

MARKETING ORIENTED ORGANIZATIONAL CULTURE - DOES IT EXIST IN SERBIAN MECHANICAL INDUSTRY?

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Professional paper

The purpose of this paper is to determine if there is market orientation of organizational culture in Serbian Companies from Mechanical Industry. This research included 21 companies from Serbian metal industry and the questionnaire was used to investigate the level of market orientation through all hierarchical levels. Research results showed that the total level of market orientation of examined companies is unsatisfactory and it can be concluded that the long-term existence of contractual economy in the economy of Serbia leads to the state that its principles still exist in the way of thinking of employees.

Keywords: *marketing orientation; organizational culture; TQM*

Marketinški orijentirana organizacijska kultura - da li postoji u srpskoj strojarsoj industriji?

Stručni članak

Svrha ovog članka je utvrditi jesu li poduzeća koja posluju u okviru srpske strojarsoj industrije marketinški orijentirana. Ovo istraživanje je uključilo 21 poduzeće iz Srbije i korišten je upitnik za istraživanje razine marketinške orijentacije u tim poduzećima na svim hijerarhijskim razinama u ovim poduzećima. Rezultati su pokazali da je razina marketinške orijentacije u svim poduzećima na nezadovoljavajućoj razini te da se može zaključiti da principi dogovorne ekonomije, zbog njenog dugog prisustva na ovim područjima i dalje postoje u razmišljanjima svih zaposlenih.

Ključne riječi: *marketinška orijentacija; organizaciona kultura; totalno upravljanje kvalitetom (TQM)*

1 Introduction

Change is a progress from the present state toward a future one [1] or, generally, a response to some significant threat or opportunity arising outside an organization [2]. Changes are everyday facts. We change the way we communicate, the way we do business or work processes almost every day. If an organization wants to survive in the era of market globalization and liberalization, it has to be prepared to cope with rapid changes in business environment. The process of change within any organization is unique and dependable on a specific situation, due to differences in the nature of an organization, the nature of business, the work culture and values, management and leadership style [3] and national culture and tradition. These changes have compelled organizations to consider restructuring and reengineering in order to achieve business excellence.

It is well known that business excellence in companies is realized through implementation of the concept of total quality management (TQM). TQM is seen as a description of the culture, attitude and organization of a company that aims to provide products and services to customers that meet their needs. The culture requires quality in all aspects of organizational operations, with things being done the right way instantaneously, with defects and waste being simultaneously eradicated from its operations [4]. TQM is the culture in an organization committed to total customer satisfaction through continuous improvement. That is why resources in such cultures are totally utilized [5, 6]. Benefit comes in all segments of business: fewer defects, reduced rework and lead times, lower inventory levels, cost reduction, and higher level of customer satisfaction [7, 8]. The overall marketing effectiveness is achieved as a mixture of hierarchy, and market and adhocracy elements, which is strongly customer oriented with a high

degree of inter-functional coordination.

TQM might have a dramatic influence on the organizational culture [9, 10]. It is a managerial approach where the application of team work and partnership relations with both consumers and suppliers are basic tools for culture transformation and its implementation implies serious cultural changes within a company [11]. Till the end of 1993, only 20 to 35 per cent of companies which have implemented it, had improvements in quality, productivity and competitiveness [12, 13, 14]. Chances for success of TQM programs are better if the overwhelming organizational culture is compatible with TQM basic principles and values [15]. This means that the success of TQM, as an organizational change, will depend on organizational culture to a great extent [16] and that before implementing TQM organizational culture should be examined by organizational development practitioners [17].

Implementing TQM means changes, and for all changes organizational culture is a key. Altering the way people perceive changes and react on them plays an important role in such efforts [18, 19, 20].

Slater [21] expressed this notion explicitly when stating "A market orientation is the aspect of business culture that motivates employees throughout the organization to place the highest priority on the profitable creation and maintenance of superior customer value. As such, it establishes norms for behaviour regarding the organization-wide development of and responsiveness to information about customers and competitors, both current and potential." Slater [21] distinguishes between the traditional and new approach to market orientation. "Market-oriented businesses have traditionally focused on understanding the expressed needs of the customers in their served markets and on developing products and services that satisfy those needs [21]." In this way, market orientation is focusing on current products and services,

incremental rather than breakthrough learning and the short term. Slater [21] continues by stating that the "Second generation market-oriented businesses are committed to understanding both the expressed and unexpressed needs of their customers, and the capabilities and plans of their competitors through the processes of acquiring and evaluating market information in a systematic and anticipatory manner." In meta-analysis of the many articles investigating the relationship between market orientation and business performance, Rodriquez Cano, Carillat and Jaramillo [22] concluded that this relationship is positive and consistent worldwide.

