BUSINESS CULTURE IN CROATIA AND SOME COUNTRIES IN TRANSITION[*]

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The research of the business culture presented in this paper is concentrated on the profile of the business culture of postgraduate students in Business Administration in Croatia. That picture is really encouraging, and if we can imply that this is the category and the group of people that will gradually assume the leading role in the Croatian economy and business community, these results can be encouraging indications for the development of the entire business culture in Croatia. The research gives very interesting materials for different analyses and conclusions about the business culture in Croatia and its neighboring countries too – enabling comparative approach, as well. Still the profile of the business culture of postgraduate students in Business Administration may not represent a true picture of the general (average) profile of the business culture in Croatia. The latter is probably still weak and inadequate.

1. INTRODUCTION

Transition is a broad and widely used term, connected with many different fields and processes in modern society and economy. Passage from the 1980's to the 1990's has brought a new category: "countries in transition". Even though

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some developing countries such as Turkey, India, and Egypt can claim that they have been "in transition" for several decades; and many developed countries can point to periods and processes of transition, the term "countries in transition" has found a specific application in a distinct category of countries -- the former communist countries of Central and Eastern Europe and the former Soviet Union. Comprehensive changes in these countries since the late 1980's, by their breadth and magnitude, cannot be compared with any other country or group of countries. All aspects of the social and economic environment in theses countries were in transition.

The process of transition in Central and Eastern Europe has not only strived to introduce modern market mechanisms in these economies, but has also stressed needs for significant changes in business attitudes and behavior. Free market economy, in the sense of private business undertaking, was restricted, confined, hampered, suppressed, and even legally forbidden for decades in the transition countries. The mere concept of business was a new thing to those countries, thus business culture at the beginning of transition was definitely very far from what a modern market economy would require. On the other hand, it could be claimed that development of a modern, strong and consistent business culture has been a crucial factor of success in the process of transition.

Culture and cultural patterns (in business and in general) cannot be simply and deliberately changed in a short time. They are products of complex and long lasting processes that are still unexplained in many aspects. The business culture of a particular country is the product of many factors from its past and present that are so peculiar that they cannot ever be fully and finally understood and explained. Therefore, business culture in countries in transition cannot be explained exclusively either by their heritage from communist times, nor by their recent path through the transition period. Those countries have evidently had different starting cultural traits at the beginning of transition, as they certainly have developed different characteristics of business culture after 15 years of transition.

However, these countries have had some common characteristics, have passed though similar processes, and have followed similar goals, thus the development and traits of the business cultures in those countries could show a very interesting field for comparative studies. Focusing on a more homogenous group of countries in transition, like countries that made parts of the former

Yugoslavia, could offer even better possibilities to study differences and influences in business culture development.

From such reasoning, an international research was initiated and designed by a team from the Faculty of Economics at the University of Ljubljana, in 2005 (Prašnikar and Cirman, 2005). This paper is building on data collected in that research, developing and extrapolating ideas initiated during the first phase of the research.

2. RESEARCH

The research was conceived along the model developed by Trompenaars (1993). Seven dimensions of culture (connected with the work/business behavior) were studied:

1. **Universalism vs. particularism**: *What is more important for an individual's behavior - rules or relationships?* The low level of this dimension *(particularism)* indicates giving preference to a flexible approach to every particular problem, while the high level *(universalism)* means strict adherence to standards and rules.

2. **Individualism vs. collectivism:** *Do we function in a group or as individuals?* Cultures of *communitarism* stress common goals and collective work (teamwork), while cultures of *individualism* value more individual success and creativity.

3. **Specific vs. diffuse**: *Is responsibility specifically assigned or diffusely accepted?* Difference between cultures with a low level of intermixing business and private relationships *(specific)*, and cultures where different types of relationships are intertwined *(diffuse)*.

4. **Neutral or affective**: *Do we display our emotions?* Cultures where emotions are strictly controlled and rarely displayed *(neutral)*; and cultures where displaying emotions in business relationships is usual *(affective)*.

5. **Achievement vs. ascription:** *Do we have to prove ourselves to receive status or is it given to us?* Status and power are attributed based on competences and results achieved *(achievement),* or based on formal position in hierarchy, title, gender, age, etc. *(ascription)*.

6. **Sequential vs. synchronic**: *Do we do things one at a time or several things at once?* Orientation in time: towards *past*; *present;* or *future*.

7. **Internal vs. external control**: *Do we control our environment or are we controlled by it?* Level of influence (control) on the environment is perceived as low *(external):* where an individual has to adapt

him/herself to the environment, or high *(internal):* where the individual feels that he/she can control (influence significantly) the environment.

Perception of the dominant culture within organizations (business culture) has been analyzed with Trompenaars' model of four diversity cultures. This model is built on two major dimensions: 1) person vs. task-oriented behavior, and 2) centralized (which is also assumed to be hierarchical) vs. decentralized (which is assumed to be more egalitarian) organization.

