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A COMPARATIVE ANALYSIS OF SERBIAN NATIONAL CULTURE AND NATIONAL CULTURES OF SOME EUROPEAN COUNTRIES BY GLOBE PROJECT APPROACH

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Abstract: Many scholars have been interested in grouping countries into similar clusters based on different criteria including geographic proximity, mass migrations, and ethnic social capital and religious and linguistic commonality. Clustering of societies is beneficial for many reasons and the GLOBE project method of clustering is of special importance from the intercultural management point of view. The results of the GLOBE project were based on the data collected from samples which consisted of middle managers. In this paper, we used the GLOBE project approach to clustering process because of its importance from the point of view of international business cooperation. Namely, it is well known that national culture strongly influences organizational culture and that the business performances are much better when national and organizational cultures fit well. Our cluster consists of Serbia and the Eastern European cluster without Georgia, Kazakhstan and Albania, since the rest of the Eastern European cluster has many common historical connections with Serbia including the fact that they belonged to the former Eastern Bloc (the Communist Bloc) or they were under the occupation of the Ottoman Empire during a long period.

Keywords: cultural geography; GLOBE national culture dimensions; Serbia; self-management system; Eastern European cluster

Introduction

The last two decades were the time of political and economic changes in many Eastern European countries including Serbia. Many authors investigated cultural and managerial issues in this region and found that "the major dividing line in approaches to management within Europe was between the East and the West" (Bakacsi, Takács, Karácsonyi, & Imrek, 2002). In the GLOBE project, 62

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countries, which participated in the project, are divided into 10 clusters as follows: Anglo culture, Latin Europe, Nordic Europe, Eastern Europe, Germanic Europe, Latin America, Sub-Saharan Africa, the Arab culture, Southern Asia, and Confucian Asia (Gupta, Hanges & Dorfman, 2002). Bakacsi et al. (2002) discussed the Eastern European cluster (scores of the national cultures “as it is” and “as it should be”) and the countries which participated in the GLOBE project consisted of Albania, Georgia, Greece, Hungary, Kazakhstan, Poland, Russia and Slovenia. Serbia, similar to other countries of the former Yugoslavia, had to belong to this cluster. By discriminant analysis and the GLOBE cultural dimensions of societal culture the following clusters are recognized: Anglo, Latin Europe, Nordic Europe, Germanic Europe and Eastern Europe Cultures. Although geographically closely linked, the countries of Eastern Europe are different in history, tradition and language. Russia, Slovenia, Poland and Serbia belong to the Slavic people and the basics of the Balto-Slavic language. Greece has its old culture and the Greek and Hungarian history had a strong influence of Turkey, Austria and Russia. Economic development is also different. Countries like Greece, Hungary, Poland and Slovenia have undergone the transition process, and other countries are still in the process (Bakacsi et al., 2002). The authors point out that it is interesting to explore which dimensions of the GLOBE have the most similar values for all members of the cluster and which create a group with different characteristics in the cluster. Latin Europe (Spain, Portugal, Italy, Switzerland — French linguistic area and France) and the Latin American cluster (Costa Rica, Venezuela, Ecuador, Mexico, El Salvador, Colombia, Guatemala, Bolivia, Brazil, Argentina), showed the highest similarity with the Eastern European cluster (Bakacsi et al., 2002; Gupta et al., 2002). The Table 1 and Table 2 give an insight into the scores on nine dimensions of national culture by the GLOBE for Greece, Hungary, Poland, Russia, Slovenia and Serbia by the authors. Notations are explained in the Tables 3 and 4.