A lot of companies in the world did not succeed on the road to achieve business excellence and TQM. Now, if we assume that company's culture influences everything it does, it is clear that if you want to achieve TQM business excellence in the era of globalization, you have to be marketing oriented. Companies all around the world in their visions have defined that they want this, but on the field everything is different. Research results from all over the world show us that even in developed economies such risky ventures have a high percentage of failure.

Problems in developing world economies have mainly four-dimensional character [23, 24]:

- lack of quality marketing practices,
- lack of adequate technological equipment,
- lack of adequate financial means, and
- lack of satisfactory management behaviour.

For economies in transition, there is another important issue – the noted presence of political and economic instability [23, 24]. Final goal for all changes in companies all round the world is achieving TQM philosophy. As we know, company can follow orientation that matches one of three categories: product-oriented, sales-oriented or market oriented. For business on global market, market orientation is seen as a must category; company must meet customer needs and demands and be able to predict them. To help companies to develop their forces, science must insist on methodological solutions whose base will be the essence of TQM philosophy – the participation of total workforce and orientation to customer satisfaction, i.e. existence of 'marketing oriented organizational culture'. So, market orientation is necessary for TQM implementation.

The following paragraphs are dealing with evaluating the state of marketing orientation of organizational culture in companies within Serbian mechanical industry.: 20 companies are nowadays entities part of "IHP Prva Petoletka" holding company whereas in the recent past they used to be a part of the giant "IHP Prva Petoletka" in Trstenik (PPT – the field of hydraulics and pneumatics, which gives to almost all of them the prefix PPT) and the company number 21 is also the former giant "IMK - 14. Oktobar" (building machinery production). Eighteen companies are currently undergoing the process of restructuring.

2 Research

2.1 The description of companies-objects of research

Industry of hydraulics and pneumatics "Prva petoletka Trstenik" (PPT) and Corporation "IMK - 14.

Oktobar Kruševac" are former giants, with headquarters settled in the middle of Serbia. The "IMK - 14. Oktobar" company was founded in 1923, as a limited company whose 90 % of shares were possessed by industrialists from Vienna and Budapest. This company originally dealing with the repair of wagons, had the professional staff consisting of engineers from Vienna and Budapest. This trend lasted till the 1970's when, with the help of local skilled staff, the company started the production of excavators, crawler tractors and rollers. During the period 1968 ÷ 1973, it produced 25 new types of machinery using its own design and technology. In the years to come, much was done to expand the production capacity either by its own development capacity, or with the help of licensed cooperation with ZF-player from Germany. Thus, the company became a recognized producer of building and transport machinery and its market was Yugoslavian, Eastern market and Asian and African market.

PPT was settled during 1949 and next 40 years were the years of intensive work and growth. The end of 1989 was greeted with 15 000 workers and sales realization more than \$400 million. A lot about the history of PPT and occasions during its 65 years long history has been said in previously published papers [23, 24]. Before 1990 all companies in the system were established and some companies were established as production companies and some were established to support the system. No company had direct contact with the market, according to principles of contractual economy.

For this research it is important to say that PPT became a holding company during 1991. That holding company had 23 companies directed towards one another and that type of organization was settled because the holding is much more flexible than the corporation.

After years of stagnation (1990 till 1994), during 1994 till 1999 when PPT started to open itself to global market, some progress was made. All companies got some freedom in business and Government pressure slowed down. Project of ISO 9001 implementation was launched, market forces are created and results reached in that period are presented in Tab. 1, Fig. 1, Fig. 2 and Fig. 3.

