

# Organizational Excellence Models Failure and Success Factors of Organizational Excellence and Challenges Mitigation

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## Abstract

This article seeks to explain the concept of organizational excellence when did it begin, and the reason why organizations strive to apply organizational excellence, and seek continuous improvement. It also identifies the most famous global models for the quality of organizational excellence. The study touched on the Saudi national model for quality and organizational excellence and how to face challenges to apply standards of quality and organizational excellence. It also explains the objectives of the evaluation process to reach organizational excellence and the effectiveness of implementing the organizational excellence system, and the success and failure factors for implementing organizational excellence systems in addition to identifying challenges and opportunities.

## Keywords

Organizational Excellence, Excellence Models, Success and Failure Factors

## 1. Introduction

In response to an increasingly competitive business environment, organizations are continuously searching for new practical tools and methods to improve their capabilities, performance, and results. In recent years organizational Excellence Models (OEMs) have been adopted widely to improve performance. The application of organizational Excellence (OEMs), through the understanding and use of OEMs criteria, concepts, and values, has broad appeal to many organizations. OEMs gained popularity in the late 1980s and the early 1990s with the launch of the Malcolm Baldrige National Quality Award (MBNQA) in the USA and the European Foundation for Quality Management (EFQM) Quality Award in Eu-

rope (Mann et al., 2011).

Successful implementation of OEMs involves many critical success factors (CSFs) that have been the subject of research for many scholars in recent years. On the other side, there are also barriers to the successful implementation of OEMs implementation initiatives.

Healthcare organizations around the world are looking to evolve care models, adopt new technologies, improve workforce experiences, and meet the increasing expectations of the communities they serve. At the same time, these organizations are facing pressures to increase service quality and volume amid spending constraints, tougher regulation, and workforce shortages. These challenges are forcing healthcare leaders and their teams to think and work differently, and ask questions such as:

How can we increase our operational resilience and efficiency?

How can we use technology to help improve patient experiences and adapt to pressures?

How can our organization transform, and support staff given increasing pressures and change?

How can we improve workforce engagement while addressing organizational challenges?

Therefore, in this paper we will try to give an overview of the concept of organizational excellence and shed some lights on its functions and principals, as well as the factors that lead to its success and failure

### 1.1. The Research Problem

As far as the researcher is concerned, there is a lack of Saudi researches that investigate all aspects of organizational excellence. Therefore, this study seeks to define the concept of organizational excellence and its beginning, and the reason why organizations strive to apply organizational excellence, determine the reason for which organizations seek continuous improvement, and identify the most famous global models for the quality of organizational excellence. The study touched on talking about the national model for quality and organizational excellence and how to face challenges to apply standards of quality and organizational excellence, the objectives of the evaluation process to reach organizational excellence and the effectiveness of implementing the organizational excellence system, and the success factors for implementing organizational excellence systems in addition to identifying challenges and opportunities.

It also aims at developing an in-depth understanding of the critical success factors for implementing OEMs as well as of the critical barriers hindering the adaptation of OEMs in the Saudi nonprofit sector.

**Therefore, this study will focus on answering the following questions**

- 1) What is the concept of organizational excellence?
- 2) When did the concept of organizational excellence begin?

- 3) What are the stages of the organizational excellence industry?
- 4) What are benefits of pursuing and achieving organizational excellence?
- 5) What is the importance of evaluating organizational performance in the process of excellence?
- 6) What are the most famous global models in organizational excellence?
- 7) What is the Saudi national model for quality and organizational excellence?
- 8) What are implementation success factors of organizational excellence?
- 9) What are implementation failure factors of organizational excellence?
- 10) What the most important barriers hindering nonprofit organizations in Saudi Arabia from adapting BEMs.
- 11) What are challenges faced in implementing quality standards and organizational excellence in Saudi Arabia?

## 1.2. Research Objectives

This paper aims to define the concept of organizational excellence and the beginning of organizational excellence.

It also seeks to explain the stages of the organizational excellence, the benefits of pursuing and achieving organizational excellence, the importance of evaluating organizational performance in the process of excellence, the most famous global models in organizational excellence.

It also shed lights on the Saudi national model for quality and organizational excellence and the implementation success and failure factors of organizational excellence?

It also seeks to identify the most important barriers hindering nonprofit organizations in Saudi Arabia from adapting BEMs and the challenges faced in implementing quality standards and organizational excellence in Saudi Arabia?

## 1.3. Research Methodology

A systematic review to identify knowledge on Organizational Excellence Models and Failure and Success Factors of organizational excellence and Challenges Mitigation been implemented and provide critical recommendations for successful future development and implementation of complex interventions in the field. Studies published before 27 August 2022 were identified using, google scholar, Scopus, Web of Science and other journal databases. Then the researcher picked the most important reference that answers the research questions.

## 1.4. Research Structure

The article is organized as follows:

First, we discuss the concept of organizational excellence, and explain how this concept emerges. Then we go through the stages of the organizational excellence industry and identify the benefits of pursuing and achieving organizational excellence, and the importance of evaluating organizational performance in the process of excellence. We then talk about the most famous global models in or-

ganizational excellence. After that we shed light on the Saudi national model for quality and organizational excellence.

