

## **Employee Perceptions of Organizational Culture and Individual Values Based on Examples of Companies in Bosnia and Herzegovina**

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### **Abstract**

*The issue of value does play a crucial role in analyzing cultural issues related to organizational activities and behavior. In this work, we aim at determining the values preferred by employees at companies in Bosnia and Herzegovina, both individually and organizationally in the context of certain types of organizational culture. Identification of the dominant types of organizational culture is based on the Competing Values Framework, and in case of analysis of values of individuals, we have selected a model based on the Schwartz value theory. The basic purpose of the work is to determine whether there is a correlation between individual values and organizational culture based on a convenience sample of eight companies from different sectors in Bosnia and Herzegovina.*

**Keywords:** organizational culture, individual values, Competing Values Framework, Schwartz value theory, company

### **1. Introduction**

In Bosnia and Herzegovina, the process of democratization of the society and acceptance of basic instruments of capitalism, based on private ownership, free market and entrepreneurship, also implied a change in the system of social values. In such a way, according to Peračković, a revolutionary change occurred in the transitional system of values, so that what had been seen as negative for almost half a century, rapidly changed and became positive in the transition (Peračković, 2004: 491). The institutional transformation of the society of Bosnia and Herzegovina should serve as impetus to the economic and social development. However, the way in which individuals will react to new stimuli and possibilities for the achievement of mutual interactions depends on their subjective perception of reality shaped by the dominating culture (Pejovich, 2003). In that context we believe that culture plays one of the key roles in stimulating economic development of a country and that in periods of intensive changes for the society in Bosnia and Herzegovina it is necessary to examine certain characteristics of the existing culture that we see as a group or system of values shared by members of a certain community.

Works that are more focused on practical issues of conceptualization of culture emphasize the behavioral component contained in certain values that stand out as crucial for presenting the manner of acting within an organization. In this context, the organizational culture may be presented as part of a strategy leading to higher efficiency and effectiveness of an organization (Arogyaswamy and Byles, 1987). One of the main tasks for a successful leadership and management thus consists in supporting values that have been recognized as important for the organization.

It has thus been outlined since the very beginning of development of the concept of organizational culture that it constitutes the basic prerequisite of success and development, and today there is a widely accepted opinion that a "strong" culture has a positive impact on organizational performance. A strong culture may be defined as "a system of widely accepted and intensively shared values at an organization" (O'Reilly, Chatman & Caldwell, 1991: 493). In strong cultures, "values, norms and other elements of culture give a clear and consistent message that connects members of the organization and causes a similar style of behavior, approach to problems, internal and external relations of all employees." (Sikavica, Bahtijarević-Šiber & Vokić, 2008: 429)

During the analysis of this concept, numerous definitions and opinions on organizational culture have emerged (Deal & Kennedy, 1982; Hofstede, 1980; Ouchi 1981; Peters & Waterman, 1982; Cooke & Rousseau, 1988; Gordon & DiTomaso, 1992; Rowlinson & Procter, 1999). The most influential and widely accepted is the definition of Schein (2004) who defines organizational culture as a form of basic common presumptions that the group learned by solving their problems of external adaptation and internal integration.

Values are usually determined in such a way that they provide general behavior guidelines. The probably most influential definition of values was given by Kluckhohn: "Values are implicit or explicit concepts of desirable forms, typical for an individual or a group, which impact the selection of adequate goals, manners and means of acting." (Kluckhohn, 1951: 395, in Hitlin and Piliavin, 2004: 362) Also, the definition by Rokeach, according to which values constitute basic convictions that "a certain manner of behavior or final state of existence is personally or socially more desirable than the opposite or reverse manner of behavior or final state of existence", is not less influential. (Rokeach, 1973: 5, in Robbins and Judge, 2009: 120) Rokeach was of the opinion that value makes action meaningful, as opposed to Kluckhohn, who emphasized action (Hitlin and Piliavin 2004: 362).

Schwartz (1992) defines values as desirable, trans-situational goals that vary in terms of importance and serve as guiding principles in people's lives. A key aspect of contents that constitutes a difference between values is the type of motivational goal that they express. In order to coordinate with others the achievement of these goals important for them, individuals and groups cognitively present these specific values in relation to which they communicate. According to Schwartz key values are cognitive representations of three universal human requests: (1) biologically based needs of the organism, (2) needs for social interaction for the purpose of interpersonal coordination, (3) social and institutional needs for the purpose of group wellbeing and survival (Hitlin and Piliavin, 2004: 362).

