, and even though it is meant to be equal all over the business it most likely differs between different departments and units (Liker & Hoseus 2008). Schein (1984) argues that if an organization has a structure with functional, divisional or geographical subgroups, the organization will

exist of multiple cultures. The occupational background can affect the culture and therefore an organization can have an engineering culture, a marketing culture and a labor culture existing within the same company.¹⁰

5. Elements of Organizational Culture:

Organizational rites, rituals, and customs express the organization's unwritten rules about how things are done. How employees dress, interact with each other, and approach their work at all part of this element of an organization's culture. Rites, rituals, and customs are enforced most effectively by peer pressure.

Cultural transmitters are the vehicles by which an organization's culture is passed down through successive generations of employees. The grapevine in any organization is a cultural transmitter, as are an organization's symbols, slogans, and recognition ceremonies.¹¹

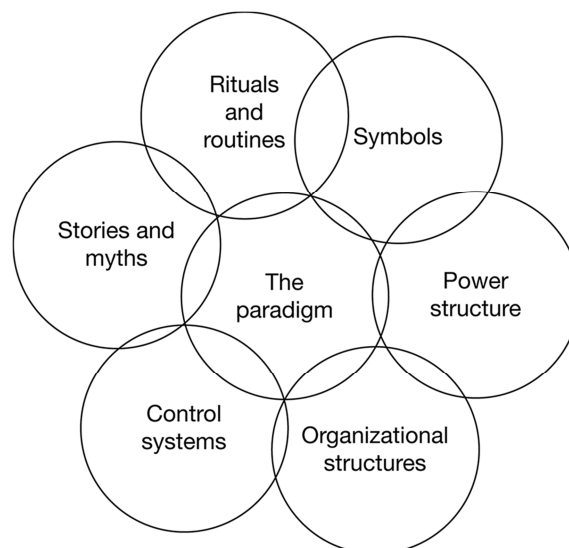
.... So G. Johnson (1988, pp. 75-91) suggests dividing the elements of culture that is inseparable and considers the strategy and structure as cultural elements. The proposal includes the following elements of the organizational culture:

- paradigm: what the organization is, what it does, what is its mission and its values,
- control systems: processes in order to monitor what is going on,
- organizational structures: hierarchies and division of labor,
- structures of power: who decides and what are prerogatives,
- symbols: logo and utility models, but also status symbols denoting power,
- rituals and procedures of meetings, reports, established more than necessary,
- stories and myths: narratives about people and events to convey a message about what is valued in the organization.

It seems, however, that such extension of the understanding of culture is quite risky cognitively and methodologically. The inclusion of the strategy and organizational structure in culture means that you cannot treat them as equal subsystems organizational culture. In this case, the relationship between the sub-systems testing becomes irrelevant, and the idea is coming to the understanding of culture as a "metaphor core", which is characteristic only for non-functionalistic paradigms.¹²

Figure(1)

A cultural Web



Source: Johnson et al. (2011).

Mats Alvesson, Stefan Sveningsson. (2016). Changing Organizational Culture cultural change in progress, 2nd edition, Routledge Taylor and Francis group. p.29

6. Functions of Organizational Culture:

According to Greenberg and Baron (2003) give the view that there are several functions of Organizational Culture including:

1. Culture provides a sense of identity the clearer perceptions and values shared by the organization are defined, the stronger people can be united with the organization's mission and feel an important part of it.

2. Culture evokes commitment to the organization's mission

...If there is a strong culture, people feel that they are part of a large part of the organization and are involved in the overall work of the organization.

3. Culture clarifies and reinforces standards of behavior. The culture of guiding words and deeds of work, makes clear what must be done and words in certain situations are especially useful for newcomers. A company with a strong culture supports customer satisfaction; workers have guidelines on how to behave.¹³

7. Innovative culture:

... The need for adaptive, flexible and innovative organizational culture within organizations in response to the turbulence and uncertainty in the organizational environment has long been suggested. Kotter and Heskett (1992) identified the adaptive culture as the 'optimal' organizational culture and stated "only cultures that can help organizations anticipate and adapt to environmental change will be associated with superior performance over long periods of time". Bass and Avolio (1993) also highlighted the importance of adaptive and flexible organizational culture and distinguish between transformational and transactional organizational culture. Transformational culture refers to those organizational cultures supportive of innovation, transformation and change and transactional cultures as those that maintain the status quo, are based on pre-established rules and structures, and inspire limited levels of commitment and motivation.¹⁴

