CROSS-CULTURAL ANALYSIS OF FORMER YUGOSLAVIAN COUNTRIES AND THEIR PRESENCE IN CULTURAL DIMENSIONS RESEARCHES

UPOREDNA ANALIZA BIVŠIH JUGOSLOVENSKIH REPUBLIKA I ISTRAŽIVANJA NJIHOVIH KULTUROLOŠKIH DIMENZIJA

Enes Hamzagic | IAE NICE Graduate School of Management, France | enes.hamzagic@univ-cotedazur.fr

Amer Rastic | University of Nis, Serbia | amerstudent@hotmail.com

Wafa Hamzaoui | IAE NICE Graduate School of Management, France | hamzaouiwafa2001@yahoo.fr

Sažetak

The main purpose of this paper is to examine the similarities or differences between the cultural dimensions of the former Yugoslavian states. The data for the research will be gathered from Geert Hofstede and Global Leadership and Organizational Behavior Effectiveness (GLOBE). This cross-cultural comparison will enable us to have an overall view of an existing researches, concerning the cultural dimensions, in cases of former Yugoslavian states. The research will show us whether there are certain cultural gaps, and the extent of similarities/differences between the states. The cultural dimensions which we will use in our comparison are Power Distance (PDI), Individualism vs. Collectivism (IND), Uncertainty Avoidance (UAI), Masculinity vs. Femininity (MAS), Long-term Orientation (LTO), Indulgence vs. Restraint Results (IVR). Results of this research will enable us to better understand the cultural context of members coming from these countries. We will conduct a literature overview, concerning the already conducted research of Yugoslavian cultural dimensions. This paper may be beneficial for the firms having members coming from countries covered by this research and other ones, with the interest of cross-cultural management.

Abstract

Osnovna svrha ovog rada je ispitivanje sličnosti kulturoloških dimenzija bivših jugoslovenskih država. Podaci za istraživanje biće prikupljeni od istraživanja Gerta Hofstede i Globalnog liderstva i efektivnosti organizacionog ponašanja (GLOBE). Ovo kulturalno poređenje će nam omogućiti da imamo celovit pogled na već postojeća istraživanja koja se odnose na kulturološke dimenzije u slučajevima bivših jugoslovenskih država. Istraživanje će nam pokazati da li postoje određene sličnosti ili razlike između država. Kulturološke dimenzije koje ćemo koristiti u našem poređenju su: raspon moći, ididualizam, kolektivizam, „muške i ženske kulture", izbegavanje rizika i neizvesnosti, dugoročna i kratkoročna orijentacija u vremenu. Rezultati ovog istraživanja će nam omogućiti da bolje razumemo kulturološki kontekst državljana ovih zemalja. Izvršićemo pregled literature koji se odnosi na već sprovedena istraživanja jugoslovenskih kulturnih dimenzija. Ovaj rad može biti od koristi za firme koje imaju zaposlene iz zemalja obuhvaćenih ovim istraživanjem i drugim istraživanjima koja se tiču kulturalnog menadžmenta.

Ključne reči: *cross-cultural management, diversity, cultural dimensions, Hofstede, Globe*

Keywords: *kulturalni menadžment, raznolikost, kulturološke dimenzije, Hofstede, Globe*

1. INTRODUCTION

Culture is often seen as a group phenomenon, which influences individuals in it. The individual's perception, values and thoughts are often influenced by the cultural context in which they live. The values represent certain type of system, which influences what we generate and receive, motivates our actions and behavioral pattern, and differentiate us from the members of other value systems. In the last decade of the 20th century, we may find increasing number of researches within the field of cultural management. After the collapse of communism, the role of culture in the post-communistic societies has been an often studied topic. It is interesting to examine such transformation in the society, since the Yugoslavian society has deep roots in the traditionalism. Yugoslavia was placed at Balkan Peninsula. The etymology of "Balkan" comes from Turkish words, "bal" meaning honey and "kan" meaning blood. This is mainly caused by the geopolitical preferences towards this region, which generated wars and conflicts, due to its position between the East and West. Yugoslavia is product of a complex society, composed of a variety of religions and languages. The Austria-Hungary and Ottoman Empire ruled on the majority of the land of former Yugoslavia. That is why Yugoslavia was under the cultural influence of two different value systems.

