ROAD TO EXCELLENCE: A PRACTICAL FRAMEWORK FOR GUIDNG LOCAL ORGANIZATIONS TOWARD SUSTAINABLE EXCELLENCE

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ABSTRACT

In recent years there is a trend in many Iranian organizations to apply a wide variety of management tools and systems such as ISO9000, TQM†, BPR‡, Excellence models, KM§, strategic planning and so forth. Unfortunately researches and experiences show that most of these systems and tools not only do not make the expected synergy, but also impose excessive cost on those organizations. Regardless of ignoring the context of the organization in applying the interventions and its implementation of design choices, it seems that a major cause of failure, roots in inappropriate selection of the systems or tools to be implemented due to ignoring those systems or tools rational precedence relationships. In this article, a practical framework is represented based on years of experiences of authors in MABENA consulting firm in delivering management consulting services to their clients (Iranian major companies in both public and private sectors). The presented framework is designed to shape a total organizational excellence model, due to Total Quality Management framework, proposed by Professor John. S. Oakland which incorporates the main components of TQM and other management tools and systems in strategic and operational fields. The framework presented in this article, if not regarded as a development to the original framework J.S. Oakland), can be considered as a customized total organizational excellence model for local companies (we named it as, "Road to excellence", (RTE)), which focuses on describing the logical identification of broader tools, approaches and techniques in the framework, clarifying the appropriate sub-elements of each particularly regarding Iranian organization's areas of interests and common challenges and delivering or proposing appropriate tools to run each of the elements effectively.

Keywords: Road to excellence, Total organizational excellence, framework, process maturity, change interventions

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† Total Quality Management

‡ Business Process Reengineering

§ Knowledge Management

1 INTRODUCTION

Many Iranian organizations in recent years have adopted a range of improvement approaches, tools and techniques in response to the great changes in the internal and external turbulences [7], [27].Turbulences in legal, economic, technological, political and environment parameters of company's external factors. As well as, organizations' top level managers increasing awareness, toward changing their companys' attitude to face future world situations. Which resulted in adoption of many quality management systems and other management tools and techniques simultaneously [7], [26], [27]. No comprehensive survey has been performed locally about the most common management tools and how effectively these tools have been performed [27]. But authors, by tracking the approaches, tools and techniques major local companies have used recently, the circumstances under which they have been performed and the degree of managers and employee's satisfaction of adopting those, been able to design a framework consist of the most commonly used management approaches, tools and techniques in local companies, and by adopting that framework, companies would be able to locate themselves in the road to excellence and select the appropriate tool(s) to improve their performance. The proposed framework also helps them to decide about how to adopt an approach effectively. The article delivers some methods, guidelines, instructions and tips for this purpose.

As already mentioned, the practical framework presented in this article is basically designed on the TQM referred to as "total organizational excellence model" of John. S. Oakland's framework illustrated below [1], [2].

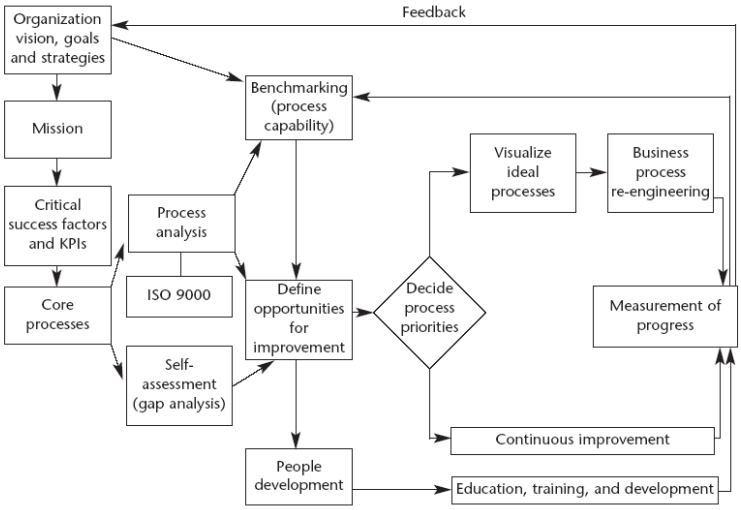

Figure 1: TQM implementation framework [2]

The framework presented in this article, may or may not be regarded as a development to the original framework illustrated above. But, the following issues which are apparent in the model, distinguishes it from any other similar frameworks:

It focuses on the most commonly used approaches, tools and techniques adopted recently in local companies (recognized by tracking the behaviour of a sample of local organizations in a one-year period).

It tries to broaden the related approaches, tools and techniques in the road to excellence model.

It tries to clarify the sub elements of each tool and technique and explain their precedent relationship not only by the TQM implementation framework logic but also by the contextual parameters of local companies such as organizational culture and paradigms.

It tries to draw a more customized and practical framework by mentioning the appropriate methods, guidelines, instructions and tips about how to adopt each element effectively.

