LEADING THE CHANGE FOR QUALITY ENHANCEMENT: A ROMANIAN CULTURAL PERSPECTIVE

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This article comments on leadership and quality enhancement in Romanian companies from a cultural perspective based on the results of three studies performed by the author related to cultural orientations in Romania. Key cultural orientations (as described by Hall, Hofstede, Schein, and Rosinski) are used to debate leading cultural changes needed most in Romanian organizations in order to effectively implement quality management to increase performance and competitiveness. Also, considering the context of Romania’s ongoing process of European integration, the results of the author’s research on key cultural values in Romanian companies are mirrored in relation to a synthesis of dominant European organizational values and their role in creating a culture of quality. Within this framework, it was determined that the change processes needed in Romanian companies must be oriented by a more inspirational, transformational leadership—moving the center of gravity from conservatism, high context communication, polychronism, high power distance, lack of transparency and confidence, and inward orientation to a proactive attitude, dynamism and flexibility, trust, openness, higher valuation of time and performance through innovation, and continuous improvement.

*Culture, Leadership, Change, and Quality*

No matter where applied—companies, NGOs, the government, etc.—quality approaches aim at improving effectiveness, flexibility, innovation, and, ultimately, competitiveness of an organization through specific mechanisms (such as strategies centered on customers and continuous improvement, awareness and understanding of processes, etc.), as well as real commitment and the involvement of everyone at all levels.

The global short-term race for efficiency, which has contributed to the present global recession, painfully reminds us that a fair balance in the money-quality-respect equation for the customer could be a chance for recovery. Achieving quality objectives often requires a change in
the organization’s mindset toward a culture of quality centered on shared belongingness to the system, continuous improvement, and value for customers (Hill, as cited in Dale, 1998). Consequently, instead of seeing quality approaches as processes aimed at changing the organizations, we must change the organizations to adequately support quality efforts mainly through education, training and leadership, whereas structure, systems, and procedures are important, but subordinate (Schein, 2004).

It results that successful quality approaches are critically related to inspirational, transformational leadership, capable, through personal effort, example and dedication of the leader, to build a cultural framework based on quality centered values: focus and facilitation (shared values and vision, systems, balance, involvement, and action); flexibility, innovation, and risk taking; synergy and co-participation (congruent objectives, clear processes, and primus inter pares); attention, openness, courage and trust; and long term orientation (direction and continuous improvement).

In quality approaches, effective leadership is the key to excellence: it starts with a clear vision centered on quality (cultural element) to be developed into a strategy to implement the vision (structural element) through specific processes and mechanisms (Imai, 1995; Oakland, 1999). Some components of this include (a) Building a culture of quality based on genuine commitment for continuous improvement (CI, CIP, Kaizen); (b) Promotion of “right the first time” philosophy; (c) Promotion of and support for training in quality issues and continuous development of quality “experts”; and (d) Systematic integration of quality in all strategic processes of the organization. After all, in quality matters, “leadership makes all the difference – always” (Creech, 1995).

Methodology

Within this conceptual framework, this paper will comment on three of author’s studies concerning key cultural orientations and values of the social and business environment in Eastern Romania (historical region of Moldova) in relation with the leadership of quality approaches, in an attempt to answer two questions:

1. Which are the relationships between organizational and leaders’ values and quality approaches in Romanian organizations?

2. Considering the requirements of European integration (post-accession), towards which specific cultural orientations should the Romanian leaders focus their efforts in order to positively support the organizational change processes centered on quality, mostly needed in Romanian companies to surpass the nowadays crisis?

The three studies discussed here were conducted in the context of a broader research on the relationships between cultural orientations and competitive capacity building in Romanian companies and took place over a period of nine years (the latest still ongoing).

The first study was conducted in 1999 (Stanciu & Huţu, 1999) within 42 manufacturing, commerce, services and construction companies, mostly private SMEs in Eastern Romania, all undergoing a process of change (175 valid respondents yielded a response rate of 62.9%).

The second, a follow-up study, was conducted over a two year period (2000-2001) within the context of more extended research on corporate culture and technology transfer considered to be a major process of organizational change (Huţu, 2003, 2001), involving 46 companies within the same geographic area, including 93% of the companies that participated in the initial research (142 valid respondents yielded a response rate of 54.2%).
The third study (1999-2001; 2002-2003; 2003-2008), which is still ongoing and was partially reported in Huţu (2004, 2007), has also been conducted mainly in Eastern Romania (85% of respondents) and has concentrated on cultural orientations in organizations based on the cultural orientations/dimensions of Hofstede (1980, 1991), Hall (1983, 1989), Schein (1985), Rosinski (2003), and the metaphor-based approach of Gannon (1993). All respondents are college educated professionals and/or managers from diverse organizations (industry, services, higher education, NGOs, government institutions). The respondent base increased from 144 valid respondents in 1999 to 850 valid respondents in early 2004, to 1683 valid respondents in mid-2008, and it attempts to develop a statistically representative sample at the national level over the coming years.