Table 1 Business results obtained from 1994 till 1998

Indicator Year	Sales (mil\$)	Export (mil\$)	A	B	C	D	E
1994	32	2,5	24	230	9,5	62	2,7
1995	37	4	30	270	11	83	2,5
1996	45	6	37	320	13,5	110	2,3
1997	58	8,5	49	380	16,5	150	2,1
1998	76	11,5	62	460	20	196	1,9

A - Capacity utilization through time shifts; B - Physical volume of production (thousand conditional products); C - AWP- average working productivity (conditional units per worker); D - Average Paid Salary (US\$); E - Salary delay (months).

The period from 1999 till 2010 was marked by frequent changes in top management whose members brought different ideas about what should be done with PPT. That is why a lot of organizational changes have been made. Some companies disappeared, some went legally from the system, one part became public company, some were integrated. At the middle of 2010, PPT was a system whose organization was very hard to explain. Tab.

2 shows the status of companies during 2010, at the time when this research begun.

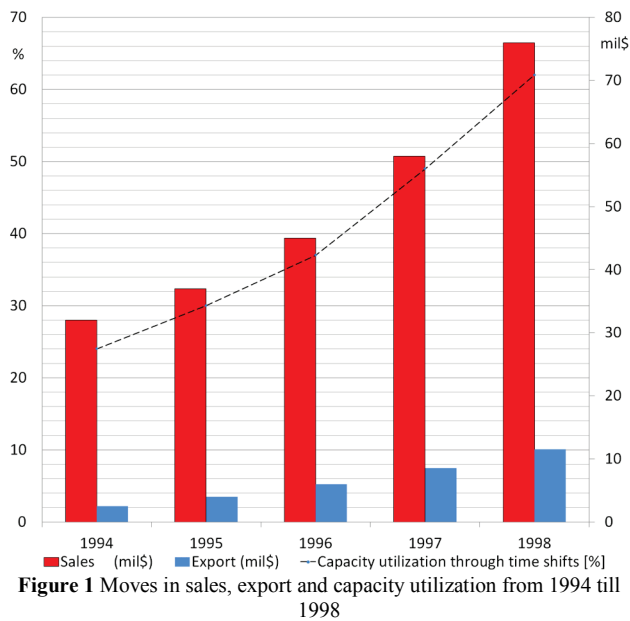


Figure 1 Moves in sales, export and capacity utilization from 1994 till 1998

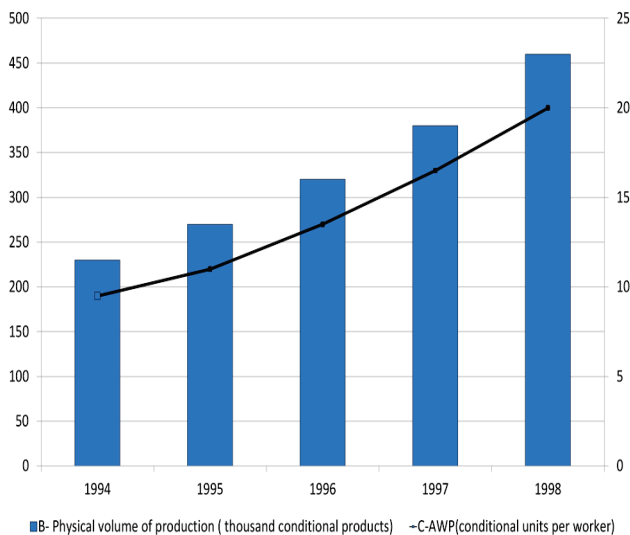


Figure 2 Moves in physical volume of production and AWP from 1994 till 1998

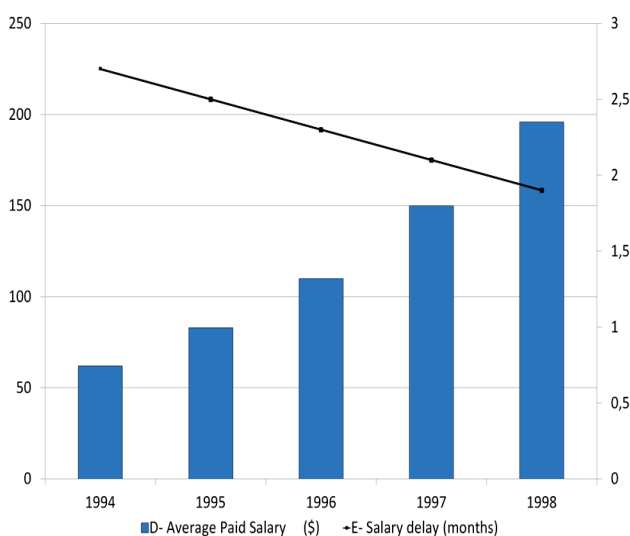


Figure 3 Moves in average paid sales and salary delay from 1994 till 1998

The Serbian Government, aware of importance of those companies, spent 1 740 537 221,75 euros as subsidies to companies members of two first groups of companies during period from 2003 till July 2011. At the middle of 2010, the Serbian Government lunched the project of their recovery.