1.1 Previous Research

MABENA consulting firm[**] during years of experience in applying customized strategic management model referred to as MABENA model for local organizations [7], [35] observed some facts which resulted in attracting our attention to propose solutions for raising congruency of change interventions with organizational and operational maturity levels and organizational context. This supports the emphasis in organizational development literature on the necessity of congruency between change interventions and organizational context in which the intervention is performed [9], [13].

We have tried to formulate strategic plans of firms according to their level of maturity by using the organizational life-cycle analysis based on Professor Adizes theory [24]. Diagnosing key organizational processes based on process maturity models [17], [20], [22]. We have also tried to design process improvement plans in accordance to processes maturity levels.

Unfortunately despite of developing strategic plans by these logics, we noticed many of MABENA major client companies had started adopting some other management tools before the strategic plan was started [27] which was against total organizational excellence concept. As a result, we saw a forest of management tools all implemented simultaneously. Such as; implementing ISO 9000 series in PEGAH, Iranian largest Dairy production corporation and RAJA, exclusively passenger train corporation ; implementing Structuring in National Iranian Oil Company; implementing EFQM in Pars Car Manufacturing Industry; implementing functional strategic planning in KWPA, Khouzestan province, Water and Power authority (second biggest in country), OPM3 (organization project management maturity model) in NPC-RT, national petrochemical research and technology company and so on.

These facts made us point our attention to track the common tools adopted, the circumstance under which they were adapted and the degree of satisfaction with these tools created. So as a result, to design a framework in which the location of strategic plan and other approaches, tools and techniques and their relations be clarified.

The Oakland's framework was appropriate to start for expanding this idea. But, we needed a template to suits more appropriate with our specific requirements. Therefore, a new trend began.

These trends resulted in designing a template called "the Road To Excellence", (RTE) which is illustrated as figure 2 below and its main modules and elements, their logical relations, supplementary materials, instructions and guidelines are described as following.

2. RESEARCH METHOD

2.1. The RTE framework

The RTE framework illustrated below demonstrates the appropriate position and the logical precedent relationship among some common management approaches, tools and techniques

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used in recent years in major local companies [7], [35] (Specially the large and holding companies). The framework is a clear and comprehensive guidance map for incorporating the philosophy of business excellence based on total quality management approach and successful business strategy. We assume that if adopted appropriately and considered as a basic steering guideline by top managers with sufficient commitment and support. The framework is able to take the full advantages of the potential of management tools, decrease the cost of adopting and implementing, making the necessary synergy and maximizing the efficiency and effectiveness of performing the tasks in organizational and its divisional levels.

We have tried to make a distinction between different elements of the framework in below illustration by using different colours to show the nature of those boxes. The main tasks elements to be performed are filled with pink, the elements demonstrate clear outputs and deliverables of the framework are filled with blue and the common and famous tools that can be used to perform a task or generate the desired outputs are filled with green. The oval filled with grey, demonstrates change management which is an on-going process that should be applied in all change interventions regardless of the content, context or process of the change.