Aimed at balancing normative, descriptive, exploratory, and prescriptive approaches (Yin, 1989), the research methodology followed an integrated approach for all three studies. However, the researcher did not control behaviors, and the attention was focused on both diachronic and synchronic aspects of the studied phenomena.

The highly complex contexts of the studies, from both theoretical and practical perspectives, determined the sequence: a qualitative approach centered on case studies and focus groups—aimed at identifying major themes in relation to organizational and leaders’ cultural orientations and values and their impact on competitive capacity building/quality/technology transfer—followed by a quantitative analysis based on surveys and in-depth follow up interventions based on both qualitative and quantitative instruments.

Data collection techniques used for the studies consisted of informal and semi-structured interviews, focus groups on Romanian cultural metaphor based on Gannon’s (1993) methodology, case studies, surveys, secondary data analysis (company documents, statistical reports, media reports, etc.), and direct observations.

Resource constraints limited the sampling processes to mixtures of convenient “typical cases,” “critical cases,” and “snowball” types (Henry, 1990), with the respondents holding significant positions and status in relation to the objectives of the studies—respondents held key roles in change processes and/or technology transfer processes and/or quality/improvement approaches that were critical for their organizations.

The practical validation approach consisted of applying the principle of triangulation, consulting the respondents and pilot surveys for content validation, and minimizing the “Hawthorne effect.” Unfortunately, considering the sampling method, inherent elitist bias, acquiescence, and “save face” types of errors were unavoidable.

Finally, the findings of the studies are used to compare and discuss cultural orientations and values in European Union (literature synthesis) and Romanian companies in an attempt to better understand the kind of changes the Romanian companies need and how that change processes must be led in order to successfully achieve continuous improvement and customer satisfaction.

Characteristics of National and Corporate Culture in Romania

Integrating the results of qualitative and quantitative research on national culture (Huţu, 2007, 2003, 2001; Stanciu & Huţu, 1999) has produced substantial insights. For example, Power distance could be considered low on the vertical-descendent direction and high on the vertical-ascendant direction due to differences in perception of the two categories of individuals involved in interactions; the individuals occupying power positions considered themselves accessible for
their followers while the followers seldom perceived their leaders accessible for them. Furthermore, informal communication has been preferred to official communication. High power distance can also be noticed at family level, tending to increase with age, along with nostalgia for the lost authoritarian system (which generated a high degree of power distance), which is confirmed by the latest European Values Survey / World Values Survey (2008).

Collectivism slightly exceeded individualism, being mostly manifested at family or closed communities level and was characterized by “high context,” generating secrecy, nepotism and corruption; within organizations, collectivism and individualism have been balanced to a large extent, as also showed by Rusu & Huțu (1997). Teamwork is seen mostly as a framework used to exonerate individuals from taking clear responsibility for their work (operational level).

Masculinity and femininity were also balanced; either formally, or informally, either in families, organizations, or at the societal level, masculinity coexists and/or alternates with femininity: from often intolerant and aggressive behavior, close to “monumentalism”, as recently defined by Michael Minkov (quoted by Hofstede, 2009) to caring for others, modesty, and the power to decide by persuading others to make the “right” decisions.

The degree of uncertainty avoidance proved to be high since people tend to think that they own the absolute truth. Also, at both formal and informal levels, there are very complex and complicated rules and regulations, from the legal system to very old rites and traditions; the supreme truth though, the super-ordinate informal rule seems to be, “break all the rules!”

Secondly, uncertainty avoidance could be considered low in a country where history has been one of wars and natural disasters and uncertainty has been considered “normal”; as a consequence, at best, planning and forecasting have been materialized in projects and scenarios that have never been implemented because of an uncertain future.

Short term orientation prevailed and was directly related to uncertainty avoidance, reflecting the idea that fate was inevitable, making long term planning useless; the adverse reaction to long term planning, exacerbated by the communist centralized economy—along with the impact of nowadays economic environment, characterized by a chaotic “eternal” transition/crisis—has created a mechanism of self fulfilling prophecy, counterproductive for higher degrees of performance and long term success.

Organization of time was dominantly polychronic, influenced by traditions, favorable climate, and availability of natural resources, features that contributed to the belief that there was no need to rush in order to reach objectives and deadlines, or even that there was no need of objectives and deadlines because “tomorrow is another day”; also, relationships are highly prized over objectives and deadlines.