Figure 1: Trompenaars' model of four diversity cultures
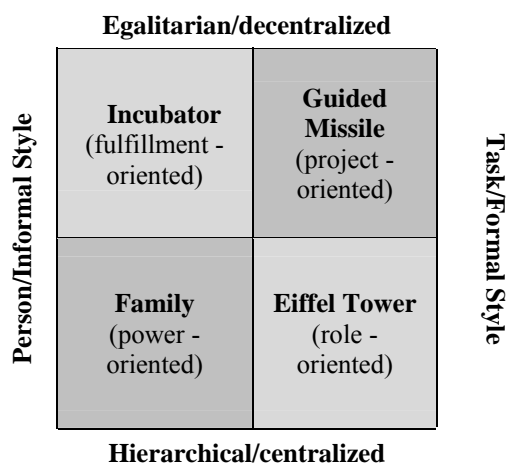
Source: http://changingminds.org/explanations/culture/trompenaars_four_cultures.htm

Key features of the particular types of business culture can be sketched as follows:

- **Relationship between employees:**
  - ❖ Family: diffuse relationship to organic whole to which one is bonded.
  - ❖ Eiffel Tower: specific role in mechanical system of required interactions.
  - ❖ Guided Missile: specific tasks in cybernetic system targeted upon shared objectives.
  - ❖ Incubator: diffuse spontaneous relationships growing out of shared creative processes.

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- **Attitude to authority:**
  - ❖ Family: status is ascribed to parent figures that are close and all powerful.
  - ❖ Eiffel Tower: status is ascribed to superior roles that are distant yet powerful.
  - ❖ Guided Missile: status is achieved by project group members who contribute to the targeted goal.
  - ❖ Incubator: status is achieved by individuals exemplifying creativity and growth.

- **Ways of thinking and learning:**
  - ❖ Family: intuitive, holistic, lateral and error correcting.
  - ❖ Eiffel Tower: logical, analytical, vertical and rationally efficient.
  - ❖ Guided Missile: problem focused, professional, practical, cross disciplinary.
  - ❖ Incubator: process oriented, creative, ad-hoc, inspirational.

- **Attitudes to people:**
  - ❖ Family: as family members.
  - ❖ Eiffel Tower: human resources.
  - ❖ Guided Missile: specialists and experts.
  - ❖ Incubators: co-creators.

- **Managing change:**
  - ❖ Family: "Father" changes course.
  - ❖ Eiffel Tower: change rules and procedures.
  - ❖ Guided Missile: shift aim as target moves.
  - ❖ Incubator: improvise and attune.

The research was conducted in mid-2005 in seven countries, using the questionnaire developed by Trompenaars. The countries included were the five countries that formerly made part of SFR Yugoslavia: Slovenia, Croatia, Bosnia and Herzegovina, Montenegro, and Serbia, and two other countries: Russia and Turkey (however, only 14 respondents were surveyed in Turkey, thus the results for this country cannot be considered even indicative). The survey was administered among former and present students in MBA programs, what supposedly gave quite consistent and comparable groups of respondents (in the sense of their business positions, experience and aspirations). Some basic demographic data about the respondents can be seen in Table 1.

Table 1: Basic demographics of the respondents

	Slovenia	Croatia	Bosnia	Serbia	Montenegro	Russia
Number of respondents	153	114	198	31	67	74
Average age	35.5	31.9	33.7	28.6	29.5	31.9
Male (%)	63	38	55	45	34	49
Average years of education	17.5	16.2	16.2	16.6	16.7	16.2
On managerial positions (%)	71	34	61	23	46	57

3. EXPECTATIONS, PRESUMPTIONS, CONVICTIONS

Approaching a research and the interpretation of its results, authors always have certain expectations, presumptions and convictions about the subject. Often, these presumptions and expectations are formalized in research hypotheses. However, in this case, dealing with such a large and complex issue like (national) business cultures, this author did not specify any narrow hypotheses, but he chose rather to search for broader, descriptive explanations. The general approach to the analysis of the research and its results was based on some initial presumptions:

- The first presumption for this research was that respondents from particular countries might be representative of the business culture of their respective countries. The survey did not collect any detailed demographic data that could confirm that the samples were representative and/or comparable. Such a test would be difficult to design and perform anyway. Therefore, it had to be accepted that samples were internally homogenous and representative of the business culture of their respective environments (countries and regions within countries).

- Analyzing results from countries of the former Yugoslavia, some commonly accepted beliefs (even stereotypes) about peoples' behavior can be taken as starting presumptions about expected traits of business culture (or business people behavior). Common opinion sees Slovenes as more aloof, closed, introverted, professional, punctual, etc. in their behavior.

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Going farther towards the south-east, one would expect (according to common beliefs) people to be more open, extroverted (but also with stronger masculinity traits), less punctual and with less professionalism in their behavior.

- On the other hand, for the interpretation of results, it could be assumed that the culture in general, and business culture specifically, in these countries (recently often addressed as 'Western Balkans') was shaped under the influences of various forces and factors. Some main sources of influences could be:

  ❖ Central-European culture, coming from the north-west, is historically mainly from the area and through the institutions of the former Austro-Hungarian monarchy. That cultural pattern should be characterized with a higher level of universalism and individualism, strict separation between the business and private sphere (*specific*), low level of emotion display (*neutral*), high importance of achievements, dominant orientation towards the present and future, and stronger attitude of internal control.

  ❖ Mediterranean culture, spreading from the Adriatic coast (limited) towards the interior, would be dominantly characterized with: higher level of particularism, higher level of (*collectivism*), stronger mixing of the private and business sphere (*diffuse*), high level of emotion display even in business (*affective*), strong importance of hierarchy, age, gender, … (*ascription*), significant orientation towards the past and present, and attitude towards adaptation to the environment (*external*).

