


# Original Article: Definitions and Theoretical Foundations of Performance Evaluation

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## ABSTRACT

Continuous improvement of organizational performance creates a huge synergistic force that can support the growth and development program and create opportunities for evaluating organizational excellence. Governments, organizations and institutions are making progressive efforts in this regard. Without reviewing and gaining knowledge of the progress and achievement of goals and without identifying the challenges facing the organization and obtaining feedback and information on the implementation of policies and identifying issues that need serious improvement, continuous performance improvement will not be possible. All of the above is not possible without measurement and evaluation. The European Quality Award has specified a mark on the competitiveness of European companies and organizations, and the widespread use of these models in other countries is undoubtedly the reason for the amazing effectiveness and impact of these models. In this article, the definitions and theoretical foundations of performance evaluation of excellence have been studied in a completely scientific way.

## Introduction

Increasing customer satisfaction as the ultimate goal of all organizations has created a path that must be taken in line with current knowledge and the use of the most effective tools and, most importantly, the idea of transcendent evaluation. Perhaps a clichéd phrase, i.e., quality is a race without a finish line, can be considered a glimpse of the word excellence and related to excellence. Every organization must think transcendent,

excel and remain superior; to excel every organization must start from itself. They must think and evaluate how far he is on the path of excellence and what path is ahead for the organization [1-5]. For this purpose, they must evaluate their performance and identify strengths and opportunities. They can take a step in this direction by using excellence evaluation models and comparing their performance with others and modeling on the good experiences of model organizations are always trying to improve their performance.

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Today, we are witnessing the change of business environment from a supportive environment to a competitive environment, and in such an environment, organizations need prudent resource management to survive and achieve sustainable success. Organizational excellence evaluation models have been able to model successful companies in the world and provide a resource framework for managing organizations in a competitive environment. One of these models is the model provided by the European Quality Management Foundation, which is used in many companies around the world as a suitable model for running their business, and it has been well received in other countries [6-8].

In general, this model holds that the superiority of organizations is not a theoretical and theoretical perception, but achieving tangible and visible results that are based on evidence and have stability and durability. An organization can achieve superiority when it pays attention to this issue and focus on all dimensions [9-11].

Implementing an excellence evaluation model is essential for organizations in this regard, which has the following benefits:

- Organizations and firms can use this tool to achieve their strengths and areas for improvement through self-assessment that they perform periodically.
- By implementing the model at a comprehensive level, it is possible to compare similar and level organizations and firms. This model can convert the qualitative and content indicators of organizations in the form of a scoring system into quantitative indicators and easily make comparisons between organizations possible.
- Organizations and firms can not necessarily achieve excellence in all dimensions, but in some areas and processes reach a level of growth that can be a model for others. Model organizers can make it possible to identify the best business and the most successful processes and share them with others (Peykar, 2003).
- It creates a basis for creating common language and thinking in all aspects of the

organization and in all areas of performance and is a framework for understanding the status of actions taken, eliminating rework and detecting deviations and is a structure for the management system of the organization [12-15].

Outstanding business evaluation (excellence) models are the answer to the question of what a top organization is like, what concepts and goals it pursues, and what the criteria govern its behaviors [16-19].

With the exception of Deming and Baldrige, EFQM has become more popular worldwide and is a model for many countries around the world, and in many countries, it has succeeded by drawing on these models. This model (EFQM) is a model about an organization that excels in ideas and practice over other organizations and shows what changes need to be made to the organization for growth and excellence. Numerous reasons that make the EFQM business excellence model even more important for the leading industries and organizations of our country, it is as follows:

- 1) Research shows that this model has been selected as the reference model of national awards more than other models in the world.
- 2) Since this model has been selected as a reference model in most European countries, it is possible to model a wide range of organizations in different European countries with different conditions and characteristics, and it is possible to refer and visit organizations in different countries. In some countries, such as Turkey, it is easier for our country's experts to reach the top or the organizations that have tried to reach it.
- 3) Our country's relations with some European countries are generally good and provide the possibility of transferring knowledge and direct use of experts of this model for Iranian organizations.
- 4) Strong systematic perspective and careful attention to process-based management and EFQM model result orientation is very instructive and practical for Iranian organizations that face serious problems in this area.

