

## Quality improvement of organization and organizational culture

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**Abstract:** Organizational culture is considered as an important and fundamental component in an organization. Although organizational culture is a set of universal and shared beliefs and values that affects on members' thoughts and behaviours, but it must be noted that there are some differences between the fundamental values and beliefs of highlevel management and norms of downward member of organization. Effective organizations have strong cultures with a set of similar values. In this study, we consider the effect of organizational culture on Quality improvement of organization. Literature suggests that by developing strong organizational culture, firms can achieve effective Quality improvement.

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### 1. Introduction

Organizational culture relates to the assumptions, values, attitudes, and beliefs that are shared among significant groups within an organization (Davies et al., 2007). In research on culture in general health care, many attempts have been made to elucidate any possible linkages between organizational culture and organizational performance .A strong, positive culture has been reported to contribute to quality of care .Yet, other studies in general health care report no associations at all (e.g. Hann et al., 2007). Organizational effectiveness is “the degree to which an organization realizes its goals” (Daft, 1995). In this study, measures assessing organizational effectiveness were adopted from Lee and Choi (2003) which encompass organizational members' perceptions of the degree of the overall success, market share, profitability, growth rate, and innovativeness of the organization in comparison with key competitors. Organizational culture refers to shared assumptions, values, and norms (Schein, 1985). Organizational culture is a source of sustained competitive advantage (Barney, 1991) and empirical research shows that it is a key factor to organizational effectiveness (Denison, 1990; Wilkins and Ouchi, 1983). In particular, Denison and his colleagues (Denison, 1990; Fey and Denison, 2003) identified and validated four dimensions of organizational culture that are conducive to organizational effectiveness: adaptability, consistency, involvement, and mission. Culture may influence the priority accorded to equity considerations within organizational strategy, for example by promoting shared ethical principles of protecting vulnerable

consumers, and establishing arrangements that correct for purely efficiency-seeking behaviour.

Culture, with its many definitions and meanings, has always been hard to pin down (Braithwaite, Hyde, & Pope, 2010). Anthropological and sociological approaches tend to define culture as a set of attitudes, beliefs, customs, values and practices which are shared by a group (Alvesson, 2002). The group may be defined in terms of politics, geography, ethnicity, religion, or some other affiliation. The characteristics which define the group may be manifested in the form of signs, symbols, language, artefacts, oral and written tradition and other means (Brown, 1995). Before defining the concept of organizational culture, we must establish the concept of culture. Hofstede (1990) defines culture as “a collective mental approach that distinguishes the members of one group or category from those of another”. Culture is acquired, not inherited, and stems from the social environment's effect on the individual, and not from his genes. Therefore, culture can be acted upon, evaluated and improved. Schein (1992) makes reference to the set of values, needs, expectations, beliefs and norms that are accepted and practiced by cultures, and distinguishes among several levels of culture: basic assumptions, values and ideologies, artifacts (slang, stories, rituals and decoration) and practices. Focusing on organizational culture, leadership style and organizational performance, Ogbonna and Harris (2000) provide empirical evidence which suggests that organizational culture mediates the association between leadership style and performance. They argue that leadership style is not directly linked to performance but is merely indirectly associated to it. Furthermore, this study reveals that ‘leadership styles

are strong predictors of both competitive and innovative cultures, which in turn are strong predictors of performance' (Ogbonna and Harris, 2000). Lok and Crawford (2004) studied the leadership–culture relationship by using Wallach's (1983) bureaucratic, innovative, and supportive facets of organizational culture. In their recent study, they assert that leadership behaviors are related to the differences in organizational cultures identified by Wallach.

## 2. Organizational Culture

Organizational culture is considered as an important and fundamental component in an organization. Indeed, it is a social reality that formed by the unique interactions of organization members (Smircich, 1983). Although organizational culture is a set of universal and shared beliefs and values that affects on members' thoughts and behaviours, but it must be noted that there are some differences between the fundamental values and beliefs of highlevel management and norms of downward member of organization. The culture of high-level management reflects managers' beliefs, ideal desires while the culture of lower lines employees reveals the realities of work. If there are the same beliefs and values between top level managements of organization and lower line employees of organization, then it can be believed that there is a powerful organizational culture in the organization. The culture types relate to each other on two axes of value orientations. One axis concerns flexibility vs. control. Clan and adhocracy cultures are considered as flexible; they are held to emphasize decentralization and differentiation. On the other hand, market and hierarchy cultures are considered as control oriented value systems, which emphasize centralization and integration. The second axis regards internal vs. external focus. Clan and hierarchy cultures are held to have an internal focus: they are aimed at integrating and smoothing activities within the organization. The external focus of adhocracy and market cultures emphasizes improvement of the organization's competitive position within its environment.