  ❖ Oriental cultural influences, primarily brought by the Turks, coming from and retreating towards the south-east, have left a significant influence, whose characteristics could be viewed as: very high level of *particularism*, strong communitarism (*collectivism*), significant mixing of the private and business sphere (*diffuse*), very high level of emotion display in business (*affective*), very strong importance of hierarchy, age, gender, … (*ascription*), dominant orientation towards the past, and high attitude towards adaptation to the environment (*external – even fatalism*).

  ❖ 'Dinaric culture', originating from the central mountainous regions of the Western Balkans, can be identified as the autochthonous culture of

these parts; probably older than the Slavic population of this region. This culture would be characterized by: moderate level of *particularism*, combination of collectivism (in the sense of high importance of family and clan), but with quite a high level of *individualism* with adult male members, mixing of the personal and business sphere (*diffuse*), moderate to low level of emotion display (*affective/neutral*), very high importance of hierarchy, age, gender, … (*ascription*), strong orientation towards the past, and high orientation towards adaptation to the environment (*external*).

A dominant and specific culture in particular countries of the Western Balkans developed under a specific combination of the above-mentioned influences, and one could roughly infer that the intensity of influence (for a particular country) of a particular influence was proportional to the distance from its source.

According to such reasoning, Central-European culture with a little Mediterranean influence should be dominant in Slovenia. In Croatia, one would expect a combination of Central-European, Mediterranean and (especially in central parts) Dinaric components, in different proportions for particular parts of the country. In Bosnia and Herzegovina, a mixture of Oriental and Dinaric cultural traits should be expected, while Montenegro should show a dominant Dinaric culture with a minor influence of Oriental and (on the coast) Mediterranean types. Serbia should have a combination of Dinaric and Oriental, with some elements of Central-European culture. For the comparison with these Western Balkan countries, Turkey should have almost 'pure' Oriental culture, while Russia should be looked at as an almost separate culture, with some similarities with Oriental culture.

Besides by the above-mentioned determinants from historic and geographic heritage, contemporary (business) culture in these countries was definitely shaped by their more recent experiences and happenings. This includes primarily their heritage from the communist period (except for Turkey, all these countries passed through a long period of the communist/socialist system), and the period (process) of transition, which was present in these countries for the last decade and a half. While the influence and heritage from the communist system in all the countries of the former Yugoslavia were pretty similar, and thus somehow equalizing considering their previous geo-historic cultural determinants, the period of transition has been significantly different for particular countries. Transition brought in all the countries new values, attitudes

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and behavior patterns, identifiable with market (capitalist) economy, political democracy (or democratization), and generally a turning towards 'western' values and attitudes. However, different pace, models, and features of the transition processes have certainly produced significant differences in the behavior patterns of business people, i.e. in business culture.

Different proportions (combinations) of these basics can be used also to explain cultural differences (diversities) within particular countries. In some countries, like Croatia, such regional differences can be considerable. Traits of Mediterranean culture (with some particularities and stronger presence going from north towards south) is dominant along the Adriatic coast; the central mountainous region has almost pure characteristics of Dinaric culture, Central-European cultural traits have been distinctively present in its north-western parts, while Croatian eastern regions have a specific combination of Central-European with Oriental and traditional (Dinaric) influences. Notable internal migrations during the last 60 years brought additional overlapping and intertwining of cultural patterns – especially through the migrations from rural areas to cities or, differently said, from the periphery to the center.

4. RESEARCH RESULTS

Analyzing the results from the research in light of the above-mentioned presumptions, we have primarily tried to establish to which extent this particular research of business culture in these countries in transition has given a picture compliant with a general frame and expected influences. Due to almost a total lack of comparable researches and literature, the best tool for analysis has been the experience and direct reasoning of the author. The first level of analysis did not have to be heavily loaded with quantitative instruments to provide very interesting and insightful conclusions. From the point of view of a Croatian person, three very interesting aspects of analysis can be performed at this, first level:
- comparison among countries,
- further analysis within country samples,
- detailed analysis of Croatian patterns.

4.1. Comparison among countries

Basic results sorted by countries are presented in Table 2. By analyzing six main dimensions from the first part of Table 2, very interesting conclusions can be drawn:

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- In the dimension ***Universalism – Particularism***, most of the results for particular countries comply quite well with the presumptions and expectations elaborated in Part 3. Slovenia and Croatia showed a significantly higher level of universalism than Bosnia and Serbia – which completely fits with the supposed stronger influence of Central-European culture in Slovenia and Croatia. Turkey (with the previously mentioned fact that the sample for Turkey was so small that these results can hardly be used even as indicative) had a lower level of individualism than any country of the former Yugoslavia, which would be consistent with the presumptions of the dominant characteristics of Oriental culture in this country. The lowest level of universalism was found in Russia, but for this author, it would be difficult to claim that this was consistent with real features of Russian business (and general) culture – although it would be close to the initial presumptions about significant traits of Oriental influence. The biggest surprise in this part of the results was that the highest level of universalism was found among the respondents from Montenegro. This is definitely inconsistent with the initial sketch of expected business culture characteristics in Montenegro. Whether this can be a sign that the initial presumptions were erroneous, or that it can be attributed to a non-representative sample, it is difficult to say.

