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CHARACTERISTICS OF ORGANIZATIONAL CULTURE ON FACULTIES OF SOCIAL SCIENCES AND HUMANITIES – CASE OF THE UNIVERSITY OF MOSTAR

Preliminary communication

UDK: 005.75

JEL classification: I23, M14

Accepted for publishing: October 31, 2019

Abstract

Organizational culture, as relatively permanent and specific system of values, beliefs, standards and customs, that determines behaviour and directs employees' activities, is a characteristic of any organization and have impact on its all activities. Conclusions about it can be made based on what people say, do and think within the organization. The main aim of this work is to explore characteristics of organizational culture on faculties of social sciences and humanities at the University of Mostar. The aim is to conclude, based on responses of teaching staff of these faculties, whether we can speak more about dynamic or static organizational culture. For this purpose, we have analyzed six groups of factors: (1) development and entrepreneurial orientation factors, (2) decentralization factors, (3) social orientation factors, (4) bureaucracy factors, (5) maintaining status quo factors, (6) formalization factors. Research results have showed that characteristics of static organizational culture are more present at the analyzed faculties.

Keywords: *organizational culture, faculties of social sciences and humanities, teaching staff*

1. INTRODUCTION

There are different definitions of organizational culture. However, as Kordić points out (2002, p. 312) almost all definitions observe organizational culture as relatively permanent system of behaviour and way of life of organization, and groups and individuals inside it. That is a system made of certain values, beliefs, standards, customs, opinions, symbols and other values, system accepted by most members of organization and consider it as efficient and transfer it to its new

members as proper way of perceiving life and work in organization and in relation with organization.

So, the organization's culture is made of its members, their customs, forms of behaviour and relations with the work and organization. Organizational culture directs employees' behaviour and it is shaped from their behaviour.

Smircich (according to Žugaj et al., 2004, p.16) states the following four main functions of organizational culture:

- giving members sense of identity or belonging to organization,
- achieving loyalty to organizations of their employees,
- making stability in organization as social system
- structuring employees by making them realize in what environment they are.

Organizational culture is on one of the most important factors for successful business, progress and development of a organization. However, it is not some finished recipe that can be used in any organization and any situation. Environment features as well as its components require creation and development of appropriate organizational structure and appropriate organizational culture.

In a turbulent and uncertain environment organizations that foster creative, innovative, entrepreneurial and team culture i.e. dynamic organizational culture, pointed towards environment, oriented to future and that looks for innovations and changes, function successfully.

On the other hand, static culture, that does not encourage changes, does not value innovative and creative employees, that is inside and history oriented and towards maintaining current state, certainly does not contribute to survival and development of organization nowadays.

In order to organizational culture be accepted through its values and beliefs and designed and developed properly, it is necessary to clearly maintain mission and vision of organization, its strategic goals and needs of organization and its employees.

As stated in Buljan Barbača, Bačić and Milun (2012) positive compatibility of personal and organizational values results in bigger personal and organizational efficiency, and their understanding and development are the main source of comparative and especially competitive advantages on the global scene.

Faculties, i.e. higher education institutions according to Vrhovski and Živković (2010) can be seen as rational organizations that balance demands for quality, quota etc. in relation to market needs. In that struggle for survival, growth and development faculties have to pay special attention to the organizational culture as important part of an efficient business system.

Research of organizational culture, were and certainly will remain in the focus of interests of many scientists. Thus, for example, Žugaj, Bojanić-Glavica and Brčić (2004) in their researchs conducted in economic subjects and state administration, analyze organizational culture as a function of organizational performance. Rman (2004) and Koprić (1999) were engaged in their research in organizational culture in state administration. While, Belak and Ušljebrka (2014), Iljins, Skvarciany and Gaile-Sarkane (2015), among others, have written about effects of organizational culture on the process of organizational changes.

Bahtijarević-Šiber (1992) carried out a research of the dominant type of organizational culture, in eight big industrial companies from different regions in Croatia. The start for this research were two problems that could be seen in determining key dimensions and structure of organizational culture as well as in determining basic features and dominant type of culture in researched companies. Research results have shown that in researched companies static, bureaucratic culture have perpetuated, culture that is oriented on things and rules and not on people and knowledge nor changes and innovations; based on hierarchy and autocratic

management instead of decentralization and autonomous, self-management team; strict instead of flexible structure etc. (Bahtijarević-Šiber, 1992, p. 36.).

This research of organizational culture on faculties of social sciences and humanities at the University of Mostar is based on similar basis and it begins also from the model stated by Buble et al. (2005, p. 305-306).

As far as authors are familiar with, research of organizational culture in higher education institutions are not sufficiently represented in literature, and in Bosnia and Herzegovina and especially at the University of Mostar there is no research with mentioned theme.