This paper is going to present detailed results of investigating the level of market-orientation in all companies, earlier members of PPT and company "IMK-14. Oktobar" and the results obtained here are the start point for defining the methodology for their recovery.

Table 2 Organizational structure and status of companies involved in PPT at the end of 2010

Holding Company	PPT - Holding preduzeće	
	PPT - Ishrana	
	PPT - Obezbeđenje	
	PPT- Remont i energetika	
	PPT -Cilindri	
	PPT - Hidraulika	
	PPT - Industrijska pneumatika	
	PPT- Delovi Novi Pazar	
	Petoletka promet	
	PPT - Transport	privatization in progress
Legally Independent	PPT - NIC	company in the quenching process
	PPT - Inženjering	privatized at the end of 2010
	PPT - Kočna tehnika	
	PPT - Servoupravljači	
	PPT - Armature	
	PPT - FUD Brus	
Something else	PPT - TMO	
	PPT - Zaptivke	
	PPT - Namenska	under special treatment of Ministry of Defence
	PPT - Delovi Belo Polje	privatized, not existing any more
	PPT - Zglobni ležajevi	under special treatment, Kosovo
	Energetika	public company

2.2 Research implementation on chosen companies

For identifying the present level of the organizational culture in terms of marketing orientation in 21 companies involved in mechanical industry an appropriate questionnaire, presented in Tab. 3 [23, 24] based on MARK – PLAN questionnaire [25], was used. Every question had three possible answers and behind each answer was one of possible orientations: *on product, on sales or on market*. All researches in Serbia previously done on this subject were based on investigating opinions of top-management. According to the fact that all deep changes, especially those which have ambition to achieve TQM, this study was done among all levels in companies. Study involved 3095 workers (from 5993) and it was conducted during four months, starting at the beginning of December 2010. Detailed procedure of conducting study was explained in two previously published papers and part of results are presented there [23, 24].

Scale used for evaluating results is shown in Tab. 4.

Table 3 The structure of questions

Company orientation/ Questions	Production orientation	Sales orientation	Market orientation
1) Which existing problem should be given the highest priority? (problem identification)	Production	Sales	Meeting consumer needs
2) It would be possible to revive the company if... (vision of fate)	The State provides adequate support	Market behaviour becomes more regular	Customer needs are met in a quality way
3) Apart from the CEO, the second most important function in the company is... (identification of the most important role in a company)	Technical Manager	Commercial Manager	Marketing Manager
4) What should special attention be paid to? (How do you see yourself in the future)	Production Performance	Sales Performance	Meeting customers' requirements
5) The basic goal of the company for all employees is gaining...	Quality performance of assigned tasks	Profitability	Long-term perspective
6) From the external point of view, it is very important for the company to develop...	A good relationship with respective power centres (characteristics of a consensus economics)	A good relationship with business partners (lower supply, higher sales)	Quality image in the market
7) From the marketing point of view, it is very important for the company to do...	Active public appearance and promotion	Promotion in the market and attraction of users' attention	Communication with target groups
8) The company communicates with the external public...	Through formal notices	By providing information to media	By using different means intended to target groups
9) From a managerial point of view, who makes internal public?	The most influential human factors	Authoritative representatives of interested groups	All employees
10) Management communicates with the internal public through...	Formal notices or posting notices on bulletin boards	The information service	Direct contacts related to specific issues with interested groups
11) Top management of the company consists of...	the members representing current centres of power	experts in specific professional areas	experts in corporate management
12) The primary factor for the successful operation is ... (type of exchange)	Production of quality products and goods	As cheaply buy and produce, and as dearly sell	Quality to meet customer needs
13) The following is a sign of management goodwill...	Highlighting individual contributions generated from operations	Periodical awards and commendations	Adherence to company's mission
14) Achieved success in business is expressed through...	The level of achieved production volume	The range of achieved market presence	The level of gained market position
15) The company would do business more successfully if there is ... (vision of solution)	Better production equipment	Satisfactory current assets	Higher quality of human resources