- In the dimension ***Individualism – Communitarism***, Montenegro showed the highest level of individualism, and Turkey (again, from a very small sample) the lowest. Such high individualism is completely in accordance with what is known/thought about Montenegrins. Slovenia and Croatia have almost an equal and quite balanced ratio between individualism and communitarism. Interesting to mention, Bosnia and Herzegovina showed a slightly higher level of individualism compared with the before mentioned two countries, which could be attributed to a significant influence of 'Dinaric' culture.

- Concerning the ***emotions display in business relations***, the value was highest in Turkey, and lowest in Russia. Slovenia and Croatia had almost the same level here too, slightly tending to hide emotions in business contacts. This was not completely in accordance with the expectations because in Croatia, with a stronger influence of Mediterranean culture, a higher presence of emotions was expected. On the other hand, Bosnia, Montenegro, and especially Serbia showed an even lower level of affectivity in business relations, which should be attributed to the influence of traditional, Dinaric culture.

- ***Mixing private and business relationships*** is lowest in Croatia and highest in Turkey, followed by Russia. Surprisingly, Slovenia did not show a low level at this dimension. On the contrary, respondents from Slovenia expressed a higher level of mixing private and business affairs than those from Bosnia, Serbia, and Montenegro. This definitely does not match the commonly accepted picture of Slovenes as cold and reserved people that can very well separate private from business affairs.

- Significance of ***achievement*** is highest in Slovenia and lowest in Turkey and Bosnia. These results completely confirm expectations, according to which 'western' influence was highest in Slovenia and lowest in the other two countries. Results for the other countries of the former Yugoslavia are also in accordance with the general presumptions because the significance of achievement was higher in Croatia than in Montenegro and Serbia.

- In the dimension ***Internal – External*** (locus of control), Montenegrins expressed strongest the attitude that they could have control over their future, which is certainly consistent with the high level of masculinism in their culture. Slovenes followed with the attitude that they could control their lives, while Croats, surprisingly, expressed the highest level of '*fatalism'* among respondents from the countries of the former Yugoslavia. One would have expected to get more such attitudes from respondents from Serbia and Bosnia, which had more influence from Oriental culture.

Attitudes towards time-dimension were quite evenly distributed. Relative importance of the past was, surprisingly, lowest in Turkey (small, non-representative sample), and highest in Serbia, Bosnia, and Russia – as it could have been expected. Respondents from Slovenia and Croatia gave least significance to the past among all the countries of the former Yugoslavia. On the other hand, respondents from Serbia, Montenegro and Bosnia gave higher relative significance to the present than those from Slovenia and Croatia. Interestingly enough, respondents from Montenegro paid relatively the highest attention to the future, while those from Serbia, Bosnia, Slovenia, and Croatia gave pretty equal and still relatively high importance to the future. It should be pointed out again that respondents from Montenegro showed the strongest interest for the future (and present) – much more than for the past, which is not consistent with the presumption about the dominant influence of traditional, 'Dinaric' culture in this country, with a strong orientation towards the past.

Table 2: Results at country level

	Slovenia (n= 153)	Croatia (n= 114)	Bosnia (n= 198)	Serbia (n= 31)	Montenegro (n= 67)	Russia (n= 74)	Turkey (n= 14)
Universalism (high) - Particularism (low)	63.9 (20.1)	63.3 (22.6)	58.6 (22.7)	57.2 (25.0)	**76.9** **(19.0)**	*45.6* *(19.9)*	55.7 (13.2)
Individualism (high) - Communitarism (low)	52.9 (23.2)	52.6 (19.2)	56.2 (21.6)	51.0 (19.9)	**66.6** **(21.6)**	59.7 (20.3)	*35.7* *(19.5)*
Neutral (high) - Affective (low)	54.6 (18.0)	54.4 (17.0)	56.9 (15.5)	62.9 (17.2)	57.0 (14.8)	**61.8** **(15.7)**	51.8 (16.4)
Specific (high) - Diffuse (low)	64.2 (23.1)	59.4 (23.6)	60.2 (27.2)	61.3 (25.7)	63.8 (23.1)	**69.6** **(24.2)**	71.4 (19.3)
Achievement (high) - Ascription (low)	**59.2** **(13.3)**	54.3 (14.6)	*48.1* *(13.8)*	49.2 (15.8)	54.2 (13.9)	56.3 (15.2)	*45.1* *(14.1)*
Internal (high) - External (low)	61.6 (21.4)	55.4 (20.7)	56.5 (20.3)	59.4 (24.8)	**72.1** **(16.7)**	*49.9* *(19.8)*	55 (23.5)
Relative importance of past	26.1 (6.6)	26.4 (7.2)	28.2 (7.3)	28.4 (6.4)	27.1 (6.5)	28.1 (10.4)	24.5 (4.6)
Relative importance of present	**35.5** **(6.2)**	35.2 (7.5)	*32.9* *(6.7)*	32.7 (5.1)	32.1 (6.6)	32.9 (7.3)	36.8 (4.7)
Relative importance of future	38.4 (6.3)	38.3 (8.5)	38.9 (8.6)	39.0 (7.0)	**40.8** **(6.6)**	39.0 (10.0)	38.8 (3.9)
Perception of time - synchronous (low) vs. sequential (high)	**64.5** **(21.2)**	*55.7* *(24.9)*	59.3 (24.3)	60 (29.4)	57.0 (25.3)	**66.4** **(22.7)**	55.6 (23.6)
Guided Missile (Task) ideal	5.9 (2.3)	6.3 (1.9)	5.9 (1.9)	**6.9** **(2)**	6.2 (1.7)	5.9 (1.9)	5.5 (2.2)
Family (Power) ideal	1.3 (1.1)	**1.8** **(1.2)**	1.5 (1.3)	*1.1* *(1.0)*	1.4 (1.0)	1.6 (1.2)	1.4 (0.9)
Eiffel tower (Role) ideal	*0.8* *(1.2)*	1.2 (1.3)	**1.6** **(1.4)**	1.2 (1.8)	1.2 (1.2)	**1.9** **(1.6)**	1.4 (1.2)
Incubator (Person) ideal	**6.0** **(2.4)**	*4.7* *(1.9)*	5 (2)	4.7 (1.8)	5.2 (2.0)	*4.6* *(1.9)*	5.8 (1.4)

