

## BATTLE OF VALUES: A GAP BETWEEN ORGANIZATIONAL AND IDEAL TQM CULTURE IN LITHUANIA AND TURKEY

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### Abstract

The research is centred on potentially existing gap between present organizational values and values essential to TQM. The values essential to TQM are fixed and encoded in its internal logic. Therefore each organization has different values which may be more or less compatible with values essential for TQM. The gap between TQM values and organisational values is measured according 8 dimensions of organizational culture suggested by Detert et al (2000) in Turkish and Lithuanian organizations. The results of research show that organizations from these countries will face different challenges when implementing TQM. Studied Turkish organizations are less oriented externally and less ready to delegate decision making as TQM would promote. Studied Lithuanian organizations are characterized by short-term orientation which is not compatible with TQM value. Such approach recognizes that individual organizations have individual challenges related with TQM adoption. It provides more nuanced, contingent view of TQM adoption or defection. It constitutes a mean to diagnose future implementation challenges in advance which could help change agents to prepare targeted attractors or interventions when implementing TQM.

*Keywords:* TQM, culture, values.

*JEL Classification:* M11, M14, M54.

### Introduction

The argument of culture's influence on probability of successful implementation of certain managerial innovations is well explored. So called a moderation perspective of country's culture for adoption of TQM argues that there are non-cultural reasons for TQM adoption, while also recognizing that certain cultural traits help organizations to coordinate quality efforts more effectively (Kull and Wacker, 2010). Therefore the empirical evidences of such propositions are inconsistent. Country's culture strongly affects organizational culture (Hofstede, 1980; Schein, 1992). Organizations are established by people, which gain shared values defining what is important, and norms, defining appropriate attitudes and behaviours, which guide members' attitudes and behaviours through socialization. Therefore organizations develop very different internal cultures and these differences could be evaluated. Thus country's culture is a material from which is organizations *could be* constructed, but it do not determine that they will *will be* constructed accordingly (Clegg, 1989).

Recognizing uniqueness of cultures of organizations or at least populations of organizations, TQM as internally consistent method is based on specific and fixed values (Hackman and Wageman, 1995). In this case a gap among unique organizational culture and TQM promoted values may inform about compatibility of organization and TQM together with possibility of TQM adoption.

This perspective, which has been already explored by scholars (for example Detert et al. 2000) is based on three premises. First, culture of organization may be evaluated through its dimensions. There are some competing frameworks of organizational cultural dimensions (for example Hofstede, 1980; Schein, 1992; Detert et al., 2000). We will use Detert's et al. (2000) framework of organizational culture dimensions, because of its comprehensiveness. They argued that organizational culture could be evaluated according these 8 dimensions: 1. The basis of truth and rationality in the organization; 2. The nature of time and time horizon; 3. Type of motivation; 4. Stability versus change/innovation/personal growth; 5. Orientation to work, task, and coworkers; 6. Isolation versus collaboration/cooperation; 7. Control, coordination, and responsibility; 8. Orientation and focus—internal and/or external. Organizational values along each dimension could vary. For example, some organizations could believe that organizational situations and environment could be hardly captured by data and analysis, because of subjective enactment processes which take place during perceiving reality. Other could be sure that truth can be discovered through systemic and rational data analysis methods. That all reasons have causes which can be identified, quantified and exterminated through controlled experimentation.

Second, there is an ideal TQM culture, which could be described through underlying values. Detert et al. (2000) identified comprehensive set of values and beliefs that, they argue, represent the cultural backbone of successful total quality management adoption, according each of 8 dimensions. For example, if an organization believes in success of rational approach to perceive reality based on repetitive data collection and analysis, it would be closer to ideal TQM value for the basis of truth and rationality dimension.

Third, the closer organizational values are to ideal TQM values, the easier it would be for organization to adopt TQM. For example organization which operates in high velocity environment where success is rewarded by knowledge intensive work starts to implement TQM. The members of such organization may believe in tacit nature of knowledge, which is difficult to capture, quantify. They may base their actions on personal expertise, not on collective rational decision making. It could be difficult to implement TQM in such organization because of value conflicts between existing organizational approach and TQM promoted approach about the basis of truth and rationality in the organization.

Based on organizational culture and ideal TQM culture gap approach an **objective of the paper** is to identify the extent of a gap between values essential to TQM and organizational values in Turkey and Lithuania.