5) The model that is the basis for evaluating and awarding productivity awards and evaluating organizational excellence in Iran's industry and mining sector is consistent with the EFQM model [20-22].

In order to strengthen the flow of improvement and to develop the common vision of excellence and excellence, the European Quality Foundation published the European Quality Award model in 1991, later renamed the European Model of Excellence, as the driving force behind this flow. Models of excellence emphasize the fact that applying the concepts proposed to improve world-class performance is a necessity, and these models are for measuring and comparing organizational performance and excellence with global levels.

On the other hand, the atmosphere governing the awards for organizational quality and excellence is such that it will lead to valuable experiences and findings of leading organizations and other organizations. An organization, regardless of what part it is and to what extent, structure and degree of maturity, needs an appropriate management framework to effectively manage its organization and achieve sustainable success [23-25].

The EFQM Excellence Model is one of these models that comprehensively provides the necessary organizational knowledge to managers and influential people of the organization and tries to create a common understanding in people within an organization around their strategic goals and objectives. It is also a management structure that provides the means of progress and improvement by relying on the basic principles and concepts and paying attention to the main criteria of total quality management and self-evaluation system

### *Definitions and theoretical foundations of performance evaluation*

#### *Defining performance appraisal*

In order to manage, we must be able to measure. This phrase is one of the key management factors. Therefore, in order to achieve this goal, performance evaluation is

discussed. In evaluating our performance, we become aware of the extent to which we have achieved our predetermined goals, compare our current situation with that of the past, and measure our position, our competitors, identify our strengths and weaknesses in order to repair them. In the past, only financial matters were considered in performance appraisal, but today, financial criteria alone are no longer enough and other factors are also considered. There are many definitions of the term "performance appraisal". In order to properly understand any phenomenon or subject, it is necessary to define that phenomenon in order to achieve a common understanding. The issue of performance appraisal is no exception to this rule. Given the relative similarity, the concept of evaluation is defined in the dimension of employees, then in the dimension of using resources and facilities, and finally in organizational form [26].

Ward and Davis (2011) believe that performance evaluation is the process by which employee performance is measured and when done correctly. And ultimately the organization will benefit from it. Casio (2011) defines performance appraisal as a systematic description of the strengths and weaknesses of an individual or group in relation to the performance of tasks. Performance appraisal is expressed in terms of how resources and facilities are used in the form of performance indicators [27].

That is, the performance appraisal system actually measures the effectiveness of management decisions regarding the optimal use of resources. Performance appraisal in the organizational dimension is usually synonymous with the effectiveness of activities. Effectiveness refers to the extent to which goals and programs are achieved by the efficiency of activities and operations. In general, performance appraisal refers to the process of measuring the performance of devices in specific periods so that the expected expectations and indicators for the evaluated device are clear and communicated to it in advance [28-30].

#### *Evolution of performance appraisal*

The history of performance appraisal in its primitive form goes back to the distant past. In fact, from the time when human beings began group life and the phenomenon of division of labor in a very primitive form was predestined among the members. During this period, performance appraisal was rudimentary, with successful individuals receiving rewards and possibly promotions. This method of evaluation was based entirely on the subjective and personal judgments of the person in charge, which were expressed in general terms and in the form of phrases such as good and bad. As time went on and the tasks became more complex and the expectations and demands became more and more clear, the performance appraisal also followed its path of growth and development in order to adapt and coordinate. The appraisal system was widely used both at the individual and organization level. The use of wood in different colors to reject or accept the goods produced has actually been an evaluation of the quality and output of the organization, white symbolizes excellent performance, yellow symbolizes good performance, blue symbolizes average performance and black symbolizes very poor performance. It has been used about the efficiency and performance of the individual and finally the organization. The process of performance appraisal in recent years compared with its past has been far from evolution and progress. In fact, in line with the development and evolution of management ideas in the form of management schools, the process, nature and efficiency has also developed. Hence, the scope of using performance appraisal has been extended to all dimensions and aspects of human and organizational activities, and in fact, today, the issues and topics that are raised in the latest scientific fields are directly or indirectly related to performance appraisal. Because each of the concepts, techniques and new scientific methods are applied in order to better function of organizations to achieve the philosophy of existence and achieve the set goals, and since the main axis of performance evaluation is to

assess the desirability of these functions. Therefore, all managerial topics and titles are directly or indirectly related to performance appraisal.

