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Procedia - Social and Behavioral Sciences 213 (2015) 770 – 774

Procedia
Social and Behavioral Sciences

20th International Scientific Conference Economics and Management - 2015 (ICEM-2015)

Role of Organizational Culture in the Quality Management of University

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Abstract

Organizational culture is directly connected with effectiveness and performance of the organization – the stronger is organizational culture, the more effective is organization. The aim of the paper is to evaluate theoretical aspects of organizational culture and quality management, their interrelation and impact on continuous improvement and development of the University. In order to evaluate the organizational culture of the University the framework of the research was built using modified version of the Organizational Culture Assessment Instrument (OCAI). The research has resulted in creating characteristics of organizational culture and analysis of the factors that affect the development of the organizational culture. It is concluded that university organizational culture makes ground for quality management and is directly connected to development.

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Peer-review under responsibility of Kaunas University of Technology, School of Economics and Business

Keywords: Organizational culture; Quality management; Performance; Continuous improvement; University.

Introduction

Any organization is an open and complex system, which consists of many variables and all of these elements closely interact with external environmental factors. In Latvia, reduction of competitive advantage is now observed more and more often, whereas the ever-changing business environment forces organizations to look for more and more efficient working methods. It becomes necessary to look for new solutions to increase work efficiency and focus on the organization's objectives, including the objectives related to continuous improvement of quality, use of

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new technologies, implementation of uniform values, norms and rules system in the organization and the organizational culture. Total Quality Management (TQM) has been one of the most applied organisational change methods in the last two decades. It is focused on increasing organisations' effectiveness by setting quality objectives.

The aim of the paper is to evaluate theoretical aspects of organizational culture and quality management, their interrelation and impact on continuous improvement and development of Riga Technical University. In order to evaluate the organizational culture of the University the framework of the research was built using modified version of the Organizational Culture Assessment Instrument (OCAI). The research has resulted in creating characteristics of organizational culture and analysis of the factors that affect the development of the organizational culture.

In every university organizational culture makes ground for quality management and is directly connected to development. The authors believe that the development and existence of organizational culture is determined by a number of interrelated internal and external environmental factors, such as social environment, economic situation, character traits of a certain person, goals, etc. In order to reach and maintain a certain level of quality, the organization must be able to organize itself, but the organization's ability to self-organize is based on the aspects of organizational culture, such as the existing beliefs, behavioural norms, values, etc. In the case of universities, organizational culture is directly linked to the development of the university; and the quality policy provides a framework for the implementation of the strategy – pathways for improving research, study process and organizational development, and therefore a significant role in achieving organizational excellence is allocated to implementation of quality management principles in the operations of the university.

Literature review

Organizational culture is a complex pattern of assumptions about the group's place and function in the world. Organizational culture is directly connected with effectiveness and performance of the organization – the stronger is the organizational culture, the more effective is the organization.

A review of the literature on concept "organizational culture" reveals that a majority of writers have come to an agreement that culture refers to the taken-for-granted values, underlying assumptions, expectations, and definitions present which characterize organizations and their members. Most discussions of organizational culture (Cameron & Ettington, 1988; O'Reilly & Chatman, 1996; Schein, 1996) agree with the idea that culture is a socially constructed attribute of organizations which serves as the "social glue" binding an organization together.

The values and expectations that direct behaviour are learned, based on what has worked for and against its welfare in the past. There are two complimentary survival functions that drive the development of organizational culture (Svyantek & DeShon, 1993). The first survival function is adaptation to external change. Experience in defending the group and advancing its cause in context creates a worldview. The second survival function is the development and maintenance of an integrated, stable, internal identity (Kwan & Walker, 2004). It may be more costly to ignore culture than to deal with it (Millington and Schultz, 2009).

A common mistake in organizations desiring to improve is that they do not create a common viewpoint regarding where the organization is starting and how that differs from an ideal future state. Unsuccessful organizations often launch a change initiative without considering the need to develop a consensual view of the current culture; to reach consensus on what change means and does not mean; the specific changes that will be started, stopped, and enhanced; the small wins and celebrations that are required; the measures, metrics, and milestones required for accountability; the requisite communication system needed; and the on-going leadership demands faced by organizations in the midst of culture change. (Cameron and Quinn, 2011)

Some researchers have begun to explore quality management as a cultural phenomenon rather than a set of tools and techniques (Cameron and Sine, 1999, Cameron, 1991, Powell, 1995). The outcomes of some research works have reported evidence that successful total quality management (TQM) implementation depends on the organisation's quality culture (Cameron and Quinn, 1999). This means that unless this was congruent with the TQM initiatives, positive outcomes were less likely.