The pilot survey of country's culture reflecting Detert's et al. (2000) dimensions is conducted in both Turkey and Lithuania. 119 respondents have been survey in both countries. Using descriptive survey design, the sample of the study was 56 entrepreneurs living in the province of Erzincan, Eastern Anatolia, Turkey and 63 entrepreneurs living in the city Kaunas, Lithuania. The results of research show that there are observable differences among values of studied Turkish and Lithuanian organizations. It also reveals that studied Lithuanian and Turkish organizations will face different challenges when implementing TQM. Turkish organizations will struggle with internal orientation and reluctance for delegation of decision making. Short-term orientation will be a major challenge for successful implementation of TQM in Lithuania.

The article is structured into three sections. The concept of organizational and ideal TQM values gap is explored in the first section. Methodology of sample survey which has been conducted in Turkey and Lithuania is presented in the second section. The results of the survey which allowed identifying the gap of organizational and ideal TQM culture in surveyed Lithuanian and Turkish organizations is presented in the final section.

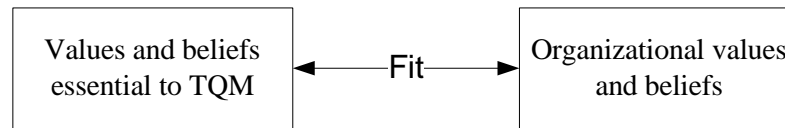
### **The concept of fit between organizational and TQM essential values**

We understand culture as "a system of shared values defining what is important, and norms, defining appropriate attitudes and behaviours, that guide members' attitudes and behaviours" (Detert et al., 2000, p.852). Values are "broad tendencies to prefer certain states of affairs over others" (Hofstede, 1998, p.478). Organizations develop unique cultures because of unique shared experiences, leaders' values and environmental conditions. As definition of the culture explains, latent values and norms, which organizational members hardly acknowledge because of their tacit nature, guide behaviour in certain manner, and define what is important and what is not. Cultures of organizations could be compared according different dimensions. We will use the Detert's et al. (2000) classification of organizational culture dimensions. They suggested that organizational culture could be understood through these dimensions: 1. The basis of truth and rationality in the organization; 2. The nature of time and time horizon; 3. Type of motivation; 4. Stability versus change/innovation/personal growth; 5. Orientation to work, task, and coworkers; 6. Isolation versus collaboration/cooperation; 7. Control, coordination, and responsibility; 8. Orientation and focus—internal and/or external. Every organization could have unique culture which could be described by organization's position along each dimension.

TQM has an internal logic which expects specific behaviours and attention patterns of organizations which adopt it. Internal logic of TQM in terms of behaviours that it promotes is derived from values of its founders, its purpose and specific environmental situation when it has been created. For example, it argues that organizations should engage in long term relationships with suppliers, ground organizational decisions on rational analysis, analyze, improve and adhere to standardized organizational routines etc. To adopt TQM is to align organizational behaviour with TQM expected behaviour. Thus it is possible to set TQM promoted behaviours on the same eight dimensions according which organizations culture is evaluated.

If organizational values and beliefs are close to TQM promoted values and beliefs, it is a good fit between organizational values and values essential to TQM. In this case the possibility of successful adoption of TQM is increasing. On the contrary, if organizational values and beliefs are different from

TQM promoted values and beliefs a battle of values manifests through conflicting modes of behaviour. In this case TQM promoted behaviour contradicts routine behaviour of members of organization which is shaped by present values.



**Figure 1.** The concept of fit of between Ideal TQM and organizational values

Table 1 provides descriptions of values along eight dimensions of organizational culture. Two columns present two different poles of values: less and more compatible with TQM. Both types of values are summarized according Detert et al. (2000).