Notes: Values in the table are groups' means; values in parentheses are standard errors. Boldface means statistically significantly higher than global average (independent samples t-test), italics/underlined significantly lower.

4.2. Possible impact of the location where the survey was administered

National cultures are definitely not homogenous, thus some features perceived through this survey could certainly be related to the local (sub)cultures, instead of the national cultures. Taking into consideration cities where the survey was administered, some additional interpretations and conclusions can be drawn. Croatia, for example, was represented by respondents from Split and Rijeka (second and third largest cities in Croatia); both cities are on the Adriatic coast, with a very clear and dominant influence of Mediterranean culture in (local) culture. It could be hypothesized that, in business world, fastest standardization of culture towards national standards is taking place, but that is definitely not (yet?) the case in Croatia. Moreover, mobility of the postgraduate students (the population which participated in this research) is still very low in Croatia, thus the respondents in this research definitely represent better local (sub)cultures than the national culture. This is an argument that requires cautiousness in generalizing the results of this research to the national level – at least for some countries like Croatia.

Research in Bosnia and Herzegovina was conducted in Sarajevo and Banja Luka. During and after the war in Bosnia, major regrouping of the population occurred, thus if Bosnia and Herzegovina ever had had a homogenous (business) culture, that is not the case today. Based on geo-historic influences, Banja Luka should have more influence from Central-European cultural patterns, while Sarajevo should have more Oriental influences. On the other hand, Sarajevo, as a larger urban center and the country capital, should be characterized by more 'western' and universalistic cultural patterns. Comparing results in different dimensions among respondents from Sarajevo and Banja Luka, some interesting differences could be perceived. A significant difference is present at the dimension *Universalism – Particularism*, where respondents from Sarajevo show universalism (significantly) above average, while those from Banja Luka have expressed a (significant) particularistic attitude. This is not exactly in accordance with the expectations based on geography and history, but could be connected with the assumption of bigger (present) exposure to external ('western') influences in Sarajevo. In the dimension *Individualism – Communitarism*, respondents from Banja Luka showed a higher level of individualism; that could be assessed as confirming the expectations.

Table 3: Results by particular groups (cities)

	Ljubljana-Alumni MScBA (n= 70)	Ljubljana-KMBA (n= 40)	Beograd (n= 31)	Podgorica (n= 67)	Banja Luka (n= 97)	Sarajevo (n= 101)	Rijeka (n= 74)	Split (n= 40)
Universalism (high) - Particularism (low)	60.5 (18.6)	**66.5** **(19.6)**	57.2 (25)	**76.9** **(19)**	*52.6* *(22.6)*	**64.3** **(21.2)**	62.3 (22.9)	65.1 (22.2)
Individualism (high) - Communitarism (low)	58.3 (23)	*46.5* *(21.9)*	51 (19.9)	**66.6** **(21.6)**	58.6 (21.8)	53.9 (21.3)	*50.5* *(20.2)*	56.5 (16.9)
Neutral (high) - Affective (low)	53.6 (18.8)	55.4 (20.1)	**62.9** **(17.2)**	57 (14.8)	56.7 (14.2)	57.2 (16.8)	55 (16.4)	53.3 (18.1)
Specific (high) - Diffuse (low)	66.8 (25.1)	60.6 (21.8)	61.3 (25.7)	63.8 (23.1)	58.8 (27.5)	61.6 (27.1)	60.1 (23)	58.1 (24.9)
Achievement (high) - Ascription (low)	**58.5** **(13.5)**	**60.6** **(13.5)**	49.2 (15.8)	54.2 (13.9)	*45.4* *(12.7)*	50.7 (14.4)	**57.3** **(15.5)**	*48.9* *(11.2)*
Internal (high) - External (low)	**63.3** **(21.2)**	59.5 (23.1)	59.4 (24.8)	**72.1** **(16.7)**	55.4 (20.3)	57.6 (20.4)	*53.9* *(20.7)*	58.3 (20.6)
Relative importance of past	26.7 (7.3)	*24.8* *(6.2)*	28.4 (6.4)	27.1 (6.5)	**29.5** **(7.3)**	26.9 (7.1)	*25.4* *(6.8)*	28.2 (7.5)
Relative importance of present	34.8 (6.9)	**36.5** **(5.1)**	32.7 (5.1)	*32.1* *(6.6)*	32.5 (7.6)	33.3 (5.9)	35.1 (7.1)	35.5 (8.2)
Relative importance of future	38.5 (6.7)	38.7 (5.8)	39 (7)	**40.8** **(6.6)**	38 (8.5)	39.8 (8.7)	39.6 (8.2)	*36.3* *(8.6)*
Perception of time - synchronous (low) vs. sequential (high)	62.6 (22.7)	**69.6** **(17.4)**	60 (29.4)	57 (25.3)	59.1 (22.8)	59.5 (25.7)	*53.6* *(26.3)*	59.6 (21.9)
Guided Missile (Task) ideal	6.1 (2.5)	6.2 (2)	**6.9** **(2)**	6.2 (1.7)	*5.6* *(1.9)*	6.2 (1.8)	6.4 (1.9)	6 (2)
Family (Power) ideal	*1.3* *(1.1)*	1.3 (1)	*1.1* *(1)*	1.4 (1)	*1.2* *(1.2)*	1.7 (1.3)	**1.8** **(1.3)**	1.8 (1.3)
Eiffel tower (Role) ideal	*0.8* *(1.4)*	*0.7* *(1.1)*	1.2 (1.8)	1.2 (1.2)	**2.1** **(1.3)**	1.2 (1.3)	*1* *(1.3)*	1.6 (1.3)
Incubator (Person) ideal	**5.8** **(2.5)**	**5.8** **(2.4)**	4.7 (1.8)	5.2 (2)	5.1 (2.1)	5 (1.9)	4.8 (1.9)	4.7 (1.8)