Table 1: National culture scores of the cluster (“as it is ”)

National culture dimensions (“as it is”)	NCIV1	NCIV2	NCIV3	NCIV4	NCIV5	NCIV6	NCIV7	NCIV8	NCIV9
Serbia	3.13	2.34	6.13	3.67	3.48	3.11	5.33	3.43	3.97
Greece	3.39	3.40	5.40	3.25	3.34	3.20	5.27	3.48	4.58
Hungary	3.12	3.21	5.56	3.53	3.35	3.43	5.25	4.08	4.79
Poland	3.62	3.11	5.10	4.53	3.61	3.89	5.52	4.02	4.06
Russia	2.88	2.88	5.52	4.50	3.94	3.39	5.63	4.07	3.68
Slovenia	3.78	3.59	5.33	4.13	3.79	3.66	5.43	3.96	4.00

Table 2: National culture scores of the cluster (“as it should be”)

National culture dimensions (“as it should be”)	NC2V1	NC2V2	NC2V3	NC2V4	NC2V5	NC2V6	NC2V7	NC2V8	NC2V9
Serbia	5.65	6.24	2.97	4.99	6.17	6.52	5.76	4.96	2.69
Greece	5.09	5.19	2.39	5.40	5.23	5.81	5.46	4.89	2.96
Hungary	4.66	5.70	2.49	4.50	5.48	5.96	5.54	4.63	3.35
Poland	4.71	5.20	3.12	4.22	5.30	6.12	5.74	4.52	3.90
Russia	5.07	5.48	2.62	3.89	5.59	5.54	5.79	4.18	2.83
Slovenia	4.99	5.42	2.57	4.38	5.25	6.41	5.71	4.83	4.59

As Lazić (2002) pointed out “Yugoslav socialism was, since 1950s’, built as quasi-liberal system, very much opened towards Western influences in the economy and even more in the sphere of culture. Yet another fact is very important for the understanding of previous (and contemporary) dominant value orientations: socialist order in Serbia was established inside a society that had started a process of modernization very late (not before the last third of the nineteenth century) and was, additionally, very slow in introducing market economy instead of self-subsistence peasant economy all the way until the WWII“. In spite of the fact that former Yugoslav republics had a centrally planned economy for approximately 50 years, the Yugoslav socialism was a very specific one because of the so-called self-management system and some elements of the free market economy introduced by the government. Serbian national culture is under the influence of its rich history, wars and tradition. For example, the fight for survival induced strong feelings of collectivism and after the WWI many women were in the position to work at typically “male” jobs.

The development of a sense of the collective belonging was caused by the fact that Serbia, throughout its history, has often been under pressure from the outside, and attempts by different invaders to conquer it and especially its cultural and political identity. The corroboration of this point of view can be found in Coser’s arguments (Coser, 1956) that one of the results of the conflict of one group with another group increases the cohesion of the groups.

Serbia, like Russia, Poland and Slovenia belongs to the Slavic world. Since the settling in the Balkans during the 6th and 7th century, the cultural, political, economic and military development from 12th to 14th century made Serbia one of the most developed and most respected countries in South Eastern Europe at that time. The battle of Kosovo (national historic event in 1389) determined further development of Serbia during the long period. The Ottoman Empire annexed the entire territory of modern-day Serbia by the mid-16th century. In 1878, the Autonomous Principality Serbia became an internationally recognized

independent country and the independency brought a rapid strengthening of education, trade and industrialization. During the WWI beyond, 25% of Serbia's pre-war population and the majority (57%) of its overall male population perished in the war (<http://www.vojska.net/>).

The country of Yugoslavia was founded after the WWI and most of the South Slavic people were included in Yugoslavia. In 1918 Serbia became a part of the Kingdom of Serbs, Croats and Slovenians, which was renamed in 1929 into the Kingdom of Yugoslavia. In 1941, the Axis powers invaded Yugoslavia and the victory of the communist Partisans resulted in the abolition of the monarchy and a single-party state was soon established in Yugoslavia by the League of Communists of Yugoslavia. After WWII a social, economic and political reform was realized, which was based on the dominant communist ideology and the practice of interwar Soviet Union, the only socialist country at that time (Jankov, 1983; Crnobrnja, 2007). At that time the country consisted of six federal entities. Those federal units were six republics: Slovenia, Croatia, Bosnia and Herzegovina, Macedonia, Montenegro and Serbia. After the civil war in 1990s, Yugoslavia split into six independent countries. In the 2000s, Serbia as a European country with a pluralist political system and the economy institutionally oriented towards the market principles became more oriented to the western cultural values, first of all with respect to the power distance and individual cultural values and especially middle urban strata and became ready for a fast integration into the European mainstream.