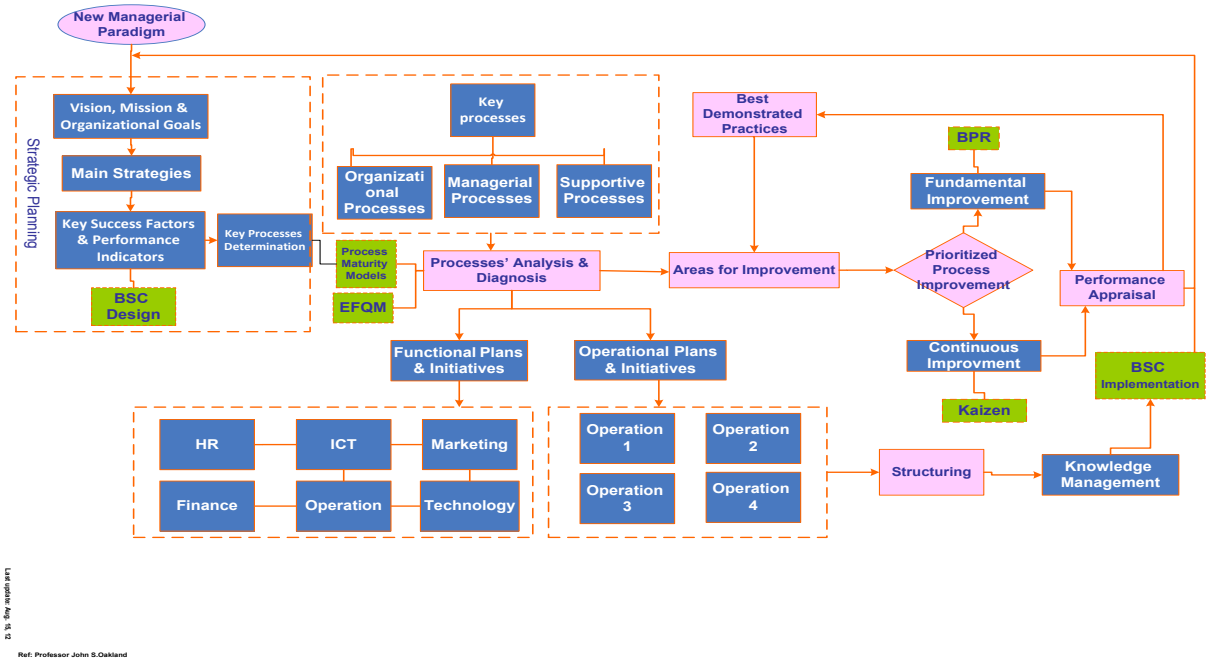

Figure 2: The Road To Excellence (RTE) framework

2.2. Description of the framework

2.2.1. New management paradigm

It all starts with accepting a new management paradigm. By new management Paradigm we mean that behaving based on this framework requires an evolution in the accepted sets of rules and defaults that determine values and specify ways of gaining success in specific boundaries. Understanding the existence of new paradigm is the first step to develop the capabilities required to adapt the framework. Managers see and forecast the future with glasses to the existing paradigms [1], [2] and every phenomenon is accepted or rejected accordingly. We assume deciding to act upon this comprehensive framework is such a fundamental decision that requires accepting a new management paradigm. According to the cultural web tool used in the organizational development literature [9], when the change occurs in the paradigm, all the other change levers such as symbols, stories, procedures and control systems need to be changed accordingly [9]. Given the fact that

adopting this framework needs a shift in accepted paradigms of the managers, it is obvious that the degree of the success in applying the framework in practice, requires a great change in thought and belief systems and shaping all tangible and intangible levers of cultural web accordingly.

2.2.2. Strategic planning

Organizational excellence is at a crossroads today. The drastic change in the business scenario call for a speedy transformation of mission, vision, core values, core competence, management style, policy framework, management system, structures, process, renewal mechanism etc. [28].

The framework continues with the organization strategic plan. Strategic management is the process of formulation, Implementation, assessment and review of organization's objectives and strategies, Developing policies and plans to achieve these by allocating resources [5]. It is the highest level of managerial activity, usually performed by company's chief executive officer and the team. Strategic plan is believed to be the prerequisite of all operational activities and decisions [15]. It specifies a clear direction and path for the organization to reach its mission. Otherwise, the actual mission and strategic direction of a firm with its portfolio of products and services is not specified. Then, one cannot judge about the core processes of the firm [15].

Some organizations have progressed greatly in this area, those claim the performance of all employees toward mission and vision can be calculated (The concept of personal scorecards) and this can be used as a data entry to the reward and compensation systems [8], [15]. The concept of balanced scorecard and strategy focused organization put a heavy emphasis on the necessity to align all plans and activities in organizational, divisional and personal levels with the strategies and goals of an organization [8], [15], [16].

As mentioned earlier, MABENA consulting firm has also developed a customized strategic management model which is very useful for Iranian major organizations and has been successfully applied in many of them recently [7], [35]. The very vital point that has been taken into account in developing this model is the meaningful gap between the specifications of budget focused organizations (as is true for many Iranian organizations) compared to strategy focused organizations. This gap imposed the necessity of considering many issues in developing a local strategic management model (such as the day to day challenges, bureaucratic structures, slow decision processes, especially in cross- functional processes etc.) [7], [26], [27].

Having identified the strategic themes, the model continues with extracting critical success factors versus the competencies of the firm which their identification is of great importance in constructing the strategy map [8], [1], [2]. We have found it useful to adopt the following simple and easy to understand construct to distinguish between the CSFs and competencies of the organization.

Understanding the nature of the critical success factors can help companies investigate and improve their coopetition (competition and cooperation) strategies. Prioritizing the factors and sub-factors can help companies understand their relative importance and devise improvement plans that can maximize limited resources in dealing with several or all factors simultaneously [36].

Because of strategic importance of goals and CSFs identified in previous stage and the necessity of evaluating the achievement of goals, in this stage, KPIs are identified for goals and CSFs based on BSC principles in a systematic method. Before this, we should assess final strategies with previously specified goals [32].

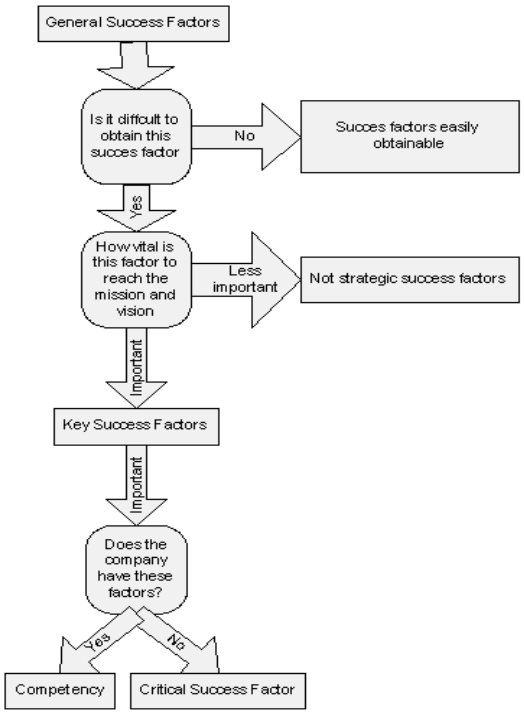

Figure 3: Construct of distinguishing the CSFs and competency [35]