Notes: Values in the table are groups' means; values in parentheses are standard errors. Boldface means statistically significantly higher than global average (independent samples t-test), italics/underlined significantly lower.

With a generally quite low level of *Achievement*, that dimension is very low in Banja Luka, while respondents from Sarajevo balanced attitudes between achievement and hierarchy-status-power. Other indicators of business culture were similar in Sarajevo and Banja Luka, but one might say that those in Sarajevo were slightly closer to that what could be characterized as 'westerner'. Such results could primarily be attributed to contemporaneous developments and situations (larger urban center, stronger contacts with foreign cultures) than to historic and traditional factors.

The survey in Serbia was conducted in Beograd. Although some participants were certainly born and raised in other parts of Serbia, attitudes expressed in this research could primarily be connected with the business culture of Beograd. Furthermore, Beograd is definitely not unconditionally representative for Serbia as a whole! The influence of Central-European and 'western' culture is definitely more present in Beograd, not only because of its geographic location and historic orientation, but also because of the fact that this is a large urban center with stronger openness and direction towards the west. This perhaps could be part of the explanation why the results from Serbia (Beograd) showed a somehow more 'western'-like business culture than expected.

Montenegro is such a small country that the location where the survey was conducted should not have a significant influence on the profile of business culture obtained as the result. The fact that the research was conducted in Podgorica (capital) should not change much, because it is not an especially large urban center. In a small country, such as Montenegro, the capital probably could not develop (business) culture significantly different from the peripheral parts of the country. Business culture traits perceived in Montenegro, as it was indicated in the previous analysis, generally look most 'western' (or even 'American') among all countries of the former Yugoslavia included in this research. This can be partly connected with the characteristics of traditional Montenegrin culture, which is strongly individualistic, 'frontier man', and entrepreneurially oriented, with reliance on oneself. On the other hand, since this research was conducted among students of postgraduate studies in Business Administration, the question can be raised about how much these results can be generalized for the overall business culture. That question might be especially important in Montenegro, where the tradition of postgraduate programs in this field has been pretty weak. Thus, it could be inferred that these participants were auto-selected from a specific circle of those who had a personal inclination towards a more open, 'western' concept of business and business culture.

Finally, it is interesting to point out that the results of the two groups of respondents from Slovenia, even though they were surveyed in the same city (Ljubljana), showed some notable differences. It would be very interesting to investigate what could have caused such differences, but the data collected through the survey do not enable any further analysis in that direction.

4.3. Analysis of results from Croatia

The survey in Croatia, as it was mentioned before, was conducted in Rijeka and Split, and cannot claim its unambiguous representativeness for the business culture in Croatia as a whole. Some differences between the results (attitudes expressed by respondents) from Split and Rijeka can be viewed as warnings in that sense. Still, as it can be seen from Table 4, those differences between groups from Split and Rijeka were very seldom statistically significant.