From 1960 to 1980, Yugoslavia was economically a successful country and the annual gross domestic product (GDP) growth averaged 6.1%. One of the characteristics of Yugoslav economy at that time was the so-called self-management system. It was a "hybrid" of various forms of economic organization and was neither a planned socialism like in the Soviet Union, nor a pure market economy. It was something in-between. Yugoslav socialism was an economy with social property, but also with many other forms of property. This system was very popular in its era, not only among the left, but also among the other political powers (Kuljić, 2003). The self-management system was never really an economic system driven by workers, but by fictitious workers' councils which simulated democracy and egalitarianism and almost from the beginning it was in fact governed by those who were "more equal" than "ordinary workers" in the system. According to the observations of the same author, when the autonomy of companies threatens the power and the position of members of the political elite, the basic idea of this reform was abandoned. It was "broken" from "above" by constitutional amendments, and the decision-making process was "alienated" from the workers, which was absolutely in contradiction with the

fundamental ideas of self-management. “Concerted economy” appeared at the scene and the self-management system practically ceased to exist.

As of 2011 census, Serbia (without Kosovo) had a total population of 7,186,862. The census was not conducted in Kosovo, which proclaimed independence in 2008. Serbs are the largest ethnic group in Serbia, representing 83.3% of the total population, excluding Kosovo. With a population of 253,899, Hungarians are the second largest ethnic group in Serbia, representing 3.5% of the population (including some 13% of the population in Vojvodina – the northern province of Serbia). The official language is Serbian, spoken by 88.09% of the population. Most of the Serbs are Orthodox Christians.

Cultural dimensions

Culture is a collectively oriented phenomenon and it refers to shared meanings and cultural norms and cultural variables that have a strong influence on the social and organizational activities as members of the collective possess shared values and social identities (House, Wright & Aditya, 1997). Due to globalization and increased dependence among nations the growing interest in understanding of national cultures (House, Javidan & Dorfman, 2001) enhances cross-cultural management investigations. One of the reasons that knowledge of national cultures is so important for management practices is their impact on organizational cultures (Kluckhohn, & Strodtbeck, 1961; Hofstede, 1980; 2001; Trompenaars, & Hampden-Turner, 1997; House, Hanges, Javidan, Dorfman, & Gupta, 2004; Gerhart, 2008). National culture can be an important variable that influences the development of cognitive style and decision-making process of managers (Dimitratos, Petrou, Plakoyiannaki, & Johnson, 2011). It can affect the relationship between managers of different nationalities and cultures when they need to work together.

Pasa, Kabasakal and Bodur (2001) stated that some other differences between developed countries and developing countries are also important factors for the development of some specific ways of management. According to the authors, the developing countries are located in East and West Africa, Central and Latin America, the Middle East and in some parts of Eastern Europe and they have many characteristics that vary in intensity, such as underdeveloped infrastructure, abundance of unskilled labor, low technological development, political instability, rigid social structure, gender differences, and strong influence of tradition. Berry and Ward (2006) suggested that the encounter of individuals from different cultures often results in stress that can grow into a conflict. Ward, Bochner and Furnham (2001) suggested that the understanding

of how management practices and national culture were connected at the very beginning, although there were studies which deal with that relationship. However, the authors considered these results as unreliable and limited because they mostly relied on Hofstede's (1980; 2001) studies, which they considered as obsolete.

Hofstede (1980) introduced the cultural dimensions Power Distance (PDI), Individualism versus Collectivism (IC), Masculinity versus Femininity (MAS), Uncertainty Avoidance (UAI) and Long-term versus Short-term Orientation (LT) and his approach became very popular. His research was conducted in Yugoslavia (in 1980 and 2001), namely in Slovenia, Croatia and Serbia, and after the break-up of Yugoslavia, it was possible to extract results for these new countries (Hofstede, 2001). Then it was determined that in Serbia, power distance index was high (86), as well as the index of uncertainty avoidance, which was 92. Index of individualism was 25 and index of masculinity 43, which are very low values (Hofstede, 2001, p. 501). After Hofstede's research on dimensions of national culture in Serbia, Serbia has gone through a series of dramatic changes, but only a few studies related to Hofstede's dimension were done according to which it would be possible to determine the consequences of these changes for national and organizational culture. The important characteristics of national cultures in developing countries are: low individualism, high uncertainty avoidance, low masculine scores, high power distance (Hofstede, 1980; 2001) and associative thinking (associative thinking makes connections rather than rational choices and has a greater tolerance of ambiguity and contradiction than Westerners are used to).