One of important characteristics of organizational culture, if we analyze it in the context of values shared by employees of an organization, is the fact that prior to joining the organization, everyone has already developed and adopted a certain system of values. Such an individual system of values created as a result of socialization processes is shaped by special life circumstances of an individual and general cultural factors of the social system. In other words, the dominant culture largely shapes the individual system of values possessed by members of the organization, which may be analyzed independently from the organizational context in which they act. Starting with this premise, in this work we are trying to determine the intensity of presence of certain types of organizational culture in the context of different value orientations at the level of the organization and values preferred by employees individually.

The paper was structured in such a manner that after a review of literature for the purpose of determining the conceptual framework of the survey, we provide an explanation of the relevant aspects related to the survey methodology. In that segment we defined the goals and survey issues, explained the sample, instruments and survey procedure. We then presented the survey results with a discussion and certain limitations and recommendations for future survey. The final part contains the concluding remarks.

## ***2. Conceptual Survey Frame***

### **2.1 Organizational Culture**

Different types of empirical survey on organizational culture are based on singling out certain content-related dimensions of culture that are subject to survey. This is applicable to both qualitative and quantitative survey, considering the fact that they are not able to fully include the content-related scope of the concept of culture.

Typological or classificational approaches to putting organizational culture to use are based on the assumption that different dimensions may be categorized in certain types (Jung at al. 2009).

"Similarly as in case of the psychology of personality, when some authors categorize individuals as certain types of personality based on a smaller number of dimensions, an attempt was made to classify organizations based on the basic dimensions or traits of culture in terms of the dominant type of the organizational culture." (Sušan, 2005: 50) This resulted in numerous and different analytical frames and approaches that tried to differentiate various dimensions and characteristics that would be adequate for an empirical analysis. As a result of this, many different types of culture were identified (Deal and Kennedy, 1982; Cooke and Lafferty, 1983; Scholz, 1987; Denison and Spreitzer, 1991). However, as emphasized by Sikavica, "basically the same types of culture are frequently offered under different names" (Sikavica et al. 2008). Also, Sušan believes that the authors have also demonstrated a significant level of agreement in terms of classification of the organizational culture, considering the fact that, although they base themselves on different background dimensions, they mostly underline four basic types of organizational culture (Sušan, 2005: 50).

One of the better known classification of cultures was given by Harrison, and later on it was modified and improved by Handy (1981), and it includes four types: culture of power, roles, tasks and support. Based on the Competing Values Framework – CVF (developed by Quinn and Rohrbaugh, 1983), Cameron and Quinn (2006) differentiate between four types of culture: hierarchical, market, clan and adhocracy.

According to Cameron and Quinn (2006), an organizational culture that matches the hierarchical form is characteristic due to its formalized and structured workplace where a long-term interest of the organization is stability, predictability and efficiency. Market culture is a working environment that is primarily result-oriented, and long-term interests are related to competitive actions and achieving very demanding goals. The clan culture is characterized by a friendly working environment in which people share and exchange many personal elements, and great importance is given to high cohesion and moral. Adhocracy culture is characterized by a dynamic, entrepreneurial and creative working environment, and the focus is placed on the tendency to have a leading role in the field of new knowledge, products and services.

These four types of culture are organized based on two key dimensions. The first dimension constitutes a continuum that goes from organizational versatility and flexibility on the one side to perseverance and durability on the other side. The other dimension is related to the continuum that goes from the internal focus and integration to the external focus and differentiation (Cameron and Quinn, 2006).

In this way, the four culture types in competition due to the fact that every type has its opposite or contrary group of values. The emphasis of certain values that belong to the clan culture is thus set against the emphasis of values of the market culture, whereas the emphasis of adhocracy in terms of continuous adaptation to the environment is set against the emphasis of the stability and continuity-based hierarchy culture. Also, there are important parallels between different types of culture in terms of a shared focus. In case of the clan culture and adhocracy, the shared focus is on flexibility, and in case of market and hierarchy culture on control. As compared to the environment, clan and hierarchy cultures share an orientation towards internal processes in the organization, whereas adhocracy and market are focused on external processes (Cameron and Quinn, 2006).

