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## **ORGANIZATIONAL CULTURE EFFECTS OVER THE IMPLEMENTATION OF TOTAL QUALITY MANAGEMENT IN PUBLIC INSTITUTIONS - KOSOVO CASE**

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### **ABSTRACT**

Total Quality Management (TQM) is a philosophy management method, the importance of which continuously has been growing after '90. There is relatively short time since Kosovo Public Institutions are practically doing their activity as a part of an independent Country, and as such day by day they are facing with different management challenges which continuously are becoming more rough and tough towards the EU integration process. Total Quality Management within Public Institutions, is leaded by the phase of establishment and implementation of Quality management Systems based on ISO 9001. In this process, through an deep empiric study in three Kosovo Public Institutions, we have tried to identify the advantage and disadvantage factors towards the successful implementation of quality management system in time, as a consequence of TQM. Moreover, we were focused on the organizational culture. Analyses over norms, trusts, principals that do characterize the organizational culture of Kosovo Institutions, its crossing with the political context and the Public Administration law will serve to model changes that should be projected in order to successfully implement the TQM. In the function of the disadvantage factor analyses, organizational cultural elements, and the changes model, there will be used a number questionnaires and interviews with relevant people.

**Keywords:** Organizational culture, total quality management, public administration, Kosovo, organizational change.

### **INTRODUCTION**

Public institutions in Kosovo are relatively new and as such have not yet created any stage of sustainable development in the context of advancing organizational culture which could have been compared with states that have already passed a similar transitional period of development, consolidation, respectively, advance of organizational culture in public institutions. Moreover, if we add to this the fact of repression and collective expulsion of Albanian majority from public administration system before the war, that of post-war of international interim administration by UNMIK, during which Kosovo was flooded from a diversity of civil servants personalities of different "organizational cultures" from all the countries represented at the United Nations Organization, that of consolidation of Kosovo's provisional public institutions affected by various interests and "organizational cultures", similar to the states of the holders of those institutions from which they were coming from, international transitional administration, frequently intertwined with political overtones and political ambitions of various local political structures, of certain individual or group interests, which in certain stages and continuously were competing to install militant party structure, often without substantive criteria, and completely dependent from them.

Structures which simply in continuation since the post-war era until today due to lack of a combination of any of the relevant components (professional skills, perception of the his / her role, motivation, reward/incentive, courage for changes, professional ethics, responsibility and accountability to society/public, institutional work tradition and culture, and so forth) of

organizational behaviour, even after 15 years have not yet achieved that in its framework to install, develop and consolidate a model of organizational culture on the basis of which easily could model changes for the purpose of advancing it, respectively development and functioning successfully other respective systems of quality management, namely, Total Quality Management within the Public Institutions of Kosovo.

However, despite this, recently several public institutions lead by leaders with a more pragmatic approach and knowledge and more advanced. Either because of their will aiming change of the existing situation, respectively, total reform of the system and the establishment of a more functioning internal organizational/institutional system which would indirectly reflect the quality of services, improve system efficiency respectively, which would differentiate them in the context of general organizational culture, leadership style, service quality or functionality of the system by other public institutions. Either because of the desire to be equal with relevant peer institutions globally. Either because of the influence of powerful international donor organizations which have as their mission the professionalization, enhancing effectiveness and efficiency, respectively, advancing/modernizing internal functioning of relevant public institutions in Kosovo in general, have enabled that some public institutions through hiring of relevant consultants establish, functionalize, consolidate and even internationally certify by international accredited certification bodies their internal quality management system in accordance with international Standards ISO 9001:2008.

The fact that some public institutions have already set up, developed, operationalized and even certified a Quality Management System, should be evaluated positively because it really is an achievement towards improving the current state of Quality Management System within the institution, although functioning of such Quality Management System, as a result of existing organizational cultures, in most cases has gone through turmoil or different ups and downs!

However, largest and most intensive work comes only after the establishment and functioning of the Quality Management System! In this regard, even the international organization for Quality Management ISO has provided for the purpose of system consolidation, respectively, creation of organizational culture, during the first three years after the certification of the system, have a constant supervision of functionality, respectively, continuous improvement of the quality management system by certification bodies through regular annual audits. All this due to the fact that during the three years is foreseen that the relevant institutions or organizations already manage to create such a culture in order to maintain organizational quality management system, respectively, its continuous development and improvement. Something which not everywhere within Kosovo's public institutions functions under such a principle, due to the fact that despite the establishment of the same quality management system by the same experts, various components of organizational culture, of one or the other institution have affected in a very specific way in the time dynamic, effectiveness, complexity and efficiency of each of the systems established and operationalized within the relevant public institutions of Kosovo.