**Table 1.** Values and Beliefs Essential to TQM - Overlaid onto Organizational Culture Dimensions

Organizational Culture Dimension	Less compatible with TQM	More compatible with TQM
1. The basis of truth and rationality in the organization	Decisions making is delegated to individuals, based on their experience. Data on operational performance is not collected and analyzed routinely.	Decision making should rely on factual information and the scientific method. It is believed that any issue has a root cause, which could be discovered through systematic analysis based on rational methods.
2. The nature of time and time horizon	Planning and goal setting systems is concentrated on here-and-now. Decisions that improve present performance have to be implemented, despite their long-term consequences.	Improvement requires a long-term orientation and a strategic approach to management. Decisions should be evaluated according their long term effect.
3. Motivation	There is a "human factor" and there will be defects, despite how much system is developed. Problems are related to employees not – processes.	Quality problems are caused by poor systems—not the employees. Employees are intrinsically motivated to do quality work if the system supports their efforts.
4. Stability versus change/innovation/personal growth	Stability and status quo is preferred. A high preference for personal security is acknowledged. Those who propose new ideas are treated as trouble makers.	Quality improvement is continuous and never ending, it is never good enough. Quality can be improved with existing resources. Because improvements can be made without change, it should be embraced as common state.
5. Orientation to work, task, and co-workers	Work is valued as a mean by itself. The results are not so important as the process itself.	The main purpose of the organization is to achieve results that its stakeholders consider important. Results are achieved through internal process improvement, prevention of defects, and customer focus.
6. Isolation versus collaboration/cooperation	Working in groups is treated as inefficient, violating individual autonomy. Performance evaluation is based on personal achievements.	Cooperation and collaboration (internal and external) are necessary for a successful organization,
7. Control, coordination, and responsibility	High centralization of decision making is present. High power distance is tolerated. Strong leadership is expected.	A shared vision and shared goals are necessary for organizational success. All employees should be involved in decision making and in supporting the shared vision.
8. Orientation and focus-internal and/or external	Organization is self sustaining and it is a goal by itself.	An organization should be customer driven. Financial results will follow.

The values described in Table 1 represent different poles of dimensions. The specific organizational values may vary along an axis from one pole to another. Therefore as closer they are to the ideal TQM values, the higher possibility of TQM adoption.

## Methodology

Our objective is to identify the extent of a gap between TQM values and general organizational culture dimensions in Turkey and Lithuania. Using descriptive survey design, the sample of the study was 56 entrepreneurs living in the province of Erzincan, Eastern Anatolia, Turkey and 63 entrepreneurs living in the city Kaunas, Lithuania. We assumed that their thoughts and beliefs give very important clues to understand the values related to TQM. It was presumed that organization has homogeneous values, which do not vary essentially in different departments or subgroups.

Demographic characteristics of participant companies from Turkey could be summarized as follows. Most (75%) of studied organizations do business in trade sector (industry – 18%; tourism – 5%; agriculture – 2%). Most of them (46 %) employ from 10-49 employees (1-9 – 38 %; 50-99 - 2 %; more than 100 – 14 %).

Most of the respondent from the Lithuanian organizations were females 67 %. The businessmen (-women) mostly (38 %) have from 5 to 10 years of business experience (1-4 – 32%; 10-20 – 18 %, more than 20 – 12%).

The questionnaire used to collect the data was designed based on Detert's et al. (2000) framework of organizational culture dimensions. In order to generate questionnaire items we also utilized other studies held in Turkey (İlhan, 2006; Aktaş, 2010; Erbakan, 2010). There were 32 items including four items for each dimension. The answers should be given according to structured five point Likert from 1 (disagree) to 5 (strongly agree). The overall reliability co-efficient yielded an  $r=0.76$  (Turkey) /  $0.73$  (Lithuania) Cronbach Alpha.

**Table 2.** Ranges to evaluate means

Range	Evaluation
1.00-1.80	Low
1.81-2.60	Low-moderate
2.61-3.40	Moderate
3.41-4.20	Moderate-high
4.21-5.00	High

To evaluate means a range table was established shown in Table 2. As we used five-point Likert from 1 to 5, the step range should be found to evaluate means. We found step range as  $(5-1)/5=4/5=0.8$ . We added this value to 1 and so on. Then the range table included the situations as low, low-moderate, moderate, moderate-high and high.

### The gap between ideal TQM and organizational culture in Turkey and Lithuania

We found overall mean for the sample from Turkey as 3.93 and from Lithuania as 3.49 which corresponds to *moderate-high* according to Table 2. If talking generally this result shows that there is a little gap between TQM ideal and Turkish/Lithuanians entrepreneurs' values.

**Table 3.** Means according to dimensions for participants from Turkey

Dimension	Mean	Evaluation
1- The basis of truth and rationality in the organization	3.77	Moderate-high
2- The nature of time and time horizon	4.11	Moderate-high
3- Motivation	4.38	High
4-Stability versus change/innovation/personal growth	4.04	Moderate-high
5- Orientation to work, task, and coworkers	4.27	High
6- Isolation versus collaboration/cooperation	4.48	High
7- Control, coordination, and responsibility	3.45	Moderate-high
8- Orientation and focus-internal and/or external	3.21	Moderate

According to Table 3 the worst result is for 8<sup>th</sup> dimension as it corresponds to *moderate*. It can be said for entrepreneurs from Turkey that their values related to orientation and focus (internal and/or external) are weak comparing to other dimensions. This shows that there are some problems about being driven by customer demands and about following financial results. In other words there is a particular gap between TQM ideal and organizational culture for this dimension.