Along with defining KSFs and identification of CSFs and competencies, it is important to identify the measures of your progress [2], [3]. "What cannot be measured cannot be managed" [8] is a known statement which certifies the importance of putting this box as a vital element in the road to excellence model. A good balanced Scorecard should include a mix of fundamental measures and a handful of strategic metrics [16]. These measures should be subject to periodic review and change, depending upon how you progress in achieving your vision and mission.

In MABENA strategic management model, three levels of key performance indicators exist which are index, measures and metrics.

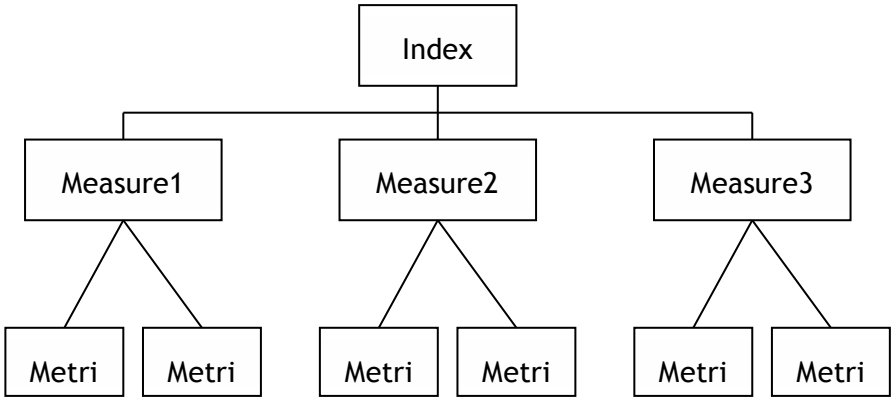

Figure 4: Key Performance Hierarchy in the road to excellence model [7]

An index is an aggregate of performance measures (lagging and leading) which the weight of each measure in constructing the index should be specified. A measure itself may be a combination of metrics each of which determines an aspect of the measure.

In the road to excellence model we have made a distinction between the Balanced Scorecard design and implementation. The process of designing the BSC consist of determining the perspectives of the scorecard, the strategic goals and their cause and effect relationships, designing the strategy map, developing key performance indicators to evaluate the progress

of the company in achieving its goals, setting the desired value (target) of each metric and developing initiatives for each goal in order to obtain the set target [8], [15], [16].

Implementation phase is an on-going process usually supported by professional software by which you can evaluate each index periodically and prepare feedback reports so as to apply the necessary corrective actions [8], [15], [16].

2.2.3. Determining key processes

Having identified the main elements of strategic plan, the organization must identify its core processes [1], [2] We have found this step a very critical point especially for Iranian major organizations which suffer from lack of process approach [7], [14] and have serious weaknesses in cross functional processes despite of the probable functional expertise.

Process identification can be regarded the first activity in process management [14], [17] and as has mentioned, is a bottleneck for many organizations as they fail to recognize correctly their real core processes. We have found, it is useful to adopt the concept of process analysis matrix to be able to identify core processes correctly [19]. This tool is fully congruent with the RTE concept as it considers the CSFs and strategies of the firm as the main inputs of process identification.

During this identification, it would be helpful to make distinction among different types of organizational processes as for the aim of diagnosing these core processes, which is at the heart of RTE framework diagram [1], it helps us to recognize the appropriate tool for diagnosing.

There exists a total agreement in the literature of process management about how to classify different processes of the firm. The Process Clarification Framework (PCF) divides them into operating, management and support processes [18]. The primary and support activities of Porter value chain [5] matches in concept with PCF. Quality management systems such as ISO9000 also classify them into the same categories [14].

2.2.4. Process analysis and diagnosis

Diagnosing core processes results in defining plans and initiatives of improvement [2], [7], [28], [16]. Depend on the type of the process diagnosed (whether operational, managerial or supportive) they can identify functional and operational initiatives. Supportive and management processes diagnosis help us define improvement plans and initiatives that when allocated to different departments or divisions of an organization, determine functional plans and initiatives. As process approach put a heavy emphasis on the integration between the activities and plans of different functions of a firm [8], we should fully integrate the results of core processes diagnosis to make sure, initiatives and plans defined for the improvement of each core process, not only, are not incongruent with other initiatives and plans, but also are fully aligned and integrated with each other toward achieving mission and vision. The arrows shown in the framework's illustration between operational and functional plans and also among different functions and operations highlight this requirement. We should mention, management and support processes which finally determine functional initiatives and plans are not limited to those which are illustrated in the RTE diagram. According to process clarification framework [18], it consist of managing human capital, information technology, financial resources, property, environmental health and safety, external relations and finally knowledge, improvement and change management. According to Porters value chain [5], it consists of managing firm's infrastructure, human resource, technology and procurement. This is also true for the operational processes as in the two mentioned frameworks have been specified. We have not mentioned any operational process in the illustration as they are highly customized and dependent on the nature and specification of the firms. Some Supportive and management processes that are the same in different types of organizations have been mentioned in the illustration.