After that we discuss the implementation success factors and failure of organizational excellence and the most important barriers hindering nonprofit organizations in Saudi Arabia from adapting BEMs and the challenges faced in implementing quality standards and organizational excellence in Saudi Arabia?

## 2. Literature Review

### 2.1. What Is Organizational Excellence

Organizational excellence refers to the use of best management practices common to high-performing organizations that, when successfully implemented, contribute to a culture committed to excellence and sustainable results across a balanced system of measurement (Ringrose, 1970).

Organizational excellence is defined as the ongoing efforts to establish an internal framework of standards and processes intended to engage and motivate employees to deliver products and services that fulfill customer requirements within business expectations. It is the achievement by an organization of consistent superior performance—for example, outputs that exceed meeting objectives, needs, or expectations.

An organization is a group aggregated and combined under specific leadership to function as a single entity for a particular purpose. Excellence, meanwhile, is a measure of consistently superior performance that surpasses requirements and expectations without demonstrating significant flaws or waste.

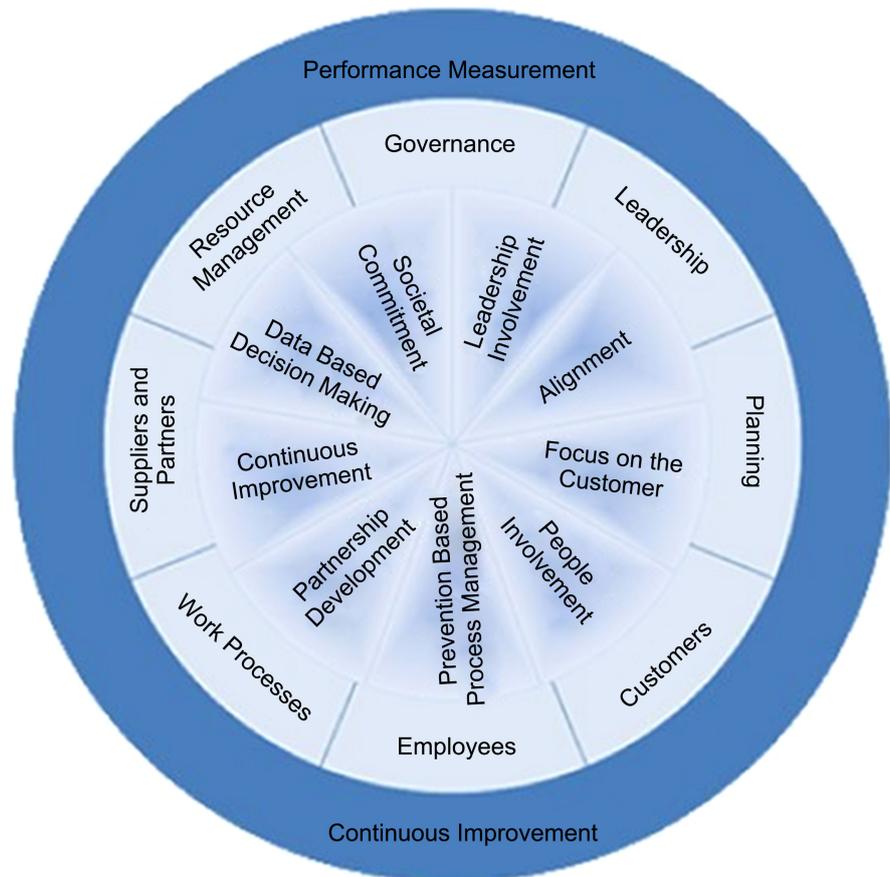
Organizational excellence continues the progress established by a foundation such as total quality management, in which all levels of the organization participate in continual improvement.

One program highlighting the traits and attributes of organizational excellence is the Malcolm Baldrige National Quality Award. In the Baldrige Excellence Framework, the attributes of organizational excellence include (Figure 1):

- Leadership
- Strategic planning
- Customer and market focus
- Measurement, analysis and knowledge management
- Human resources/workforce focus
- Process management
- Business results

These different perspectives suggest that the common traits of organizational excellence are consistent across different cultures and nations.

Organizational excellence is often the result of transitional and transformational activities. Successful organizational outcomes require deliberate management and improvement in six key areas:



**Figure 1.** Organizational excellence framework.

- 1) **Information:** Metrics, measures, and decision support
- 2) **Structure:** Roles, responsibilities, and accountabilities of each functional area
- 3) **People:** Total human capital within the organization
- 4) **Rewards:** Compensation and incentives
- 5) **Learning systems:** Knowledge and training
- 6) **Work processes:** Interaction and linkage of workflows

Organizational excellence is dependent upon gaining sufficient commitment to embrace and apply positive changes in the above areas. Organizational change management is necessary to effectively communicate the changes to those affected in order to minimize uncertainty and obstructions. Collaboration is critical, and the evidence of organizational excellence can be demonstrated across the organization with a balanced scorecard that covers the following perspectives:

- Financial
- Customer
- Internal business processes
- Learning and growth

Organizational excellence is incremental. Different tiers or “maturity levels”

should be identified as interim targets for each of the organizational excellence characteristics. By focusing on the performance expectations of an accessible maturity level, employees and stakeholders will be more inclined to make the necessary changes within their control and capabilities. And as maturity levels are reached, participants should be recognized for their efforts.