For 3<sup>rd</sup>, 5<sup>th</sup> and 6<sup>th</sup> dimensions we observed the best results. It is possible to state that Turkish entrepreneurs think that quality problems are related to poor systems not employees and in order to make people to do a first class job they should be motivated intrinsically. Like this result according to Turkish entrepreneurs orientation to work, task and co-workers is an important issue to achieve organizational goals. Furthermore they agree that internal and external cooperation and collaboration are necessary to take successful results. For these dimensions they close to TQM ideal.

Finally there is a little gap between TQM ideal and organizational culture for the rest of dimensions.

**Table 4.** Means according to dimensions for participants from Lithuania

Dimension	Mean	Evaluation
1- The basis of truth and rationality in the organization	3.34	Moderate
2- The nature of time and time horizon	2.97	Moderate
3- Motivation	3.65	Moderate-high
4-Stability versus change/innovation/personal growth	3.64	Moderate-high
5- Orientation to work, task, and co-workers	2.67	Moderate
6- Isolation versus collaboration/cooperation	4.17	Moderate-high
7- Control, coordination, and responsibility	4.74	High
8- Orientation and focus-internal and/or external	4.76	High

According to Table 4 the worst results are for 1<sup>st</sup>, 2<sup>nd</sup> and 5<sup>th</sup> dimensions as they correspond to *moderate*. It can be said for entrepreneurs from Lithuania that their values related to the basis of truth and rationality in the organization, the nature of time and time horizon and orientation to work, task, and co-workers are weak comparing to other dimensions. There are particular gaps between TQM ideal and organizational culture for these dimensions.

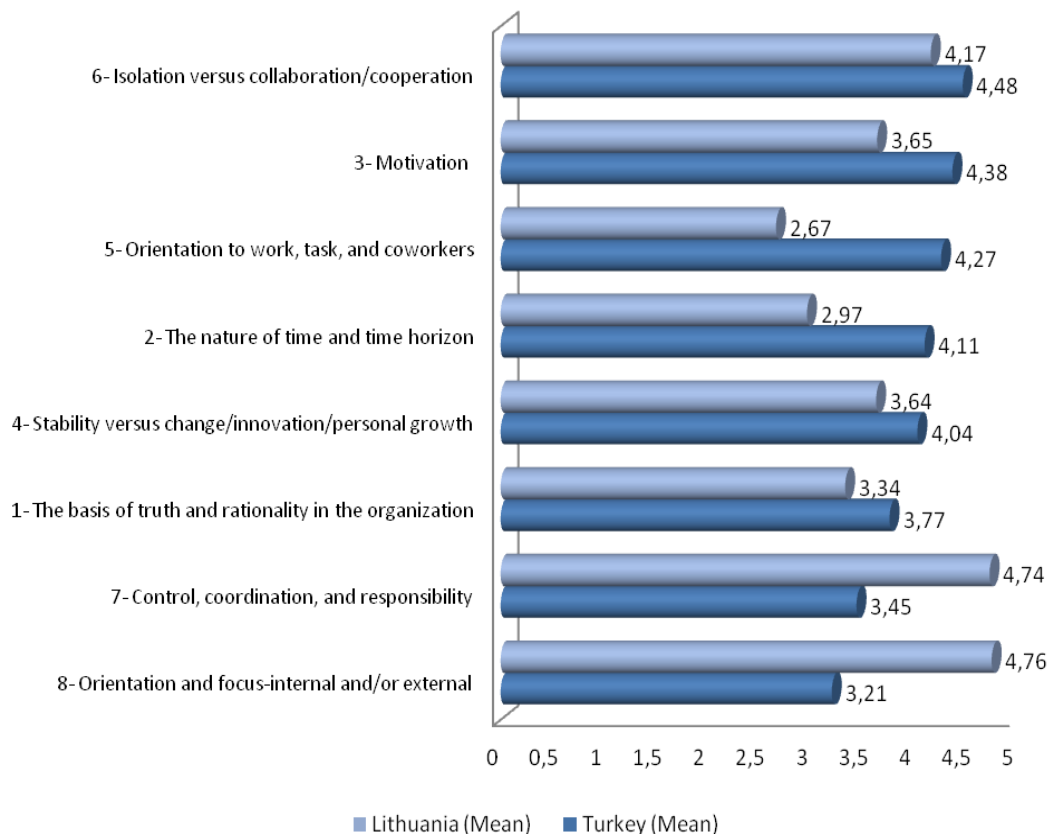
For 7<sup>th</sup> and 8<sup>th</sup> dimensions we observed the best results. It is possible to state that Lithuanian entrepreneurs think that a shared vision and shared goals are necessary for organizational success. All employees should be involved in decision making and in supporting the shared vision. They also agree that an organization should be customer driven. Financial results will follow. For these dimensions they close to TQM ideal.