However, according to the concept of the RTE, the core processes of each firm depend greatly to the main elements of its strategic plan [1], [2].

According to the RTE framework illustration, we have proposed two powerful tools for the aim of analysis and diagnosing the core processes which are self-assessment by means of an appropriate business excellence model and process maturity models.

Self-assessment is proposed as a powerful tool for this means as for any organization, improving performance through it, usually means working for improvement in the whole network of processes through which the organization's goods and services are produced and delivered [3], [4] and [19]. Processes lie at the heart of these self-assessment models (like EFQM, Malcom Baldrige [37]) and this is incongruent with the process approach of the RTE model.

However, the main focus of our attention is on the process maturity models which we believe is more useful for our aims of process diagnosis in the RTE model.

Adopting the process maturity concept for diagnosing core processes help to assess the processes reasonably and give clear indications on how to improve to reach next levels of maturity [17]. It also helps us to integrate improvement plans of all processes because if decided to improve the processes continuously, they should grow altogether in a balanced manner. The positive effects of reaching a process to high levels of maturity in not acquired unless the other core processes reach to the same level of maturity [17].

Although the original concept for a process maturity framework roots in the early 1980s and by the attempts of Watts Humphrey and his colleagues at IBM and for the goal of developing the quality of software [20], but until today the concept has spread into the other business processes [17] to improve continuously the capability of all organizational processes particularly the key ones.

The concept of “maturity” was seldom used to describe the state of an organization’s effectiveness at performing certain tasks. Today, we find this maturity concept being used increasingly to map logical ways to improve an organization’s services, particularly across the software industry. The original maturity model developed from the software engineering industry with the development of “the concept of process maturity” [33].

The concept was born in the Total Quality Management movement where the application of Statistical Process Control (SPT) techniques showed, improving the maturity of any technical process leads to two, reduction in the variability inherent in the process and improvement in mean performance of the process.

The maturity capability level of organization (N), suggests measurement goals that the company is ready to implement according to its measurement maturity. The measurement goals which belong to level N+1 should be implemented with care, and the implantation of measurement goals related to higher measurement maturity levels is not recommended [36].

Regardless of the original SW-CMM [20] which does not suit for our purpose. Perhaps the most famous and known process maturity framework is people capability maturity models (PCMM) which introduces stages for implementing the best workforce practices and progress continuously through each level [22]. As this model only covers one of the probable key processes of the firm (i.e. human resource management), it is a good idea to adopt or design suitable maturity models for specific processes a firm may have. However, we have also found it useful to adopt process survey tools (PST) designed by Philips [17], which is maturity grids designed for specific processes and functions. In this framework, each process is broken down into a number of elements or sub-processes that make up the entire process. For each of the elements, a maturity scale has been created and there are ten levels of maturity starting from basic in step 1 and world-class performance in step 10. By assessing their position against the maturity scales for each of the elements, organizations can establish a

maturity profile for a particular process and gain insight into the steps they need to take to move in the direction of world class [17].

MABENA consulting firm has tried to make contributions in developing diagnosis frameworks and models for the processes particularly those which were missed or unavailable in the publications. A well-developed framework is a strategic planning roadmap for research and development process based on the technology strategies of organizations.

In MABENA model, identifying and diagnosing the key processes is an important issue. In this model after identifying the key processes, they diagnose by using the maturity model and the gaps will be identified [35].

2.2.5. Prioritized process improvement & Change management

By now a list of improvement areas has been defined for different processes of management, operational or logistics. Which if allocate to those existing divisions or departments of the company, allow the company to make up its functional and operational initiatives and plans. Benchmarking the process of identifying and learning from best practices of other organizations [10] also is a powerful tool for continuous improvement [1], [2].

Prioritization strongly depends on the targeted maturity level of each process defined in the previous steps [17]. It also determines whether continuously or fundamentally improve the process [1], [2]. Imagine a firm is in the lower levels of a specific maturity but have set target to reach the high levels of maturity (This target may be affected by many parameters such as benchmarking against best practices, the levels of existing and targeted maturity of other core processes, competitor performance etc.) [16]. As a result we may decide to improve this process fundamentally by an appropriate tool such as Business Process Reengineering (BPR). Otherwise (in case of deciding for process continuous improvement), tools such as Kaizen would be appropriate.

Another issue, the concept of reengineering is widely accepted as after years of flowcharting and attempting to improve processes. Many organizations found, continuous improvement is time-consuming, expensive and simply unnecessary [1], [2].