Feichtinger and Fink (1998) found that the process of cultural change and its characteristics in transition countries that have communist legacy produce a "culture shock" as a result of confrontations to foreign cultures, and that a collective culture shock affects the management and business relationships and creates problems. In transition countries, culture shock is the product of complex economic, social and political forces, which Fink and Holden (2002) considered the phenomenon as an important conceptual tool for managers who are responsible for international strategy in transition countries.

During the Cold War, Serbia was largely independent of the influence of the Soviet Communist Bloc, and its citizens were free to travel around the world and meet other political and economic systems. The workers' self-management system and paternalistic style of leadership were represented in the long period of socialism. In addition, the presence of elements of the market economy was another difference between Serbia and the Soviet Bloc. Perhaps, this is one of

the reasons why the values of Western culture in business management in Serbia did not cause a high degree of culture shock, as it was the case in some countries of the former Communist Bloc. However, it is necessary to determine whether and to what extent culture shock or cultural shift are caused by the major changes and events since the breakup of Yugoslavia to the present day.

In this paper, we investigate the level of dimensions of national culture among middle managers in enterprises in Serbia by GLOBE (*Global Leadership and The Organizational Behaviour Effectiveness Research Project*) questionnaires. This project is a multi-phase multi-method project and it was initiated by Robert House in 1993. The appearance of the GLOBE project (House et al., 2004) marked a significant point in the development of the doctrine of Hofstede. The project involved more than 170 researchers and scientists in the field of management from 62 countries from all major regions of the world (House et al., 2004). Since then, the number of participants has increased and only Slovenia (among former Yugoslav republics) joined the GLOBE project.

The GLOBE cultural dimensions are based on the investigations by several authors (Hofstede, 1980; 2001; House et al., 1999; Dickson, Aditya, & Chhokar, 2000). Hofstede's study was very influential for the GLOBE project and, among other issues, the authors have significantly improved the Hofstede's model. Researchers from the GLOBE project almost fully accepted the Hofstede's paradigm construct of the dimensions of national culture that are common to all nations, however, indicated that some dimensions lack justification and do not measure what they were meant to. Not only does the GLOBE project contribute to better understanding and perception of Hofstede's work, but it also clarifies some unclear points in cross-cultural research.

The nine GLOBE dimensions were covered by 78 survey questions, half of them asking subjects to describe their culture ("as it is") and the other half to judge it ("as it should be"). The GLOBE thus produced $9 \times 2 = 18$ culture scores for each country: nine dimensions "as it is" (practices) and nine "as it should be" (values). The nine "as it is" Globe cultural dimensions are:

- Uncertainty Avoidance: The extent to which a society, organization, or group relies on social norms, rules, and procedures to alleviate unpredictability of future events.
- Future oriented: The degree to which a collective encourages and rewards future-oriented behaviors such as planning and delaying gratification.
- Power Distance: The degree to which members of a collective expect power to be distributed equally.

- Collectivism I (Institutional): The degree to which organizational and societal institutional practices encourage and reward collective distribution of resources and collective action.
- Humane Orientation: The degree to which a collective encourages and rewards individuals for being fair, altruistic, generous, caring, and kind to others.
- Performance Orientation: The degree to which a collective encourages and rewards group members for performance improvement.
- Collectivism II (In-Group): The degree to which individuals express pride, loyalty, and cohesiveness in their organizations or families.
- Gender Egalitarianism: The degree to which a collective minimizes gender inequality. Assertiveness: The degree to which individuals are assertive, confrontational, and aggressive in their relationships with others (House et al., 2004).