Since every of the mentioned value orientations is important, or that there is no single, ideal type of culture, Cameron and Quinn state that it should not be expected that only one of the value orientations is emphasized. All four types of cultures at organizations are valuable and needed and none of them is better or worse than others (Cameron and Quinn, 2006: 80).

## **2.2 Individual Values**

Hitlin and Piliavin (2004) underline that there is a significant lack of standardization in the theoretic and empirical survey of values and that "many researchers examine attitudes, beliefs, or opinions and categorize their work as a study of values" (Hitlin and Piliavin, 2004: 365).

The best-known surveys on values in organizational behavior include the work of Milton Rokeach (1973) who classified values in two groups of 18 value elements. The first group relates to desirable final state of existence that he called the terminal value. The second group contains instrumental values and relates to desirable manners of behavior or means for achieving the ultimate values.<sup>1</sup>

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<sup>1</sup> Robbins and Judge (2009) point out that some research based on Rokeach Value Survey (RVS) has confirmed that these values vary among different groups and people of the same profession or the same categories such as, for example, corporate managers, members of the trade union, students, etc. who usually have similar values (Robbins and Judge, 2009: 121, 122).

The "Schwartz Value Survey" (SVS), which initially contained a list of 56 values, is also widely applied in empirical survey. The Swartz value theory (1992) identifies ten different motivating value orientations that include most of the key values recognized in cultures throughout the world. The characteristic of every of the ten key values is that it describes its central motivational goal:

1. Self-direction: independent thought and acts, choice, creation, survey;
2. Stimulation: taking risks and adventure;
3. Hedonism: egocentric meeting of personal needs;
4. Achievement: competitive personal success;
5. Power: social status and prestige, control of persons and resources;
6. Security: safety and stability, harmony of society, mutual relations and personal harmony;
7. Conformity: self-limitation and subordination of personal affinities to expectations of others;
8. Tradition: respect, devotion and acceptance of customs and ideas offered by the traditional culture and religion;
9. Benevolence: preservation and improvement of wellbeing of those persons that the person is frequently in touch with;
10. Universality: care and tolerance to the benefit of all people and nature.

Schwartz has developed an empirical scheme of what he considers a universal structure of human values and his system has two higher rows of value dimensions: openness to changes (self-direction, stimulation and partially hedonism), as opposed to conservatism (conformity, tradition and security) and self-enhancement (power, achievement and partially hedonism), as opposed to self-transcendence (universality and benevolence). The theory of value explains the structural aspect of value, namely the dynamic relations among them, where neighboring values share motivational characteristics, whereas those that are more distant constitute more antagonistic motivational characteristics (Schwartz at al 2001; Schwartz, 2003).

According to Schwartz (2003), the evidence of this theoretical structure has been found in samples of more than 67 nations. This points to a broad basis of motivations that may constitute a universal principles based on which the system of values is organized. People can differentiate the importance they give to certain values included in this frame of ten basic values, but the same structure of motivational opposites and compatibility may organize their values (Schwartz, 2003: 207).

### **3. Methodology**

#### **3.1 Goals and Survey Issues**

The basic purpose of empirical survey conducted in this paper is to examine the possibility of application of the model of cultural types based on the theoretical frame of competing values at companies in Bosnia and Herzegovina. The goal is to specify the profile of the organizational culture or level of presence of the four types of culture. In addition to the above mentioned, the goal of the survey is to examine individual values of employees and determine the level of correlation between individual values and types of organizational culture. In the context of these goals, we have formulated the following survey questions:

1. To what extent are the four types of organizational culture present in the company sample in Bosnia and Herzegovina?
2. Does one or more dominant cultural types stand out?
3. To what extent are there differences between the current and desirable culture in future?
4. Which individual values are preferred by employees in the company sample in Bosnia and Herzegovina?
5. Is there a correlation between the organizational culture and individual values of employees?

#### **3.2 Sample**

The survey was conducted on a convenience sample of 250 employees at eight companies in different sectors on the territory of Bosnia and Herzegovina. The following table 1. shows the basic characteristics of companies included in the survey (for the purposes of anonymity, we used the Greek alphabet instead of the original name of the company).