The Kaizen method of continuous incremental improvements as an originally Japanese management concept for incremental (gradual or continuous) improvement [21] is also introduced in RTE model as an appropriate tool. But, as mentioned before the tools proposed in the model may be substituted according to the context of the organization and the detailed objectives of change intervention.

According to the illustration, when Kaizen is compared with BPR, The Kaizen philosophy is more people oriented, easier to implement requires long-term discipline [21]. BPR on the other hand is hard, technology oriented, enables radical change but requires major change management skills.

Authors believe change management skills and tools covers the whole elements of the RTE model and should not be considered as something which is entered somewhere in this road. Recognizing and managing change whilst simultaneously improving business delivery processes is not only critical to business survival, but is a catalyst for generating growth [9], [13], [19].

Change management skills are so important in the whole road that it has been claimed that Business Excellence is the result of successfully managing change in your organization [13]. However we should consider, by this we don't mean, the whole process of change management should be adopted all along the road. The process of change management according to Comings and Worley [13], consist of entering and contracting, diagnosing, data gathering and analysis, delivering diagnosis analysis feedback, designing change interventions and finally leadership and change management in which the change agents use behavioural science skills to drive the interventions effectively. We emphasize on this final

and perhaps the most vital step of the whole process of change management in the RTE model.

2.2.6. Structuring

There is a total agreement of the statement mentioned by Alfred Chandler who claims structures follows strategy in organizations [12]. Strategy is the determination of long-term goals and objectives, courses of action and allocation of resources, and structure is the way the organization is put together to administer the strategy.

Research results indicate Organizational structure affects performance, structure merits reassessment whenever strategy changes, and new strategy likely entails different kills and key activities [12].

Even those who challenge this statement [11], agree with the necessity of alignment between structure and strategy. The only difference is that they highlight the fact that some aspects of the strategic plan may be affected by the current structure or environmental parameters of the company. We don't regard this in contrast with our approach as we also believe in developing the strategies of the company; we ought to consider the limitations or opportunities imposed by the current structuring of the firm.

We believe that the comprehensive structuring not only follows strategy, but also follows the detailed elements of the strategic plan which are the plans and initiatives defined and prioritized in previous steps. By experience, we have found the main elements of the strategic plan (i.e. vision, mission, strategies and goals) helpful and necessary in designing organizational top chart but the full structuring (i.e. the detailed organizational charts and deciding about the degree of formalization, complexity and centralization) requires identification of the detailed initiatives and plan accompanied with a full understanding of the environment, technology and human resources capabilities [12]. That's why we have located the structuring in the illustration somewhere to assure the required prerequisite of this management role is identified.

2.2.7. Knowledge management

HR has always been central attention for organizations' concerns. Today, it has taken on an even more central role in building a company's competitive advantage. Increasing success depends on "people-embodied know-how". Thus, includes the knowledge, skills, and abilities imbedded in an organization's member. In fact, the key to a company's success is based on establishing a set of core competencies, integrated knowledge sets within an organization that distinguishes it from its competitors and deliver values to customers [28].

In the knowledge-based view of the firm, internal resources and capabilities, such as worker know-how, designs, customer knowledge and efficient processes, are keys to achieve sustainable competitive advantage. Knowledge is an especially valuable category of resources and meets Barley's criteria for resources capable of providing sustainable competitive advantages [32].

The hypothesized conceptual model is developed to simultaneously examine the relationship between TQM practices and organizational KM behaviours (that is, knowledge acquisition, knowledge dissemination and knowledge application) [34]. The link between TQM principles and organizational knowledge management behaviours are illustrated in Figure 5.