During the communist regime in Yugoslavia, due to its multiculturalism, the main parole was "brotherhood and unity". During that period, more than 10 ethnicities lived together. Yugoslavia was one of the co-founders of Non-Aligned Movement (NAM) and had the open trading with East and West. Even though the main idea of Yugoslavia followed the Marxist view of power given by the people and power used for the people, the formation of social elite was inevitable. Stark and Bruszt [1] argue that the transition in Eastern and Central Europe is pathdependent – it depends on the cultural and historical background of each particular country. The goal of such political system was to be classless, but the groups close to the League of Communists were dominant. Yugoslavia was also well known because of self-management in the enterprises. After the disintegration of Yugoslavia, each country followed different pathway towards the democracy and open economy. The transition period was followed by hyperinflation, subsequent currency, conflicts and insecurity. The inter-republic migration and migrations towards the Western countries increased. According to Uvalić [2], the pace of transition was slow during the 1990s when hyperinflation raged through the country and privatization came to a halt. In the transition countries, cultural processes and features are the result of collective culture shock [3].

2. THEORETICAL FRAMEWORK

The study of cultural dimensions came as the need for differentiation of the cultures across the globe. The motivation behind the cultural dimensions came as the fact that people tend to have different habits and hold different set of values. This means that certain type of framework needed to be constructed, in order for these inequalities to be measured. Culture is measured through the outcome we produce. In that sense, as writer Anaïs Nin said: "We don't see things as they are; we see them as we are". Schein [4] stated that culture exists at both cognitive and emotional level, and he believed that behavior is a manifestation of culture. Hall [5] distinguished cultures depending on the way they communicate. He distinguished two dimensions: low-context and high-context. The collectivistic societies, such as the one we are examining, tend to place communication in vast context, meaning that not a lot has to be said. It is supposed that other part of message is understood when placed in context (such as physical environment).

Hofstede gave a great contribution to the understanding and measuring cultural differences across the globe. His methodology became widely used in the cross-cultural business studies. Hofstede introduced the "dimensions" paradigm, which showed that cultural differences could be meaningfully measured and ordered along a discrete set of dimensions, representing different answers to universal problems of human societies [6]. Lonner, Berry

[7] firstly, derived four dimensions: Power Distance (PDI), Uncertainty Avoidance (UAI), Individualism–Collectivism and Masculinity–Femininity (MAS). The fifth dimension was added later, in 1991: Long- versus Short-Term Orientation (LTO). Hofstede, Hofstede [8] stated that all organizations are embedded within societal culture, in that sense they are likely to have an ambient influence on the organizations embedded within them. His research focuses solely on differences within societal cultures. The good example of how culture can affect the way we organize, can be seen through the Laurent [9] comparative study on Taylor's idea of matrix organizations. Laurent noted that French managers reacted negatively towards the idea that they should report to two different bosses. Interestingly, same survey conducted in the U.S. and Sweden showed fewer misgivings.

Global Leadership and Organizational Behavior Effectiveness (GLOBE) study is on the other hand an extant of Hofstede's research. It uses Hofstede's model and paradigm as the base for their study. For the conceptual reasons, GLOBE has expanded list to nine cultural dimensions. Beside the nine cultural dimensions, GLOBE has measured these dimensions from two perspectives as is and as it should be. GLOBE researches believed that some of the Hofstede's dimensions lacked face validity, and that his dimensions did not measure what they supposed to. House, Hanges [10] believed that for any specific case, any practice was at some point a value, an expectation, a model before it became an actual cultural product. Cultural differences may affect the way we perceive leaders. In such case, leader coming from Bosnia and Herzegovina could not have the same impact on employees in China.

3. DATA AND GLOBE AND HOFSTEDE CULTURAL DIMENSIONS CORRELATIONS

In our research we will use Hofstede's and GLOBE research as a dataset and theory framework. We will attempt to examine the culture dimensions in the republics of former Yugoslavia, which were covered by such researches in the past. All the republics covered are the part of Slavic nations. Our goal is to examine the similarities and differences between them, since after the disintegration of Yugoslavia, each republic followed different pathway.