This actually is the fundamental reason why we have chosen to address the organizational culture, because it is this element with its characteristics is continuously challenging the establishment and functioning of the Quality Management System not only in the public institutions, but also in a considerable part of private enterprises in Kosovo, irrespectively that to the latter, organizational culture perhaps also as a result of competition has evolved to

a higher level, but again, the overall situation there still leaves much to be desired. In order to present the impact of organizational culture on the functioning of Quality Management System within the Public Institutions of Kosovo, we, our empirical study, have more focused on three public institutions of Kosovo (Kosovo Chamber of Commerce, Kosovo Civil Aviation Authority and the Ministry of Economic Development, Department of Energy and Mines respectively) in which have already been developed, functionalized, respectively to KCC internationally certified by international bodies, accredited under the Quality Management System according to international standards ISO 9001: 2008. During this study we tried to show, respectively, identify relevant factors which directly or indirectly impede or facilitate the establishment and functioning of the quality management system within the terms and other relevant criteria set out.

## LITERATURE REVIEW

Already, have almost been accepted as definition that organizational culture is considered "as a model of basic assumptions, values and norms which a group of employees have developed or invented them by learning how to solve the problems of external adaptation and internal integration, and that the same can easily be transferred to the new members of the organization as a valuable way of thinking and feeling about these issues" Zeitz, Johahhesson and Ritchie (1997) admits that the success of the programs of TQM is based on changing the organizational culture and that TQM techniques are only tools for change. Westbrook (1993) considers that if an organization desires to adopt TQM as a guiding principle, it starts with management efforts to create a culture that would support such a change.

Hilderbrand (1991), in his study on organizational culture and TQM emphasizes that the existing basic assumptions are the primary condition for successful implementation of TQM, as assumptions that affect the process of implementing TQM, can be contrary to the existing organizational culture. Kekäle (1998) identified several deep-rooted assumptions which affect the implementation of TQM and came to the conclusion that the organization has two options to meet TQM: 1) Selection of an approach that fits with the existing organizational culture and 2) systematic management of organizational change. McNabb Sepiç (1995) are pessimistic about the possibilities of change, since the organizational culture is the main driver in determining the orientation and limits of change in the organization. Reger et al. (1994) in his research about the difficulties that arise during the implementation of TQM, applied cognitive theory of the concept itself to explain why resistance occurs during the planned changes, including those of cultural organization, even by the most loyal members of the organization.

Basically, the way to create excellence in innovative organizations (as the highest form of quality achieved in the organization) is characterized by the following attributes: tendency to action, customer satisfaction, operational independence, achievement of the desired level of productivity, support to human resources, active involvement (in problem-solving) with the encouragement for key values; direct participation, application of simple organizational forms, pragmatic approach to staff engagement, and finally, development of capability to resolve many contradictions within the institution.

## METHODOLOGY

To study the phenomenon of the impact of organizational culture on the functioning of Total Quality Management, due to the nature of the study, we have chosen to apply the interpretive

methodology of relevant expertise based on semi-structured interviews and conducted with senior managers and the Quality Managers of the three above mentioned public institutions against the impact of organizational culture in the process of functioning, consolidation and development of the Quality Management System within the relevant public institutions, which in some form are considered as the pioneer in initiating, respectively, development of such Total Quality Management systems within the Public Institutions of Kosovo. Selection of participants of the three public institutions for these interviews was done deliberately targeting persons respectively in charge of, respectively key/responsible in the process of establishing quality management system within the relevant institutions, for which it was supposed to have a solid experience related directly to the issue researched and who have what to say.

The interviews conducted with the above-mentioned officials contained the topic, respectively, the same questions for each of the officials interviewed and the same have been conducted through making the questions, somewhere in the listed form somewhere depending on the outflow of the conversation of each interview. It is important to note that each officer interviewed was allowed sufficient space to express, explain, discuss the issue of the impact of organizational culture in the process of development, functionality, consolidation and maintenance of Quality Management System within their institution according to perception, feeling, and experience completely personal from his or her point of view! All this with the sole purpose of gathering qualitative data for the impact of organizational culture in the functioning of the Quality Management Systems, respectively Total Quality Management within their public institutions. Afterwards, collected data from the interviews were structured, processed, analyzed, and each response is handled very carefully, in view of more qualitative research of the phenomenon studied. In order to study the other side of the coin, we conducted a secondary research for the purpose to identify, study and analyze relevant legislation that addresses the issues related to the components of organizational culture within the public institutions of Kosovo.