After we identified the concept organizational excellence, it is logic to explain how it did start as the following line will explain.

## **2.2. The Beginning of the Concept of Organizational Excellence**

The principles describing the culture and the best management practices were first identified and defined in organizational excellence (OE) models including EFQM (EFQM, 2010), Baldrige (NIST, 2010), Canadian Framework for Excellence and the Australian Business Excellence Framework (SAI Global, 2010) in the late 1980s and early 1990s. Since that time, these OE models have evolved and other models have been developed that include a combination of these principles and best management practices. Today, many countries have developed national award programs to recognize organizations that have successfully implemented an excellence model and sustained performance improvement (Mann & Abbas, 2015).

In the following line we will try to answer the question related to benefits of pursuing and achieving organizational excellence.

## **2.3. The Benefits of Pursuing and Achieving Organizational Excellence**

Both research and practical experience implementing OE models would suggest there are a number of key benefits for the organization. These benefits include:

- Provide the foundation on which to develop an organization. The OE model provides a collection of best management practices for each key management area (e.g., governance, leadership, planning, customers, employees, work processes, suppliers and partners, resource management, performance measurement). These practices can be implemented at any stage of an organization's life cycle. A start-up organization can implement the best management practices right the first time, while an organization that has been operating for some time can build on their strengths and capitalize on opportunities for improvement.
- Provide an integrated and coordinated way to drive tangible results. The OE model provides a well-defined path for the excellence journey. For each key management area, there are practices to implement and measures that can be used to gauge progress. Measurement results highlight where the organization is doing well and where it needs to improve and allow for data-based decision making.
- Identify the interdependencies and interrelationships between management areas. Each best management practice is related to other practices in the OE

model and implementing all the practices will contribute to creating a culture of excellence that is characterized by the principles. For example, in the Organizational Excellence Framework publication (Ringrose, 2010), that integrates the leading OE models (EFQM, Baldrige, Canadian Framework for Excellence, Australian Business Excellence Framework) a customer practice aimed at “determining customer needs and expectations” is directly related to: the leadership practice of “developing a strategic plan with goals and objectives that will guide the organization toward its vision,” the planning practice of “using factual information to provide input to the business planning process,” the employee practice of “encouraging employees to share their ideas and suggestions,” the work processes practice of “involving customers, suppliers and partners in designing and analyzing processes,” and the performance measurement practice “measuring the level of service quality.”

- Reduce non-value add activity. Non-value add activity is any activity that does not add value to the organization. Such activity may include errors, rework, duplication, sources of customer and employee dissatisfaction, and activities that do not contribute to the organization’s vision and mission. The use of OE models can reduce non-value activity by ensuring that all work activity in the organization is aligned with the vision and mission and by investing in prevention and appraisal activities that reduce failures. In Canada, a study of small and medium enterprises found the cost of quality to be 32% of payroll on average and to be higher in service organizations as compared to manufacturing organizations (NQI, 1996).
- Contribute to becoming an employer of choice. Research has shown that implementing an OE model and concentrating on employee health and wellness can contribute to even greater improvements in organizational performance. Organizations that have an OE model in place undertake human resource planning that supports organizational plans, train and develop employees so they can be valued contributors, encourage employees to share ideas and suggestions aimed at improvement, and reward and recognize strong performance of individuals and teams. These organization also invest in a healthy workplace. Global research indicates that many organizations are embracing workplace wellness to achieve business objectives such as reducing health care costs, improving productivity, improving workforce morale, and reducing employee absenteeism (Gadowski, 2009).
- Provide a performance benchmarking program. Performance measures common to OE models are used around the world and can be used to track performance internally and compare performance externally with other organizations. While many improvement opportunities are identified by employees doing the work, benchmarking, or learning from the experience of others is a powerful method for breakthrough thinking, innovation, improvement, and for delivering exceptional bottom-line results.
- Provide a platform for long-term organizational success. Organizations that

have successfully implemented OE models continue to improve their performance year after year. This is largely due to the culture of excellence that has developed. Organizations committed to excellence have leaders that reinforce OE as a strategic imperative and use appreciative inquiry to build on strengths and engage employees in a discussion about what is going well and what can be done better. Both results and the sustainability of OE models are well documented in the aforementioned studies and other global research (Schaefer, 2011).

- Complement other excellence programs. The OE model provides an umbrella under which other programs, initiatives, tools, and techniques can be brought together to form one comprehensive system. The robust OE model can integrate quality assurance programs such as ISO 9001; initiatives such as lean, customer service, health and safety, and environment; and tools and techniques such as Six Sigma.
- Increase the value of a business. The banking community has recognized that having an OE model in place increases the value of a business. Acknowledging these businesses continue to run well when the owner is absent, some banks add a multiple to the value of a business that has an OE model in place (Greenwood, 2009). This bodes well for businesses that wish to increase their line of credit or plan for succession. In addition, an OE model is advantageous for the prospective buyer of a business as the practices provide a good checklist for assessing the business and the balanced system of measurement provides thorough feedback on performance.
- Provide a healthy return on investment. A recent study found that every \$1 spent on a quality management system (i.e., excellence model) returned \$6 in revenue, \$16 in cost reduction, and \$3 in profit and that 93% of organizations agreed that quality management was a significant driver of success (Solomon & Hogan, 2012).