The main research of organizational culture at faculties of social sciences and humanities within the University of Mostar was to find out, based on answers of teaching staff, whether there is dynamic or static organizational culture.

For this purpose, we have analyzed six groups of factors: (1) development and entrepreneurial orientation factors, (2) decentralization factors, (3) social orientation factors, (4) bureaucracy factors, (5) maintaining status quo factors, (6) formalization factors. The first three groups of factors are features of dynamic, and other three groups are features of static organizational culture.

2. RESEARCH METHODOLOGY

The questionnaire is consisted of 30 questions related to characteristics of organizational culture or on six groups of factors that are basis for determination of dominant form of organizational culture. The mentioned groups of factors are: (1) development and entrepreneurial orientation factors, (2) decentralization factors, (3) social orientation factors, (4) bureaucracy factors, (5) maintaining status quo factors, (6) formalization factors. Respondents needed to choose one of four given responses on each question (from 1-none, to 4-fully).

Online research is conducted in March 2019. The population was consisted of all permanently employed teachers on the faculties of social sciences (Faculty of Economics and Faculty of Law) and humanities (Faculty of Humanities and Social Sciences) at the University of Mostar. The requirement to include teachers into population was to be permanently employed. Link with the questionnaire was sent to 120 e-mail addresses, and 60 teachers have filled the questionnaire (return rate 50%).

Results are shown as relative frequencies (%) and for each question and for aggregate indicators mean and standard deviation are calculated. T-test for independent samples was used for testing differences in average rates of factors regarding field of science. The level of significance is set at $p=0.05$. The analyze was made in SPSS 20.0.

3. RESULTS

Results of research are presented by groups of factors.

- Development and entrepreneurial orientation factors

Based on development and entrepreneurial orientation factors it can be determined, as the name suggests, whether organization is development and entrepreneurial oriented or it is satisfied with the existing situation. In order to see whether faculties included in the research are development and entrepreneurial oriented, seven factors were analyzed: openness to changes, creativity and innovation, future orientation and development, ambitious and high goals, orientation to market, domination of economic criteria in decision-making and willingness to take risk. Results are given in the Table 1.

Table 1 The share of responses in development and entrepreneurial orientation factors (%)

Development and entrepreneurial orientation	Share (%) of responses, N=60				M (SD)
	None (1)	Little (2)	Fairly (3)	Fully (4)	
How much the faculty is dynamic and open for changes?	3	37	48	12	2.683 (0.725)
How much faculty encourages creativity and innovation in all areas?	12	40	38	10	2.467 (0.833)
How much the faculty is directed to future and development?	3	32	55	10	2.717 (0.691)
How much the faculty's goals are ambitious and high?	5	32	57	6	2.650 (0.685)
How much the faculty is oriented to market?	7	53	33	7	2.400 (0.718)
How much economic criteria dominates in decision-making on the faculty?	2	17	58	23	3.033 (0.688)
How much the faculty is willing to take risk?	7	63	28	2	2.250 (0.600)
Total	6	39	45	10	

M – mean; SD – standard deviation

Source: author's calculations

Table 1 shows that 45% of respondents consider that development and entrepreneurial orientation is fairly present, and 10% that is fully present, what makes in total 55%. However, not small number of 45% consider that the orientation is present little or not at all. Analyzis of certain questions speaks in favour of the mentioned. At majority questions dominant are fairly and fully responses, and average rates tend to 3. Exceptions are questions on encouragement of creativity and innovations in all areas and question about willingness to take risk, where rates tend to 2.

- Decentralization factors

Decentralization factors points out to level of autonomy of narrow parts of organizations in terms of setting goals and decision-making. The level of decentralization on analysed faculties is analysed by two factors. The first factor is related to decentralization of decision-making, and other to focus of each organizational unit on achievement of own goals without taking in account faculty as a whole. Results are given in the Table 2.

Table 2 Share of responses in decentralization factors (%)

Decentralization factors	Share (%) of responses, N=60				M (SD)
	None (1)	Little (2)	Fairly (3)	Fully (4)	
How much decentralized decision-making is present at the faculty?	25	45	27	3	2.083 (0.809)
How much organizational units tend to achieve own goals without taking in account faculty as a whole?	15	52	32	1	2.200 (0.708)
Total	20	48.5	29.5	2	

M – mean; SD – standard deviation

Source: author's calculations

Regarding decentralization factors, according to 48.5% of respondents decentralization is little present and according to 20% of them it is not present at all. Based on this, it can be concluded about relatively small level of decentralization on analysed faculties. This is also confirmed by rates for certain questions. Low rates are dominant what indicates high level of centralization.

- Social orientation factors

Today it is often stressed that people i.e. employees are the most important factor and basic competitive advantage of any organization. Thus, it is necessary to determine how much social orientation is present on faculties of social sciences and humanities at the University of Mostar. In order to determine that, 13 factors are analysed and they are mostly related to inter-personal relations in company (especially relation superordinate-subordinate), participation of employees, encouragement of cooperation, professionalism, competencies etc. Results are given in the Table 3.