### 2.1. Hierarchical culture

This culture is consistent on Marx Veber's brochrasny theory which is emphasized on traditions, constancy and cooperation in it. In hierarchical model, it is emphasized on internal organizational issues more than external organizational issues and it is emphasized on resistance and observation more than flexibility.

### 2.2. Market culture

In this culture it is also emphasized on observation and resistance. However, it is emphasized on external organizational issues (market) more than internal organizational issues. In this culture, the environment is considered a threat and one should change it to a chance.

### 2.3. Clan culture

This culture knows flexibility as value and has a little tendency to resistance and observation. Gregarious cooperation, partnership and conformity are considered environment control procedures.

### 2.4. Adhocracy culture

This culture has a tendency to external organizational issues and flexibility more than resistance and observation. There aren't organizational diagrams in this culture or aren't constant. The rules and physical spaces are also short term.

## 3. Organizational climate

Although the concept of organizational climate stemmed from McClelland-Atkinson's theory or human motivation, Litwin and Stringer (1968) defined organizational climate as the set of measurable properties of the work environment that is either directly or indirectly perceived by the employees who work within the organizational environment that influences and motivates their behavior. According to Litwin and Stringer (1968), the operational definition of organizational climate is the sum of individual perceptions working in the organization. Organizational climate is defined as employees' shared perception in their work environment (Verbeke et al., 1998). Scholars have developed several dimensions of organizational climate, including Campbell et al. James and Sells (1981), and Glisson et al. (2006). Of particular interest for this study, Glisson and his colleagues (Glisson et al., 2006) categorize organizational climate into engaged, functional or stressful climate. In explanation, an engaged climate indicates a high level of personal accomplishment and low levels of role conflict, emotional exhaustion, and workload. In this type of climate, employees have shared perceptions of their work environment in such ways that they are personally able to accomplish many worthwhile things, remain personally involved in their work, and provide high quality of services for their clients. In contrast, a stressful climate is seen as indicating a low level of personal accomplishment but high levels of role overload, role conflict, and emotional exhaustion. In this type of climate, employees have shared perceptions of their work environment that it is

emotionally exhausting and overwhelming. Organizational climate is influenced by and shapes organizational culture. Organizational culture is more defined than organizational climate; thus organizational culture is a broader pattern of its beliefs and stems from employees' interpretations of the assumptions, philosophies and values that produces the experienced climate within an organization. Organizational climate is a manifestation of the organization's culture; it is the here and now (Sowpow, 2006). Organizational climate attempts to identify the environment that affects the behavior of the employees. It deals with the way(s) employees make sense out of their environment (Reichers & Schneider, 1990).

#### 4. Organizational Culture and Commitment

The concept of culture has principally stemmed from the study of ethnic and national differences in the varied disciplines of social sciences. The concept of organizational culture has used by management and organizational scholars over the last decades. Schein (1997) defined organizational culture as a pattern of basic assumptions invented, discovered, or developed by a given group as it learns to cope with the problems of external adaptation and internal integration. Based on the literature the concept of organizational culture has four key elements. First, organizational culture is a shared phenomenon (Schein, 1997; Baumgartner, 2009). Second, organizational culture has visible and less visible levels (Baumgartner, 2009). Third, each new member of the organization learns the culture (Baumgartner, 2009). Finally, culture tends to change slowly over time (Baumgartner, 2009).

#### 5. Discussion

There have been a number of empirical studies that have sought to identify a relationship between organizational culture and organizational performance. Indeed a clutch of populist texts dating back to the 1980s proved influential in instilling the notion that 'strong cultures', defined as "a set of norms and values that are widely shared and strongly held throughout the organization" (O'Reilly & Chatman, 1996), are related to high performance across a range of industries (Deal & Kennedy, 1982). This hypothesis is based on the idea that organizations benefit from having highly motivated employees dedicated to common goals. Within the literature it is possible to identify several studies that have purported to show that 'strong cultures' outperform 'weak cultures' (Chatman & Cha, 2003) and evidence suggested that 'strong' corporate cultures improved organizational performance by facilitating internal behavioural consistency (Sørensen, 2000).

The reported effects of organizational culture on individual attitudes and behaviour as well as overall company performance are what make the phenomenon an attractive area of study. It is contended that organizational culture acts as a system of social control and can influence employees' attitudes and behaviour through the values and beliefs operating in a company (Kusluvan & Karamustafa, 2003). Organizational culture has been shown to have a direct influence on staff satisfaction and commitment (e.g., Lok & Crawford, 1999; Silverthorne, 2004) and turnover intention (e.g., Egan, Yang, & Bartlett, 2004; MacIntosh & Doherty, 2005). Literature suggests that by developing strong organizational culture, firms can achieve effective Quality improvement.

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