Having identified the benefits of pursuing and achieving organizational excellence, it is imperative that we discuss Stages of development and institutional excellence.

## **2.4. Stages of Development and Institutional Excellence Can Be Summarized as Follows**

### **Implementing an OE Model**

While some organizations harness the knowledge and talent of their employees to implement an OE model, many organizations seek the assistance of a professional. Generally, implementation involves the following key steps:

- Learning about the OE model—read the available literature and take a workshop
- Assessing against the OE model—use a subjective rating scale to self-assess the organization against the principles and an objective rating scale to self-assess against the best management practices of the OE model and make note of the

strengths and opportunities for improvement

- Preparing an improvement plan—address opportunities for improvement by preparing action plans that identify the practice that needs work, the chronological tasks to be performed, responsibility, timing, out-of-pocket cost, and the method of measurement that will be used to gauge progress
- Implementing the improvement plan—use a variety of methods to maintain momentum on the excellence journey such as delegating responsibility throughout the organization, using appreciative inquiry, scheduling regular progress meetings, sharing progress in a regular newsletter, hosting guest speakers, going on site visits to high-performing organizations, and holding celebrations when milestones are reached
- Applying for a national award—determine if the organization is located in a country that has a national OE award program and consider applying for an award
- Comparing and learning from the behavior and practice of others – engage in performance and best practice benchmarking to achieve breakthrough improvement in performance

In the next line we shall answer the question related to the importance of evaluating organizational performance in the process of excellence

### **2.5. The Importance of Evaluating Organizational Performance in the Process of Excellence**

The importance of evaluating organizational performance in the process of excellence (*MSG Management Study, 2022*):

- Maintain the performance and productivity of employees and constantly motivate them to perform their best, and this is done by continuously evaluating them
- The organizational evaluation provides an opportunity for the owners of the organization to evaluate the contributions of employees to the organization, and their ability to innovate, work and provide services as required
- Organizational evaluation is essential for improving and developing employees within the organization
- Performance assessments show acceptable performance limits, and also impose these limits on all employees of the organization
- Performance evaluation assesses and enhances employees and communicates effectively with them, and motivates employees to carry out their tasks to the fullest in order to promote them and their organizations.
- Performance evaluation provides an honest and fair measure of the contribution of staff to the organization in which they work
- Organizational performance provides accurate documentation to protect both employees and employer
- Performance evaluation helps you get a high quality level of production
- The evaluation system includes standardized evaluation models, feedback

guidelines, performance measures and disciplinary procedures

- Organizational evaluation is a way to conduct evaluations equally and fairly to protect your employees and organization.

Now we come to the most exciting part of the paper which will give a detailed review of the most famous global models in organizational excellence

### 2.6. The Most Famous Global Models in Organizational Excellence

There are many global models of organizational excellence as follows: (BPIR, 2020).

#### EFQM Model (Old)

The EFQM excellence model is a non-prescriptive business excellence framework for organizational management, promoted by the EFQM and designed to help organizations to become more competitive. Regardless of sector, size, structure or maturity, organizations need to establish appropriate management systems to be successful. The EFQM excellence model is a tool to help organizations do this by measuring where they are on the path to excellence, helping them understand the gaps, and promoting solutions. (Figure 2)

#### The EFQM Excellence Model (old) consists of nine criteria

- Leadership
- Strategy
- People
- Partnerships & Resources
- Processes, Products & Services
- Customer Results
- People Results
- Society Results
- Business Results

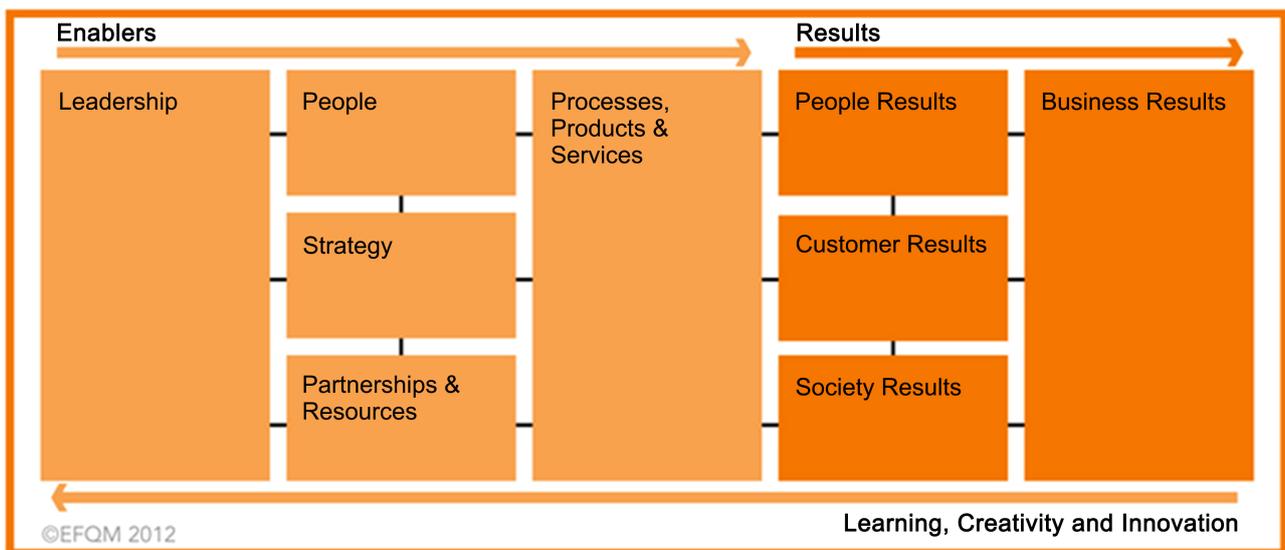


Figure 2. EFQM model (old).