In order to put Romanian national culture into perspective to be usable in dealing with organizational culture, there is necessary to further underline the following key elements:

- Highly conservative culture, based on high context, myths, legends, heroes, superstitions, etc.; people still live in a cyclical, “unhistorical” time, and don’t yet really understand the importance of time for the success of their companies because for them time is indestructibly linked with the rhythms of Nature, and not with the rhythms of the business;
- Paradoxical integration of two major antithetical themes, “Meșterul Manole” and “Miorița”, showing short term orientation, high/low uncertainty avoidance,
masculinity/femininity and collectivism over individualism (Huțu, 2003), endless search for meaning and sense amidst a turbulent history, and the belief in “the myth of the eternal return” (Eliade, 1954);

- The belief that there must be someone “up there” to make decisions, to control, and to judge what is Right or Wrong, combined with fear to stand for personal opinions and beliefs (high power distance), and strong dichotomy between formal and informal communication;

- The obvious conceptual dichotomy between hard work and success, between work and satisfaction, and between value/performance and recognition/rewards, mainly inherited from the communist era.

These elements were also reflected at organizational level.

Cultural dimensions at the organizational level produced further insights. Power distance was low if considered from top to bottom, and high if considered from bottom to top; to a very large extent, decisions and control are centralized, with top-down over bottom-up formal communication.

Concerning collectivism vs. individualism, within organizations collectivism and individualism are balanced; although most of the respondents reported preference to working in groups, middle and top management emphasized mostly individualistic attitudes (mainly related to power distribution and retention) even though most of them declared that teamwork was very important. Teamwork has relatively frequent use especially at the lower hierarchical levels, matching well with the native collectivist character of national culture (however, this attitude is not to be mistaken with teamwork in the Western sense of the concept since in Romanian companies, team mostly means an umbrella to hiding from taking individual responsibility and accountability more than anything else).

Masculinity vs. femininity: at formal level, assertiveness and authoritarian/aggressive behaviors were exhibited. Also, the number of women in top management positions was very small; in contrast, considering the “organization as family,” femininity is manifesting at the level of informal relationships.

A contrasting situation presented regarding uncertainty avoidance. On one hand, there is a tendency toward low uncertainty avoidance with people feeling comfortable in ambiguous situations. Most of them are taken by surprise by daily problems, and many even declare that when making decisions they try to imagine various possible scenarios; thus, the difficulties appear when the ideas must be put into practice. The frequency of unforeseen situations is higher at the lower hierarchical levels compared to top management. On the other hand, high uncertainty avoidance can be noticed in attitudes toward new ideas, which, in many situations, are “lost” in a drawer or are regarded with suspicion.

Short-term orientation: the late communist planned economy exacerbated the adverse reaction to all that meant planning; the idea that “one can never know what will happen tomorrow so planning is useless” (which is much older than communism) is widely shared, negatively impacting performance and success.

Finally, high context and polychronic time are characteristics of national culture strongly integrated at the organizational level. A significant aspect of this refers to communication: horizontal, within-group, informal communication is preferred to vertical, inter-group communication.

Besides these dimensions discussed, the research identified several additional features specific to organizational culture in the geographic area represented in the studies:
The idea that “the people are lazy and willing to cheat,” which leads to a lack of cooperation and openness and a need for strict survey systems;

- The idea that “the law is only for fools,” determined by corruption at all levels and low trust in law enforcement systems (police, justice);

- Secretiveness as a reminiscence of the former political system (fear to communicate information necessary for the development of a normal economic activity sometimes reaches extreme levels);

- Coexistence of conservatism, mainly manifested in relation with basic assumptions, traditions and rites, and inconsistency in dealing with more overt dimensions, such as norms, objectives, plans and procedures.

The research data revealed that the cultural environment at the organizational level emphasizes a strong contradiction between the formal, declarative level and actual practice. Despite the fact that there are official sets of values recognized and recommended as important, other, hidden values are actually used in practice. This fact underlines once again that organizational culture in Romania still carries on the scares of communism, many of them stressing already existing traits of the national background with a negative impact against the demands of competition in times of global recession.

Values, Leadership and Quality: Romania vs. the European Union

The Romanian vs. EU perspective on values, leadership, and quality is based on the cultural orientations in Romanian organizations and society discussed in the previous section and a literature summary by the author (Barsoux & Lawrence, 1991, 1990; Feichtinger & Fink, 1998; Garvin & Roberto (2005); Hall, 1989, 1983; Hampden-Turner & Trompenaars, 1994; Lawrence, 1991; Lessem & Neubauer, 1994; Moingeon & Soenen, 2002; Rosinski, 2003; Trompenaars & Hampden-Turner, 1998; Wilkinson, 1998; Winch, Millar, & Clifton, 1997), stressing quality as an organizational/managerial value.