Comparative results could be found in 5<sup>th</sup> table.

**Table 5.** Comparison of evaluation according to dimensions for participants from Turkey and Lithuania

Organizational Culture Dimension	Evaluation (Turkey)	Evaluation (Lithuania)	Comments
1- The basis of truth and rationality in the organization	Moderate-high	Moderate	There is a difference (Turkish results closer to TQM ideal)
2- The nature of time and time horizon	Moderate-high	Moderate	There is a difference (Turkish results closer to TQM ideal)
3- Motivation	High	Moderate-high	There is a difference (Turkish results closest to TQM ideal)
4- Stability versus change/innovation/personal growth	Moderate-high	Moderate-high	No difference
5- Orientation to work, task, and co-workers	High	Moderate	The biggest difference (Turkish results closest to TQM ideal)
6- Isolation versus collaboration/cooperation	High	Moderate-high	There is a difference (Turkish results closest to TQM ideal)
7- Control, coordination, and responsibility	Moderate-high	High	There is a difference (Lithuanian results closest to TQM ideal)
8- Orientation and focus-internal and/or external	Moderate	High	The biggest difference (Lithuanian results closest to TQM ideal)

Studied Lithuanian organizations are closer to values promoted by TQM according Orientation and focus-internal and/or external and control, coordination, and responsibility dimensions. On the other hand studied Turkish organizations are closer to values promoted by TQM according the basis of truth and rationality in the organization, the nature of time and time horizon, motivation and orientation to work, task, and co-workers dimensions.



**Figure 2.** Comparison of means according to dimensions for participants from Turkey and Lithuania

We find noticeable differences among studied Lithuanian and Turkish organizations. Biggest differences manifest themselves according 5<sup>th</sup> orientation to work, task, and co-workers, 2<sup>nd</sup> the nature of time and time horizon, 7<sup>th</sup> control, coordination, and responsibility and 8<sup>th</sup> orientation and focus-internal and/or external dimensions.

### Conclusions

The results of the research enable to identify the extent of the gap between present organizational values and values essential to TQM. Such approach recognizes that individual organizations have individual challenges related with TQM adoption. It provides more nuanced, contingent view of TQM adoption or defection. Also it proposes a way to diagnose future implementation challenges in advance which could help change agents to prepare targeted attractors or interventions when implementing TQM.

Studied Lithuanian organizations are closer to values promoted by TQM according two dimensions “Orientation and focus-internal and/or external” and “Control, coordination, and responsibility”. On the other hand studied Turkish organizations are closer to values promoted by TQM according “The basis of truth and rationality in the organization”, “The nature of time and time horizon”, “Motivation” and “Orientation to work, task, and co-workers” dimensions. Turkish and Lithuanian organizations will face different challenges when implementing TQM.

Studied Lithuanian organizations have been found more oriented to work as process than to work as a result as TQM promotes. Therefore this dimension is still surrounded by theoretical controversies. E.W. Deming argued that process orientation is more important that results orientations, although contemporary excellence models place strong emphasis on results orientation. Some scholars argue that process and results orientations should be balanced under TQM. Emphasis on short term orientation which is conflicting with long-term orientation TQM value will be another big challenge for Lithuanian organizations implementing TQM.

Studied Turkish organizations will face biggest challenges when trying to persuade their employees on importance of external orientation, shared decision making and delegation of power to employees. Although TQM is internally interrelated, meaning, that is difficult to implement part of its practices and hope for results, external orientation and delegation of authority are treated as very important aspects of TQM implementation. These issues could become major challenges when implementing TQM in studied Turkish organizations.

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