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Original scientific paper

UDC 005.73-057:657.2(497.6RS)
DOI 10.7251/SOCEN1712035V
Accepted: September 20th, 2016.

The impact of organizational culture on business operations in the Republic of Srpska and Serbia

Abstract

This paper primarily provides relevant theoretical framework for explaining the phenomenon of organizational culture, but also it analyzes its impact on the business of an enterprise/company and working atmosphere that occurs as a result of the impact of the organizational climate of a given company. Empirical studies on this subject have been carried out in Serbia and the Republic of Srpska, which allowed us to compare the implementation and the impact of the organizational culture in these areas. In an integral part of these studies were included: types of organizational culture, the influence of national culture on organizational culture and determination of the level of development of the same, all in order to improve business operations in Serbia and the Republic of Srpska.

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Keywords: *Organizational culture, organizational climate, national culture, types of organizational culture, market, motivation, Republic of Srpska, Serbia.*

Introduction

The market as a barometer of success, causes the fight to keep it and it is narrowing the space for unprofessionalism, incompetence and poor quality. Due to the need to achieve the ultimate progressive criteria was created specifically organized study and dealing with the phenomenon of the organizational culture.

Organizational culture is an essential part of any organization, and can most simply be defined as the set of values, beliefs, assumptions, and the norms of behavior which are manifested through the symbols, thereby directing thought and behavior of the members.⁴ Its impact on the working atmosphere, the efficiency of the employees, their desire, competence, efficiency, sense of loyalty to the company/institution and the like, is crucial for the success and productivity of the business. Torrington and associates⁵ point out that the culture of an organization is characteristic spirit and belief of its members, and is reflected in the common norms of behavior and values.

The interconnections between the two cultures, national and organizational, have an impact on organizational behavior, and thereby on the business performance. So, if we bring out the best features from the compound of these two cultures, it can act positively on the behavior of the organization, as well as its business results. The culture of an organization forms national characteristics of its employees, personality and ideas of the dominant leaders, if any, and the nature of the industry that the corporation belongs to. In modern times, the closer said, in the first and second decade of the 21st century, companies are increasingly turning to new creations of culture by the employees in the company, and less to the concept that involves preaching or actually imposed codes by top management.

Organizational culture influences employee attitudes and morals, and through it and their work performance. A prerequisite of successful organizational culture is the existence of good organizational climate, which is a reflection of the current situation in which is the organizational culture and

⁴ Janjićević, Nebojša, *Organizational Culture*, Novi Sad: Ulix. 1997.

⁵ Torrington, Derel; Hall, Laura; Taylor, Stephen. *Human Resource Management*, Belgrade: Data status, 2004. p. 97.

is the working atmosphere and mood in the company. The climate is certainly one of the basic and main indicators of organizational culture of the institution / company because through it are reflected the characteristics of internal relations within the collective. Unlike the culture that is common to the whole organization, the climate may vary from sector to sector, from an employee to the employee, since their properties and understanding vary and in a different way are identified with the ruling culture.

It is very important that management deliberately and continuously works on creating the desired organizational culture that allows maximum efficiency of the company. Environment in which will come to an increase in efficiency and productivity is generated by the active participation of their holders and not by the messages proclaimed.

Prior to display and analysis of the data we obtained with the empirical research, we will mention the most important authors and theoreticians from the organizational culture which particularly contributed to its emergence and development, and then suggest a mechanism of influence, control applications, and in general the formation of the correct type of organizational culture that will ultimately contribute to increasing the productivity and effectiveness of the companies / institutions on the territory of the Republic of Srpska and Serbia.

1. Literature review

1.1. The importance of organizational culture

The term organizational culture originated in the United States, and then quickly spread to the rest of the world. Today organizational culture and all that it implies is the basis for progress and prosperity of any company or organization. Organizational culture implies “the system of the values, beliefs and practices that determines the organizational behavior and direct all the activities of the individuals and groups that make them”⁶. There is a generally accepted rule that for the successful work and progress of enterprises is very important, or even essential, the good organizational culture, or, as many call it - Corporate Culture.