Table 4 Scale for evaluating results

Level of Market Orientation	Points Scale
advanced	121 ÷ 150 points
barely satisfactory	91 ÷ 120 points
conservative	61 ÷ 90 points
bad	31 ÷ 60 points
hopeless	0 ÷ 30 points

3 Results presentation and analysis

As previously mentioned, this study involved 21 companies from Serbia and Fig. 4 gives the structure of: number of workers and number of respondents.

Results of the survey shows that all companies involved in research are conservative systems and that their level of market orientation is not on necessary level. The data about average number of achieved points per questions and per company and the summary and mean values per each company are shown in Tab. 5.

The average score per question for companies involved in PPT system is 4,887 and the average score per questionnaire is 73,283. Results are distributed around mean value $\pm 10\%$. Uniformity of responses clearly indicates that norms, values and assumptions of employees are deeply established among employees, so we can conclude that there is a strong culture in those companies and in all PPT system.

The results are given per all companies, per Level of education (LE) and Years of Working Experience (YWE) for companies involved in ex PPT and per all questions. Graphic presentation per all criteria is given in Fig. 6.

If we look at results shown in Tab. 6, we can notice that the best average score was achieved by the young workers (apprentices), with working experience less or equal to 1 year and that the oldest workers have the worst score.

Young workers have higher interest for market orientation than colleagues with higher number of years of working experience and that can be explained by their previous education and time spent in waiting for job. On the other hand, older workers who are at the end of working life are under the influence of long term contractual economy.

Now, if we look at average number of points per all questions we can see that question No. 14 has the lowest average scores of all questions and per all criteria (company, LE, YWE). It can be concluded that in all companies and per all levels of working experience and per all levels of education the employees think that the production volume is something that is crucial for business. They do not understand that production is good but only for known customer.