It is important to mention that even though same cultural dimensions are measured in both studies, they have opposite results. There are major anomalies between data from GLOBE and Hofstede [11]. For example, Hofstede's Power Distance Index are correlated zero with GLOBE "should be" Power Distance Index, but strongly correlated with "as is" [$r=0.57$, $P<0.01$; 10]. The only GLOBE dimension significantly correlated with MAS was assertiveness as is, but we came closer to our MAS dimension with a combination of assertiveness as is and assertiveness should be [12]. Hamzagic [13] research showed that Hofstede's and GLOBE's UAI have some symmetrically different results.

Even though Hofstede methodology has often been criticized, we believe that it represents a good framework for accessing the value system of other cultures world-wide.

4. STUDY OF CULTURAL DIMENSIONS

4.1 Yugoslavia

The former Yugoslavian republics are all part of same cultural cluster - Eastern Europe. National culture of Yugoslavia is part of the pre-industrial culture group [14]. The research of Lengyel [15] showed that Yugoslavian managers use mostly authoritative leadership style (68.9%), while others use participative or consultative leadership styles (31.1%). On the other hand, majority of managers (78.1%) believe that authoritative leadership styles are the most appropriate ones, while the others (24%) stated that consultative or participative leadership is the „ideal" one. This may come from the fact that from childhood, children in Yugoslavia were educated towards the obedience. The elders, teachers and superiors were

the ones that should be listened to and respected, where disagreeing with them was seen as a form of disobedience.

Since the research has been conducted in the Republic of Slovenia, which was at that time one of the Yugoslav federal units, and now is an independent state, and because of the cultural heterogeneity of former Yugoslavia, it is questionable whether it is possible to generalize results from one federal unit (cultural region) to the whole country [16-18]. Hofstede [19] has later reanalyzed the data, since the previous research has been conducted in Ljubljana (Slovenia), Zagreb (Croatia) and Belgrade (Serbia), which are all parts of the Balkans cluster. From the period when this research was conducted, until now, former Yugoslavian republics went through the process of political and economic changes. But unfortunately, currently there is lack of data coming from these countries. High UAI score in former Yugoslavian republics can be observed through the need of people towards safe and secure job. In many cases, the prerequisite for job was (and still is) the membership in the ruling political party. And due to the high PDI and UAI scores, employees are suppressed in expressing their thoughts and ideas, especially if they are contradicting with the ideas of their superiors.

Table 1. Cross-cultural comparison of cultural dimensions of former Yugoslavian countries [19]

Cultural Dimensions	Croatia	Serbia	Slovenia	Former Yugoslavia
Power Distance	73	86	71	76
Uncertainty Avoidance	80	92	88	88
Individualism–Collectivism	33	25	27	27
Masculinity–Femininity	40	43	19	21
Long Term Orientation	58	52	49	-
Indulgence	33	28	28	-

4.2 Croatia

Following the cultural pattern of other former republics, Croatia scores high on PDI dimension (score 73). It is considered as collectivistic society, since its individualism dimension index is 33. Similarly to Serbia, Croatia is considered as relatively feminine society (40), with preference of avoiding uncertainty (score 80). Comparing to Serbian and Slovenian society which have not clear position concerning LTO, Croatian society scores 58, meaning that it is society with pragmatic orientation. Having 33 score in indulgence dimension, Croatia falls under the restrained society.

In the research conducted by Podrug, Filipović [20], Croatia scored lower on PDI (score 67) comparing to the initial research conducted by Hofstede. Perhaps, this is caused by the global trend, mentioned by Hofstede, Hofstede [8], concerning the decreasing of the PDI which is correlated with the growth of GDP. His results for PDI, UAI, IND, MAS, and LTO were 67.01, 65.20, 55.19, 48.62, and 25.85 respectively. The UAI index was also lower, which may be, as Hofstede mentioned, due to the societal context in which Croatia was

placed, as a "young democracy". It is important to mention that the research of Podrug, Filipović [20] was conducted on small sample (for Croatia, N=44).