Metaphors and symbols, stories and myths, rites or rituals, norms and rules of the game, the philosophy of the organization (paragraphs and certifi-

⁶ Koković, Dragan, *Cracks of culture - The Second revised edition*, Novi Sad: Prometej

icates), the declared or not declared values, as well as deepest beliefs of members of the organization represent the elements of the organizational culture. Neither of these elements alone does not represent the organizational culture, but all together reflect the concept of the organizational culture. These elements are not something that is given to the organization, but what the organization actually is.⁷

Development of the concept of the organizational culture begins in the early years of the twentieth century after Henry Fayol⁸ elaborated the principle of the organization and emphasized the role of management as one of the most important activities of the company. More significant understanding of the concept of the organizational culture in science started in 1982, by the publication of the famous book by Peters and Waterman "In search of excellence." These authors were the first to point out the organizational culture as one of the most important factors for the success of the company.⁹ Later, the interest for the phenomenon of the organizational culture has sharply increased, almost in all developed countries. There are a number of definitions, which are carried out with the aim of better and more comprehensive conceptual definition of the organizational culture, and some of them are:

*Organizational culture is a system of shared values, the value orientations, beliefs and practices within the organization, and that in this way mutually affect the structure of the organization and direct its behavior, but also determine the norms of behavior within an organization.*¹⁰

*Culture consists of patterns, explicit or implicit, acquired on the basis and the behavior of the environment transmitted through the symbols, constituting characteristic advances of a group of people, including the embodiment of this group to the artifact; essential culture core consists of a tradition based on the idea and accepted patterns of behavior; culture systems, on the one hand, can be considered as the product of the actions, and on the other hand, as a conditional elements of the future actions*¹¹.

⁷ Mihaela, Valentina; Bratianu, Constantin. "Organizational Culture Modeling", *Management & Marketing* Vol. 7, No. 2, 2012. Retrieved from: www.questia.com

⁸ Henry Fayol (1841 - 1925) is considered to be the creator of the classic organizational theory. Fayol was one of the first who developed the functional principle of organization and highlighted the management as one of the most important activities of the company.

⁹ According to: Vukonjanski Jelena, *Relations between dimensions of organizational culture and organizational outcomes in different enterprises in Serbia*, Zrenjanin: University of Novi Sad, Faculty of Engineering „Mihajlo Pupin“, 2013.

¹⁰ Sharplin, Arthur, *Strategic Management*, New York: McGraw-Hill, 1958.

¹¹ Kroeber, Alfred; Kluckhohn, Clyde et al. "Culture: A critical review of concepts and definitions", *Harvard University Peabody Museum of American Archeology and Ethnology Papers* 47. 1952.

Organizational culture is not a static entity, as it changes over time. However, because of their specific nature the organizational culture has a great impact on all the internal changes in the organization, especially those that involve its change. To make these changes, and their impact on the organization understandable, many researchers have developed models that describe and explain the main structural and functional changes in the organizational culture.¹² In this regard it is important to point out that in the literature there are more “typologies of the organizational culture”, but the most common is the classification that basically gave Roger Harrison and later modified and perfected Handy that to any type he assigned the corresponding symbol and the Greek deity which with properties best illustrates the characteristics of each type of culture. Handy put forward the view of the close connection between organizational structure and organizational culture. In his work, *Gods Of Management*¹³ he distinguishes four types of culture: the culture of power, the culture of roles, the culture of tasks and the culture of support.

Culture of power is oriented towards leader and is extending from the center like a spider web. This culture represents the autocratic management or paternalism. It is characterized by a small number of rules or the absence of the rules and personal control of the leaders, personal supervision. The source of power is the charisma of leaders or resource control. It is represented the intensive and informal communication. The advantages of culture of power are reflected in the rapid response and flexibility. The disadvantage is the risk of incompetence of the leader, and as a common problem, there is incompetence of the center line of managers.

The culture of roles represents the delegated authority within the hierarchical structure. The roles are clearly defined, the processes and procedures are clearly defined, standards have been established and the hierarchy is obvious. It is ruled by logic, reason, rationality and depersonalization, a source of power is the position in the hierarchy. Security, stability and formalization are distinctive, the culture is bureaucratic, and the advantage of this culture is reflected precisely in the efficiency and reliability because of the business methods, and for the same reason, the biggest drawback may represent the containment and inertia.

¹² Mihaela, Valentina; Bratianu, Constantin, “Organizational Culture Modeling“, *Management & Marketing* Vol. 7, No. 2, 2012. Retrieved from: www.questia.com

¹³ Handy, Charles. *Gods of Management - The Changing Work of Organizations*. Oxford University Press, New York. 1995. The book carries a specific name “The Gods of management” for the types of organizational culture Handy symbolically presented as the Greek gods - Zeus (the culture of power), Apollo (the culture of roles), Athens (the culture of tasks) and Dionysus (the culture of support).

The culture of tasks gives good results in solving the practical problems and is designed as such. It is oriented towards work and duty, and the source of power is expertise. It is a culture of success and is characterized by teamwork and competition. The advantages of this culture are initiative, flexibility, efficiency and creativity, and defects that may occur are the laxity, and competition among the employees that can grow to unloyal and unhealthy.