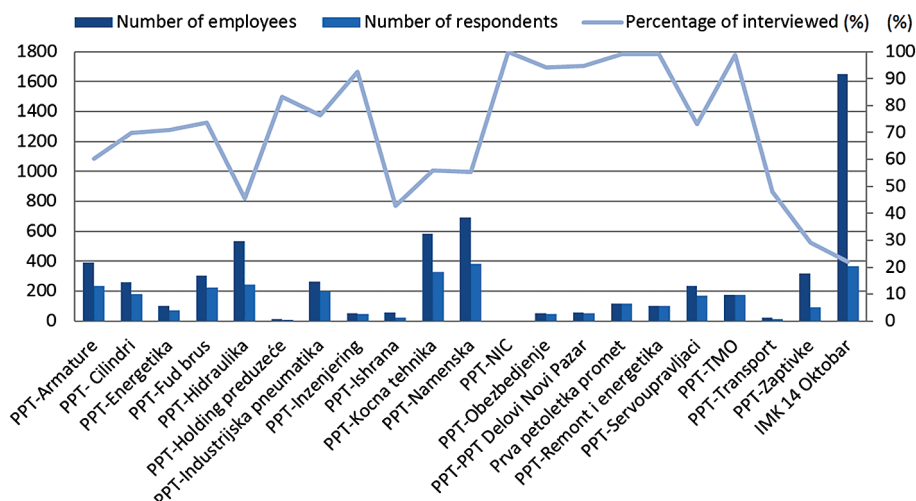


Figure 4 Number of employees and number of respondents per each company

Table 5 Results obtained per companies

Name of the Company	Questions															SUM	Man
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15		
PPT-Armature	4,94	4,24	4,75	4,07	4,92	6,78	5,70	5,93	6,33	3,88	3,98	4,00	5,19	2,03	4,51	71,25	4,75
PPT- Cilindri	4,81	4,69	5,33	5,11	6,00	5,08	6,22	4,42	6,31	2,94	6,08	6,72	6,00	3,81	5,14	78,67	5,24
PPT-Energetika	3,29	3,49	3,63	1,99	4,73	7,74	5,07	4,86	5,07	5,27	2,95	3,70	3,84	0,55	4,66	60,82	4,05
PPT-Fud brus	5,27	5,07	6,20	4,53	6,60	5,33	6,73	3,20	6,27	3,73	4,53	6,13	6,33	3,47	4,00	77,40	5,16
PPT-Hidraulika	5,14	5,20	3,71	4,92	4,84	6,68	4,34	3,71	4,90	3,20	5,12	4,49	5,82	3,18	3,09	68,34	4,56
PPT-Holding preduzeće	6,00	4,00	1,00	2,00	7,00	4,50	3,00	1,50	7,50	3,50	2,50	2,50	8,50	4,50	3,00	61,00	4,07
PPT-Ind. pneumatika	6,40	4,53	4,90	4,70	4,98	6,73	5,78	5,60	6,60	2,55	6,65	4,70	7,08	2,15	2,80	76,13	5,08
PPT-Inzenjering	5,51	3,16	5,51	5,00	5,10	6,12	5,61	5,61	7,45	1,33	6,33	4,08	7,76	2,55	3,06	74,18	4,95
PPT-Ishrana	5,83	3,54	5,21	3,75	6,88	3,13	7,71	8,54	4,79	3,96	2,08	4,79	6,67	2,92	5,00	74,79	4,99
PPT-Kocna tehnika	4,94	4,42	5,06	4,91	6,04	4,57	5,47	4,73	5,24	3,37	5,21	5,37	5,99	2,94	4,39	72,65	4,84
PPT-Namenska	4,45	4,41	4,48	3,63	4,99	6,84	5,27	5,04	5,84	3,93	3,77	3,75	5,16	1,97	4,26	67,78	4,52
PPT-NIC	6,25	2,50	6,25	2,50	2,50	6,25	3,75	1,25	6,25	1,25	2,50	3,75	5,00	2,50	1,25	53,75	3,58
PPT-Obezbedjenje	7,65	7,45	5,00	5,20	6,12	6,43	7,04	5,92	4,59	3,16	4,08	5,61	6,73	1,84	3,88	80,71	5,38
PPT Delovi Novi Pazar	6,60	3,40	5,19	5,09	5,47	4,72	5,19	3,68	5,19	3,11	5,75	6,13	5,28	4,34	4,62	73,77	4,92
Prva petoletka promet	5,38	4,19	5,89	3,98	6,78	5,34	6,06	2,71	5,55	3,31	4,11	6,23	5,85	3,22	3,86	72,46	4,83
PPT-Remont i energ	7,20	3,80	6,75	6,65	4,60	6,40	6,15	5,60	6,80	3,10	5,75	6,05	6,50	2,70	3,65	81,70	5,45
PPT-Servoupravljači	6,92	3,81	4,33	4,16	6,54	7,38	6,48	6,95	6,54	2,97	6,25	5,49	6,98	4,30	2,03	81,13	5,41
PPT-TMO	5,48	4,12	4,49	3,78	5,31	5,80	5,71	3,92	6,51	2,61	6,02	3,89	6,28	3,27	3,52	70,71	4,71
PPT-Transport	8,33	6,67	7,92	7,50	5,83	5,42	5,00	3,33	4,58	2,92	4,17	5,00	6,67	1,25	3,75	78,33	5,22
PPT-Zaptivke	6,83	4,25	5,54	4,89	4,62	6,77	6,67	5,70	5,32	4,46	5,75	5,22	7,47	2,31	2,58	78,39	5,23
IMK 14 Oktobar	4,52	4,43	4,49	3,70	4,99	6,87	5,26	5,12	5,82	4,00	3,77	3,85	5,18	2,32	4,23	68,57	4,57