### The Fundamental Concepts of the old EFQM model are

- Adding Value for Customers
- Creating a Sustainable Future
- Developing Organisational Capability
- Harnessing Creativity & Innovation
- Leading with Vision, Inspiration & Integrity
- Managing with Agility
- Succeeding through the Talent of People
- Sustaining Outstanding Results

### EFQM Model (New) 2020

Since its inception, the EFQM Model has provided a blueprint for organisations across and beyond Europe to develop a culture of improvement and innovation. Now, through the application of up-to-date content, insightful data, a new language and a fresh look at megatrends and various global shifts that are reshaping the world we live in, the EFQM Model provides a modern reflection of what good looks like right now. To co-create the new EFQM Model, nearly 2000 change experts were surveyed, facilitated 24 workshops internally, spoke face to face with leaders in over 60 diverse organisations and created a core team of experts and contributors from across industries and academia. (Figure 3)

### The EFQM Excellence Model consists of seven criteria

- Purpose, Vision & Strategy
- Organizational Culture & Leadership
- Engaging Stakeholders
- Creating Sustainable Value
- Driving Performance & Transformation
- Stakeholder Perceptions
- Strategic & Operational Performance



Figure 3. EFQM model (new) 2020.

### Dubai Government Excellence Model (DGEM) 2020

The Dubai Government Excellence Program (DGEP) was initiated in 1997 in order to promote excellence in the Government of Dubai, It aims to be the driving force behind the development of the public sector in Dubai and enable it to provide distinctive services for all stakeholders. The DGEP institutional awards are based on Dubai Government Excellence Model. (Figure 4)

#### Dubai Government Excellence model consists of 10 criteria

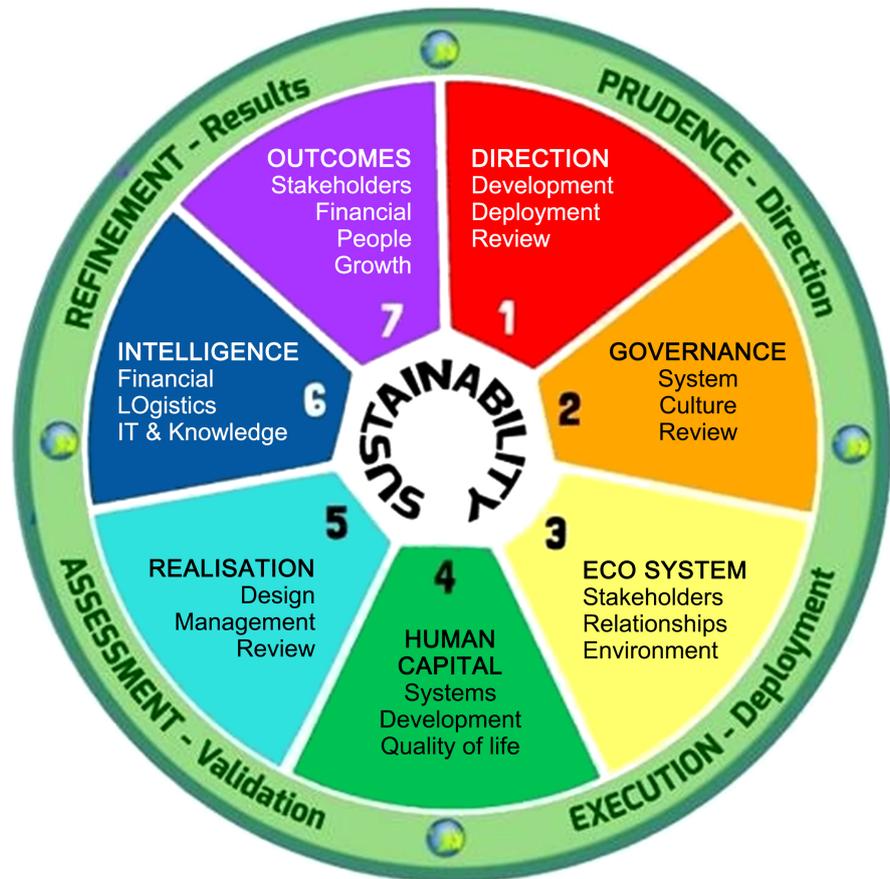
- Dubai Plan 2021
- Main Functions
- Government Services
- Digital Government
- Future Shaping
- Innovation Management
- Human Capital and Emiratization
- Assets Management
- Financial Resources Management
- Governance

### African Excellence Model (AEM) 2020

The African Excellence Forum provides a Model for performance excellence which can be used by any organisation for its own internal self-assessment, irrespective of whether it applies for the African Excellence Award. The African Excellence Award is administered by the African Excellence Forum, a not-for-profit NPO registered company. (Figure 5)



Figure 4. Dubai Government Excellence Model (DGEM) 2020.