### *Traditional and modern perspectives on performance appraisal*

Performance appraisal issues can be viewed from different angles. There are two basic views, namely, traditional and modern. The traditional view targets judgment and reminder of the evaluated performance and control and has a grammatical style. This view focuses solely on the performance of the past tense and is shaped by the requirements of the past. New perspective, training, growth and development of evaluated capacities, improvement of individuals and the organization and its performance, providing consulting services and public participation of stakeholders, creating motivation and responsibility to improve the quality and optimization of activities and data. Identifying strengths, weaknesses and organizational excellence. The origin of this view is contemporary requirements and is developed into a systematic evaluation of performance using modern techniques and methods. The area covered by performance measurement can be the macro level of an organization, a unit, a process, and employees. The organization, individuals, or organizational unit, although seemingly doing the work, are only part of the whole system, and the conditions of its other components must be considered. Attention to all-inclusive criteria and strategies and ideals of the organization is a requirement of a comprehensive performance management system. Such an approach to performance appraisal would be a genuine, equitable, credible, reliable, forward-looking, and dynamic appraisal.

**Table 1.** Evaluation table of devices and employees based on new attitude in comparison with traditional attitude

	Traditional attitude	New attitude
Features	Judgment-oriented (performance reminder)	<b>Focused on growth and development (performance improvement)</b>
The role of the evaluator	Judging and measuring performance	<b>Performance consultant and facilitator</b>
Evaluation period	the past	<b>the future</b>
Evaluation standards	Opinions of organizations and superiors	<b>Self-standardization</b>
The main goal	Evaluated control	<b>Growth, development and improvement of the assessed capacity</b>
Interview style after evaluation	Command (similar to a trial)	<b>Conversation</b>
Evaluation Consequences	Determining and identifying the most successful and awarding financial rewards to managers	<b>Providing consulting services in order to continuously and increasingly improve activities</b>
System output	<b>Performance control</b>	<b>Growth, development and performance improvement</b>

It is observed that the evaluation of devices and employees based on the new attitude in comparison with the traditional attitude has fundamental differences in different dimensions. The consequence of having an evaluation system based on a new perspective is to improve performance and ultimately the effectiveness of the organization's activities. If government agencies touch with all their might that the main objectives of the evaluation are in the direction of growth, development and improvement of their performance and activities, and the phenomenon of judgment and scrutiny has no place in it, then organizations and their employees are welcomed. The result of these efforts is the creation of a system of self-evaluation in organizations, which will result in the existence of such an attitude, growth, development and improvement of performance, and ultimately the realization of organizational goals.

#### *Performance Excellence Evaluation Process*

Each process includes a set of activities and actions in a specific logical and purposeful sequence. In the process of evaluating performance excellence, any model and pattern that is selected is necessary during the steps and observing the order and sequence of the following activities.

#### *1-Codification of relevant indicators, dimensions and axes and determination of their measurement unit.*

Indicators determine the direction of organizations to achieve goals. The first look at formulating indicators focuses on the vision, mission, macro goals, long-term and short-term strategies and operational plans, and focuses on key activities. Sources of statistics and adaptation are for compiling performance evaluation indicators of government organizations, laws and approvals of the parliament and the cabinet and economic, social, cultural development programs, as well as the 20-year vision document of the country and Iran's industrial development strategy. In the non-governmental sector, the statute and operational plans and market share and any goal that the organization has in mind are the criteria.

The performance evaluation indicators developed should have the characteristics of a system, which are:

Be specific, definite and specific. That is, the index should be comprehensive and clear, transparent, simple, clear, expressive and explicit.

Be measurable: They can be easily measured, that is, in addition to quantitative performance, the ability to define the qualitative performance of the index in quantitatively variable formats can be achieved.

Be realistic: That is, it is related to the actual activities and missions and policies and strategies of the organization and to the sensitive and key areas of the organization's performance.

Have a specific framework and time frame, i.e. the index of the evaluation period.

There is an information bank, that is, the necessary data and information related to the index.