Values, Leadership and Quality in the European Union

Although still debated, the “European identity” is a feature the European Union’s defines as a common set of values that provide legitimacy, coherence, and direction for action: unity in diversity, freedom, democracy, respect for human rights, and the rule of law (Treaties and law, 2009).

Following the principle of “unity in diversity,” the author’s literature synthesis of the European organizational/managerial values has pointed out the following common features:

- Performance through individual and collective effort;
- Consistency, auto-discipline, and auto-control;
- Egalitarianism: status through professionalism;
- Time: sequence and synchronization;
- Flexibility, innovation, creativity, and dynamism;
- Enforcement of law, rules, and regulations;
- Thorough planning;
- Loyalty, openness, trust, and cooperation;
- Service for the customers.
It can be noticed that the specific values of European management are very similar to the defining values of Total Quality Management, Excellence Awards, and "the learning organization." Thus, role-based individualism and acceptance of status are combined with an orientation toward action, planning, focus on processes, structure, specialized roles, rules, and depersonalized standards and procedures, and are consistently applied following clear routines by professional management. Performance is the outcome of auto-discipline, auto-control, and responsibility of all organizational members, inspired by leaders capable to build a "culture of quality."

Integrative thinking, coordination, and integration centered on the systems theory lead to cooperation and co-determination and focus on processes and long-term planning, as well as on attention to the organization’s interdependence with its external environment. Also, preoccupation for the external and internal customers becomes central in quality approaches, generating a predilection for creativity and innovation, high levels of risk taking and ambiguity, promotion of organizational learning, and entrepreneurship.

**Values, Leadership and Quality in Romania: Romania in the European Union**

A similar synthesis process was applied to the cultural orientations in Romanian organizations previously discussed in this article. The following features in respect to Romanian organizational/managerial values resulted:

- Improvisation: creativity, risk, and ambiguity;
- Lack of: consistency in applying quality standards and procedures, responsibility and accountability—"anything would do";
- Limited planning;
- Personal relationships outrun institutionalized objectives;
- Low rate of meeting deadlines;
- Excessive red tape—complex and complicated legal requirements, rules, and regulations that practically cannot be enforced, favoring improvisation;
- Politicized hierarchy—wide acceptance of high power distance combined with informal relationships favoring nepotism and corruption;
- Lack of trust and openness;
- Short term orientation;
- Inward orientation.

From this perspective, the Romanian companies could achieve competitive advantages through creativity through flexible specialization—job rotation, quality circles, etc.; diversity—once accepted by organizational members through strong, visionary leadership; and dynamism. At their limits, Romanian organizations could show cyclical deviant behaviors between apathy and anarchy.

In connection with the culture of quality, the antithetic position of many of the values identified in Romanian organizations in respect with quality approaches can be emphasized:

- Improvisations, limited responsibility and accountability, and short term orientation instead of consistency in applying quality standards and procedures, continuous improvement, and long term orientation;
Focus on personal relationships over priorities and objectives, simultaneously with excessive bureaucracy combined with high power distance ultimately lead to eluding rules and procedures, is essential to quality approaches;

Inward orientation over orientation towards customers;

Lack of trust and openness that undermines objective professional relationships, centered on individual and organizational quality and performance.

But favorable values and orientations to building and sustaining a culture of quality also coexist in Romanian organizations:

- Predisposition for creativity, flexible specialization, and diversity;
- High risk taking in working in high ambiguity contexts;
- Change/dynamism and flexibility.

If these features were consistently supported by an inspirational leadership promoting a coherent vision of quality along with clear and adequate quality practices, then Romanian companies could successfully implement various quality approaches that would increase their competitiveness chances in the European Union market and other global contexts (see Table 1).