**Figure 5.** African Excellence Model (AEM) 2020.

**The model consists of seven categories**

- Direction
- Governance
- Eco-System
- Human Capital
- Realisation
- Intelligence
- Outcomes

**The core concepts of the African Excellence Model are**

- Systemic view
- Organisational learning
- Proactive approach
- Innovation
- Leadership and consistency of purpose
- Vision of the future
- Customer and market focus
- Social responsibility
- Management by fact
- Valuing people

- Management by process
- Results orientation

**Australian Business Excellence Framework (ABEF) 2011**

The Australian Business Excellence Framework (ABEF) is an integrated leadership and management system that describes the elements essential to organisations sustaining high levels of performance. The ABEF is administrated by SAI Global. (Figure 6)

**The model consists of seven categories**

- Leadership
- Customers and Stakeholders
- Strategy and Planning
- People
- Information and Knowledge
- Process Management, Improvement and Innovation
- Results and Sustainable Performance

**The principles of the Australian Business Excellence Framework (ABEF) are**

- Clear direction and mutually agreed plans enable organizational alignment and a focus on the achievement of goals.



**Figure 6.** Australian Business Excellence Framework (ABEF) 2011.

- Understanding what customers and other stakeholders value, now and in the future, enables organizational direction, strategy and action.
- All people work in a system. Outcomes are improved when people work on the system and its associated processes.
- Engaging people's enthusiasm, resourcefulness and participation improves organizational performance.
- Innovation and learning influence the agility and responsiveness of the organization.
- Effective use of facts, data and knowledge leads to improved decisions.
- Variation impacts predictability, profitability and performance.
- Sustainable performance is determined by an organisation's ability to deliver value for all stakeholders in an ethically, socially and environmentally responsive manner.
- Leaders determine the culture and value system of the organization through their decisions and behavior.

#### Canada's Excellence, Innovation and Wellness Standard (CEIWS) 2021

Canada's Excellence, Innovation and Wellness Standard is the model behind Canada Awards for Excellence. The framework administered by Excellence Canada, a not-for-profit organization that specialises in the training, implementation, and certification of organizational excellence in Canada. (Figure 7)



Figure 7. Canada's Excellence, Innovation and Wellness Standard (CEIWS) 2021.

The Organizational Excellence Standard (OES) encompasses six areas of focus called Drivers

- Leadership
- Planning
- Customers
- Our People
- Processes
- Partners

## **2.7. The Saudi National Model for Quality and Organizational Excellence**

The Saudi National Model of Organizational Excellence is one of the cornerstones of excellence in the Kingdom. In designing and building its main and subsidiary standards, a number of key elements have been considered to make it a unified national model of quality and organizational excellence for all sectors in the Kingdom.

The importance of preparing the model is demonstrated by the increasing interest of the world today in the programs and awards of quality and organizational excellence based on its importance and its effective role in improving performance and upgrading local services and products, in addition to enabling them to compete on regional and international levels.

The excellence model was built on the basis of enabling the principles of quality and organizational excellence and putting it in a scientific manner in accordance with the best international practices in accordance with the local environment. It defines the requirements of excellence and draws the frame of reference for the application in an orderly manner. This means that it is integrated in its structure and interconnected with its various parts. Expressive in its formulation and clear in its terms, which are appropriate to all, sectors in the Kingdom and does not address one specific sector ([kaqa.org.sa](http://kaqa.org.sa), n.d.).

### **Philosophy of Building KAQA Model**

Today, the world is paying increasing attention to the programs and awards of quality and organizational excellence, based on their importance and their tangible role in improving performance, upgrading local services and products, and enabling them to compete in the regional and global levels. Moreover, our dear country Saudi Arabia is not isolated from this global mobility, our wise government has paid great attention to the adoption of the concepts of quality and organizational excellence. The launch of KAQA was an important step in the process of quality and organizational excellence in the Kingdom. (**Figure 8**)

### **About The KAQA Model Award**

The King Abdul Aziz Quality Award was established in accordance with the letter No. 7/B/18670 dated 27/11/1420H, in order to stimulate the productive and service sectors to implement the principles and techniques of total quality in order to raise the quality of performance. The award also aims at honoring the



Figure 8. KAQA model award.

best performing establishments that achieve the highest standards of quality by obtaining the appropriate recognition at the national level for their achievements and ranking among the best local establishments.

The award is a way to achieve excellence in business by providing an integrated structure to coordinate all performance improvement and management activities by enabling enterprises to assess their current performance and compare it to the performance level in world-class facilities and thus bridge gaps between the two levels. The award provides specific benchmarks that enable enterprises to measure their performance in several key areas to help them continuously improve business to identify, prioritize, organize and review goals in order to achieve these goals.

The King Abdulaziz Quality Award is the mother's award for institutional excellence in the Kingdom of Saudi Arabia and for all sectors. Therefore, participation in the award is considered one of the most important indicators of the adoption of quality and excellence by the leaders of the establishments and the provision of products and services that meet and exceed the aspirations of the beneficiaries.