4.3 Serbia

According to Lazić [21], Serbian society has strong characteristics of authoritarianism, beside the young people which are holding university degrees. In that sense, Janićijević [22] stated that the high power distance index favors the autocratic leadership style, against the participative and democratic ones. Autocratic style is the prevailing pattern of ruling in Serbian society. High PDI (86) means that people are used to work inside the organization with vertical hierarchical type of organization. Managers are supposed to be autocratic and guide their subordinates. In this case, employees are restrained in expressing opinion which is opposing the ones held by their superiors. Low individualism score, 25, confirms the importance which family and close interpersonal relations has. Children in small towns in Serbia still live in extended families, with their grandparents, uncles and etc. In the collectivistic societies, the opinions can generally be predetermined by the group belonging.

Serbia scores relatively high (47-50 place) when it comes to masculinity-femininity index. With 43 index Serbia is relatively feminine society. Serbia is on the top when it comes to the avoiding uncertainty (score 92). When it comes to the LTO, the position is unclear. On the indulgence index, Serbia scores low (score 28), meaning that social norms are restraining people actions and that they are in that sense trying to control themselves.

The dramatic increase in products, markets, enhanced technology and robust competition have led to a dynamic global business environment [23]. In the empirical research of Mojić [16], Serbian managers have showed higher Power Distance, higher Uncertainty Avoidance and stronger Collectivism than non-managerial employees in Serbian enterprises, while the presence of masculine values was higher among managers. The research showed that 71.4 % of higher-level managers in Serbian enterprises are seen as authoritative by their immediate subordinates (lower-level managers).

Table 2. Empirical research of cultural dimensions in Serbia [16]

Cultural dimensions	Managers	Non-managers
Power Distance	83	68
Uncertainty Avoidance	93	62
Individualism mean	7.67	7
Collectivistic mean	5.33	7.33
Masculinity mean	8.25	9
Femininity mean	6.5	5.25

Vukonjanski, Nikolić [23] noted that a high level of future orientation may cause the need for more planning and higher diversity of operative procedures, which may, in turn, cause a decrease in satisfaction with operative procedures. They applied general cultural theory to the study of organizational cultures. Serbians look more to the past, have a more mechanistic (insider) view of the world and ascribe more importance to status [24].

Table 3. Organizational culture dimension [23]

Cultural dimensions	As is	As it should be
Power Distance	4.80	3.13
Uncertainty Avoidance	3.80	5.21
Future orientation	4.31	5.99
Institutional collectivism	3.82	4.65
Human orientation OC5	4.22	5.50
Performance orientation	3.94	6.11
In-group collectivism	4.56	5.61
Gender egalitarianism	2.93	4.80
Assertiveness	3.77	2.86

4.4. Slovenia

We may often hear people saying that Slovenia belongs to (Central) Europe more than to the Balkans. Some even call it little Austria. When it comes to the cultural dimensions of Slovenia, they were examined both by Hofstede and GLOBE research. According to Hofstede, Hofstede [12] research, Slovenia scores low (score 27) on individualism, following the cultural pattern of former Yugoslavian republics. In such cultural context, the inter-organizational relationships tend to be regarded as family ties. Slovenia has the lowest PDI (score 71) among the former Yugoslavian republics covered by Hofstede research. On the individualism and masculinity dimension, Slovenia scores 27 and 19 respectively. It is the most feminine society, among the ones we compared. Similarly to the other republics, people from Slovenia try to avoid the uncertainty (88). As it is case with other former Yugoslavian republics, Slovenia has not a clear preference when it comes to Long Term Orientation and Indulgence. Feminine values are prevailing in Slovenian business culture [24, 25]. Furthermore, Prašnikar, Pahor [24] have found that differences exist not only between the young and old managers in Serbia, Slovenia and Russia, but that the middle age group also has its own characteristics.

According to GLOBE research (Table 4), Slovenia scores low on collectivism inside organizations/institutions, but it scores higher on in-group collectivism. Interestingly, its practiced PDI index is higher than the one valued ("should be"). As with Hofstede study, future orientation value score (5.42) is on the border with average GLOBE score (5.49). Uncertainty avoidance value score (4.99) corresponds with Hofstede's research, while the practice score is lower than the GLOBE average. In both dimensions of gender egalitarianism, Slovenia scores high.