The culture of support is a culture in which individual goals dominate over the goals of the organization. The survival of such organizations is difficult because the ideal is individual autonomy, and the objectives are achieved by teamwork. There are a few rules and procedures, and a source of power is expertise. The advantage of this culture represents freedom and creativity, but the lack is a waste of obligations and the possibility of the disintegration of the organization itself.

If we above mentioned Hendy's types of culture observed through the prism of concrete manifestations in practice, then we could concretize the four types of culture that can be found in the daily operations of the companies in our area: the culture of power, where the leader of the company is undisputed; the culture of roles, where is all standardized, and the roles are divided clearly; the culture of tasks, where all the activities are dedicated and subordinated to the execution of the task and the culture of support, where there is an absolute focus on the individual and his interests. In the empirical part of this work we start precisely from this classification, in order to perform comparisons of types of organizational culture in enterprises in the Republic of Srpska and Serbia.

1.2. The influence of national culture on the organizational culture

In order to understand how it operates, as well as the historical context of the organizational culture it is necessary to deal with the phenomenon of the national culture with which it is closely related to.

In this sense, among the authors who have dealt with this influence stands out Hofstede¹⁴ who calls the culture the "software of the mind" that distinguishes the members of one organization from the members of the other. Hofstede has created a four-dimensional model on the basis of which it was possible to track the differences between national cultures. Each national culture according to this model can be identified by four dimensions: the distance of power, the relationship with the uncertainty, collectivity opposite

¹⁴ Hofstede, Geert, *Cultures and organizations: software of the mind*, London, New York: McGraw-Hill, 1991.

the individuality and male versus female values. The power distance indicates the extent to which is expected the difference in the levels of power. High distance indicates that there are expectations that individuals have a certain level of power over others. Low distance indicates a belief that all people in a collective should have an equal distribution of power. Uncertainty avoidance indicates the extent to which society accepts uncertainty and risk. Individualism or Collectivism means that in a highly individualistic culture is expected for individuals to be concerned about their own interests and possibly the closest members of their family, as opposed to highly collectivist culture characterized by preferences in relation to the support of the group to which the individual belongs in exchange for unquestioning loyalty to the group. Alternative male or female cultures indicate the culture based on the traditional male or female values. For example, the male culture includes competitiveness, ambition, accumulation of money and material things, and female culture is focused on interpersonal relationships.

Ewoh explores some of the challenges faced by managers in managing and valuing diversity in the 21st century: employers need to manage in an innovative way of evaluating the possibility of transforming the existing culture in the European-American male culture in the most organizations, among other things, promoting multiculturalism and in that way taking care of all employees. Employees today are trying to protect and nurture their ethnic and cultural heritage which causes a feeling of respect and support of all members of the working group / sector. This kind of diversity, in fact, deals with the question of how society wants for an organization to look like. The current economic and demographic changes require strong organization to implement workforce diversity: it leaves a good impression of the business and ensures the survival of the organization as a legal entity and business entity.¹⁵

What is particularly interesting for our region (Serbia and Republic of Srpska) is that the role of culture is conditioned by the management of differences. Thus, for example, accepting that men and women work for the same company and that they are really given the same powers and the same rewards and that this works and that it is not a rhetorical, not a declarative, creates an environment that leads to progress. If the environment is positive, it is a vital and much more important than promoting the fulfillment of legal obligations. To use differences in a proper way and all the peculiarities of the two poles composite as complementary may be beneficial for the entire organization. Yet the differences between men and women can not be generalized. Women still represent the majority of employees in education, as well as

¹⁵ According to: Nica, Elvira, "Organizational Culture in the Public Sector", *Economics, Management and Financial Markets*, Vol. 8, No. 2, 2013. Retrieved from: www.questia.com

in health care. However, this is not so when it comes to a leadership positions, in which it is still, more frequently encountered men than women.¹⁶ Ultimately, everyone is an individual for himself, regardless of the age or gender. What analysts are trying to prove is that there are some general principles that are present in one half, and less pronounced in the second. Although the gender gap is only one of the differences which must be managed and which must be analyzed in order for everyone to be given equal opportunities, and is thus immanent and need to get these two approaches constantly updated, to be strategically integrated into every aspect of what the organization or enterprise is engaged in.