*2-Determining the weight of the indicators, in terms of their importance and the ceiling of the relevant points.*

In other words, what is the importance of each of the dimensions and axes of the indicators? Are the indicators the same or different? Which index is the most important and which one is the least important? To determine the coefficients and weights of the indicators, methods such as Likert method, unrealistic group method, Borda method, expert theory selection method and AHP hierarchical analysis process method can be named.

*3-Standardization and determining the optimal status of each indicator.*

Determining the performance criterion and the amount of achievement of the index quantitatively or qualitatively, and the growth rate of performance in previous years as a moving average or moving average for the past two or more years are essential, taking into account specific goals set for that period and effective phenomenon. That index is extracted and determined. In determining the optimal state of performance of the index, it is necessary to act realistically and ambitiously and to obtain the agreement of the units that are responsible for performing and acting on that index.

*4-Communicating and announcing expectations and indicators to the "being evaluated".*

In conventional performance appraisal methods, the appraiser is suddenly confronted with appraisal scores and judgments without knowing the evaluation metrics. If we consider the main purpose of the evaluation to be the growth and development of the evaluated, then it is necessary that before the evaluation period, the expected expectations in the form of indicators be announced to the organization staff so that they can plan, organize, communicate and other expected performance processes. Investigate.

*5-Measurement by comparing the actual performance at the end of the evaluation period, with the desired pre-determined standard.*

At this stage, the activities and achievements of the organization's employees in relation to each indicator are measured. Also, for each index, we identify the actual performance using the total of existing facts and compare it with the desired performance standard, and the necessary studies are performed on the status of achieving the goals of that index. At this stage, organizational strengths and weaknesses, opportunities and threats in order to achieve the desired goals are identified.

*6- Extraction and analysis of results*

Finally, the necessary analysis is performed and, if necessary, corrective actions should be identified to improve performance on that indicator. One point is that in performance results, the prevailing approach and perspective in performance appraisal are usually given special attention. For example, if the evaluation of the performance of a process is considered, the results of this measurement lead to the determination of the desired or undesirable status of the performance of that process. If the process increases the added value for the organization, its performance is desirable; otherwise, the reason for the negative performance of the process should be investigated. Test design techniques can also be used for causation, and Six Sigma, which is

more practical in leading organizations, can be used to reduce errors. Also, for internal improvement of the process, continuous improvement of the process method and for general improvement and external factors of the process, re-engineering is needed.

### *Characteristics of a proper performance excellence evaluation system*

**Supporting strategic goals:** Performance appraisal systems should be derived from strategic goals. Otherwise, the system may support activities that adversely affect strategic goals. In addition, if strategies change over time, some performance indicators will change. As a result, there is a need for flexibility in these systems in order to ensure that the performance appraisal system is always consistent with the goals of the organization.

**Balance:** It is crucial that the performance appraisal system should not be seen only from a financial point of view. A performance appraisal system should include a variety of performance metrics to cover all aspects important to an organization's success. Therefore, there must be a balance between different indicators. That is, it should proportionately focus on short-term and long-term results, different types of performance of different aspects, i.e., such as customers, stakeholders, competitors, innovation, etc., and different organizational levels.

**Opposite to partial optimization:** Because performance indicators affect employee behavior, an inappropriate set of indicators can lead to non-functional behavior on the part of employees. In other words, employees who only seek to improve their performance index may make decisions that conflict with the wishes of managers and improve their unit performance to the detriment of other parts of the organization. A performance appraisal system should prevent such optimizations.

**The number of performance indicators should be limited:** In order to create proper performance, it is necessary that the number of performance indicators be limited. Increasing the number of indicators requires more analysis time. Collecting unused information is

a waste. Therefore, it is essential that only data that is used for a specific purpose and the one in which the cost of collecting it does not exceed the expected benefits, be collected. Also, increasing the number of performance indicators increases the risk of information accumulation.

**Easy to access:** The purpose of a performance appraisal system is to provide important information at the right time and to the right person. Therefore, the important thing about these systems is that they should be designed in such a way that their information is easily improved and made available to its users and understood by them.

**Including comprehensive performance indicators:** A performance indicator should have a specific purpose. In addition, it is necessary to define a specific goal for each indicator and to specify the time frame in which the goal must be achieved.