**Table 1: Basic Characteristics of Companies Included in the Survey**

Company	Place	Year of establishment	Total number of employees / respondents	Character of ownership	Capital share	Sector
Alfa	Tuzla	1998	103 / 64	Private	National 100%	Fitting and dismantling of steel structures and insulation
Beta	Sarajevo	2000	30 / 13	Private	Foreign 100%	Financial services
Gama	Sarajevo	2002	49 / 26	Private	Foreign 100%	Trade in medicines, wholesale
Delta	Sarajevo	1997	58 / 15	Private	National 100%	Information and communication (design and IT engineering)
Epsilon	Sarajevo	1960	58 / 29	Private	National 100%	Clothes production, retail and wholesale trade
Zeta	Kakanj	1995	61 / 47	Private	National 100%	Fitting and dismantling of industrial and energy plants
Eta	Goražde	1998	378 / 47	Mixed (majority state-owned)	National 100%	Processing industry
Theta	Sarajevo	1998	37 / 9	Public	National 100%	Gas production and supply

The usual practice in case of quantitative survey on organizational culture is that the number of respondents at organizations is limited to a smaller sample that includes the management and renowned employees and based on their opinions the results are generalized for all or almost all employees. As opposed to this, in our survey we tried to include the biggest number of employees possible, irrespectively of their current position at every individual company.

### 3.3 Measuring Instruments

At the level of organization of examination of organizational values, we used the Organizational Culture Assessment Instrument (OCAI), created by Cameron and Quinn (2006). OCAI includes six content-related dimensions or aspects of organizational culture: dominant characteristics of an organization, organizational leadership, management of employees, binding tissue of the organization<sup>2</sup> or basis of commonness at an organization, strategic emphases, and criteria of success. Four descriptions are given for every dimension or aspect of culture (a, b, c and d) that constitute the characteristics of certain cultural types.

For the purpose of measuring the intensity of the presence of six content-related dimensions of organizational culture, we used the ipsative measuring scale. In this way, respondents provide answers by distributing 100 points to four variants of answers given for every individual dimension, depending on to what extent they consider that a description is similar to the culture or situation at their organization. The reliability and validity of OCAI has been proven in previous studies (Cameron and Quinn, 2006).

In our survey, we obtained the following reliability coefficients: for the clan culture 0,769, for adhocracy 0,501, market culture 0,610 and hierarchy culture 0,614. As compared to the desirable type of culture, the reliability coefficients were as follows: clan 0,820, adhocracy 0,528, market 0,699 and hierarchy 0,661.

<sup>2</sup> For this aspect of culture, Cameron and Quinn (2006.) use the term "organizational glue".

At the individual level, the values of employees at organizations were examined by means of an individual values questionnaire based on the Swartz "Portrait Values Questionnaire" (PVQ) that was used by the designers of the European Social Survey (ESS).<sup>3</sup> This questionnaire is a shorter version that includes 21 PVQ items that have been somewhat reviewed in order to include as well as possible the content of ten different values, as opposed to the broader version of the portrait values questionnaire that includes 40 items. The portrait values questionnaire is a less abstract alternative to the "Schwartz Value Survey" (SVS) (Schwartz et al. 2001; Schwartz, 2003).

The portrait values questionnaire measures the ten key values through verbal portraits of persons. In our case, short verbal descriptions of 21 different persons were included.<sup>4</sup> In case of nine values, two descriptions were given, whereas the value "universality" includes three descriptions. Every portrait describes the goals of the person, aspirations or wishes that implicitly point out the importance of values. The used scale is Likert scale of answers with six degrees where the respondents gave one answer for every description to the question "To what extent does this person resemble you?" The answers were defined as follows: "he/she is not at all like me", "he/she is not like me", "he/she is a bit like me", "he/she is similar to me", "he/she is like me" and "he/she is very like me". In this way we may draw conclusions on the importance of a certain value for the respondent based on his/her assessment of similarity with the given short descriptions of profiles of different persons. Verbal portraits describe every person as compared to what is important for him or her, that is these descriptions "capture" the values of the person without a clearly identified value as the theme of survey.

Such a questionnaire of individual values examines similarities with some motivational goals and aspirations, or values rather than similarities with some special characteristics of a certain person. The same term may also refer to a value and characteristics (e.g. ambition, wisdom, obedience). However, people who appreciate the goal, such as, for example, creativity, do not necessarily demonstrate the relevant characteristic of creativity, and those that demonstrate the characteristic of conformity do not necessarily consider conformity as their goal (Schwartz et al. 2001: 523).