According to Hofstede-culture is revealed by the symbols, heroes, rituals, values. He suggests that different national cultures influence different management practices, values, expectations, and behavior management. In addition, the national culture is an important factor which determines the profile of the individual values, but also the values and organizational culture of companies that operate within it, and has a significant effect on the organizational culture.¹⁷

What is particularly important for the area of Republic of Srpska and Serbia (areas where was carried out the empirical research) is the view that is presented by Pasa, Kabasakal and Bodur¹⁸ which state that the differences between developed countries and developing countries is also important. According to these authors, developing countries are located in East and West Africa, Central and Latin America, the Middle East, in some parts of Eastern Europe and have certain common characteristics that vary in intensity. They point out that these are the following characteristics: underdeveloped infrastructure, abundance of unskilled labor, low level of technological development, political instability, rigid social structures, gender differences and a strong religious influence. In addition, the characteristic is a low level of individualism, high uncertainty avoidance, low male values, high power distance and associative thinking. The meeting of individuals from different cultures often results in stress which can degenerate into conflict.

Authors like Feichtinger and Fink argue that cultural and similar processes in transitional countries with a communist legacy, result in the collective cultural shock. These authors have formulated the theory of collective culture

¹⁶ Macuh, Bojan, „Using high-quality educational principles for the implementation of new skills“, *Sociological discourse*, Year V, Number 10, 2015. p. 5-21.

¹⁷ According to: Trompenaars, Fons; Hampden-Turner, Charles, *Riding the waves of culture: understanding cultural diversity in business*, London: Nicholas Brealey. 1997.

¹⁸ Pasa, S. Fikret; Kabasakal, Hayat; Bodur, Muzaffer, „Society, Organisations, and Leadersip in Turkey“, *Applied Psychology: An International Review*. 50(4), 559-589. 2001.

shock and built it on the anthropological knowledge and cultural studies. In countries in transition, the cultural shock is the product of a complex economy, social and political forces, which is why Fink and Holden this phenomenon consider as an important conceptual tool manager responsible for international strategy in transition countries. Alas and Wadi consider that in transition countries transfer of knowledge of market economy is very slow because of the institutional and cultural tensions and conflict. Their results suggest that it is easier to change the technology and change the legal and political structures than to change cultural practices embedded in the countries in transition.¹⁹ When speaking of representation of the cultural shock in the context of this study, it is important to emphasize that the former Yugoslavia (hence Serbia and RS in today's composition BiH) had a specific system of workers' self-management who possessed certain characteristics of participatory management and due to the presence of elements of Western market economy was significantly different from the economy of the Soviet communist bloc. Perhaps, that is why the introduction of cultural values characteristic for the western market economies in this region did not cause such a high level of cultural shock, as was the case in many countries of the former communist bloc.²⁰

In order to be able to understand managers, leaders and their employees, we must bear in mind that their behavior arises as a result of the impact of their social and cultural heritage. Special attention should be paid to the perception of the members of a society as consumers, their moral values and norms, as well as religious issues.

1.3. Organizational climate

Organizational climate is changeable character of working environment that is based on a collective perception of employees who live and work in that environment and that affects their motivation and behavior. Organizational climate, as one of the variables of the organizational culture, is the working atmosphere and working environment prevailing model, which, in fact, reflects the characteristics of the organizational culture.

Gregopoulos defines organizational climate as the normative structure of attitudes and behavioral norms, which provide the basis for the interpretation

¹⁹ Vukonjanski, Jelena; Nikolic, Milan et al. „Relationship between GLOBE Organizational Culture Dimensions, Job Satisfaction and Leader-Member Exchange in Serbian Organizations“, *Journal for East European Management Studies* Vol. 17, No. 3, 2012. Retrieved from: www.questia.com

²⁰ The Same.

of the situation and the effect on the pressure source for directing activities.²¹ The organizational climate is shaped by the leadership through personnel policy, remuneration and leadership style. It can be changed by changing policies and by changing the organizational structure. If we want to achieve more production characteristics, then management must change the policy of distribution and remuneration. If we want to achieve greater employee satisfaction then it needs to be changed the personnel policy. Finally, if it is to change the characteristics of the organization than you need to change the policy and the organizational structure.²²

The success of an organization and positive climate depends on the safety of employees, organization, reward system, method and style of leadership and interpersonal relations in the organization. Organizational climate is linked to employee satisfaction, and refers to the good running of the organization. The leaders or managers have to achieve consistency between the actual situation and ways of managing the organization. Leaders must be willing and able to adapt their leadership style in accordance with the features of the employees, as well as the nature of their business in order to encourage a positive climate in the organization. The leaders must be able to adapt their leadership style to the type of organization or company. Organizational climate is a very important factor in organizational behavior and organizational culture. It is one of the leading indicators of organizational culture of the company. Organizational culture influences the behavior of employees by forming their feelings, their attitude to work, attitude towards managers, towards colleagues and the organization as a whole. Organizational climate is formed as a variable derived from its culture.

