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# The Influence of Native Model of Organizational Excellence on Iranian Governmental Organizations

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#### **ABSTRACT**

The aim of this research was to study the influence of the native model of organizational excellence on Iranian governmental organizations. This was a descriptive –correlative research and according to objectives it could be considered as practical which was done through library researches. The statistical society of this research included the staff of Industry, Trade and Mine Ministry (583 persons) from which the researchers selected 234 in accordance with Morgan and Talkman table. Samplings was randomly and in a simple way and the data related to variables were gathered via a questionnaire with the Alpha Cronbach of 0.988. The data were analyzed using SPSS, Liserl, and PLS softwares and also a t-test,  $X^2$ , and correlation coefficients. The results showed that propulsions influenced systems significantly. Moreover, they had no influence on the results and also systems influenced on the results significantly.

**KEYWORDS**: Native Model, Organizational Excellence, Propulsions, System, Industry, Mine and Trade Ministry.

#### INTRODUCTION

In the recent era, the happiness and success of all nations are interconnected to each other and IT causes the rapid news broadcasting. It is very easy to access all scientific discoveries all around the world and be successful in terms of the improvement in organizational systems and management (*Tesoro 2000, p. 110*).

Evaluating the performance of organizations and revising the programs and strategies are necessary for each organization and no aim would be reachable without evaluating and revising. Therefore, the leaders of organizations cannot have effective managements without paying attention to realities and the results of activities. In order to evaluate, there are many different alternatives that each has its own weakness and strength. If there would be able to apply a similar and adaptable alternative among the organizations, at that time we can compare the organizations relatively. The procedure or alternative should have a systematic and overall attitude toward the performance of an organization in all aspects and also should consider all inputs, outputs, and the effects on the organization (*Shahin 2005*, p. 46).

The model Of Organizational Excellence: It is a model which in the order of the models introduced is the sublime one and is extracted according to the internal needs and overall values in a governmental organization. It is supposed that no model can reflect the excellence unless it is derived from the native culture and attitude. The European models are the reflections of their societies and the blindfold imitation of western nations cannot improve organizations. From some experts view points, the principles of organizational excellence are related to British and American organizations and the orientation of excellence is depended upon being western alike (*Clark 1995, p. 29*).

While the standards of north countries (developed) comparing side countries (developing) are different from each other (*Kaplan 1997*, *p. 102*). Therefore, it is necessary to consider the ideologies and value in the nations at the time of providing the model. The thinking about the best way is no longer useful and the final strategy should be considered.

The rapid economic, political, social, and cultural changes at the beginning of 20<sup>th</sup> century and the change in the role of the governments from a direct authority to a supervisory one, have developed the culture of competition. It is obvious that there are many procedures in order to be ready for this basic movement but it should be considered that in the selection from these alternatives, factors such as generality, systematization, potentiality, newness, and supports are very essential in terms of management and science. In this regard, the model of organizational excellence as a very successful and effective alternative can identify the damages of an organization and determine

the ways of excellence. It seems that we need a native model which is suitable and adaptive for gaining organizational grades, identifying damages, and designing organizational plans (Anderson 2000, p. 250).

Evaluation means comparison according to the ideal and sublime wants of organization, to be in what place (Browne 2007, p. 150), gaining information of abilities and weaknesses. Moreover, justice needs evaluation (*Mir Sepasi 2004, p. 223*). Meritocracy is the product of evaluation and balance is its result (*Kaplan 1992, p. 62*). Educating a creative and innovative person is possible through evaluating the hidden performance (*Simons 2000, p. 42*). Finally, in the philosophy of management performance, the evaluating of performance is implied (*Mir Sepasi 2004, p. 222*).

Therefore, the designing of native model of organizational excellence can help in the evaluation of performance. However, the models of organizational excellence are designed in way that tell us how to gain organizational grades and how to identify damages and how to plan organizational programs of development; moreoverthere are several questions that the model can answer: What aims and concepts does the organization follow? What future standards does it follow? What values and standards does it have to evaluate?, but they are not enough and we need a model which is adaptable to Iranian organizational structure and content. Therefore, in the case of the importance of this research, it is to say that the native model has never been tested and no evaluation of Iranian organizations has been done.