8. Characteristics of Organizational Culture:

It is common to talk of the following seven characteristics when referring to culture.(Hofstede et al. 1990):

- Culture is holistic and refers to phenomena that cannot be reduced to single individuals; culture involves a larger group of individuals.
- Culture is historically related; it is an emergent phenomenon and is conveyed through traditions and customs.
- Culture is inert and difficult to change; people tend to hold on to their ideas, values and traditions.
- Culture is a socially constructed phenomenon; culture is a human product and is shared by people belonging to various groups. Different groups create different cultures, so it is not human nature that dictates culture.
- Culture is soft, vague and difficult to catch; it is genuinely qualitative and does not lend itself to easy measurement and classification.
- Terms such as 'myth', 'ritual', 'symbols' and similar anthropological terms are commonly used to characterize culture.
- Culture most commonly refers to ways of thinking, values and ideas of things rather than the concrete, objective and more visible part of an organization.¹⁵

...If a picture of a company with a strong quality culture could be taped to an organization's wall for all employees to see, it would have the following characteristics:

- Widely shared philosophy of management
- Emphasis on the importance of human resources to the organization
- Ceremonies to celebrate organizational events

- Recognition and rewards for successful employees
- Effective internal network for communicating the culture
- Informal rules of behavior
- Strong value system
- High standards for performance
- Definite organizational.¹⁶

Identity and customer care focus relation to organizational culture value the perception of an ultimate overall analysis in this paper.

Fourth: Leadership

It is fundamental to explain any organization's existence, competency, failure or success without emphasizing the role of leadership, for centuries leaders have contributed to huge triumphs and to failures as well, thus we try in this paper to review the necessary guide to the effective leadership mechanisms towards embedding organizational culture.

1. Leadership within Excellence Management:

The leadership component refers to the style of the organization's leaders in developing and managing performance to achieve the mission of the organization, its future vision, and its long-term goals. This element emphasizes the importance of leaders' behavior as the ideal guiding and following the employees. This element is evaluated according to the following criteria:

- Leaders are interested in crystallizing and clarifying the mission of the organization and its future vision, the system of basic values in it, and their behavior as emulated by the values of excellence management.
- Leaders are interested in making sure that management systems in the organization have been carefully designed, applied seriously, and subject to constant review and development.- Leaders seriously interact with customers, suppliers and other organization partners and community representatives.
- Leaders are responsible for motivating, encouraging and supporting workers, and appreciating their contributions and achievements.¹⁷

2. Leadership to Create Organizational Culture:

In a way it is a question of making life at work more balanced and whole of creating a culture at work in which it is acceptable to be a whole person with feelings and not merely an instrument. We need to value people for who they really are if we want them to offer their full potential. We need a more balanced alternative to traditional leadership with its "yang" emphasis - a leadership that is more inspiring, nurturing and empowering. We need to find new, practical ways of working together which

fully respect people whatever their gender, age, class, racial background or position in the organization.¹⁸

The seminal work of Schein (2010) on leadership and organizational culture has greatly contributed to our understanding of organizational life taking a culture perspective. Additional future research, however, is needed to clarify how leaders influence culture and vice versa, especially research focusing on the effects of Schein's culture-embedding mechanisms (Schneider, Ehrhart, & Macey, 2013).¹⁹

Additionally, the study of Jung, Chow, and Wu (2003) in a large number of corporations showed that transformational leadership was positively associated with organizational innovation, and this link was mediated by a culture where members are encouraged to openly discuss and implement innovative suggestions and ideas. Finally, Elenkov and Manev (2005) examined the influence of transformational leadership in top and middle management on innovation, and found evidence that the link between transformational leadership and innovation was mediated by performance-oriented and competitive organizational cultures.²⁰

3. Leadership and Organizational Culture Focus:

Further- more, transformational leadership should be a more effective form of leadership globally because the transformational leader is consistent with people's prototypes of an ideal leader (Bass, 1997). Of course, there are cultural contingencies, as well as organizational factors, that can affect the impact of transformational leadership in particular instances. However, authentic transformational leadership has an impact in all cultures and organizations because transformational leaders have goals that transcend their own self-interests and work toward the common good of the followers (Burns, 1978).²¹