When we talk about the dimensions of the organizational climate, researchers like Litwin and Stringer have designed a questionnaire by which to measure the organizational climate in which we recognize nine dimensions: organizational structure, individual responsibility, warmth, support, reward, punishment, conflict, standard and identity. The structure implies a sense of employees that they are closed in their group; Responsibility is a feeling that the employees are their 'own boss'; Reward is the feeling that the employee is rewarded for a job well done; Risk implies a sense of challenge in the work of the organization; warmth is a sense of community, which dominates the atmosphere of the working group; Support includes the perception of em-

²¹ Agarwal Promila, "The Moderating Effect of Strength of Organisational Climate on the Organisational Outcomes.", *Journal of the Indian Academy of Applied Psychology*, Vol. 41, No. 1, 2015. Retrieved from: www.questia.com

²² Tom Peters and Robert H. Watermann, *In Search of Excellence*. New York: Harper and Row, 1982.

ployees that managers and other employees in their group / sector are ready to help; the standard is the perception of importance of implicit and explicit goals and objectives; Conflict represents the feeling that managers and other employees want to hear different opinions and identity is a feeling that employees belong to the enterprise / institution and that they are a valuable member of the working team.²³

Power of climate refers to the high commitment to the common perception of employees. Strong organizational climate is characterized by the established rules, control of the behavior of employees and managers, stable and strong resistance against external influences. In such situations the expectations of all members of the organization / company are high and clearly defined, and there is a high level of understanding among employees, respecting the norms, attitudes and desirable behavior.²⁴

2. The Methodological Approach

2.1 The subject of research, hypothesis and objective

The subject of this study, we set up as a question: How much and how organizational culture influences the productivity of business operations, organizational climate, and the behavior of managers in the studied companies in Serbia and the Republic of Srpska?

Operationalization of the research subject involves the following three questions:

- What type of the organizational culture dominates in enterprises in which will be conducted the research?
- How are the subjects of organizational culture in Serbia and the Republic of Srpska willing to accept and implement innovations that are sold in accordance with the dynamics of development of the organizational culture?
- Whether a particular type of the organizational culture affects and to what extent the (un) successful business enterprises?

²³ Ötken Ayse Begüm; Cenkcı Tuna, "Big Five Personality Traits and Organizational Dissent: The Moderating Role of Organizational Climate", *Business and Economics Research Journal*, Vol. 6, No. 2, 2015. Retrieved from: www.questia.com

²⁴ Agarwal, Promila, „The Moderating Effect of Strength of Organisational Climate on the Organisational Outcomes“, *Journal of the Indian Academy of Applied Psychology*, Vol. 41, No. 1, 2015. Retrieved from: www.questia.com

The subject of the research will be carried out through a group of the following hypothesis:

H1: The appropriate type of the organizational culture influences better productivity and more efficient business operations.

H2: National culture has a significant influence on the formation of the organizational culture.

H3: Organizational culture affects the interpersonal relationships of employees.

H4: The power of the organizational culture among employees depends on the level of income.

H5: The level of development of the organizational culture is higher in enterprises in Serbia than in the Republic of Srpska.

The main objective of this research is to highlight the importance of the phenomenon of the organizational culture for successful business of enterprises/companies. Businesses, as subjects of the organizational culture must adapt to the demands of the domestic market as well as the environment ie. In order to secure their existence and progress they have to work on the establishment and improvement of the appropriate types of the organizational culture.

2.2 Characteristics of the sample

The choice of methods and techniques of research is aligned with the subject of the research which was conducted on a sample of 150 respondents in both countries, that was achieved by partially targeted selection. As the sample in the work were used several public and private companies in the ownership structure in the Republic of Srpska and Serbia, which served as a case study. Keeping this fact in mind, we can say that the research was conducted at the micro sample. In doing so, we observed interpersonal relationships, motivation, method and success of the business, hierarchical order of the companies, organizational structure and other elements of the organizational culture. Using the method of comparison, we will make a parallel between the companies in the Republic of Srpska and Serbia, and using other research methods, we want to prove other statements from which we started in this work.

When we talk about interrogation techniques it was used the questionnaire, which in addition to questions on socio-demographic structure contained questions and rating scales in connection with the impression of staff

about the quality of time spent at work, value orientations of employees and the level of satisfaction with their status and position. Research in Republic of Srpska was conducted from May to August of 2015, on a sample of 150 respondents in enterprises of different ownership structures in several major cities (Banja Luka, Prijedor, Doboј, Bijeljina, Trebinje). The same survey was conducted in several cities in Serbia (Belgrade, Novi Sad, Niš, Kragujevac) in the period from October to December of 2015, also on a sample of 150 respondents (in order to be able to make a relevant comparison).

