Chapter 35

The Relationship Between Organizational Culture and Business Excellence: Case Study from United Arab Emirates

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ABSTRACT

The relationship between organizational culture (OC) and corporate performance was commonly studied and reflected in the literature in the last few years. However, the relationship between OC and business excellence is rarely tackled. In this context, this research examined the relationship between four OC types and organizational excellence and the role of information communication technology (ICT) as a moderator. A quantitative study was conducted, and the data were collected using a survey questionnaire distributed to middle managers in one of the gold winners of a United Arab Emirates-based business excellence award. The results showed that there is a positive relationship between organizational culture components and business excellence in general. A mission culture has the most significant relationship, in contrast, the adaptability culture had no positive relationship. Also, the moderating role of ICT was proven. The results of this research can be utilized by managers to build the OC type that boost excellence within their organizations.

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INTRODUCTION

Organizational culture is the set of beliefs, shared values, and norms that affect the way employees feel, think, and behave in the place of work (Schein, 2010). Culture can be on the national level, ethnic level, or organization level and that depends on the scope and objectives of culture studies, when a group of employees work together in an organization, with time, they will form a certain culture that belong to them and exist particularly within their company, this culture has its own characteristics and can be diagnosed and studied (Ng & Ng, 2014). Moreover, organizational culture abstracted as integration, differentiation, or fragmentation culture (Martin, 2002). Integration approach of organizational culture can be assessed quantitatively into four types of cultures; adaptability, mission, involvement, and consistency cultures (Fey & Denison, 2003).

Quality has different meanings and has been defined as excellence (Peters & Waterman, 1982). Excellence can be described as an ongoing process of continuous improvement. This perspective informs excellence models, which provide a framework for the strategic management of competitive organizations (Martín & Rodrigo, 2003). Through the use of such models, organizational culture has the potential to improve employees' performance, satisfaction, and confidence in their ability to solve work-related issues (Kotter, 2012). Quality and business excellence awards are based on models and criteria to assess the level of excellence in the applicant organizations. These criteria are used as guidelines by the award winners to sustain their level of excellence through activities that promote business excellence culture among employees and imbed it in the work values.

The relationship between organizational culture and corporate performance was widely covered in the literature, however, most of these study looked at the financial aspect of performance (Denison, 1984). The contribution of this study is articulated by considering four sub categories of excellent performance of the firms, which include the financial and nun-financial results, customers satisfaction, people satisfaction, and society results (EFQM, 2013). Also researching the moderating role of ICT is a new perspective for the importance of communication in strengthen the OC-BE relationship, considering that ICT positively affects the organizational performance (Polo Peña, Frías Jamilena, Rodríguez Molina, 2011) and at the same time communication in general found to be crucial for major corporate duties (Garntett, 2005).

This research is an attempt to highlight the organizational culture types and their role in promoting organizational excellence within organizations, this is done based on relevant literature review which led to develop research questions, hypotheses, and a conceptual model, a quantitative study using 5 points Likert scale questionnaire were conducted, SPSS and MS Excel were used for data analysis which included mean, standard deviation, correlation analysis, regression analysis, and moderating analysis.

LITERATURE REVIEW

Organizational Culture

Organizational culture is a pattern of norms, values, beliefs and attitudes that influences behavior within an organization (Chin-Loy & Mujtaba, 2007). Culture can be categorized into integration, differentiation, and fragmentation perspectives. In the integration perspective, some agreement is available between

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