## **RESULTS**

In the question what were the challenges that respondents were concretely faced with in establishing Quality Management System according to International Standards ISO 9001:2008, almost all had highlighted the issue of organizational culture as one of the most dominating factors which in a one form or another has consistently challenged and continues to challenge even today the establishment, functioning, consolidation and continuous improvement of Quality Management System, despite that every day this challenge is fading. More specifically, the impact of organizational culture in the establishment, functioning, consolidation and maintenance of Quality Management systems, respectively Total Quality Management was expressed more through elements specified below:

### **Hesitation to Change**

Part of the staff in these institutions as a result of: age, gender, continuous inconsistency of their experience in public institutions, lack of relevant qualifications and/or continuous, poor self-esteem, fear to challenge themselves or to face new things, inferiority against others, exclusion from the previous institutional system, education under inadequate conditions, their development or evolution in different family, educational, cultural, national, traditional, social and economic circumstances, made it that they in one way or another be reluctant to change or be involved in changing them, respectively, changing the system in general, out of

fear that due to some of the above-mentioned components they could be taken out of the system

### **Informality**

Performance of a series of actions or activities un-documented, either because of certain interests for misuse of position; whether due to low awareness of the relevant process; either because of fear to leave documented track during the transformation of inputs to outputs, of relevant processes for which they are competent. Which, afterwards, within other processes can be evaluated positively or negatively, or in case of absence of predecessor, processes within the system function without any problem. Whether because of habits formed as a result of neglect or the phenomenon of "social informality in performing activities" developed respectively inherited for many years in Kosovo, since the time before the war, as a result of the expulsion of Albanians from the entire then public system. As well as part of the elderly, who were part of the communist system and which even today continue to be part of the public institutions, as a result of inheriting the centralistic concepts and features from the communist system, respectively of national features of "Kanun" (Code) (word of trust) or by intertwining or diversification of few!

### **Professional Formation**

Lack of adequate training, respectively lack of continuing, formal and non-formal professional education as a result of: a educational system developed under inadequate circumstances and conditions for producing prepared staff of the same level with their colleagues in different countries, as a result of repression and expulsion from the pre-war educational system; of an educational system after the war, not qualitative, non-profiled with the needs and local and global development trends, theoretical, combined not with the practical system of line (serial) production and of non-productive staff; of development, evolution, and facing the civil servants with different socio-cultural and economic circumstances; continuing lack of relevant development, lack of experience in public institutions, low awareness, fear to face new challenges towards self-actualization, resulted that part of officials in these institutions, despite the above mentioned factors continue to be part of the system where can't do much to contribute, but which still continue to present challenge towards complete functioning of Total Quality Management

### **Role Perception**

In a concrete case has resulted to be also closely linked with the issues deriving from the characteristics of national individual, psychological, social, professional, ethical, cultural and social development, which considerably are unstructured and not very much close to the real perception of the position in which they are, respectively, the institution for which they work for, and the role to be reflected to the public! Moreover, in some cases from the wrong perception of the individual's role in the organization has been a tendency of killing creativity, respectively, literal understanding of the individual's role within the relevant position within the organizational system which in given cases have led to impeding relevant processes towards functioning of Total Quality Management or the respective systems

## **Motivation**

Motivating factors has resulted to be different from one to another institution, this for the fact that such public institutions apply different motivational systems for their employees. This in some kind of form results to be closely related also with the positioning and their institutional structure, which features characterize the high-level management or managers (in the context of their professional formation) of relevant institutions and their functional, intellectual and budgetary capacities.

## **Reward/Incentives**

As motivation also reward or incentive has resulted to be different in the three institutions, depending with the position of the relevant institution within public institutions of Kosovo. The study indicates that material reward/incentive of civil servants in the two relevant public institutions (excluding Kosovo Chamber of Commerce as a result of its special status) to be inconsistent with the relevant legislation on Civil Service and State Administration of Kosovo. Which, directly affected, and continues still to produce extremely more advanced reflection of organizational culture of one institution in comparison with that of two other relevant institutions, as a result of rewards and incentives to its civil servants.

The case of the Kosovo Chamber of Commerce, material reward/incentive of officials showed that it depends exclusively on the individual features of management and sustainable development of the institution entirely dependent on development strategies, visionary, executive and operational policies of pertinent institution.