4. How do Leaders Establish an Organizational Culture:

The culture of the organization is heavily influenced by its leaders. Leadership sets the tone for behaviors expected from the staff in an organization, and individuals and teams change their behaviors to match the expectations of their leaders. Frontline staff and support staff who directly or indirectly interact with patients/customers provide valuable information about the mood of the organization. However, these groups have lower influence on changing the current and desired culture of an organization. Customers/patients and families provide valuable feedback and insight on cost, quality, and delivery expectations of the product/service offered by the organization, which in turn guides leadership in setting the vision. However, to internalize the behavior expectations that influence the culture of the organization is the responsibility of leadership.²²

Psychologists George Litwin, Richard Stringer, and David McClelland refer to six

key factors that influence an organization's working environment (climate) and therefore its culture: its *flexibility*—that is, how free employees feel to innovate unencumbered by red tape; their sense of *responsibility* to the organization; the level of *standards* that people set; the sense of accuracy about performance feedback and aptness of *rewards*; the *clarity* people have about mission and values; and finally the level of *commitment* to a common purpose.

... It has been proven that investing in culture assessment and alignment

- pays rich dividends over the entire life of your strategy plan
- assists you to align your strategy and operations with the desired culture
- helps you in prioritizing projects that will deliver best value to customers/patients and their families
- increases staff morale
- generates remarkable growth
- improves bottom-line results
- optimizes use of your organization's resources.²³

5. How do Leaders Embed Organizational Culture:

Embedding Mechanisms:

1. Primary Embedding Mechanisms:

- What leaders pay attention to, measure, and control on a regular basis
- How leaders react to critical incidents and organizational crises
- How leaders allocate resources
- Deliberate role modeling, teaching, and coaching
- How leaders allocate rewards and status
- How leaders recruit, select, promote, and excommunicate

2. Secondary Articulation and Reinforcement Mechanisms

- Organizational design and structure
- Organizational systems and procedures
- Rites and rituals of the organization
- Design of physical space, facades, and buildings
- Stories about important events and people
- Formal statements of organizational philosophy, creeds, and charters.²⁴

Six of the mechanisms discussed are powerful primary means by which founders or leaders are able to embed their own assumptions in the ongoing daily life of their organizations. Through what they pay attention to and reward, through the ways in which they allocate resources, through their role modeling, through the manner in

which they deal with critical incidents, and through the criteria they use for recruitment, selection, promotion, and excommunication, leaders communicate both explicitly and implicitly the assumptions they actually hold. If they are conflicted, the conflicts and inconsistencies are also communicated and become a part of the culture or become the basis for subcultures and countercultures.²⁵

Conclusion

Creating a culture of excellence requires a smart engagement to benefit the organization, it is an adopted pattern to provide incentives for excellence at all the organization's level. Culture is influenced by leadership and vice versa through Shein mechanisms set by the main types of excellence management's leaders, as a conclusion, they lead to effective organizations. Within leadership goals to influence the entire benefit of their own interests and of the common objectives of followers as well.

Organizations doers enhance new culture, it is embedded at each stage through strategic directions, the organization's perspective include the management of all parts as a unified whole to achieve its mission and strive towards its vision, it is set by the senior leaders to create a culture relating to a customer focus, and demonstrating clear and visible organization's values and ethics among the high expectations for the followers, in addition it values all work force members, stakeholders including, community members, suppliers and partners and any people affected by its actions to provide valuable feedback through the background of a distinguished culture. Leaders are first responsible to focus on ethical behavior by all followers, members and stakeholders, and set interactions, they should be role models including transparency characterized in sharing of accurate information and in open communication to enhance a strong organizational culture which has a reflect on performance and effectiveness. In 1982 Waterman and Peters launched the first monograph when writing "In search of Excellence" to allow the emergence of very distinct successful organizations, we attend to achieve such success and evolution of Algerian organizations, Beyond the traditional management, we wish them to have an overall strategy agenda titled "In search of Excellence" as a guide to excellence, taking in consideration the complete variables and indicators within cultural perspectives.

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