### *New models for evaluating performance excellence*

In the last two decades, organizational performance management has become one of the topics of interest and this tendency has led to many innovations in both research and application fields and has introduced new methods in this field. The subject of performance appraisal is one of the broad topics that has been influenced by a wide range of disciplines and experts, and in addition, the market for applications in this field has grown a lot. In this section, some well-known models in the field of performance appraisal (processes and frameworks) are introduced, these new approaches to performance appraisal that have overcome the limitations of traditional methods, but each has its weaknesses.

### *Model of Organizational Excellence (EFQM) (1991)*

Another widely used measurement framework is the Organizational Excellence Model. In 1988, executives from 14 European companies came together to lay the foundation for quality management. Subsequently, the EFQM Vision,

Mission and Objectives were formally adopted in Montenegro in October 1989. The framework consists of two distinct categories of factors that are broadly divided into "enablers" and "outcomes". Empowerment includes leadership, policies and strategies, human resources, partnerships and resources and processes. The results also include customer results, human resource results, community results, and key performance results. The constructive and supporting theory of this framework is that enablers are like levers that managers can use to achieve future results faster. One of the weaknesses of this model is the difficulty of making it operational, because the terms and concepts used in this model are so general that they can be interpreted in different ways.

### *Balanced Scoring Card (1992)*

One of the most well-known models of the performance appraisal system is the "Balanced Scoring Card" model, developed by Kaplan and Norton in 1992 and then expanded and improved. This model suggests that in order to evaluate the performance of any organization, a series of balanced indicators should be used so that senior managers can have an overview of four important organizational aspects. The Balanced Scorecard includes financial indicators that reflect the results of past activities and, in addition, complements them by considering non-financial indicators that are prerequisites and drivers of future financial performance. Kaplan and Norton (1992) argue that by acquiring information from these four aspects, the problem of increasing and accumulating information is eliminated by limiting the indicators used. Managers will also be forced to focus on only a limited number of critical indicators. In addition, the use of several different aspects of performance prevents partial optimization. The most important weakness of this approach is that it is designed to provide an overview of the performance of top managers in the organization.

### *EFQM organizational excellence model*

The EFQM Excellence Model is a management framework for the effective management of

organizations and companies. The very high knowledge potential of this model has made it a popular and universal management language. Learning this management technology insures employees and managers in terms of theoretical knowledge required in the endless journey of excellence and excellence.

### *History of the European Foundation for Quality Management and the EFQM Excellence Model*

Organizations that are truly top-notch try to satisfy stakeholders with their achievements and showing how they have achieved these achievements and what they will achieve in the future. This is difficult to do even in the most favorable conditions, so as global competition increases, technological innovations occur rapidly, processes change, and constant changes occur in the economy, social conditions, and the customer environment. It would be more difficult to continue this work. Recognizing these challenges, the European Quality Management Foundation (EFQM) was established to promote a management approach among European organizations that can be designed on a global scale and lead to sustainable excellence. The European Quality Management Foundation is a non-profit organization founded in 1988 by fourteen reputable European companies with the support of the European Union. Currently, more than 800 European companies are members of this organization, the mission of this organization is to create a driving force for the excellence of its performance and the vision of European organizations in the world. Efforts to improve and enhance quality is one of the prerequisites for success for individual companies and collective competitiveness everywhere. The European Foundation for Quality Management has a role to play when it signs the agreement establishing the foundation. It has been instrumental in encouraging and helping European companies to develop management in Europe. European companies have recognized that total quality management is a way to manage activities to achieve efficiency, effectiveness and competitive advantage that ensures long-term success and can only be achieved by meeting



the needs of the organization's customers, staff and other stakeholders. This idea is becoming more and more popular among European companies. The EFQM Excellence Model has been introduced as the primary framework for evaluating and improving organizations, a model that reflects the sustainable benefits that a leading organization should achieve. Design work on this model began in earnest in 1989, and the EFQM excellence model was introduced in 1991. This model quickly caught the attention of European companies and it was found that public sector organizations and small industries are also interested in using it. In 1995 the public sector edition was developed and in 1996 the small organization model.