Table 3 Share of response in social orientation factors (%)

Social orientation factors	Share (%) of responses, N=60				M (SD)
	None (1)	Little (2)	Fairly (3)	Fully (4)	
How much safety faculty ensures to its employees?	5	33	47	15	2.717 (0.783)
Have employees possibility for improvement and progress in profession?	1	45	42	12	2.633 (0.712)
Are there harmonious inter-personal relation at the faculty?	15	43	39	3	2.300 (0.766)
Have subordinates possibility to participate in decision-making regarding their work?	8	42	43	7	2.483 (0.748)
Do superordinates include subordinates in process of planning and implementing changes at the faculty?	10	52	32	6	2.350 (0.755)
Are employees encouraged to freely express their opinion and doubts regarding changes?	25	45	20	10	2.150 (0.917)
How successful arisen conflicts are solved at the faculty?	13	43	37	7	2.367 (0.802)
How much confident and reliable relations are present among employees?	11	57	27	5	2.250 (0.728)
How much identification of employees with the faculty is present at the faculty?	5	35	53	7	2.617 (0.691)
How much professionalism and competency are appreciated at the faculty?	8	44	40	8	2.483 (0.770)
How much employees are appreciated as persons at the faculty?	7	40	40	13	2.600 (0.807)
How much are informal friendly relations between management and other employees developed and cherished at the faculty?	13	54	28	5	2.250 (0.751)
In what extent cooperation and teamwork are present at the faculty?	7	52	33	8	2.433 (0.745)
Total	10	45	37	8	

M – mean; SD – standard deviation

Source: author's calculations

According to 45% of questioned, social orientation is little present at the analysed faculties. If we add 10% of those who consider that the orientation is not present, it can be concluded that dedication to employees is not at high level and certain changes are necessary.

- Bureaucracy factors

Bureaucracy factors represent those factors that are opposite to entrepreneurial orientation of organization since bureaucracy on certain way dampens free initiative that is core of entrepreneurial culture and requests behaviour according to written rules and standards. In order to determine presence of bureaucracy factors four questions are asked related to: hierarchical structure, high formalization, presence of autocracy leadership and centralized decision-making and insisting on written forms and information. Results are given in the Table 4.

Table 4 Share of responses in bureaucracy factors (%)

Bureaucracy factors	Share(%) of responses, N=60				M (SD)
	None (1)	Little (2)	Fairly (3)	Fully (4)	
How strict and respected is hierarchical structure at the faculty?	2	3	65	30	3.233 (0.593)
How detailed and strictly formal faculty is organized?	2	13	70	15	2.983 (0.596)
How much are autocracy leadership and centralized decision-making present at the faculty?	10	23	42	25	2.817 (0.930)
How many written forms and information are requested in work?	2	13	73	12	2.950 (0.565)
Total	4	13	62.5	20.5	

M – mean; SD – standard deviation

Source: author's calculations

For the bureaucracy factors results show 62.5% of *fairly* responses and 20.5% *fully* responses what reflects significance of development of bureaucracy culture at analysed faculties. The mentioned is also confirmed by average rates that are in range from 2.8 to 3.2.

- Maintaining status quo factors

Maintaining status quo factors are those factors that tend to maintain existing situation in organization and are directly opposite to development and entrepreneurial orientation factors. How much analyzed faculties are oriented to maintain status quo is analyzed based on responses on two questions regarding maintaining existing situation and taking relatively safe activities with less risk. Results are given in the Table 5.

Table 5 Share of response in maintaining status quo factors (%)

Maintaining status quo factors	Share (%) of responses, N=60				M (SD)
	None (1)	Little (2)	Fairly (3)	Fully (4)	
How much the faculty is oriented to maintain existing situation?	0	15	75	10	2.950 (0.502)
How much only relatively safe activities with less risk are taken at the faculty?	0	23	60	17	2.933 (0.634)
Total	0	19	67.5	13.5	

M – mean; SD – standard deviation

Source: author's calculations

According to 67.5% of respondents, maintaining status quo is fairly present at analysed faculties, and according to 13.5% of them it is fully present. Average rates are around 3. This significant orientation for maintaining existing situation can be rated by resistance factor to development and entrepreneurial orientation of these faculties.

- Formalization factors

Formalization factors represent factors aimed to prescribe rules of behaviour and to disable individuals and groups in organization to behave outside the rules. These factors are directly linked with bureaucracy factors, and opposite to development and entrepreneurial orientation factors. In order to determine effects of these factors on organizational culture two factors are analysed related to diversity of organization on many independent organizational units and number of procedures and rules for regulation of employees' behaviour. Results are given in the Table 6.