Table 6 Results obtained per Years of Working Experience (YWE) in PPT

WE	Question															SUM	Mean
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15		
0÷1	5,38	4,81	6,35	5,77	3,85	6,15	6,15	5,38	7,12	3,27	4,42	5,00	5,77	4,62	2,69	76,73	5,12
2÷5	4,65	5,00	3,42	4,29	4,86	6,60	5,21	4,93	5,68	3,25	4,72	4,60	5,94	2,50	4,74	70,40	4,69
6÷10	5,70	4,57	4,87	4,01	5,63	5,85	5,56	4,80	5,76	3,45	4,87	4,46	5,74	2,17	3,63	71,08	4,74
11÷25	5,54	4,45	5,17	4,81	5,53	6,18	5,86	4,96	6,06	3,33	5,26	4,94	6,16	3,08	3,81	75,13	5,01
26÷35	5,32	4,34	4,93	4,15	5,61	5,99	5,71	4,60	5,80	3,46	4,83	5,14	5,98	2,68	3,77	72,30	4,82
36÷50	7,61	1,96	6,09	3,04	7,17	4,57	5,65	3,26	4,57	2,61	5,22	4,35	5,87	1,96	1,52	65,43	4,36
Managers	6,30	2,78	3,89	5,00	5,00	6,11	7,41	5,56	4,63	3,89	3,89	5,74	5,74	1,67	3,52	71,11	4,74

If we look at Tab. 7, it can be concluded that the best score have employees with third level of education. It is especially disturbing that managers, the people who have to be the most aware of the situation, have score 71,11. Taking into account that managers should lead changes, we can conclude that these top managers are not able to do that, because their values, beliefs and principles are not market oriented and they do not believe in market principles. This situation can be explained if we know previous history - top managers were promoted under the political influence for the last 15 years. It is a striking fact that the lowest number of points has PPT-NIC (scientific centre) and its director (only respondent) with 9th level of education. They should promote innovativeness in all

segments of work, but the fact is that they do not have the necessary market orientation.

From equalization of points per all PPT companies, LE and YWE, it can be concluded that there is no subculture in PPT. In Fig. 5 (spider web graph) the zone of conservative culture (60 ÷ 90 points) is shaded and it can be seen that there is no force for necessary changes.

Involvement of "Energetics" and "IMK-14. October" in research served to confirm one more attitude - that in Serbian Mechanical industry generally does not exist market orientation and that organizational culture is strong and under the deep influence of contractual economy. We can see that during 20 years (from 1990 till

2010), orientation is changed from product to sales, but market orientation seems still so far.

If there is so considerable uniformity of obtained results among all categories among workers in PPT system like in this case, the ability for change is so small. The potential for changes should be found among young workers, employees with lower level of education, through education and involvement of new top-management, but chosen without political influence.

4 Conclusion

The research whose results are presented in this paper was conducted for practical reasons, i.e. because of the need to comprehend the existing level of organizational culture of the metal industry in Serbia in order to define further steps in the process of restructuring these companies and involving them in market-oriented business. The obtained results showed us that the level of market orientation of the whole sample is low and that the level of market orientation per all chosen variables (company, years of working experience, level of education) is low.

These results indicate that organizational culture is strong, but it is not in compliance with the environmental tasks, visions of the companies and TQM principles. A deeper analysis shows that due to the long-lasting presence of consensus in economics in Serbia, its

principles are still present in thoughts and minds of most employees. Conducted study also showed that there is no subculture in companies, so there is no force in those companies which will be able to conduct so necessary changes without good education. Especially worrisome is the fact that top-management, who should lead changes, has an opinion not in line with market orientation.