Methodology

Sample

The investigation lasted for five months (from January 1st to June 1st, 2011) and it was done through collecting answers to questionnaires by interviewing the respondents who were middle managers (standard approach in the frame of the GLOBE project). Responses were obtained from a total of 256 middle managers from 131 companies, and the sample represented both state and private companies (134 employees from state enterprises and 122 employees from private enterprises). All the middle managers in the sample were highly educated. There were 136 males and 120 females in the sample. The sample was from the three GLOBE industries (telecommunication, financial and food companies).

Instruments

We used the GLOBE questionnaires (“as it is” and “as it should be” parts for national culture dimensions). The answers are measured on the 7-point Likert scale. These instruments measure nine organizational culture dimensions: Performance Orientation, Future Orientation, Gender Egalitarianism, Assertiveness, Institutional Collectivism, In-Group Collectivism, Power Distance, Humane Orientation and Uncertainty Avoidance (House et al., 1999; 2002; 2004). The questionnaire was validated (translated/back-translated and validated by the GLOBE team).

Results

The results of descriptive statistics for dimensions of national culture “as it is” and “as it should be” in Serbia are presented in Tables 3 and 4. These Tables contain mean, standard deviation, and maximum and minimum scores of the national culture “as it is” and “as it should be” according to the official website of the GLOBE project. The Figure 1 shows nine dimensions of national culture and graphically represents the differences between the dimensions of the national culture in Serbia “as it is” and “as it should be”.

Table 3: Dimensions of national culture (“as it is”) in Serbia

Dimensions of national culture (as it is)	Notations	N	Mean	Std. Deviation	Based on data reported on GLOBE’s Home Page: GLOBE Variables Scores September 2004 (as it is)	
					Highest score	Lowest Score
Uncertainty Avoidance	NC1V1	256	3.13	1.31	5.37	2.88
Future Oriented	NC1V2	256	2.34	1.06	5.07	2.88
Power Distance	NC1V3	256	6.13	0.86	5.80	3.59
Institutional Collectivism	NC1V4	256	3.67	1.10	5.22	3.25
Humane Orientation	NC1V5	256	3.48	1.22	5.23	3.18
Performance Orientation	NC1V6	256	3.11	1.29	4.94	3.20
In-Group Collectivism	NC1V7	256	5.33	0.88	6.36	3.18
Gender Egalitarianism	NC1V8	256	3.43	0.85	4.08	2.50
Assertiveness	NC1V9	256	3.97	0.80	4.89	3.38

Table 4: Dimensions of national culture (“as it should be”) in Serbia

Dimensions of national culture (“as it should be”)	Notations	N	Mean	Std. Deviation	GLOBE’s Home Page: GLOBE Variables Labels September 2004 (as it should be)	
					Highest score	Lowest Score
Uncertainty Avoidance	NC2V1	256	5.65	0.82	5.61	3.16
Future Oriented	NC2V2	256	6.24	0.70	6.20	2.95

Dimensions of national culture (“as it should be”)	Notations	N	Mean	Std. Deviation	GLOBE’s Home Page: GLOBE Variables Labels September 2004 (as it should be)	
					Highest score	Lowest Score
Power Distance	NC2V3	256	2.97	0.84	4.35	2.04
Institutional Collectivism	NC2V4	256	4.99	0.85	5.65	3.83
Humane Orientation	NC2V5	256	6.17	0.74	6.09	3.39
Performance Orientation	NC2V6	256	6.52	0.60	6.58	2.35
In-Group Collectivism	NC2V7	256	5.76	0.92	6.52	4.06
Gender Egalitarianism	NC2V8	256	4.96	0.73	5.17	3.18
Assertiveness	NC2V9	256	2.69	0.91	5.56	2.66