The study included both genders, of which: in the Republic of Srpska - 49.3% men and 50.7% women, ages from 25 (or younger) to 65 years; Serbia- 52.8% men and 47.2% women. The subjects of these samples were divided into 5 age groups as it will be shown later in this paper. In addition to these data as important, we have taken and the level of education, professional orientation of the respondents, the position they hold in the company, work experience, the ownership structure of enterprises and activity with which companies are dealing with.

The selection of respondents from the main set was chosen by partially targeted sample in both countries because the study should include individuals working in enterprises / companies of public and private ownership structure. Respondents were slightly more than 70% members of companies with managerial structures. Processing and analysis of the data was performed using SPSS program for statistical data.

3. Analysis of the survey results

Bearing in mind that the company as such, on the one hand and employees on the other, are the main subjects of the organizational culture, it is important to once again mention that the research was carried out in public and private companies involving employees of both genders who were divided into five age groups of which in the Republic of Srpska were: 49.3% men and 50.2% women::

- *Younger than 25 years old:* 6%;
- *26-35 years old:* 39,3%;
- *36-45 years old:* 30%
- *46-55 years old:* 15,4%
- *56-65 years old:* 9,3%

Companies in Serbia included 52.8% of men and 47.2% of women of the following age groups:

- *Younger than 25 years old: 8,3%*
- *26-35 years old: 40,8%*
- *36-45 years old: 36,7%*
- *46-55 years old: 8,6%*
- *56-65 years old: 5,6%*

The level of education of the respondents included in this study was as follows:

Table 1

<i>Level of Education (Republic of Srpska)</i>	Numerically	Percentage
Secondary School	32	21,3%
College	14	9,3%
High School	57	38,0%
University (4 year program)	36	24,0%
Master	8	5,3%
Master of Science	3	2,0%
Total	150	100,0“

Table 2

<i>Level of Education (Republic of Srpska)</i>	Numerically	Percentage
Secondary School	32	21,3%
College	14	9,3%
High School	57	38,0%
University (4 year program)	36	24,0%
Master	8	5,3%
Master of Science	3	2,0%
Total	150	100,0“

When comparing these socio-demographic data it is evident that there are no some significant differences in the samples, if from the data on the age structure of employees we exclude the category of the from 46-55 years old, the data show that there is a significantly higher percentage of employees of

this age in the Republic of Srpska in relation to Serbia and that in the educational structure of respondents in Serbia is significantly higher percentage of those who have a high level of education and completed master's and post-graduate studies.

To ensure the representative reliability, the samples which were used for research consisted of employees who perform different functions in the company / institution, as you will see in the following tables.

Table 3

Position in the Company (Republic of Srpska)	Numerically	Percentage
Director	3	2,0%
Head (Middle Managers)	25	16,7%
Manager of the lower level	24	16,0%
Independent Clerk	59	39,3%
Employees without managerial functions	39	26,0%
Total	150	100,0“

Tabela 4

Position in the Company (Serbia)	Numerically	Percentage
Director	8	5,3%
Head (Middle Managers)	24	16,0%
Manager of the lower level	32	21,3%
Independent Clerk	44	29,4%
Employees without managerial functions	42	28,0%
Total	150	100,0“

When we talk about the professional orientation, that is the occupation of the surveyed, from the offered answers in the Republic of Srpska the prevailing type of interest is Economics (43.3%), then 26% belongs to the lances of technical field, while the rest belongs to other educational profiles. Subjects in Serbia have a lot of similar situation where it is also the most frequent occupation Economics 45.2% and 21.8% belongs to the technical fields while the rest of the subjects have a variety of interests (lawyers, managers, environmentalists).

The ownership structure of the company / institution in which the survey was conducted was divided into public and private. In public companies in the Republic of Srpska is employed 44%, while in private enterprises is employed 56% of total respondents. In Serbia, in the public sector is employed 47% of respondents, and 53% in private sector. Activities with which are dealing companies in which the survey was conducted, and which are the most common in our sample in both countries are: realization of services, manufacturing and financial institutions / banks. The least represented activities are: information technology, trade and engineering / design.

3.1. Types of organizational culture in Serbia and the Republic of Srpska

In explaining the phenomenon of the organizational culture at the beginning of this work, we have listed Hendy's classification of the types of the organizational culture. This model of classification we applied to two types of enterprises, by ownership structure (public and private) in Serbia and Republic of Srpska designated as Companies 1 (public domain), and Companies 2 (Private Property). It should be noted that these companies are engaged in different activities, such as: production and realization of services (Company 1) and financial institutions / bank (Company 2).