The implementation of quality management principles and programmes seems to require very radical reforms, sometimes insurmountable, in basic organisational areas such as culture and leadership styles. Some empirical research carried out from the point of view of "Organisational Ecology" shows that innovations – for TQM this

means innovation in organisation management – affect key organisational aspects such as strategy, structure and culture, these being specifically the aspects which offer the main risks to survival. There can also be some opposition to adopting these innovations, even if their expected values are positive for the organisation. Other authors point out that many organisations will show some resistance to trying out basic reforms – even if improvement in organisational performance or fulfilment is expected from them – either due to their reticence to taking risks, their expectations that the strategies followed at present will bear fruit a little later or their fear of facing the mess brought about by such change. (Roldan *et al.*, 2012)

To survive in a rapidly evolving global market, customers and their needs should govern all the activities within the organisation. For most organisations this will require a change in their internal culture. The core concept of TQM that is the customer focus linked with a continuous improvement plan that is supported by innovation can build a strong culture, which can positively improve the organisation's competitiveness and performance. (Irani *et al.*, 2004)

Organizations have different working environments, work attitudes and leadership styles, which influence the implementation of the quality management approach. Therefore it is important that companies understand their organizational culture profiles in order to integrate the quality management principles and choose most appropriate approach for strategy development and continuous improvement.

Methodology

The research was conducted on the basis of scientific publications review, using logical and comparative analysis methods. Organizational culture and quality system in the University was analysed using self-assessment tools from EFQM (the European Foundation for Quality Management) Excellence model.

In order to evaluate the organizational culture of the University the framework of the research was built using modified version of the Organizational Culture Assessment Instrument (OCAI). The OCAI is a validated tool for assessing current and preferred organizational culture, based on the Competing Values Framework, developed by professors Robert E. Quinn and Kim S. Cameron of the University of Michigan (Cameron and Quinn, 2011).

The authors believe that diagnosing organizational culture with the help of the organizational culture diagnostic tools developed by Kim S. Cameron and Robert E. Quinn – competing values framework's structure and a questionnaire for evaluation of the organizational culture typologies OCAI (Organizational Culture Assessment Instrument) – allows identifying the overall image of the organizational culture consisting of the key organizational culture factors: dominating qualities, leadership in the organization, human resources management, organizational unity, strategic goals, and criteria of success.

Limitations of the study design and of the data analyses caution against making definite conclusions. Limitations also exist with regard to external validity. Research was conducted to develop suggestions for improvement of the organizational culture, in order to promote creation and implementation of the quality management system within the framework of the development strategy of the University. Research was conducted at university level at Riga Technical University with particular attention to development strategy and quality management.

Results

In 2014, Riga Technical University conducted an organizational culture study using a slightly modified OCAI questionnaire. The aim of the research was to characterize the existing and define the desired organizational culture type, and use the research results to develop a quality management and development strategy that would be most appropriate for the University. An important aspect was also the opinion of the University employees as internal customers about how to effectively build the University's internal communication process, which is an important factor for the success of any changes. Parameters of the organizational quality management should be defined within the framework of the development strategy of the University and based on the research related to organizational culture.

Current organizational culture of the University according to the respondents' opinions is more like *hierarchy* culture. Hierarchy oriented cultures are structured and controlled, with a focus on efficiency, stability and therefore

a significant role in achieving efficiency belongs to the leaders of the organization, whose personal qualities and skills determine the organizational strategy, goals and results to be achieved.

The desirable organizational culture, according to the respondents' opinions, is a mix of *clan* culture, which is internally focused, characterized as family culture and is directed towards mutual relationship between employees, and *adhocracy* culture, which is a creative and innovative culture, the most significant efficiency criteria is innovation and development, risk and creative freedom.

Figure 1 shows the assessment of RTU strategic goals using OCAI questionnaire.