#### Objectives

- Raising awareness and spreading the culture of quality and institutional excellence and its applications in society and between different sectors in the Kingdom.
- Stimulating the sectors to adopt the principles of quality and institutional excellence through the application of the national model of excellence of the King Abdul Aziz Award for Quality and adoption of standards.

- Enhance the concepts and applications of measuring performance and continuous improvement of business in order to satisfy the beneficiaries and all concerned.
- Working to raise the quality of Saudi enterprises and strengthen their efforts and enable them to compete at the global level.
- Upgrading the level of administrative leadership in enterprises to achieve the objectives of the overall quality and to fulfill its responsibilities.
- Urging enterprises to comply with national and international standards and standards.
- Provide an ideal platform for sharing best practices and reference comparisons between national enterprises and transferring successful experiences among different business sectors.
- Increasing the effectiveness of the participation of enterprises in building society and promoting sustainability in all fields.
- Honoring and encouraging the distinguished establishments and winning the award and highlighting them as a good example in the society, which will positively reflect on the national enterprises and create a positive atmosphere for competition towards excellence.

#### **KAQA Model Vision & Mission Vision**

The King Abdul Aziz Award for Quality is unique and pioneering at the national, regional and global levels, and to achieve its objectives to improve the quality of production and service in the Kingdom.

#### **Mission**

King Abdul Aziz Quality Award promotes competitiveness by providing a general framework for evaluating the performance of enterprises and developing them according to international standards of excellence and highlighting their role in spreading the concepts of quality, creativity and applications.

#### **Core values**

- Excellence in performance
- teamwork
- Justice and equal opportunities
- Interact and meet the needs of the community
- Privacy in dealing

#### **Added Value of Entering the National Quality Award**

- Identifying a scientific method to apply and assess the criteria of organizational performance in addition to the sustainability of results according to the national model of excellence, which contributes to achieving Vision 2030 effectively and efficiently.
- Joining the smart system of organizational excellence “TAMAYUZ.NET” which provides an interactive electronic system for enterprises to build excellence methodologies, manage performance indicators, manage quality, document forms, and build up electronic archiving. In addition, the system presents performance results and smart reports according to the criteria of

the award, training on tools and techniques of organizational self-assessment and identifying strengths and areas of improvement electronically to ensure continuity and sustainability of results.

- Benefiting from the visits of the assessment experts of organizational performance, and providing the enterprise with an integrated electronic report of all the criteria of the award, which is directly reflected through “TAMAYUZ.NET” system.
- Honoring and highlighting best excellence practices, and performing the integrated media coverage of the winners.
- The winning enterprise keeps the award logo for two years, and is entitled to use it on its own publications and commercial advertisements.
- Having gone through several models of organizational excellence, we shall now explain Implementation success and failure factors of organizational excellence

## 2.8. Implementation Success Factors of Organizational Excellence

While many researchers have concluded that implementing BEMs brings about better financial and nonfinancial results, BEMs come with many limitations that indicate they are not the solutions for all problems. Although award-winning organizations have achieved better financial results, they have not made the top results in their industries (Talwar, 2010). In a study conducted by the National Institute of Standards (NIST), 17 publicly traded MBNQA’s recipients underperformed the S&P 500 list of companies. They reported an 18.5% return as compared to a 33.58% return for S&P 500.

The divide identified through reviewing the literature related to BEMs implementation has led many researchers to question what makes BEMs implementation succeed in one organization while failing in another. Generally, researches around this particular area are complicated due to the involvement of many dimensions that could impact implementation such as leadership, organizational size, industry, people engagement, organizational structure and culture, and the availability of necessary resources and infrastructure (Dahlgaard et al., 2013). Assuming the BEMs are the natural continuation of TQM, Sila and Ebrahim-pour (2003) analyzed 76 different studies focused on TQM implementation success factors. They reported 18 various factors that are most commonly found in the literature; they are:

- Leadership and commitment of top management;
- The focus on the customer;
- Analysis of information;
- Providing necessary training;
- Supplier partnership and management;
- Strategic planning;
- Employee Engagement;
- People management;

- Focus on process management;
- Working in teams;
- Efficient and effective design of product and service;
- Controlling the process;
- Performance benchmarking;
- Focus on continuous improvement;
- People empowerment;
- quality assurance;
- social responsibility; and
- Satisfaction of employees.

In general, scholars tend to agree that the success in implementing improvement initiatives depends more on management practices rather than on tools and techniques (Corbett & Angell, 2011). These practices may include a continuous commitment of top management, communication, and trust, motivation of employees, investment in resources, management of change, performance management, structured approach to solving problems, and standardization of analysis.

A study carried out by Assarlind and Gremyr (2014) to identify the critical factors for Quality Management initiatives based on a review of the literature. From the 59 papers reviewed, the study came up with various critical factors grouped into six categories. The factors were not necessarily unique to small and medium enterprises, but collectively they were more focused on SMEs. They were; gradual implementation using realistic goals, contextualization, involvement, and training of employees, management involvement, involvement of external support, and fact-based follow-up.