3.1.1. Republic of Srpska

Research results in the Company 1 (public companies) have shown that in their organization is represented the culture of the task. It is about the type of culture in which the influence of individuals is based on expert power instead of position or personal power. This culture is flexible, and highly appreciates teamwork. This type of culture emphasizes talent and youth, and team problem solving and consultation. Culture of tasks rests on the assumption that organization exist in order to solve tasks. Emphasis is placed on results and performance of the work. Our respondents indicated that employees in this type of organization value that according to their ability to contribute to a better performance of the task, and not according to the hierarchical position. They also found that the characteristics of the enterprise / company, which is represented by this type of culture are flexibility, initiative, creativity, entrepreneurship and orientation on success and results. It should be noted that the lack of this type of the organizational culture is that it largely depends on the quality of individuals.

In the companies 2 (private property), the results are somewhat different. According to the statements of the respondents, in their organization is prevalent the culture of roles. We said that this type of culture is the one in which work is controlled by procedures and rules, and its own role or job description are far more important than the people who carry them. Power is connected to the position, and not with people. Operation is controlled by procedures and rules, and it can be said that this type of culture is depersonalized. Respondents emphasized that their roles are clearly defined by procedures and of a precise description of the role. They confirmed that the power in the organization stems from the hierarchical positions, but also, though to a small extent, it depends on the expert knowledge. Given that it is a privately owned company, these results were expected.

We will illustrate previous results with several characteristic attitudes. We note that we have taken the average responses of both types of companies. Question: In my company (institution) task gives the one that is determined by dividing the work to give the task as the most common answer was chosen by 84% of respondents, Which reflects the role of culture. Statement: Working at my company (institution) is done for, had several variations selected by respondents. It is carried out because of the desire for reward or fear of punishment (18%); out of respect for work commitments and loyalty to the company (71.3%); for pleasure when the job is successful (69.3%) due to satisfaction with work (41.3%). In analyzing the responses to this question we came to the conclusion that the culture of roles and tasks are about equally represented, with a portion of those surveyed who opted for a culture of support, with the claim for the pleasure of the work itself, which was a rare case. The view that the purpose of the competition in my company is to achieve the advancement in the company was also chosen by 80% of respondents, which, again, is the culture of roles. The least represented is the culture of support expressed by the claim: the purpose of competition in my company is to draw attention to their own desires and needs (14.6%). The claim: Conflicts in my company (institution) are resolved through discussion on the requirements of jobs and tasks (64%) reveals that, on average, is the culture of tasks.

3.1.2. Serbia

In Companies 1 engaged in the production or implementation services in this case, the respondents showed that the culture of roles is represented. Also, in the Companies 2 predominant is the culture of roles. This means that the public companies in Serbia work and behavior of employees (mostly

managers) is specified by clear and precise procedures and hierarchy of positions.

Here we will illustrate the attitudes of respondents to a few typical questions that determine the culture of roles. Attitude In my company (institution) task gives the one that is determined by dividing the work to give the tasks was chosen by 85.4% of those who work in private enterprises (Companies 2) and 78.6% of those who work in public enterprises (Companies 1), which clearly indicates the culture of roles. To the question: Job in my company (institution) is carried out for: compliance with work commitments and loyalty to the company, the average response of both types of companies is 87.4%, which points to the culture of roles. Confirmation of the position: The purpose of the competition in my company is to achieve advancement in the company was chosen by 75.3% of respondents, which again represents the culture of roles. Respondents were offered a proposition: Conflicts in my company (institution) are prevented by the prescribed rules and procedures. With these allegations agrees 74.7% of respondents, which suggests that in the focus of the respondents is the culture of roles.

In comparison of companies / institutions, taking into account the most common types of the organizational cultures in the Republic of Srpska and Serbia, it is clearly shown that the situation in companies engaged in finance (banks) are quite similar, except that, somewhat unexpectedly in public companies in the Republic of Srpska, unlike the public companies in Serbia, is pervasive the culture of task, which is for employed considered to be one of the most desirable types of the organizational culture.

The results and in the other companies, included in the survey in both countries, by comparing the ownership structure, with negligible difference, are mostly very similar. What is significant is certainly the fact that a strong organizational culture is a representation of the companies in our region and certainly impacts the business productivity. Each of the previously mentioned types of culture, has its advantages and disadvantages, and it is necessary to achieve a balance or adjust to the organization and the type of culture which is in it present.

What is significant, however is the need to top managers, owners, managers, in a word, all the heads to point to the significance of formation and development of the correct type of culture which affects organizational climate through which is formed the working atmosphere because satisfied employee is the key to success and prosperity of institution / company.

4. Discussion of research results

Analysis of the survey results show that the first hypothesis (Appropriate type of the organizational culture influences better productivity and more efficient business operations) is partially confirmed due to the fact that in the case of public companies in the Republic of Srpska, although it is represented by a type of the organizational culture that is theoretically almost ideal, business success is not at a high level, while the institution of private ownership structure, in both countries, regardless of the type of the organizational culture, can boast with good business.