### *Self-assessment in EFQM model*

Organizations are always interested in evaluating "how they are" because it is thought

that if we know how we are, we can better plan for the future and decide "how to be". Self-assessment based on the model of excellence is one of the common methods to determine the status and position in transcendent organizations. Self-assessment is a systematic, systematic, and comprehensive review of an organization's activities and outcomes based on performance excellence such as EFQM. The self-assessment process allows the organization to clearly identify strengths as well as areas for improvement.

The European Foundation for Quality Management has proposed four approaches to self-assessment. The choice of each of these approaches will vary depending on how much resources the organization wants to spend on it or what goals it pursues from its implementation. The historical background of qualitative activities can use the following guide table to select the evaluation method:

**Table 2.** Guide for choosing the method of excellence evaluation

Much	medium	A little	Growth of effort
Questionnaire in descriptive form (with many details)	Standard questionnaire	Preliminary questionnaire	At the beginning of the road
Award, pre-invoice and workshop simulation method	Questionnaire and workshop	Questionnaire and workshop	In the path of excellence
Bonus simulation method	invoice	Innovative questionnaire	At puberty

As shown in Table 2-2, if the organization has no executive history in establishing the EFQM model, it is recommended to use the questionnaire method. If the organization has conducted self-assessment in the past years and employees and managers are familiar with the concepts, then the workshop method and in the next steps, the pre-invoice and award method will be used. Using the EFQM performance model for self-assessment has significant benefits for the organization. Also, at the heart of the organizational excellence model is a logic called RADAR for scoring metrics, which includes the following four elements:

**R (Results):** Information about what the organization is getting.

**A (Approach):** A piece of information about what the organization plans to do.

**D (Deployment):** Information about what the organization is doing to implement the approaches.

**R&A (Review & Assessment):** What the organization does to review and improve approaches.

### *Investigating the basic concepts of excellence in EFQM model*

The basic concepts of excellence are the concepts on which this model is based and are in fact the basis of the model. These concepts are derived from the core beliefs of the leading companies and organizations of the twentieth century. Organizations that in practice, believe

in these concepts, have built companies that have survived in business history. The basic condition for excellence is to believe and practice these concepts throughout the organization, especially among senior managers. Reviewing these concepts, it seems that the basic concepts of excellence in the form of an increasing cycle support each other and have synergy.

### *Consequentialism*

**Definition:** Leading organization achieves results that delight all stakeholders of the organization.

**How this concept works in practice:** In today's world, rapid change occurs and the needs and expectations of stakeholders often change rapidly. Leading organizations measure the needs and expectations of their stakeholders and go beyond them, meet the experiences and perceptions of stakeholders about themselves, and observe and review the performance of other organizations in this regard. The information used for these observations and measurements is collected from current and future stakeholders of the organization. These organizations use this information to determine, implement, and review policies, strategies, long-term goals, short-term goals, short-term, medium-term, and long-term metrics and plans. The information gathered helps the organization achieve and develop a balanced set of outcomes for stakeholders.

### *Customer orientation*

**Definition:** Leading organization creates sustainable value for the customer.

**How this concept works in practice:** Leading organizations know and are familiar with their customers. They know that customers are the ultimate judges of the quality of an organization's products and services. They know that through a clear focus on the expectations and needs of potential and actual customers and customer retention, indicators such as market share and customer trust and loyalty are maximized. These organizations

meet the current needs and expectations of customers and to improve the response to their customers, they divide them into different sections. They observe and monitor competitors' activities and understand their competitive advantages. These organizations correctly predict the future needs and expectations of customers and act in a way that meets these needs and goes beyond them if possible. They observe and review their customers' experiences and perceptions, respond quickly and effectively in the event of a mistake, and establish excellent relationships with all of their customers.

### *Leadership and stability in goals*

**Definition:** Excellence means inspirational leadership 1 and visionary 2 with consistent goals.

**How this concept works in practice:** Leading organizations have leaders who set a clear direction for their organization and disseminate it. To do this, they unite other leaders and managers of the organization and motivate them to inspire their employees. They establish the values, ethics, culture and governance structure of the organization in a way that brings unique identity and attractiveness to the organization's stakeholders. In these organizations, leaders, at all levels, constantly motivate and motivate people to excel, and to do so, they are role models in behavior and performance.

### *Process and fact-based management*

**Definition:** Excellence means managing an organization through a set of related and interconnected systems, processes and realities.