The third instrument that we used was a questionnaire containing demographic questions related to the basic characteristics of employees such as: age, sex, level of education, position at a company, how long they were employed there, etc.

Relevant statistical procedures were used for the statistical analysis of gathered data. A data analysis was implemented by means of the statistical software package SPSS 17.

### 3.4 Data Gathering Procedure

The data gathering procedure consisted of two phases. The first step was the translation and adaptation of the organizational culture and individual values questionnaire. During the first phase, which was a preliminary phase and lasted from February to May 2012, we interviewed persons of different profiles in order to adapt the questionnaire to the needs of the research to the greatest extent possible. During this phase, it turned out that certain terms are not sufficiently understandable for everyone, so that we considered the suggestions and to a certain extent adapted certain terms in the questionnaire in order to adapt it to the Bosnian language as much as possible, but to also retain the originality of the used instruments. Also, this phase was used for the assessment of the availability of information where we tried to ensure adequate data resources primarily through personal contacts.

The second phase included data gathering and was implemented in the period May – September 2012. The first activity included interviews with the managers of companies, where we explained the purpose and goals of the survey. The survey was implemented by means of the group-based work, when conditions permitted this, and individually, including ensuring the anonymity of respondents.

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<sup>3</sup> The European Social Survey, Management & Social Psychology Wiki. [Online] Available: [http://wiki.mgto.org/european\\_social\\_survey](http://wiki.mgto.org/european_social_survey) (February 19, 2012)

<sup>4</sup> As opposed to the original questionnaire where these short descriptions are adapted to the respondent, so that there is a separate set of items for male and female sex, we adapted the questionnaire in such a manner that it is sex-neutral, so that it can be used equally by both sexes for the same set of items.

4. Results and Discussion

The results of the survey related to the presence of the four types of culture in the whole sample of eight companies are shown in Figure 1. The full line represents the perception of the organizational culture currently present at the organization, and the intermittent line represents the perception of the desired organizational culture in future.

Figure 1: Profile of the Type of Organizational Culture on the Company Sample in Bosnia and Herzegovina

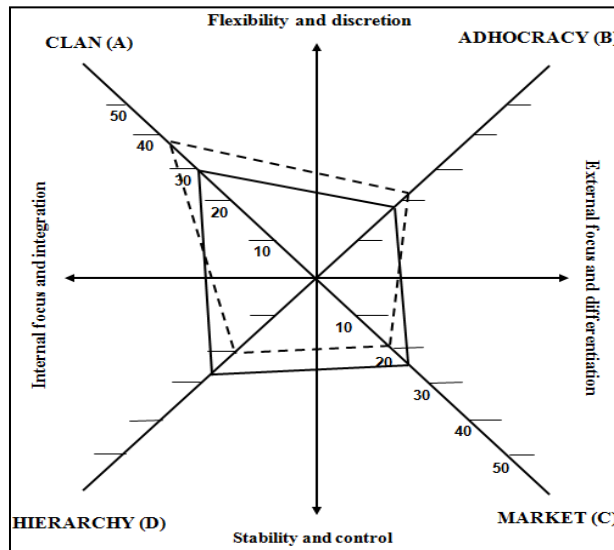


Figure 1. Indicates the average profile of organizational culture based on the sample of companies in Bosnia and Herzegovina, where the dominant cultural types that stand out include the clan (M = 29,64) and hierarchy (M = 27,08), to a lesser extent the market culture (M = 24,13), whereas the least present category is the adhocracy (M = 19,24). The given average values for the desirable types of culture point out that employees mostly prefer the clan culture (M = 37,79), followed by adhocracy (M = 21,62) and hierarchy (M = 20,78), and the least favored is the market culture (19,68). The differences between the arithmetic means are statistically important (Ft = 37,11; p = 0,0001; Fp = 149, 17; p < 0,0001)