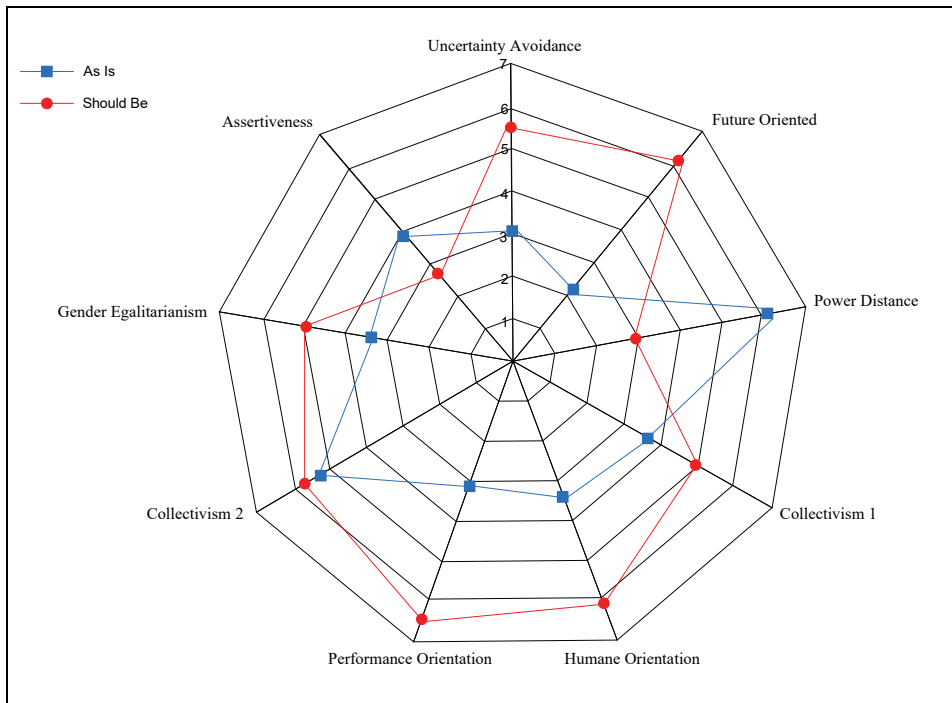


Figure 1: National culture in Serbia “as it is” and “as it should be”

Discussion

According to Bakacsi et al. (2002), countries that belong to the Eastern European cluster have similar scores of dimensions uncertainty avoidance, future orientation, power distance, in-group collectivism and gender egalitarianism and some substantial differences occur by assertiveness, performance orientation and institutional collectivism. According to the obtained results (“as it is”), Serbian cultural dimensions fit into this cluster framework, but certain dimensions differ with respect to the rest of the cluster. Serbia has the lowest score on future orientation (2.34), performance orientation (3.11) and gender egalitarianism (3.43), and the highest score on power distance (6.13) among all members of the cluster.

Scores for the dimensions of national culture (“as it should be”) in Serbia also fit into the framework and conclusions for East European cluster (Bakacsi et al., 2002), with a trend towards reduction (compared to “as it is” score) of power distance (2.97), increased scores of uncertainty avoidance (5.65), future orientation (6.24), humane orientation (6.17), performance orientation (6.52) and we can see the expectation to increase the already high score dimensions in-group collectivism (5.76). Serbia, among all cluster members mostly tends to increase the scores (“as it is”) of uncertainty avoidance, future orientation, human orientation, performance orientation, gender egalitarianism and reduce assertiveness. Serbia is in the second rank, after Greece, having the highest score on institutional collectivism (“as it should be”), and after Russia, with respect to the score for in-group collectivism (“as it should be”).

National culture in Serbia has one of the lowest scores for uncertainty avoidance “as it is” (3.13) in the cluster, similarly to Hungary (2.88) and Russia (3.12), which have the two lowest scores for uncertainty avoidance “as it is” in the world according to GLOBE. Hofstede (2001) found that Serbia has a very high index of uncertainty avoidance “as it should be” (92). Grachev, Rogovsky and Rakitski (2007) found that in Russia, many rely on the past, which provided a sense of security. Many scores are no longer respected, such as respect for elderly people, tradition, orientation to the rules, and the social hierarchy. The authors believe that in recent years the majority of the population has lost a clear sense of direction in the new fragmented and uncertain economy and society. On the other hand, expectations are significantly different from the current state since the score on uncertainty avoidance “as it should be” is 5.07, indicating that respondents in Russia strive for a system that has more order and system oriented towards planning.