In Iranian organizations mostly there is the problem of organizational excellence. In this research, after explaining the problem the researchers try to adapt a native model in order to solve the problem and meet the lack in such organizations to have better performance and better output.

The most important forms of excellence models are used by organizations, and national and international institutes of research in order to reach the level of human resource and organizations to the excellent situation. The experts in the field of human resource studies can evaluate them in an organization using this model. The models are as the following:

- 1. The excellence model of Deming
- 2. The excellence model of Baldridge.
- 3. The excellence model of European Institute of Quality,
- 4. The excellence model of ISO 9001,
- 5. The model of human resource investment (IIP),
- 6. The model of human resource expansion,
- 7. The model of excellent working environment,
- 8. The model of human abilities puberty,
- 9. The model of the awards for the bests,
- 10. The model of human resource leadership awards,
- 11. The award of human resource excellence.

Table 1: The Different Aspects of Organizational Excellence Resources; Kakar and et al, 2003

	Table 1. The Different Aspects of Organizational Excellence Resources, Rakar and et al, 2003							
Aspects	Michigan Model 1984	Harvard Model 1984	Guest Model 1987	Warovik Model 1992				
Focus on	Individual and organization	Human resource (Employees)	Human resource and	Change and expansion of human resource				
	performance		organizational achievements	management				
Depended on	Strategic control and system of	Individuals dominance,	Four achievements of human	Procedures of strategic changes and human				
	organizational structure for	working systems, rewards and	resource: strategic unity,	resource management				
	management employees	human resource progress	commitment, flexibility, and					
			quality					
Attention to	Human capital management to	Employees achievements	Suitable organizational	The mutual relationship between business and				
	reach strategic goals		achievements	human resource management				
Category	Normative	Analytic	Normative	Analytic				
Help to	Human resource performance	Individual and social welfare	Effectiveness for	Business strategy and human resource strategy				
	(employees)	and organizational	organization and human					
		effectiveness	resource					
Approach	Hard human resource	Softy human resource	Soft human resource	Hard human resource management				
	management	management	management					
Containers	Human resource progress and	Human resource system and	Methods to identify human	Strategic changes and human resource				
	strategic management and	human resource management	resource and organizational	management				
	environmental pressures	plan	achievements					
Ingredients	Structure, mission and	Business system, human	Methods of human resource	Outside texture (social-economic, technological,				
	organizational strategy, human	resource progress, rewards,	management, human	political-legal, competitive), inner				
	resource management, choice,	benefits, interests of profitable	resource and organizational	texture(culture, structure, policy and leadership,				
	performance, evaluation,	groups, conditional factors, the	achievements	technology-business, business and trade				
	rewards, and development	choice of human resource		markets), human resource management				
		management, human resource		textures(role, definition, organization, human				
		achievements, long term		resource feedback, human resource management				
		results		content (rewards systems, employees				
				relationship), the content of business strategy				
				(aims, market-product, strategy and tactics)				

## **Organizational Excellence Scales:**

In Clyde E. Gumbs view about organizational excellence, All over the world, organizations purport to be seeking the key to producing excellence in fulfilling their missions; however most find that they are reacting to the crisis of the moment, and fighting what seems to be a heroic and seemingly losing battle to:

- Motivate their workforces
- Satisfy those they seek to serve
- Operate within their existing financial constraints

Unfortunately, this situation, in most cases, has led to organizational cultures of resignation, inauthenticity, uninspired "doing", underperformance, costly turnover, and constant efforts to avoid personal responsibility for the shortcomings associated with the existing environment. Furthermore, there have been those who have attempted to compensate for lack of excellence by engaging in a variety of forms of unethical and perhaps even illegal behavior. Excellent organizations, by applying the scales of organizational excellence as a framework for their management, which covers all the aspects, move toward excellence and use the concepts of organizational excellence in a situation of organizational excellence values. These organizations consider reaching the permanent goals as depended upon performing some scales which are united in the framework of organizational excellence.