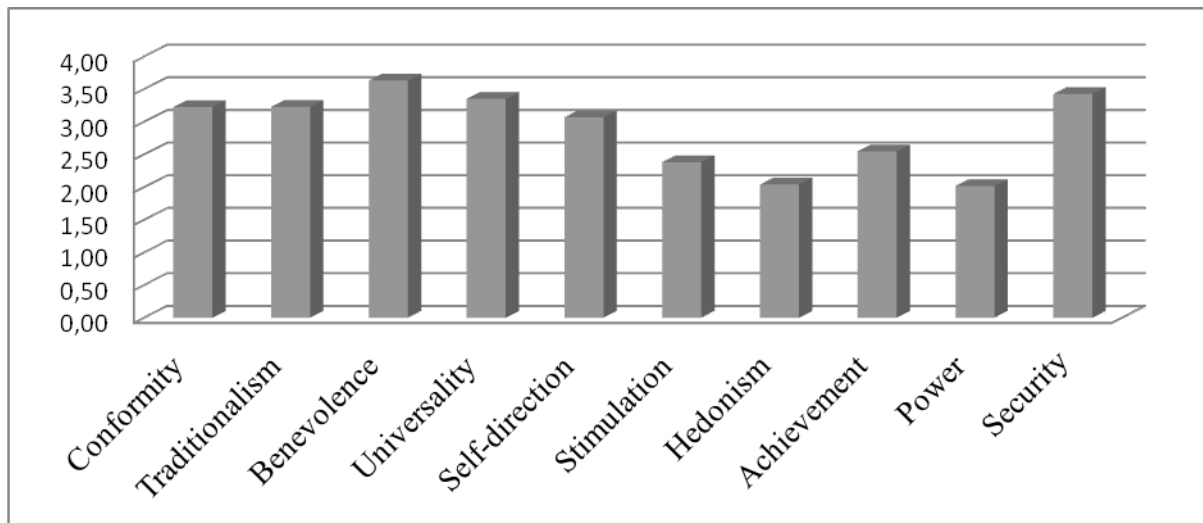
According to the perception of respondents in the overall sample, there are three types of cultures that stand out (clan, hierarchy and market), whereas the least represented culture is the culture of adhocracy. Considering the characteristics of companies included in the sample, primarily as compared to the size of the company, the results were to a certain extent expected, since SMEs typically have an evident clan culture. However, if the average results are compared to the other three types of culture, it may be expected that the difference is even greater, and this difference can be seen as significant only if compared to the adhocracy culture.

One of the theoretical premises of the model of competing values is that the clan culture and market culture are opposing cultures. However, Cameron and Quinn (2006) underline that this does not have to be the case in practice, and that there are examples of effective organizations that have pronounced organizational values in terms of support and development of employees (clan), but at the same time insist on the achievement of goals (market). Although the size of the sample does not enable us to generalize, such a result may be interpreted in the context of certain specific characteristics of the society in Bosnia and Herzegovina. Namely, the high presence of the clan culture may be interpreted as a heritage of certain values that dominated in socialism, where egalitarianism and solidarity had stood out.

On the other hand, market culture is typical of organizations that operate in a highly competitive market and that are oriented towards the external environment. The primary goals of these organizations are profitability and the working environment is result-oriented. The perceived weaknesses of this type of culture suggest that the transition to market economy and transition period that the society in Bosnia and Herzegovina is undergoing does have a certain impact on promotion of values typical of developed market economies.

If we compare the average results for the desired culture profile in future with results for the currently present culture profile based on the company sample in Bosnia and Herzegovina, we may perceive that there are no large differences. Somewhat higher values are present in case of the clan culture and adhocracy, whereas in case of the market and hierarchy culture, if compared to current values, it is evident that employees prefer these two types of culture to a lesser extent. The identified discrepancy as compared to the clan shows us that respondents rather prefer a working environment that gives them a better employee support and care provided by the organization. Image 2. contains the results of the survey related to individual employee values based on the company sample in Bosnia and Herzegovina.

**Image 2: Graph Showing the Arithmetic Means of Employee Values Based on the Company Sample in Bosnia and Herzegovina**



It has been established that employees mostly prefer benevolence ( $M = 3,63$ ), security ( $M = 3,43$ ) and universality ( $M = 3,35$ ), followed by tradition and conformity ( $M = 3,23$ ) that are equally preferred by respondents. They least prefer hedonism ( $M = 2,04$ ) and power ( $M = 2,02$ ). The identified differences are statistically significant ( $F = 99,065$ ;  $p = 0,0001$ ).