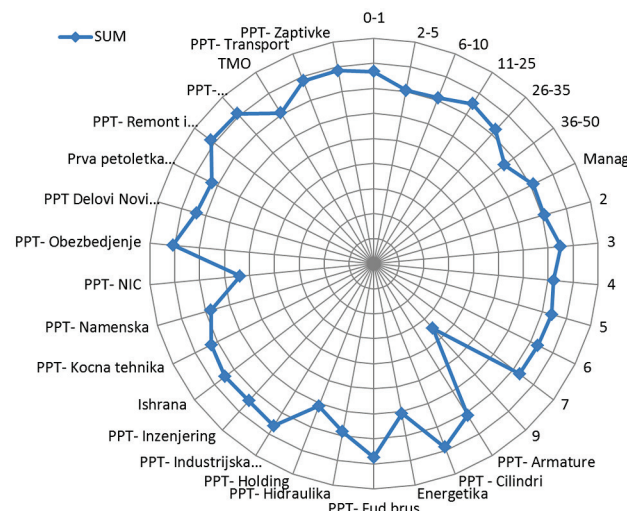


Figure 5 Spider web presentation of points per each criteria in PPT

Table 7 Results obtained per Level of Education (LE) in PPT

LE	Q.1	Q.2	Q.3	Q.4	Q.5	Q.6	Q.7	Q.8	Q.9	Q.10	Q.11	Q.12	Q.13	Q.14	Q.15	SUM	Mean Value
2	5,25	5,41	3,61	4,51	5,74	6,72	4,43	5,00	6,07	3,11	4,18	4,51	5,74	1,80	4,75	70,82	4,72
3	5,57	4,58	5,29	4,88	5,44	5,86	5,96	4,74	5,61	3,00	5,20	5,70	6,46	3,00	3,75	75,03	5,00
4	5,40	4,35	4,77	4,14	5,58	6,23	5,76	4,62	5,92	3,49	4,91	4,67	5,86	2,65	3,84	72,21	4,81
5	5,36	4,87	5,49	4,24	6,18	6,68	5,39	5,86	6,22	2,70	5,33	4,08	5,92	2,43	3,26	74,01	4,93
6	5,34	4,24	5,01	4,34	5,70	5,72	5,75	4,83	5,96	3,93	4,80	4,70	6,10	3,23	3,59	73,24	4,88
7	5,11	4,18	4,64	4,89	4,60	6,16	5,34	5,04	6,29	3,65	5,23	5,00	5,84	2,74	4,26	72,97	4,86
9	5,00	0,00	5,00	0,00	0,00	5,00	5,00	0,00	5,00	0,00	0,00	5,00	5,00	0,00	0,00	35,00	2,33

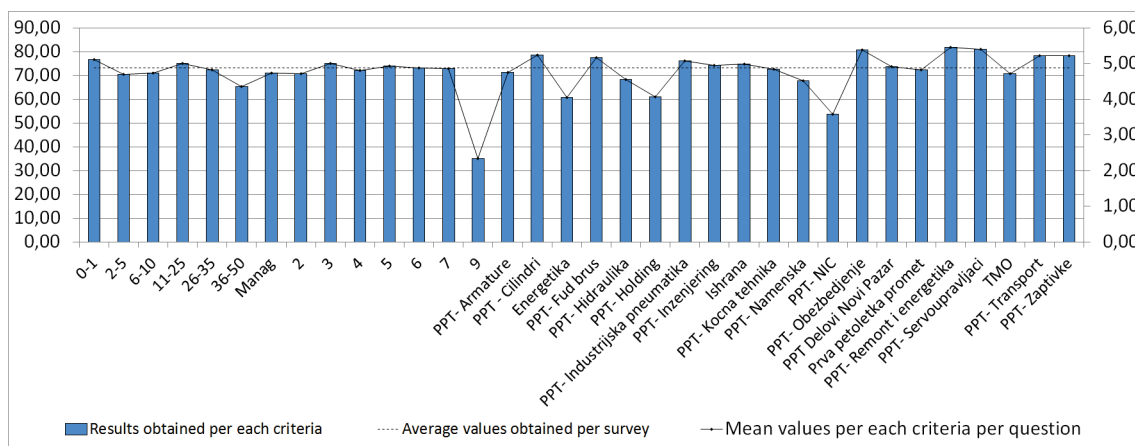


Figure 6 Points reached per each company, per LE, per YWE, mean value

All companies involved in this research have implemented QMS and made a great effort to survive in the newly created transition conditions. However, the long crisis and business based on contractual economy have left a deep impact on their organizational culture, especially with respect to the awareness of the need for being market-oriented, so the level of it is very low and those companies have not succeeded in implementing the

principles of market orientation in their organizational structure and behaviour. Political influence and inadequate state assistance have particularly contributed to this state, which slowed down so needed changes.

The results obtained in this study show that organizational culture in the metal complex in Serbia is very strong, but it is still product and sales oriented, and the road to market orientation is still long. That road

implies the total company reengineering, which should cover all processes in the company and all managerial levels, and it should be based on market-oriented organizational culture which will include all specificities of national cultures. New models for reengineering of the companies in transition should be provided, but also new educational systems for support in building new awareness about the need to be market oriented.

The identified level of market orientation should provide the starting point for definition of the new methodology, and the analysis of influential factors should help in defining the entities which should be particularly influenced and trained so that the proposed methodology could be successful and lead to the recovery of those companies and their involvement in the global market as soon as possible.

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