**Leadership:** The leadership scale or standard shows that leaders, especially top leaders, beside identifying the overall organizational procedure, direct the organizations along with aims through managerial systems. This scale also pays attention to the behavior of leaders in the roles as the moral patterns of organization, inspirations, trust development, flexibility, obeying rules, social responsibility, and active interaction with important beneficiary.

**Strategy and Management of Procedures**: It shows that how excellent organizations revise and up to date their strategies and methods to meet the needs and beneficiary's expectations. These organizations, to meet the strategies, share them with beneficiaries and in the procedure of reaching stable conditions design an organizational structure and manage the procedures.

**Human Resource**: It shows that how excellent organizations value their employees and create a culture in which the groups can access to each other's resources through organizational and individual aims. This procedure also pays attention to the expansion of abilities, promotion of justice and equality, creating relationship, encouragement, acknowledgement and surveillance of employees in order to promote them and make them able to use their knowledge and skills according to organizational benefits.

**Organizational Resources**: It shows that how excellent organizations manage their resources in order to support strategies and programs and also to efficiently perform the procedures and to insure the stable success of the organization.

**Marketing and Relationship with Customers**: It shows that how excellent organizations know the market in which they are going to act and design a strategy and marketing plan for it. These organizations strategically pay attention to the relationship with customers strategically and they have defined plans and aims to create a useful relationship.

**Products and Services**: It shows that how excellent organizations expand their product and services and manage the procedures of providing, producing, and services after selling in order to create extra value for customers and other beneficiaries.

**Customer Results**: It shows what results the organizations reach in relation with applying the strategies and methods depended upon needs and expectations of customers. They analyze and evaluate the customers' ideas, performance indexes, and related achievements to the procedures in a certain period of time.

**Human Invest Results**: It shows what results the organizations reach in relation with applying the strategies and methods depended upon needs and expectations of customers and applying the related approaches to the management of human invests. They analyze and evaluate the customers' ideas, performance indexes, and related achievements to the procedures in a certain period of time.

**Social Responsibilities Results**: It shows what results the organizations reach in relation with applying the strategies and methods depended upon needs and expectations of customers and applying the related approaches to meet social responsibilities. They analyze and evaluate the beneficiaries' ideas, performance indexes, and related achievements to the approaches in a certain period of time.

**Key Performance Results**: It shows what monetary and non-monetary results the organizations reach in relation with performing systems and procedures depended upon needs and expectations of key beneficiaries. They, in order to meet the aims and the improvement of strategic achievements, analyze and evaluate the key indexes of performances and procedures in a certain period of time.

**Key Strategic Achievements**: It shows what monetary and non-monetary results the organizations reach in relation with applying the strategies and methods depended upon needs and expectations of key beneficiaries. Theyanalyze and evaluate the monetary and non-monetary indexes related to key strategic achievements in a certain period of time.

#### **METHODOLOGY**

This research is a descriptive –correlative one and according to objectives it can be considered as practical which is done through library researches. The statistical society of this research includes the staff of Industry, Trade and Mine Ministry (583 persons) from which the researchers select 234 in accordance with Morgan and Talkman table. Samplings is randomly and in a simple way and the data related to variables are gathered via a questionnaire with the Alpha Cronbach of 0.988. The data are analyzed using SPSS, Liserl, and PLS softwares and also a t-test,  $X^2$ , and correlation coefficients.