Table 4. GLOBE research - Slovenia [10]

Cultural dimensions	Practices and Values	Slovenia	Average GLOBE scores
Performance orientation	Practice Score	3.66	4.1
	Value Score	6.41	5.94
Assertiveness	Practice Score	4	4.14
	Value Score	4.59	3.85
Future orientation	Practice Score	3.59	3.85
	Value Score	5.42	5.49
Humane orientation	Practice Score	3.79	4.09
	Value Score	5.25	5.42
Institutional collectivism	Practice Score	4.13	4.25
	Value Score	4.38	4.73
In-group collectivism	Practice Score	5.43	5.13
	Value Score	5.71	5.66
Gender egalitarianism	Practice Score	3.96	3.37
	Value Score	4.83	4.51
Power Distance	Practice Score	5.33	5.17
	Value Score	2.57	2.75
Uncertainty avoidance	Practice Score	3.78	4.16
	Value Score	4.99	4.62

4.5. Bosnia and Herzegovina, Macedonia and Montenegro

The first Hofstede research which was conducted in Yugoslavia excluded Bosnia and Herzegovina, Macedonia and Montenegro. Hofstede conducted research in these countries, using the Michael Minkov new cultural dimensions, Long-Time Orientation and Indulgence. Goić and Bilić [26] used Trompenaars framework in order to measure cultural dimensions in Bosnia. Their research showed that Bosnia scores low on universalism, has low level of affectivity in business relations, as well as in the significance of the achievement.

If compared with other Yugoslavian countries, Macedonia has the lowest PDI (score 66). According to Camina [27], such low MAS index (score 9) may be because of the large number of women in the sample. On the other hand, large UAI (103) is "undeniably a product of culture and history, but surely exacerbated by the recent role of the state and the stress caused by the break-up of Yugoslavia [27]. Macedonia is a society with pragmatic orientation (LTO score: 62), while on the other hand it is seen as a restrained country (score 35). Research of BOJADJIEV, KOSTOVSKI [28] shows that majority of male managers in Macedonia (43%) prefer autocratic leaders, while female managers (41%) prefer participative leaders.

Table 5. Cross-cultural comparison of cultural dimensions

Sources	Cultural dimension	Montenegro	Bosnia and Herzegovina	Macedonia
Camina [27]	Power distance	-	-	66
	Uncertainty avoidance	-	-	103
	Individualism	-	-	33
	Masculinity	-	-	9
Hofstede, Hofstede et al. [12]	Long-Term Orientation	75	70	62
	Indulgence Versus Restraint	20	44	35

5. DISCUSSION

The differentiation may exist among the members of the same nationality, coming from different religion or gender. Musek [29] discusses the change which occurs as we get older. For example, younger generation tends to hold more individualistic/dionysic values (hedonistic and power), while older generation tends to hold collectivistic/apolonic values (moral and fulfilling). Similarly Prašnikar, Pahor [24], after conducting an empirical study, stated that Slovenian and "Serbian managers and students change from "particularists" to "universalists" when they grow older.

We have seen that authoritative leadership style is the most common among the Serbian managers. These counties are more focused on authority. High uncertainty avoidance in the former Yugoslavian republics can lead to limited output generated by the employees. This means that the citizens of former Yugoslavian republic prefer secure job positions. Following the Owen James Stevens research at INSEAD, conducted among German, British and French employees in 1970s, the position in PDI-UAI matrix and models shows us the way problems are tackled. Since the countries which we examined score high on PDI-UAI, finding solution to the problem may be similar.

Yugoslavian high power distance may be deeply rooted in the history. As we mentioned before, the long period under the communist regime may have influenced the cultural dimensions. The effect of power distance may be seen especially in the state-owned

enterprises, in less developed states. In such states, in order to be promoted or even employed as directors, the approval of higher managers and political authorities is needed.

Further research should include countries which were not included by Hofstede research, such as Bosnia and Herzegovina, Macedonia and Montenegro.

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