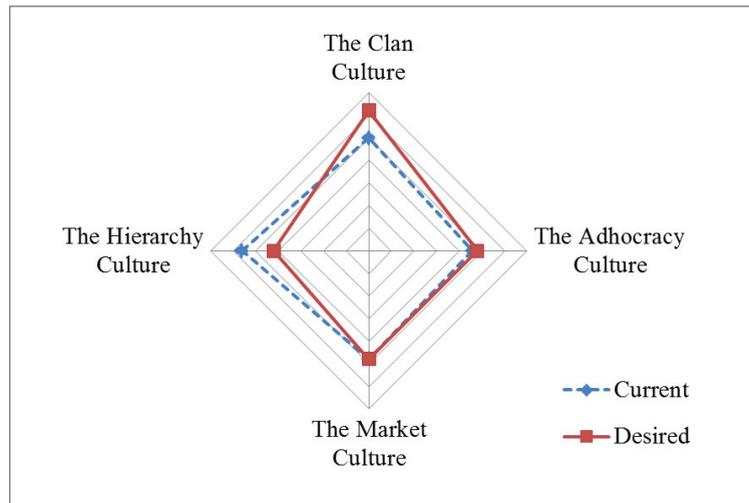


Fig. 1. Assessment of RTU strategic goals

The University management and staff is ready for cultural change that would be focused on innovations and development, which is clearly in tune with the RTU strategic goals to be achieved. The basic focus of the RTU strategy is to provide the implementation of the leitmotif of the National Development Plan for 2014 to 2020 – to realize “economic breakthrough” in Latvia. Riga Technical University positions itself as one of the cornerstones for the development of the Latvian economy by providing the training of necessary specialists, as well as by developing new products and services that serve as the basis for a sustainable growth of Latvia. The RTU strategy includes the framework for RTU development in the period up to 2020, as well as determines activities to be undertaken and sharing responsibilities for the tasks to be fulfilled.

The strategy is based on the three main objectives of the University and permeates the five top priorities of the University – internationalization, interdisciplinarity, organizational, financial and infrastructure efficiency. These five horizontal priorities are used by RTU as a prism to view the implementation of the objectives and ensure internationally competitive high-quality scientific research, higher education, technology transfer, commercialization and innovation for the Latvian economy and society.

The research of the organizational culture revealed that the desired changes in the organizational culture are directly linked to the direction of the strategic development chosen by the University and are in line with the University quality policy. In order to improve and strengthen quality, the University must be able to organize itself, but the organization's ability to self-organize is based on the aspects of organizational culture, such as the existing beliefs, behavioural norms, values, etc. For the organization to improve, a greater focus must be put on the definition of the organization's goals, stimulation of employees' growth and motivation of the employees performance and work culture.

Conclusions

The organisational culture and the behaviour of the higher education institutions in the country are influenced, among other factors, by the national culture and the government policy on education.

Interrelation mechanism of organizational culture and quality management is determined thus facilitating the identification and understanding of underlying factors for Organizational Excellency. Excellent organisations achieve and sustain outstanding levels of performance that meet or exceed the expectations of all their stakeholders.

The authors conclude that the concept of organizational culture cannot be not unambiguously defined, but all explanations of the concept emphasize that organizational culture is a set of beliefs and behavioural norms, a way of thinking, a value system based on understanding of various scientific disciplines – philosophy, sociology, psychology and management science. Whereas, total quality management is the organization's philosophy, a way of thinking about the organization's objectives, organization, processes and people. Successful interaction between the "organizational culture" and "quality management" is a key factor in the achievement of the organization's performance excellence.

The overall image of the organization is formed on the basis of the determinants of organizational culture: the main characteristics, leadership (management), human resource management, organizational unity, strategic objectives and success criteria. The authors conclude that in order to promote the quality management and good organizational governance, more attention should be given to the organization's operating principles and conditions by encouraging employees to focus on the organization's long-term interests and common values.

Any organization's results to be achieved are products, services and efficiency. Whereas the key resources that provide results are people, finance, raw materials, technology, information. Therefore, the main functions of the organizational culture are adaptation to the external environment and the internal integration of the organization.

According to the authors, the organizational culture viewed in the context of quality management approach means talking about good governance aspects. The authors agree that at the organizational level the management forms a system within which the organization's activities are managed, i.e., it is a set of principles and conditions under which the organizational goals are set and achieved. Within good governance systems the organization is stimulated to create added value by acting within a framework of clear responsibility and control principles that allow its operation to be ethical, predictable, strategic and consistent with the long-term interests of the organization's management and all stakeholders – internal and external.

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