Table 4: Comparison of participants from Croatia

	Croatia (n= 114)	Rijeka (n= 74)	Split (n= 40)
Universalism (high) -	63.3 (22.6)	62.3 (22.9)	65.1 (22.2)
Particularism (low)	52.6 (19.2)		
Individualism (high) -			
Communitarism (low)			
Neutral (high) -	54.4 (17)	50.5 (20.2)	56.5 (16.9)
Affective (low)		55 (16.4)	53.3 (18.1)
Specific (high) -	59.4 (23.6)		
Diffuse (low)		60.1 (23)	58.1 (24.9)
Achievement (high) -	54.3 (14.6)		*48.9 (11.2)*
Ascription (low)		57.3 (15.5)	
Internal (high) -	55.4 (20.7)		58.3 (20.6)
External (low)		53.9 (20.7)	
Relative importance of past	26.4 (7.2)	25.4 (6.8)	28.2 (7.5)
Relative importance of present	35.2 (7.5)	35.1 (7.1)	35.5 (8.2)
Relative importance of future	38.3 (8.5)	39.6 (8.2)	36.3 (8.6)
Perception of time - synchronous (low) vs. sequential (high)	55.7 (24.9)	53.6 (26.3)	59.6 (21.9)
Guided Missile (Task) ideal	6.3 (1.9)	6.4 (1.9)	6 (2)
Family (Power) ideal	1.8 (1.2)	1.8 (1.3)	1.8 (1.3)
Eiffel tower (Role) ideal	1.2 (1.3)	1 (1.3)	1.6 (1.3)
Incubator (Person) ideal	4.7 (1.9)	4.8 (1.9)	4.7 (1.8)

Notes: Values in the table are groups' means; values in parentheses are standard errors. Boldface means statistically significantly higher than global average (independent samples t-test), talics/underlined significantly lower.

Most significant differences (the only one statistically significant) can be found in the significance of *Achievement*, which is significantly higher among the respondents from Rijeka, while those from Split are more oriented towards the respect for hierarchy, position and power. Respondents from Split showed *somewhat more* individualistic traits. Difference is also significant in the dimension of the 'locus of control', where respondents from Rijeka had more '*external*' locus of control, i.e. the attitude that someone's destiny (including the success in business) is dominantly determined by external influences and circumstances, which cannot be controlled by the individual. Respondents from Split were closer to the attitude that they themselves are those who decide about their destiny.

Respondents from Split gave *somewhat* bigger importance to the past than those from Rijeka, and in the same extent, they care less for the future. Perception of time among the respondents from Split is more sequential than from those from Rijeka. Concerning their views of ideal business culture, respondents from Split and Rijeka differ only in that those from Split consider the 'Eiffel tower' culture type more desirable than the group from Rijeka. On the other hand, respondents from Split and Rijeka diverge significantly in their perceptions of the REAL business culture, where respondents from Split consider the 'family' type is more present, and respondents from Rijeka perceive higher presence of the 'Eiffel tower' culture type. These differences could perhaps be interpreted as the real differences in dominant business culture patterns in these two Croatian cities.

However, it should be stressed again that the differences between respondents from Rijeka and Split were not significant in that the large majority of analyzed dimensions of business culture gave very close average values in these two groups of respondents. This could lead to the conclusion that the values obtained from these two groups of respondents from Croatia could be well representative for the business culture of Croatia as a whole. However, before accepting such a conclusion, we should stress that both these cities are located on the coast, with dominant influence (traits) of Mediterranean culture – which still can be quite different from other parts of Croatia, or the Croatian 'average' business culture. In that case, small differences between Split and Rijeka could be explained by a somewhat stronger influence of Central-European culture in Rijeka, and a rather more expressed influence of traditional, 'Dinaric' culture in Split.

If one follows the presumption that the results of this research could be, at least to some extent, representative for the overall business culture in Croatia, the question is what is that culture like, and why?

A picture of the business culture in Croatia obtained through this research among postgraduate students in Business Administration in Split and Rijeka shows, on a personal level, a profile where the majority of dimensions is quite well balanced. Only the dimension *Universalism – Particularism* shows significant prevalence of universalism, i.e. inclination towards rules and procedures as the basis for business behavior. Clearly notable, although not so strong, is the inclination towards separation between personal and business relations (*Specific*). Less perceivable, but still existing is orientation towards *Achievement*, and the attitude that an individual controls his/her own destiny (*Internal*), as well as tries to control emotions in business relations (*Neutral*).

In their time orientation, Croatian respondents are firmly in the present, but strongly oriented towards the future, while significantly less oriented to (beleaguered by?) the past. Their perception of time is slightly sequential. They view existing (real) business culture as a combination of 'Eiffel tower' and 'family' types. They see less present the 'guided missile' type of culture, and even less the 'incubator' type. This could lead to the conclusion that respondents see culture in the enterprises where they work as quite traditional, marked by hierarchy and authoritative style; task oriented, with little space for creativity and individual initiative; and with considerable importance placed on private and family connections. On the other hand, in their visions of IDEAL (business) culture, they prefer the 'guided missile' type (6.3), followed by the 'incubator' type (4.7). Hence, they would like a culture marked by equality of members (participation) and equal orientation towards tasks and people. They value much less cultures of 'family', and even less the 'Eiffel tower' type – cultures marked by hierarchy, importance of status, title, gender, and seniority.

This last dimension of the research gives a very interesting picture of the business culture in Croatia and the **perception among business people about real and desirable business culture.** Those perceptions are strikingly opposite! It could be concluded that participants in this research consider the existing business culture in Croatia as inadequate and even unacceptable. It could be implied that they consider it necessary to change dominant patterns of business culture in Croatia in favor of cultures oriented towards people, and that they would commit themselves to introduce such changes in the enterprises they work and manage or will manage.