## **Professional Ethics**

Is closely related to individual formation system in the context of education, professional, experience, motivation and social, transformation of outputs of which are combined or put together with other components of individual and group ethics within the institutions is directly reflected in the organizational culture of a public institution. In our case, from interviews it is clearly noted that in an institution where professional formation, material motivation and incentives are higher, professional ethics is much higher than in the two other institutions, which undoubtedly indirectly reflects in the organizational culture of employees of these institutions. However, within public institutions there is a code of ethics and conduct, but its implementation in practice at some institutions still leaves much to be desired, as a result of the direct influence of the constituent elements of organizational culture.

## **Responsibility and Accountability to the Society/Public**

If we refer to the results of our study we see that the level of public responsibility varies from one institution to another. This also depends from the circumstances of individual development, level of general awareness, the level of accountability and that of demanding accountability/responsibility within the institution on behalf of the public. Unfortunately, within these institutions as a result of the overall economic and social situation of the country there are officials still who treat their jobs as the only source from which they must necessarily take but to which should be given in return as little as possible. This in one way or another has made it that organizational culture changes not only between different institutions but also within the institution itself into different organizational units.

## **Institutional Tradition and Culture of Work**

Kosovo has relatively new institutions which have not yet consolidated or turned into tradition the institutional work culture. However, referring to our case study we realize that there are public institutions as those obtained for the study, in which the institutional culture of work through the establishment, functioning and continuous development of quality management systems day by day is developed and transformed into habits and tradition of organizational culture as inseparable and integral part of total quality management, which may serve as a model for other public institutions of Kosovo as well. Reflection of which hadn't be spared without directly affecting the time dynamic and efficiency of functionality of Total Quality Management system in relevant institutions.

## **DISCUSSION**

Based on relevant study results it comes out that establishing, functionalizing, consolidating and continuous development of Quality management System based on ISO 9001: 2008 respectively Total Quality management within mentioned Kosovo public Institutions in a direct way has been affected by components of existing organizational culture as for example: level of hesitation and resistance towards change, level of informality or implementation of some activities in a non documented way, level of education and professional formation, the form of individual perception of roles within the institution, motivation form, the form and the level of rewarding, incentives, the level of existing professional ethics, level of responsibility and being responsible towards public/society, evolution of tradition and institutional culture within relevant institutions.

Now the affecting level and form of these components changes from one to another institution. From the gathered data it is evident the fact that from three relevant institutions, at the Kosovo Civil Aviation Authority the process of Quality management System establishment has gone under lower problems and challenges, mainly because that the organizational culture of this Institution has been confirmed that it was in a not comparable way with two other institutions. With other words, the personnel of this institution have had: employed mainly young experts professionally formed and qualified in different European and American Countries with high professional and ethical integrity, continuously motivated from the management of this institution in different ways, stimulated/rewarded with much higher salaries compared with the approximate salary of Kosovo Public Institutions. Whereas in two other institutions the low level motivation crossed with the rewarding or material stimulation in a way it is considered to be another very important factor in the cultivation of traditional organizational culture, respectively demotivation of civil servants towards giving their individual and group maximum within their Kosovo public Institution. To which beside their evolution of general organizational culture at the level of the institution, the not proper development of some of its components have been reflected and have affected in different forms during the process of the establishment and fictionalization of their quality management system in compliance with international standards ISO 9001:2008.

## **CONCLUSIONS**

Through this we conclude that there is a direct connection caused between the organizational culture and the fictionalization of Total Quality management within the Kosovo relevant public institutions. This is in due to the fact that the effective and efficient implementation of



Total Quality management requires the prior existence of a proper consolidated level of organizational culture, following general training programs including principals of TQM, inclusiveness of employees within the processes and management decision making process, which without any doubt continuously change the Institutional organizational culture. The results of the study in fact confirmed the view point that the successful implementation of the Quality management System respectively Total Quality management within Kosovo public Institutions is affected directly from different above mentioned components of organizational culture. In case within the relevant public Institutions is created the compatibility between the above mentioned components of the organizational culture, then the Total Quality Management concept easily can be integrated within the present organizational culture of relevant public institutions as a set of norms and general principles of quality.

The organizational culture is focused in the creation of new values, it provides a unique value to the Institution, it creates a specific image to the public, it is well known from the wider public and within itself empowers and motivates employees to give the maximum they can from them self. Based in the above discussions, with the aim of relevant situation improvement I conclude as following:

In order to establish, functionalize, consolidate and continuously update the Total Quality Management system within an Public Institution, there is a necessary need to further develop and consolidate the specific above referred components of internal Organizational Culture, respectively strictly apply the relevant steps, principals and requirements of relevant International Standard ISO 9001: 2008.

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