Moreover a questionnaire containing 132 questions is used to collect the data needed form the sample group as the following:

**Table 1: The Table Related to Each Dimension** 

Variables	Dimensions	The Nature of Variables	Number of Questions	
Propulsions	Leadership	Quality	1 - 20	
	Management of Strategy and Procedure			
Systems	Human Invest	Quality	37 – 54	
	Human Resource Quality		55 – 67	
	Citizenship Oriented	Quality	68 – 75	
	Services and Products	Quality	76 – 85	
Results	Customer Results	Quality	86 – 92	
	Human Invest Results	Quality	93 – 101	
	Human Responsibilities Results	Quality	102 – 113	
	Performance Key Results	Quality	114 – 122	
	Strategic Key Results	Quality	123 – 132	

For the test reliability, the questionnaires are distributed among scholars and university professors and after analyzing it is confirmed. Moreover, as it is mentioned, for the test validity, the alpha coefficient test is used.

**Table 2: The Alpha Cronbach for Validity** 

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Number of Questions	132	Number of Questionnaires	40				
The Alpha Coefficient for Each Dimension							
Leadership	0.970	Customer Results	0.966				
Management of Strategy and	0.978	Human Invest Results	0.940				
Procedures							
Human Invest	0.918	<b>Human Responsibilities Results</b>	0.974				
Human Resource	0.974	Performance Key Results	0.938				
Citizenship Oriented	0.965	Strategic Key Results	0.944				
Services and Products	0.966		_				
Alpha Cronbach Coefficient		0.996					

The data are analyzed using SPSS (version 19), LISREL 8, and PLS softwares and also a t-test,  $X^2$ , and correlation coefficients.

### **FINDINGS**

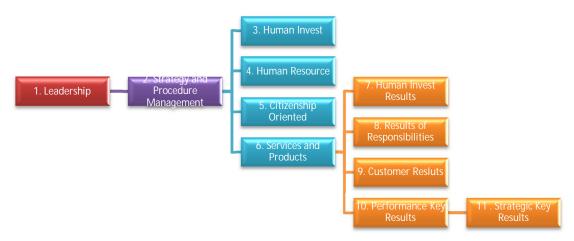
**Table 3: Loading factors** 

Factors	Leadership	Results	Strategy and Management Procedure	Strategic Achievements	Systems	Performance Key Results	Sig.
Leadership 1	0.712						< 0.01
Leadership 2	0.905						< 0.01
Leadership 3	0.837						< 0.01
Leadership 4	0.823						< 0.01
Leadership 5	0.900						< 0.01
C.H.Capital1		0.767					< 0.01
C.H.Capital2		0.849					< 0.01
C.Socil1		0.710					< 0.01
C.Socil2		0.702					< 0.01

Customer1	0.714					< 0.01
Customer2	0.783					< 0.01
Str.M1		0.818				< 0.01
Str.M2		0.818				< 0.01
Str.M3		0.856				< 0.01
Str.M4		0.806				< 0.01
Str.M5		0.667				< 0.01
C.Str1			0.898			< 0.01
C.Str2			0.768			< 0.01
Citizen1				0.647		< 0.01
Citizen2				0.614		< 0.01
Citizen3				0.689		< 0.01
H.Capital1				0.642		< 0.01
H.Capital2				0.510		< 0.01
H.Capital3				0.349		< 0.01
H.Capital4				0.221		< 0.05
H.Capital5				0.606		< 0.01
S.Capital1				0.729		< 0.01
S.Capital2				0.606		< 0.01
S.Capital3				0.546		< 0.01
S.Capital4				0.661		< 0.01
Servise1				0.694		< 0.01
Servise2				0.624		< 0.01
Servise3				0.519		< 0.01
C.Turnover1 C.Turnover2					0.794 0.768	<0.01 <0.01

In order to know the structure of the questionnaire and the fundamental parts of each structure, the researchers used analytical factor. The results are shown in table 3. All loading factors are significant with the certainty of 95 percent and can play very important roles in the measurement of structures.

# The Conceptual Framework:



## Hypotheses according to PLS

Another kind of relationship between latent variables in the model of structural equations is **direct effect**. Direct effect is one of the component factors of structural equations models and shows a **directional relationship** 

between the variables. These relationships usually are analyzed via ANOVA. In fact, this effect shows the linear influence of one variable on the other one. In a model, each direct effect shows a relationship between a dependent and independent variable. However, a dependent variable in a direct relationship can be an independent one and vice versa. In this research, in order to test the model, the researcher used CFA through LISERL and because of small number of sample group, to answer the hypotheses of the research, they used SEM with the method of PLS (Partial Least Square) through SMARTPLS. The method of PLS estimate determine the coefficients in a way that the achieve model has got the highest ability of explanation and interpretation; it means that it can predict the final dependent variable with the highest amount of exactness.