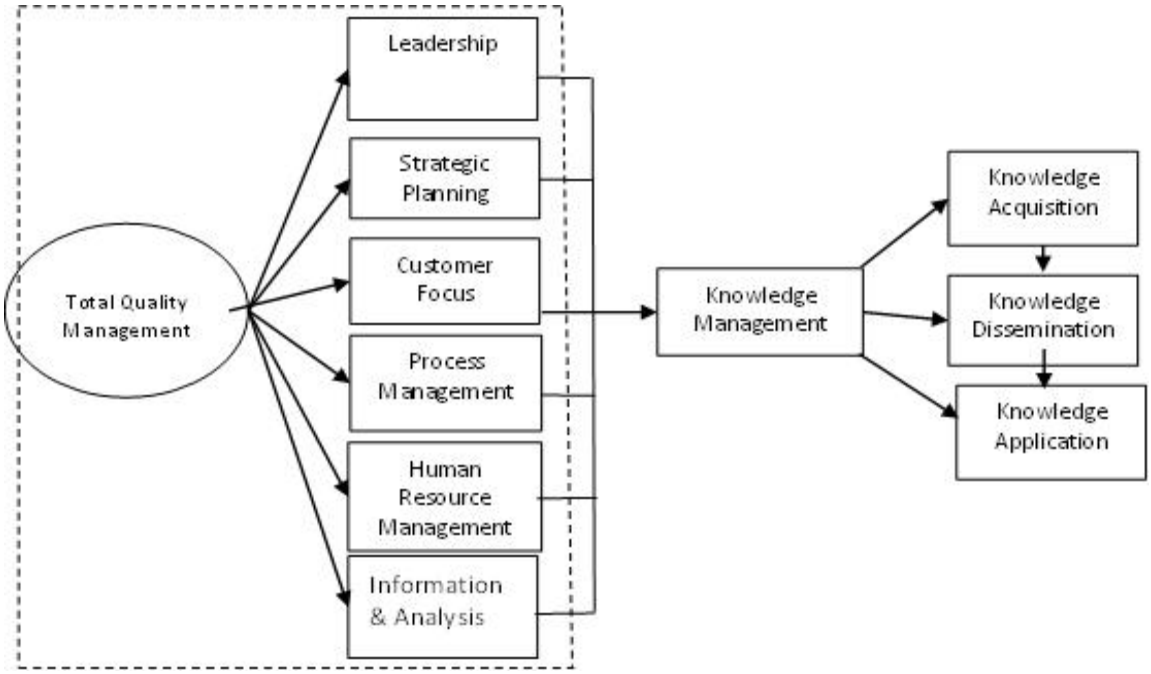

Figure 5: Model of knowledge management behaviour [34]

This model seeks to advance the literature regarding the relationship between TQM and KM Research and at the same time, to provide a means for both the practitioners and the academicians to better comprehend the link between TQM practices and KM behaviours. Apart from that, this framework propose the model to be used for the implementation of TQM practices and also to measure the organizational processes such as the effectiveness of strategic planning, leadership, process management, customer service, human resource management and the employment of information analysis [34]. Knowledge management was among the tools which we found has become an area of interest of many Iranian organizations recently [27].

Knowledge sharing as an important objective in potential coopetition, because it adds value to both organizations. It is a critical factor in maintaining a cooperative relationship between competitors [35].

As we know, People, technology and process are three main components of knowledge management [23], [25]. Most likely any strategic plan and implementation will impact all the elements to some degree. Therefore, careful consideration must be made when applying and adopting knowledge management systems as a driver of excellence so as to be aligned with the knowledge implications of the strategic plan and process improvement initiatives [24], [26].

Knowledge management in the RTE is considered as a total system providing the knowledge implications of different aspects of excellence concept. There had been some researches supporting this idea [23], [25]. Unfortunately we have seen Iranian organizations (MABENA's major clients) consider only the technological aspect of knowledge management and forget the two other important elements (people and process) [7].

A typical example would be a strategic requirement to share knowledge. An Iranian company would implement, say an Intranet, and wait for the benefits to kick in. Sadly, the company will gain little from its investment. The Intranet is a powerful infrastructure element but it needs to be established with People and Process implications not just Technology, and must be tied with a desired business objective. Change management

considerations are paramount to the technology implementation. We believe that the boundary of these implications is more clearly specified when we have passed through the different elements of the RTE framework explained by now.

2.2.8. Performance appraisal and BSC implementation

"What must happen to all processes, of course is performance measurement, the results of which feedback to our benchmarking and strategic planning activities" [1], [2], [6].

Performance measures can play a variety of roles in an organization, as shown in figure 6. While performance measures can stand alone, they can also be combined with other management techniques to create more useful organizational tools [30].