Kharub and Sharma (2015) carried out a study to determine the important precursors of quality management and develop a research framework to help SMEs in the Indian manufacturing industry to successfully implement quality management practices in their businesses. The study came up with a model that categorized the critical success factors into four classifications namely; strategic factors, operational factors, tactical factors, and quality tools and techniques. The study identified 20 critical factors that influenced how firms implemented quality practices or management initiatives. They included: Top management commitment, Quality system, Quality culture, Supplier management, Quality awards, Benchmarking, Continuous improvement, Training and Education, Employee involvement, Rewards and incentives, Information and analysis, Communication system, Customer focus, Leadership quality, Process management, Product and service design, Human resource management, Tools for reviewing current condition, Long vision, and Tools for analysis current conditions.

The study by Black and Porter (2007) came up with ten critical factors of Total Quality management and compared them to other existing approaches like the Saraph's 8-factor model and the Baldrige approach. The ten factors were:

- Corporate quality culture

- Strategic quality management
- Quality improvement measurement systems
- People and customer management
- External interface management
- operational quality planning
- Supplier partnerships
- Teamwork structures
- Customer satisfaction orientation
- Communication of improvement information

### **2.9. Implementation Failure Factors of Organizational Excellence**

Looking at the topic of BEMs implementation from the other side through studying failure cases has revealed almost the same conclusion, i.e., lack of success factors mentioned above led to the failure of BEMs implementation initiatives. [Ahire et al. \(1995\)](#) and [Soltani et al. \(2005\)](#) identified the followings as the main factors associated with BEMs implementation failure:

- Lack of commitment and engagement of top management;
- Lack of clarity in vision;
- Lack of planning;
- Limited availability of necessary resources;
- Inadequate change management;
- Overloading employee with work;
- lack of required training and education;
- lack of customer focus;
- lack systems for measuring performance; and
- lack of staff empowerment and engagement

After explaining the failure and success factors, it is useful to refer to top barriers hindering nonprofit organizations in Saudi Arabia from adapting BEMs as well as Challenges faced in implementing quality standards and organizational excellence in Saudi Arabia

### **2.10. Top barriers hindering nonprofit organizations in Saudi Arabia from adapting BEMs**

- The lack of a culture of continuous improvement
- The lack of organization strategy
- Lack of qualified employees
- Lack of customer orientation
- The lack of clear organizational roles and responsibilities

### **2.11. Challenges Faced in Implementing Quality Standards and Organizational Excellence in Saudi Arabia**

NPOs in Saudi Arabia are facing many challenges and issues that limit their ability to meet their primary objectives.

These issues include:

- Lack of specialized employees working in the sector in general.
- The limited amount of training programs provided to employees
- The lack of financial resources and financial management capabilities in many organizations within the sector.
- The absence of governance structures and the lack of knowledge and implementation of necessary strategic planning in these organizations
- The lack of awareness or adaptation of proper strategic planning practices.

### 3. Conclusion and Recommendations

A challenge remains. Even though research of 25 years has validated the positive relationship between implementing an OE model and improving organizational performance, the author has observed awareness continues to be quite low. It is suggested this lack of awareness contributes to a significant opportunity cost where organizations are not able to improve their performance and grow stronger and ultimately contribute to the economy, trade, and resident quality of life.

However, this paper introduces some recommendations for administrative leaderships in the medical care sectors as follows

#### **At the organizations level:**

- Increasing awareness about OE models with the working population
- Inviting organizations to start or continue their excellence journey using the OE model of choice
- Encouraging organizations to engage in self-assessment, identify their strengths and opportunities for improvement, and prepare an action-oriented improvement plan to address gaps
- Providing dashboard results to show “current state” by organization size, industry sector, and geographical region
- Encouraging organizations to benchmark their performance with others.
- Implementation of a continuous improvement paradigm must not be rushed. Changing culture takes time and patience to get it right, particularly in organizations that have seen other management initiatives come and go. Barriers to overcome include change fatigue, mistaken ideas about what continuous improvement means, and inadequate resources.
- It is essential to plan and deliver training at an appropriate pace. Working steadily to facilitate change, review progress, and adjust as required may necessitate a multi-year journey.
- It is essential to make a substantial effort to communicate with team members before implementing changes. Ideally, the most enthusiastic staff will become champions and influencers for change among their co-workers.
- Be careful to avoid management-speak terms that create wrong ideas about cost-cutting and individual autonomy. These can lead to resistance. Instead, develop an understandable language for improvement that works for your

origination. Staff are motivated by terms that highlight the benefits for patients.

- The team should come together often to discuss solutions to common problems so that learning can be shared. Broadcasting success stories and early wins helps to create a sense that frontline staff are seeing positive change and to drive home the notion that this is a new way of functioning, not just a passing phase.
- Many healthcare organizations are overwhelmed by targets and outcomes. Without prioritization, staff will attempt to meet all of them. Then firefighting becomes the norm, and frustration and demoralization spread. Sustainable improvement requires focus. Successful organizations move towards a smaller set of priorities to hone in order to deliver “breakthrough” change.
- The ideal number varies depending on an organization’s current state and resources. Leaders typically find it best to focus on three to four priorities and never more than 10. Each focus area should be aligned with strategic goals such as patient satisfaction, quality of care, staff satisfaction, and financial results.
- Leaders must communicate the goals to staff to achieve clarity and shared direction.

## Conflicts of Interest

The author declares no conflicts of interest regarding the publication of this paper.

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