Looking at the impact of the national culture in the formation of the organizational (which is also our second hypothesis) in institutions / enterprises in Serbia and Republic of Srpska, we found out that this influence is certainly present, with which this theory is confirmed. Especially given the fact that both countries have relatively recently gone through the transition process (some authors claim that this process is still ongoing), and we have already mentioned the statements of some authors²⁵ which feel that the character of the organizational culture is highly influenced by the values which are formed as a consequence of the influences of national culture, both at the individual, and the level of the organization. In addition, common political agendas, power and mobility of transnational capital and the impact on the individual national system, are a comprehensive evidence that social systems fundamentally converge in terms of the functioning of the regulatory system and the functioning of the organization. National differences are important in determining the factors affecting the way of work of the organizations, that is enterprises.

The results of processing the questionnaire indicate that the third hypothesis which argues that organizational culture influences the mutual relations of staff is also confirmed because looking at the total sample (in Serbia and Republic of Srpska) we see that respondents tend to constructive conflict resolution, joint overcoming of the problems, teamwork in solving tasks, equitable distribution of duties and the like, regardless of what type of organizational culture is in question, which means that its existence and strong influence is certainly present in companies / institutions that are subject to certification.

The thesis that the value of the organizational culture among employees depends on the salary scale has not been confirmed. In support of these results goes and the explanation of the previous argument, and the fact that the

²⁵ Authors who hold this view are: Hofstede, Pheysey, Blyton, House, Gupta etc..

values which represent the existence of the organizational culture are also present in the public enterprises whose employees can not brag with high income financial benefits.

When analyzing the understanding of the phenomenon of the organizational culture, and determination of the same types in various enterprises / institutions, as well as in the measurement of the organizational climate, we have found that among employed, represented in the sample, in Serbia and Republic Srpska there is nearly equal representation of the value of the organizational culture. In accordance with this knowledge, the fifth hypothesis (the extent of the organizational culture is higher in Serbia than in the Republic of Srpska) has not been confirmed.

Regardless of the results of this research which show a high level of work ethics among employees, which is not always necessarily conditioned by the appropriate type of the organizational culture ie. those that employees strive to, their requirements and recommendations should be taken into account. The workers are the most important element of an institution / company and their job satisfaction, work atmosphere and all the indicators of the organizational culture of a company largely affects productivity and business success.

Conclusion

Organizational culture is of a great importance in achieving the successful business and enterprise productivity. Change and the adjustment that means selection of the appropriate type of the organizational culture are necessary. Market, both on the local and global level requires increasing of the innovation, speed and flexibility. Market demands, together with the new technological developments lead to a turbulent business environment which sets completely new standards of business success.

It is important to emphasize that in such a turbulent environment concept of dynamic capabilities is rapidly evolving. Due to this concept the priority is placed on the ability of members of the organization to integrate, operate, and improve their skills so that they correspond to the turbulent external environment. In these circumstances there are significant changes in the structure of the organization's resources. Emphasis is placed on the intellectual resources of the organization, but today's conditions require quality and performance and all other resources. To achieve the goals of the organization, employees should have a high level of knowledge, and in this sense, an effective combi-

nation of other resources is impossible without the development and implementations of individual and creative potential.²⁶

Adjusting business subjects to a particular type of the organizational culture is also very important for the survival and development on the market. After careful observation and testing desires of employees leader can easily conclude to what type employees are in favor, and accordingly find the appropriate solution for all members of the organization. Considering that organizational culture primarily affects behavior, preferences, employee satisfaction, its impact is overwhelmingly present in the entire institution / company.

Research conducted on the territory of the Republic of Srpska and Serbia on a partially targeted sample shows that the organizational culture is present in companies / institutions in these countries, showing positive results when measuring organizational climate. In companies or institutions in the Republic of Srpska and Serbia, but often in neighboring countries, there are certain problems in the mutual interaction of national and organizational culture because of a still present transition process, ways of doing business which was characteristic of socialist self-management, economic underdevelopment and the like. conflicted to the cultures of developed (capitalist) western countries that use their influence to dictate the way of doing business globally. In order to provide livelihood and prosperity, it is essential that organizations in this area respond to the demands of the market, and that on the model of the big international companies change and adapt to the current situation, finding thus the best ways of doing business.

Regardless of certain shortcomings and obstacles when it comes to the development of the organizational culture in our countries, in the sample included in this survey, there has been noticeable its impact, which should serve as further motivation for its development, which could eventually lead to the faster economic development of both countries.

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