The obtained results give us the possibility to interpret them in the context of the Schwartz value model, since they largely correspond to the assumptions of the mutual proximity of certain values. The employees in the company sample in Bosnia and Herzegovina mostly prefer benevolence and universalism that belong to the dimension of self-transcendence according to the value structure, which is a means of expressing care and interest in other people. Also, values such as security, tradition and conformity, which are related in terms of motivational goals and correspond with the dimension of conservatism, ranked high. On the other hands, respondents to a lesser extent prefer values such as power, hedonism and achievements that correspond to the dimension of self-enhancement, which is contrary to the dimension of self-transcendence, since the attempt to achieve success may be contrary to the attempt to be benevolence, because striving at success may reduce activities aimed at the wellbeing and help to other persons (Schwartz, 2003). In addition to this, respondents prefer less values such as self-direction and stimulation that correspond to the dimension of openness for changes, which is contrary to conservatism, or values of conformity, tradition and security.

The next problem is to examine whether there is a relation between certain types of organizational culture and preferred individual values of employees based on the company sample in Bosnia and Herzegovina. The following table 2. contains the matrix of correlations between the types of organizational culture (currently) and individual employee values.



**Table 2: Matrix of Correlations between types of Organizational Culture (currently) and Individual Employee Values**

	(A) Clan	(B) Adhocracy	(C) Market	(D) Hierarchy
<b>Conformity</b>	.369**	-.086	-.262**	-.140*
<b>Tradition</b>	.311**	-.169**	-.161*	-.098
<b>Benevolence</b>	.185**	-.155*	-.059	-.066
<b>Universality</b>	.200**	-.067	-.091	-.114
<b>Self-direction</b>	.094	-.048	-.045	-.035
<b>Stimulation</b>	-.108	.127*	.110	-.059
<b>Hedonism</b>	-.125*	.094	.093	-.002
<b>Achievement</b>	.100	.065	-.053	-.120
<b>Power</b>	-.107	.110	.038	.010
<b>Security</b>	.262**	-.078	-.109	-.165**

\*p < 0,05; \*\*p < 0,01

As you can see based on table 2, there are positive, moderate and statistically important coefficients of correlations between the clan culture and conformity (0,369), tradition (0,311), security (0,262), universality (0,200) and benevolence (0,185). Persons who achieve better results in case of individual values such as conformity, tradition, security, benevolence and universality have a tendency of observing higher results in case of the organizational culture of the clan.

Considering the characteristics of the clan culture, this type of correlation with individual values was to a large extent expected. The preference for the mentioned individual values such as universality and benevolence namely motivate other forms of behavior directed towards selfless assistance and taking care of other people. Also, they emphasize devotion and paying attention to close persons. In addition to this, values such as conformity, tradition and security underline the importance of adhering to social norms and complying with customs that are in compliance with tradition. If we compare these values with the organizational culture that is in compliance with the clan culture, it is characterized by a friendly working environment, where leaders are considered some sort of a parent figure and where the basis of community is expressed through loyalty, tradition and dedication to organization, and there is a correlation with the previously mentioned individual values.

A low and statistically important correlation has been established between the values of stimulation and adhocracy culture (0,127). Persons who achieve more values on the variable of individual values of stimulation have a tendency of achieving higher results in case of the organizational culture adhocracy. In addition to this, there is a negative, moderate and statistically relevant correlation between the type of organizational culture adhocracy and individual values of tradition (-0,169) and benevolence (-0,155). Persons who achieve better results in case of the individual value of tradition and good-naturedness have a tendency of achieving worse results in case of the type of organizational culture adhocracy.

These results were quite expected, since the stimulation is the motivating value orientation that supports activities that incorporate a certain risk and are directed towards the search for new things, which corresponds to a higher dimension denoted as openness for change. Since one of the basic characteristics of the adhocracy culture is encouraging to assume risk and openness to change, there is a certain type of correspondence between this organizational value and individual value of stimulation. Also, the relation between the preferred value of tradition and type of culture of adhocracy is expected. A typical characteristic of adhocracy is namely that the leaders in this type of culture are the ones violating the rules, which is contrary to the basic motivational goal of individual value of tradition directed towards compliance with customs. In this respect, it may be expected that persons who achieve better results in case of the individual value of tradition have a tendency of achieving worse results in case of the organizational culture adhocracy.

In addition to this, there is a negative, moderate and statistically significant correlation between the market culture and conformity (-0,262), and tradition (-0,161). Persons who achieve better results in case of the individual value of conformity and tradition have the tendency of achieving worse results in case of the type of organizational market culture.