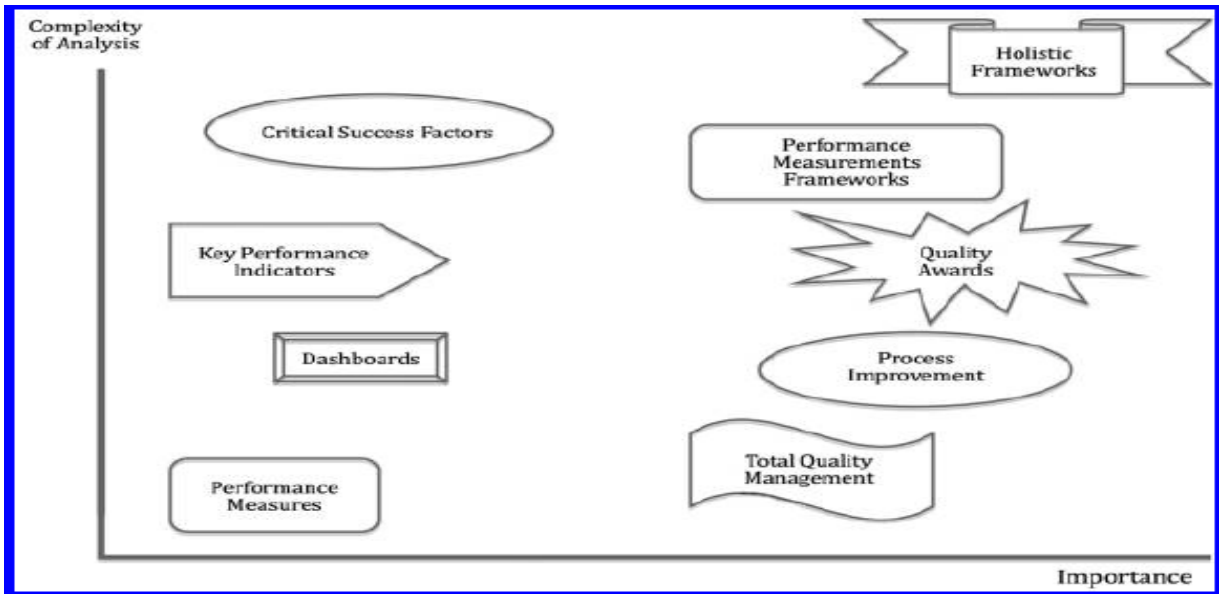

Fig 6: Overview of performance measures in organizations [29]

Almost all organizations will collect a plethora of performance measures, which are all characterized by the ease of their collection. The real value of performance measures is when an organization goes through a planning process that identifies performance measures that are linked to that organization's vision, goals, and objectives, whether they are easy to collect or not.

The Performance Pyramid

The Strategic Measurement Analysis and Reporting Technique (SMART) system, also known as the Performance Pyramid, was created as a management control system to define and sustain success (as shown in fig. 7) [29].

Fig 7: The Performance Pyramid [30]

This framework is designed for large corporations that have multiple operating units. The top level focuses on the organization's mission, vision, and strategies. The second level defines the objectives for each operating unit, while the third level provides more specific measures of operating success. The fourth level provides measures that are applicable for a department or unit within the business unit.

The above statement implies the concept of process measurement but we have found it useful to make distinction between strategic and operational metrics in performance appraisal topic. This is not a new classification as is the focus of attention in some other researches and publications [16].

The Balanced Scorecard (BSC), developed by Robert Kaplan and David Norton, is a comprehensive framework in which the mission and strategic directions of an organization can be interpreted via an array of performance measures [35], [36]. It was intended that the framework would give managers an all-inclusive view of the business yet allow them to focus on critical areas for improvement for strategic development purposes. As a result, it has been used mainly by businesses as a means of performance measurement and as a performance driver.

A commonly accepted strength of the BSC is the linkage of performance measures with organizational strategy. The BSC is very successful as a tool given this fact, a company may decide to evaluate for driving change within an organization in a way that is aligned with strategy. In essence, it is a strategy implementation tool [30]. A management team can clarify and translate high-level strategy into business objectives by applying the Balanced Scorecard [31]. Although many other approaches to strategy implementation exist, the specific appeal of the BSC is its reliance on the mix of operations and financial measures, which are simply linked to the organization's strategy.

The BSC approach is a tool for improving the business performance of individual firms. In using the scorecard approach, the key objectives of a firm are based on a firm's own specific strategy and not on any prescribed quality management approach.

Its strategic performance by implementing a strategic performance system like BSC and to evaluate its operational performance using the criteria's used in quality management systems like ISO9000.

According to the argument that a good scorecard consist of both strategic and operational

measures [16], we may conclude that BSC is a comprehensive performance appraisal framework and the criteria used in ISO should strongly be in consistent with measures defined in BSC [8]. The RTE framework certifies this argument as if the quality management systems (like ISO9000) and strategic performance systems were considered as the elements of a same road, it was assured that the operational metrics defined in quality management systems were not in contrast or different from the metrics defined in strategic performance systems. Unfortunately, this is not mostly the case for many major Iranian companies (our clients) that either run quality management systems (like ISO9000) without having a formal or informal strategic plan or after adopting a strategic plan, do not bother them to revise the main elements of their quality management systems particularly the process measures.

By these explanations it is clear that by performance appraisal box in the RTE framework, we mean both measuring the performance of strategic and operational variables by a favourable performance management system (like BSC or the combination of BSC with the metrics defined in other specialized systems such as ISO9000).

3. CONCLUSION

This article presented a framework for guiding Iranian major organizations toward sustainable excellence. The framework emphasized on the logical sequence of adopting and implementing management approaches, techniques and tools. These were among those which Many Iranian organizations have shown tendency to adopt and implement recently. This article neither claimed to prescribe a general and universal framework nor it claimed to be a development to the original total organizational excellence model. But, it strongly claimed to develop a clear guide with useful descriptions and guidelines particularly for local major companies which we believe suffer a lot from ill adaptation of a mixture of management tools.

There are some extra researches which we believe would be helpful to be performed in order to compensate for some areas of improvement to this framework. First, as we mentioned no general study has been performed to distinguish the most commonly used techniques, tools and approaches the local organizations adopt recently. We have recorded this in a one year track of the firms we faced but a comprehensive study may reveal more reliable results. We also encourage other researchers to complete the framework by finding the position of many other management approaches in the RTE framework. We should finally thank our other colleagues in MABENA and co-workers who helped us in adopting these concepts in practice so as to design a practical roadmap.

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