Table 1

<table>
<thead>
<tr>
<th>From...</th>
<th>To...</th>
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<tr>
<td>Improvisations, high risk and ambiguity</td>
<td>Orientation toward professionalism and performance in highly competitive contexts</td>
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<tr>
<td>Creativity</td>
<td>Creativity and innovation</td>
</tr>
<tr>
<td>“Anything would do”</td>
<td>Planning and synchronizing activities through auto-discipline and auto-control</td>
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<tr>
<td>Failing to meeting deadlines</td>
<td>Services for customers, TQM, organizational excellence and “the learning organization”</td>
</tr>
<tr>
<td>Politicized bureaucracy</td>
<td>Flexibility and dynamism</td>
</tr>
<tr>
<td>Inward orientation</td>
<td>Orientation towards all key stakeholders</td>
</tr>
<tr>
<td>Lack of trust and openness</td>
<td>Openness, trust and cooperation</td>
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<tr>
<td>Short term orientation</td>
<td>Short, medium and long term orientation</td>
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Conclusions: A Cultural Perspective on Leading the Change for Quality in Romania

Therefore, the answer to the research question “Which are the relationships between organizational and leaders’ values and quality approaches in Romanian organizations?” resides in the observation that successful implementation of new concepts, whatever they are (and quality approaches are “new” for the Romanian organizations), can be achieved only when considering the impact of cultural characteristics in the system. Even if a model that proved to be successful in many other situations was used, and even if the contexts seemed to be similar, specific cultural features must be addressed and necessary adaptations performed in order to assure the success of implementation.

Considering that, quality approaches can be defined in terms of cultural dimensions of stakeholder management, proactive attitude, long term orientation, dynamism and flexibility,
open communication and trust, respect for people and communities, high valuation of time and performance through creativity and innovation, and strong preoccupation for quality.

Furthermore, in order to answer the second question—“Considering the requirements of European integration (post-accession), towards which specific cultural orientations should the Romanian leaders focus their efforts in order to positively support the organizational change processes centered on quality, mostly needed in Romanian companies to surpass the nowadays crisis?”—only the development of specific mindsets supporting coherent quality approaches in Romanian organizations and Romanian society at large can positively support the change efforts that could contribute to effectively using quality approaches in order to overcome the current crisis:

- **From short-term toward mid and long-term orientation** - the idea that fate is inevitable is extremely old and is reinforced by Romanian history. It would be extremely difficult to work with this dimension in order to build discipline and confidence in long term developments because it simply has never happened in Romania; but it is crucial to begin this process and this is probably the single most critical task of Romanian policy makers and organizational leaders/managers alike;

- **From high power distance toward lower power distance** - during an era of a spectacular technological revolution when the workforce is becoming more and more educated, it is essential that wide participation of employees in the decision making process, along with the required responsibility and accountability, take place within organizations in order to assure high degrees of quality/performance. Giving up (some) power as well as accepting the burdens of power are very delicate issues that must also be internalized in order to succeed; determination of leadership, along with training and facilitation could produce effective results;

- **From inward toward outward orientation** – a lack of perspective toward the outer world generates dramatic situations such as developing products with no demand on the market or which are obsolete the moment they hit the market, inadequate distribution or promotion systems, etc. The most dangerous mind-set is “…up till now it has worked. Why shouldn’t it work tomorrow too?” The interventions addressing these issues must be based on creativity, innovation, shared knowledge, intensive R&D, and dynamic research of the external environment;

- **From high context toward lower context communication** - interventions promoting experimental use of low context systems (such as clear procedures and instructions) could be used, helping people involved to discover by themselves the benefits of knowing in detail what to do. Also, the (re)design and implementation of new communication systems within the organizations, allowing wide access to information (introducing upward and lateral communication, implementing IT&C systems, etc.), and the creation of a climate of openness and trust are essential to this attempt. The key factor that must be considered here is the fact that low context communication could lead to information overload, and thus lack of action; therefore, a balanced approach is crucial;

- **From polychronic towards monochronic time** - the interventions must emphasize the importance of planning and scheduling, the value of deadlines in doing business, etc., in order to gradually eliminate the “we don’t know what will happen tomorrow anyway” and “anything would do” symptoms. It is essential that the actors internalize these new values because otherwise the result could be opposite the desired one. To help the
process, adequate leadership as well as adequate reward systems must be established and reinforced;

- From "people are essentially lazy and willing to cheat" toward "people are perfectible" - this assumption is one of the most difficult to change since it is fed by corruption and common experience. Therefore, the interventions must be bilateral, from top-down and bottom-up, and valuing people, trust, consistency, commitment, responsibility and accountability, and adequate reward systems are essential. Of course, acting at the organizational level is good, but not enough; the change must occur in Romanian society at large;

- From immobility, individualism and opportunism to flexibility, teamwork and equal opportunities – at the individual (and often departmental) level, a mixture of collectivism and individualism can be found, concretized on the one side by the idea that “everyone must be equal” (communist reminiscence), and on the other side by an individualistic opportunism that results in a lack of collaboration, cooperation, and information exchange. Concerning these issues, a wide range of interventions could be applied, from which teamwork interventions inside and outside the system are the most important in relation to new, flatter organizational structures; the related motivational and reward systems are extremely important achieving success.

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