Table 6 Share of response in the formalization factors (%)

Formalization factors	Share (%) of responses, N=60				M (SD)
	None (1)	Little (2)	Fairly (3)	Fully (4)	
How much faculty is divided on many independent organizational units?	28	32	37	3	2.150 (0.880)
How many rules and procedures to regulate employees' behaviour are at the faculty?	5	40	48	7	2.567 (0.698)
Total	16.5	36	42.5	5	

M – mean; SD – standard deviation

Source: author's calculations

From the table 6, it can be seen that formalization is moderately present at analysed faculties. 52.5% of respondents gave responses *little* or *none*, 42.5% of them gave response *fairly* and 5% *fully*.

- Total development of organizational structure

The total rate of certain factors of organizational culture and total rate of all factors as well as common average rates are given in the Table 7.

Table 7 Rate of development of organizational culture, in total and for faculties, i.e. field of science

Organizational culture factors	Total		Faculties of social sciences		Faculties of humanities	
	M	SD	M	SD	M	SD
Development and entrepreneurial orientation factors	2.600	0.509	2.531	0.629	2.679	0.315
Decentralization factors	2.142	0.538	2.031	0.581	2.268	0.461
Social orientation factors	2.433	0.620	2.389	0.691	2.484	0.535
Dynamic organizational culture	2.392	0.467	2.317	0.545	2.477	0.348
Bureaucracy factors	2.996	0.395	3.078	0.446	2.902	0.307
Maintaining status quo factors	2.942	0.470	3.062	0.435	2.804	0.478
Formalization factors	2.358	0.576	2.156	0.530	2.589	0.545
Static organization culture	2.765	0.274	2.766	0.286	2.765	0.266
Organizational culture	2.578	0.273	2.541	0.316	2.621	0.213

M – mean; SD – standard deviation

Source: author's calculations

The results show that at analysed faculties more present are factors that are characteristic of static organizational culture (Table 7): bureaucracy factors, maintaining status quo factors and formalization factors. The average rate of the static organizational culture (2.765) is slightly higher than average rate of the dynamic organizational culture (2.392) whose characteristics are (Table 7): development and entrepreneurial orientation factors, social orientation factors and decentralization factors. If we compare average rates given by faculties of social sciences and faculties of humanities, some differences can be seen. Faculty of humanities has higher average rate of the dynamic organization but difference is not statistically significant, while average rates of the static organization culture are relatively even. The general rate of organizational culture is slightly higher at the faculty of humanities. If we observe rates of certain groups of organizational culture factors, it can be seen that in accordance with higher rate of dynamic structure faculty of humanities has also higher rates of certain groups of factors but without statistically significant

differences in relation to faculties of social sciences. From the other side, at factors of the static organization culture significant differences can be seen in rating factors of maintaining status quo and formalization factors. Faculties of social sciences are more prone to maintain status quo (the average rate is significantly higher than for faculty of humanities, $p=0.032$), while faculty of humanities is prone to formalization (the average rate is significantly higher than for faculties of social sciences, $p=0.003$).

Regarding differences in the conceptual, spatial and temporal scope of previous and this research, it seemed appropriate to do comparisons of obtained results with results of previous researches.

4. CONCLUSION

Having in mind the fact that business environment of companies is increasingly unstable, heterogeneous, complex and uncertain, the need to abandon classical, bureaucratic forms dominant and to accept modern, dynamic, organic forms of organizational structure and culture are dominant.

Since, the results of the research have shown higher presence of the static organizational culture, it is necessary to work on development of other i.e. characteristics of the dynamic organizational culture, and this is primarily related to development of entrepreneurial and social orientation. In other words, it is necessary to develop organizational culture whose main determinants and values will be:

- encouraging initiative and entrepreneurship through making working atmosphere that will positively affect working motivation of employees and their productivity, creativity and innovation
- respecting employees and understanding their needs, interests, expectations and motives
- focusing on team work and efficient task solving
- ability to jointly articulate and achieve goals of certain parts of organizations and organizations as a whole
- openness, trust and mutual respect and ability for quality integration of different parts of organization by building quality system of information and communication
- development of democratic, participative management style that includes inclusion of employees in defining goals, decision-making, problems solving and implementing of changes.

It is extremely important to work on developing and maintaining features of dynamic organizational culture since just such culture is key determinant of organizational success. Such culture is especially important to the fact of unfavourable economic, social, technological and demographic situation in Bosnia and Herzegovina that affects not only higher education institutions, but other institutions as well.

The main limitations of research are size of the sample and manner of sampling. Used sample does not allow general conclusions for higher education institutions from mentioned area. In future research sample should be expanded with organizational units of the University of Mostar and other universities in Bosnia and Herzegovina. This will make basis for research of connection between organizational culture and areas of science. Beside, private higher education institutions also have to be included and that will enable comparison of organizational culture of public and private institutions.

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