Therefore, the results of such a method are as following:

**Table 4: Direct Effects, T-test and Hypotheses Results** 

Hypotheses	β	t	Sig.	The result
Propulsion to Systems	0.675	10.889**	< 0.01	Accepted
Propulsions to Results	-0.077	-1.146	>0.05	Rejected
Systems to Results	0.841	13.329**	< 0.01	Accepted

The 1<sup>st</sup> hypothesis test: Propulsions have influence on systems.

The null hypothesis: Propulsions have no influence on systems.

The 1<sup>st</sup> alternative hypothesis: Propulsions have influence on systems.

The result of the 1<sup>st</sup> alternative hypothesis: According to table 4, because of the significancy and other numbers, the null hypothesis is rejected and the alternative hypothesis is accepted. T is between -2.58 to +2.58. According to Beta the influence is positive. Therefore, when propulsion increases, system is also increases and vice versa.

The 2<sup>nd</sup> hypothesis test: Propulsions have influence on the results.

The null hypothesis: Propulsions have no influence on the results.

The 2<sup>nd</sup> alternative hypothesis: Propulsions have influence on the results.

The result of the  $2^{nd}$  alternative hypothesis: According to table 4, because of the significancy and other numbers, the null hypothesis is accepted and the alternative hypothesis is rejected. T is between -1.96 to +1.96.

The 3<sup>rd</sup> hypothesis test: Systems have influence on results.

The null hypothesis: Systems have no influence on results.

The 3<sup>rd</sup> alternative hypothesis: Systems have influence on results.

The result of the 3<sup>rd</sup> alternative hypothesis: According to table 4, because of the significancy and other numbers, the null hypothesis is rejected and the alternative hypothesis is accepted. T is between -2.58 to +2.58. According to Beta the influence is positive. Therefore, when system increases, result is also increases and vice versa.

# **CONCLUSION**

Organizational excellence refers to an integrated approach to organizational performance management that results in,

- Delivery of ever-improving value to customers, investors and stakeholders, contributing to organizational sustainability
- Improvement of overall organizational effectiveness and capabilities Besides, the characteristics of organizational excellence are:
- Perform excellently against a known external standard
- Perform excellently in relationship to where they were at some earlier point in time
- Are judged by informed observers to be doing substantially better qualitatively than other comparable organizations
- $\bullet$   $\,$  Are doing whatever they do with significantly less resources than is assumed are needed to do what they do

The aim of this research was to study the influence of the native model of organizational excellence on Iranian governmental organizations. This was a descriptive –correlative research and according to objectives it could be considered as practical which was done through library researches. The statistical society of this research included the staff of Industry, Trade and Mine Ministry (583 persons) from which the researchers selected 234 in accordance with Morgan and Talkman table. The data were analyzed using SPSS, Liserl, and PLS softwares and also a t-test,  $X^2$ , and correlation coefficients.

According to table 4, because of the significancy and other numbers, for the first hypothesis, the null hypothesis is rejected and the alternative hypothesis is accepted. T is between -2.58 to +2.58. According to Beta the influence is positive. Therefore, when propulsion increases, system is also increases and vice versa. Moreover, for the second hypothesis, the null hypothesis is accepted and the alternative hypothesis is rejected. T is between -1.96 to +1.96. In addition, finally for the third hypothesis, the null hypothesis is rejected and the alternative hypothesis is accepted. T is between -2.58 to +2.58. According to Beta the influence is positive. Therefore, when system increases, result is also increases and vice versa.

The results showed that propulsions influenced systems significantly. Moreover, they had no influence on the results and also systems influenced the results.

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