Looking at the 'big picture' of the business culture that Croatian respondents in this research consider desirable, we see a picture of a balanced, business and work oriented culture, very similar to a moderate 'western' business culture. Such a picture could be a little surprising and even unrealistic for someone who is familiar with the real business culture and attitudes of 'average' business people in Croatia. **Such behavior is certainly not dominant in the everyday business relations in Croatia[1]**. The question is: from where did the picture from this research come? Are these the respondents' exceptions or did they simply give a false picture about themselves and their attitudes?

- First of all, it should be stressed again that the research was conducted among the students of postgraduate studies in Business Administration. They certainly represent some kind of 'elite', not a group of average business people. They have a higher level of education, precisely in the field of organization, management, and business in general. They **know** how the modern management **should look like**, and how a modern manager **should behave.** It would be incorrect that this should lead immediately to the conclusion that respondents responded in this survey in the way they thought they should, and not in the way they really think and do. On the contrary – a totally opposite thesis could be offered: precisely because of their inclinations and attitudes, they decided to continue their education in the field of management, and through that education they developed and solidified their 'progressive' business culture (a quite different question could be whether they really practice such a culture). Following such reasoning, we could confirm back the conclusion that the students of postgraduate studies in Business Administration represent a kind of 'elite' group in Croatia; a population that could 'pull up' Croatian business culture and real business behavior towards modern, 'western' patterns and standards that will help and enable integration of the Croatian economy in global business courses.

- If this is only the picture of the business culture of a minor part (and a specific category) of business people in Croatia, it is a serious question of whether they are marginal, or whether they have the possibility of a real influence towards the change of the existing (far worse than that depicted

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[1] This is, of course, only personal view of the authors (but based on systematic collection of information from other researches and general practice). We will not enter any further analysis and explication of different views of general business culture in Croatia. This paper will remain within the frame of views and attitudes obtained and derived from the specific research.

through this research) business culture? That the respondents are aware that the real situation is not such as they view as ideal, is witnessed strongly in their perceptions of the situation with the business cultures in the enterprises they work. They are aware that the real situation is mainly characterized by the culture of hierarchy, power, even clan relations. In their real situation, power in organizations is based on positions and pure authoritarian style. One could ask how much the respondents from this survey are frustrated in their everyday work: striving personally to one kind of business culture and behavior, and forced to work in an environment where completely different cultural patterns dominate. It is obvious that such a frustration can lead to two different kinds of reactions: try to change the situation (business culture), or retreat, passivity, and resignation.

- Finally, we could allow for the possibility that the results of this research are indicators of changes that are happening in the general business culture in Croatia. This is certainly possible, taking into account that students of postgraduate studies represent the crest of the wave of young and well-educated business people that are gradually 'conquering' the business scene in Croatia. Interest for postgraduate programs in Business Administration has boomed over the last 10 years. The design and quality of those programs are evidently becoming better and better, and the Croatian economy is receiving ever better managers and business people in general. Expanding contacts and inclusion in global markets put the pressure on Croatian business people to accept modern attitudes and behavior patterns. If that is really the case, then the perspective of the Croatian business culture can be bright and optimistic – there is at least a group in the Croatian business community that is able to accept and develop a truly modern and successful business culture.

5. CONCLUSION

The research of the business culture presented in this paper definitely gives very interesting materials for different analyses and conclusions about the business culture in Croatia and its neighboring countries. However, drawing conclusions from this research, one should always be aware that it covered a specific category of respondents – students of postgraduate programs in Business Administration. This, on one hand, makes difficult and ambiguous any generalization of conclusions at the level of (whole) countries, but, on the other hand, enables a very interesting comparative analysis among countries and within particular countries.

Regarding the results that the research has given for Croatia, we should really be cautious in generalizing them. Namely, the profile(s) of the business culture presented in this paper **may not be a true picture of the general (average) profile of the business culture in Croatia**. It could not even be claimed to be representative of the managerial class in Croatian enterprises. However, on the other hand, it can be very indicative.

This research has primarily given the picture of that what it had targeted anyway – the profile of the business culture of postgraduate students in Business Administration. This picture is really encouraging, and if we can imply that this is the category and the group of people that will gradually assume the leading role in the Croatian economy and business community, these results can be encouraging indications for the development of the entire business culture in Croatia.

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POSLOVNA KULTURA U HRVATSKOJ I NEKIM ZEMLJAMA U TRANZICIJI

Sažetak

Istraživanje poslovne kulture, prezentirano u ovom radu, usredotočava se na profile studenata poslijediplomskog studija menadžmenta (poslovne administracije) u Hrvatskoj. Dobiveni su rezultati ohrabrujući, te ako se može ustvrditi da će ova kategorija i grupa ljudi polagano preuzimati liderske položaje u hrvatskom gospodarstvu/poslovnoj zajednici, može se govoriti o indikacijama za razvoj cjelokupne poslovne kulture u Hrvatskoj. Istraživanje daje i zanimljivo polazište za analize i zaključke o poslovnoj kulturi u Hrvatskoj i susjednim zemljama, što bi moglo omogućiti i komparativni pristup ovoj temi. Ipak, profil poslovne kulture studenata post-diplomskih studija možda ne odgovara općem (prosječnom) profilu poslovne kulture u Hrvatskoj, koja je, vjerojatno, još uvijek slaba i neadekvatna.