The mentioned type of correlation between individual values of conformity and tradition and type of organizational market culture is interesting in the context of our survey, since it underlines the importance of the mutual relation between the environment and organizational culture. One of the basic characteristics of organizations where the market culture is dominant is that they encourage a working environment of pronounced competitiveness and mutual competition of employees. This type of organizations conducts a more aggressive strategy aiming at the achievement of demanding goals. Individual values of conformity and tradition match and both of them motivate activities related to external expectations. Considering the fact that the society in Bosnia and Herzegovina traditionally supported the values of egalitarianism and collectivism, which are to a certain extent opposite to the characteristics of the market culture, it may be said that it can be expected that persons who achieve better results in relation to the individual value of conformity and tradition have a tendency of achieving worse results in case of the type of organizational market culture.

There is a negative, moderate and statistically important correlation between the type of organizational culture of hierarchy and individual values of security (-0,165) and conformity (-0,140). Persons who achieve better values on the variable of individual values of security and conformity have a tendency of achieving worse results of the type of hierarchy culture.

These results are quite unexpected since the organizational culture of hierarchy represents a set of organizational values that support the practice of compliance with formal norms and subordination relations with an expressed bureaucratic structure. It may be expected that this type of organizational culture is accompanied by certain individual values such as conformity, which supports compliance with rules.

However, in compliance with the Swartz interpretation of the system of individual values, persons show a tendency to mostly prefer security, if they are facing social circumstances that in a certain way endanger this value, such as general social insecurity and more intensive social changes. In this respect, these results may be interpreted in such a manner that high values have been achieved when it comes to security and conformity, which is caused by the general characteristics of the environment in which companies in Bosnia and Herzegovina operate.

#### **4.1 Limitations**

There is no doubt that there are numerous limitations and deficiencies that we mentioned in this paper in relation to the conducted survey. The most important ones certainly include the complexity of the nature of the phenomenon selected for the survey. The term of organizational culture cannot be defined clearly and comprehensively, and as such, it contains a complex, interrelated and unclear series of factors. It is thus impossible to include all relevant factors in diagnosing and assessing the organizational culture, since it is always possible to claim that an additional element is relevant. This general lack is present in case of all surveys of organizational culture, so that this survey of culture in companies in Bosnia and Herzegovina has also not been immune to this problem.

The next limitation is related to the size and nature of the selected sample. The basic lack of the sample is that the data obtained based on the survey are limited in terms of possibility to make general conclusions about the results. Also, the statistical possibilities to check different variable correlations based on the selected relevant sample are limited.

#### **5. Conclusion**

The practice of organizations that have a recognizable organizational culture points to the importance of considering interests and respect of employees. In this respect, culture may strengthen trust, improve communication and reduce insecurity in interpersonal relations. In other words, an effective culture may favor a positive working environment. It should also be emphasized that the effectiveness does not depend on the very nature of a specific set of values, but rather on the clarity of organizational values, convictions and behavior, i.e. on the way in which they were created in the sense that they give a clearer picture to employees in order to make their work at the organization easier. Also, an effective culture depends on the level to which an organization is able to fulfill the promises contained in organizational values and on the extent to which these values reflect the preferences of employees (Heskett, 2012).

Giving importance to the organizational culture may also help organizations in facing different types of changes that are unavoidable and necessary, especially in the present, increasingly turbulent operating environment.

This is particularly the case for companies in Bosnia and Herzegovina that operate under still insufficiently developed institutional conditions that are adequate for well-developed market economies. The transitional period that the society in Bosnia and Herzegovina is undergoing also implies a change of social values. In this context, we tried to specify certain types of organizational culture and their relation to individual values that are preferred by employees at different types of companies. In practical sense, the most important task of an adequate management of organizational culture is its diagnosis or measurement and implementation of specific activities for the purpose of developing relevant formal and informal forms of behavior.

A general conclusion based on the obtained results is that as compared to the currently present values of organizational culture, companies are more focused on internal characteristics that support a higher level of integration and focus on the stability of the internal structure of the company, whereas the least present values are those that would stimulate innovation and entrepreneurial behavior. In addition to this, the most desirable type of organizational culture preferred by employees is the clan culture, which may be linked to certain preferences of respondents as compared to individual values. As regards the individual level, it has been established that respondents mostly prefer benevolence, security, universality, tradition and conformity. Based on the results of the conducted survey we may generally conclude that the dominant values of the society in Bosnia and Herzegovina are values that mostly correspond with the culture of collectivism.

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