**How this concept works in practice:** Leading organizations have an efficient management system based on the needs and expectations of all stakeholders and designed to meet those needs and expectations; a transparent and integrated set of processes empower the organization in the systematic implementation of policies, strategies and long-term goals and organizational plans and will be a guarantee to do the right thing. These processes are

effectively streamlined and continuously and daily managed and improved: Decisions are made based on information that is reliable in practice and with the actual and planned performance of the organization, the capability of processes and systems and needs, experiences and the expectations of stakeholders and the performance of other organizations are related, styles are identified and effectively managed based on appropriate performance indicators. The governance of the organization has a completely professional way and meets all the external needs of the company and goes beyond it. Preventive indicators have been identified and implemented, in a way that increases and maintains the level of stakeholder trust in the organization.

### *Staff development and participation*

**Definition:** Excellence means maximizing employee participation through development and participation in work.

**How this concept is implemented in practice:** Leading organizations understand and identify the competencies that the organization needs to implement its policies, strategies, long-term goals and plans now and in the future. These organizations recruit and train individuals to meet these competencies and strongly support them at all stages of training and development. Supporting and promoting staff development enables them to reach their full potential.

Leading organizations have realized the growing importance of their employees' intellectual capital and use their knowledge for the benefit of the organization. These organizations seek to somehow encourage and reward employees who have a commitment and trust in them. By promoting organizational values, a culture of trust, honesty, and empowering employees, these organizations maximize their potential and actual participation. By creating space for this partnership, ideas for improvement in the organization are created and implemented.

### *Continuous learning, innovation and improvement*

Leadership means challenging the status quo to make a difference by institutionalizing learning to innovate and improve opportunities.

**How this concept works in practice:** Leading organizations are constantly learning from the results of their own and others' performance. They are constantly modeling and optimizing from inside and outside the organization. These organizations absorb, retain, and disseminate employee knowledge to maximize learning across the organization, and are highly receptive to ideas from all stakeholders. These organizations encourage their employees to look at the organization and their individual capabilities, a vision that goes beyond today's needs. These organizations, while carefully maintaining their intellectual capital, use the capital to obtain business results in a timely manner. The staff of these organizations are always challenging the status quo and looking for opportunities for continuous innovation and improvement that create added value.

### *Development of partnerships*

**Definition:** Excellence means developing and maintaining partnerships that create added value for the organization.

### *How these concepts are implemented in practice*

Leading organizations have found that in today's world, change and demand are highly variable, and their success may depend on the partnerships they create. They seek to establish and develop partnerships with other organizations. Such partnerships enable organizations to bring more value to their stakeholders by optimizing core competencies. These partnerships should be established with customers, the community, suppliers and even competitors, while maintaining the interests of both parties. Partners work together to achieve common goals, use each other's expertise, resources and knowledge, and build a lasting relationship based on mutual trust, respect and honesty.

### Social responsibility

**Definition:** Excellence means going beyond the legal requirements within which the organization operates and striving to understand and meet the expectations of the organization's stakeholders in society.

### Review of criteria in EFQM model and how to score them

The EFQM Excellence Model is a non-prescriptive model consisting of 9 criteria. These criteria are the core of this model and are the basis of an organization's evaluation. In order for organizations to know how to act, work and be active, they need criteria that their implementation in the organization will achieve the goals.

The criteria of the EFQM model are divided into two categories:

**A- Empowerment:** The first five criteria of this model and are the factors that enable the organization to achieve excellent results.

**B- Results:** These are the results that the leading organization achieves in various fields and express the achievements of proper implementation of empowerment

### Conclusion

Leading organizations, as an accountable organization, adopt a highly ethical approach to transparency and accountability to their stakeholders for their performance. These organizations have a special sensitivity and attention to social responsibility and maintaining the stability of the current and future ecosystem of the organization and promote this view. Social responsibility is embedded in the values of these organizations and is woven into their fabric. Through open and receptive interaction with stakeholders, it understands, transcends, and transcends local expectations and, where appropriate, the rules of the international community. These organizations focus on risk management and seek opportunities to define. There are projects with the community that have mutual benefits and motivate and maintain the stakeholders'

trust in the organization. They are aware of the present and future effects of the organization on society and try to minimize the adverse effects of the organization on society.

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