Serbia has the highest score uncertainty avoidance “as it should be” (5.65) in our part of the Eastern European cluster. Trends toward greater reliance on institutional policies and procedures in order to reduce the stress and anxiety being the product of high uncertainty and disordered systems are common for Russian and Serbian managers. Bakacsi et al. (2002) concluded that one of the reasons for the obtained results for the uncertainty avoidance (“as it should be”) in the cluster is that all traditions which are represented in the region of the cluster were facing changes, and thus uncertainty as a consequence.

The future orientation dimension is a reflection of the way on which society adapts to external challenges (Jesuino, 2002). According to the GLOBE project, the lowest score on future orientation “as it is” has Russia (2.88) and Serbia (2.34) is even less oriented toward the future. The economic crisis, transition, high unemployment rate and uncertain business conditions forced people in Serbia to think in the short term. The score on future orientation “as it should be” for Serbia is the highest in the cluster. According to the official results of GLOBE Thailand has the highest score on future orientation “as it should be”, which Serbia (6.24) exceeds. For many countries one of the characteristics of their national cultures is that low scores of future orientations “as it is” are followed by high scores of future orientations “as it should be”, which is also the case with Serbian scores (the so called “pendulum effect”).

The highest score for power distance “as it is” in the cluster is found in Hungary (5.56), and in the world in Nigeria and Morocco (5.80). The score for the dimension power distance for Serbia (6.13) is partly linked to Hofstede’s research (1981; 2001) when he identified a high-power distance in Serbia. Similar result is also confirmed in one of the few studies of national culture in Serbia conducted by Mojić (2003), just a few months before democratic changes that occurred in Serbia. Arandarenko (2000, pp. 347–348) explained the high-power distance in Serbia as a result of a kind of “political capitalism” that followed the fall of the socialist system, where the new/old elites took over the complete administration of the “social” property and created for themselves opportunities for non-market profit making. War and economic embargo imposed by the United Nations gave them the perfect cover for various forms of accumulation of capital. In addition, hyperinflation further influenced the weakening of the country’s economy and the application of market economy rules. The above-mentioned socio-economic circumstances gave the managers of all levels in companies in Serbia, and in particular in the social and state companies, almost absolute power to dispose all the resources of the company, including employees. This situation provided Serbian managers with numerous opportunities for corruption, autocratic behavior and almost publicly devastation

of “social” capital at the expense of self-interest, with the intention to retain the same situation as long as it is possible.

After a decade of the privatization process, middle managers who are now working in another system again confirm a high score on power distance dimension “as it is” and a large difference between power distance dimension “as it is” and power distance dimension “as it should be”, which may be the result of the impact of the transition, the economic crisis and a high unemployment rate in Serbia. For countries like Serbia, with a high score on power distance, some of their characteristics are social, economic and political stratification (Javidan, Dorfman, Sully de Luque, & House, 2006). Although power distance dimension “as it should be” is very different from the “as it is” score on power distance, Serbian managers still expect a relatively high score on power distance “as it should be” (2.97). In addition, the obtained result of “as it should be” score on power distance is not much different from the average score on clusters (3.01) and GLOBE project (2.77).

Greece has the lowest score on performance orientation in the GLOBE project “as it is” (3.20) and the score on this dimension for Serbia is 3.11. Hence, Serbia is the country with the lowest score on the performance orientation “as it is” in the cluster. For the performance orientation dimension “as it should be” the highest score in the GLOBE project has El Salvador (6.58), followed by Serbia (6.52). One of the explanations for the obtained result for the performance orientation may be that during the war years, which were followed by hyperinflation and sanctions introduced by UN, people thought only about survival and how to go out of the crisis.

One of the consequences of the war in the former Yugoslavia was the destroyed economic system in Serbia. Additional problem in Serbia was a “political capitalism” (Arandarenko, 2000, p. 347–348), which was very strong and lasted for several years. Similarly, as it was the case with the Russian society, the Serbian society has been quite disoriented and uncertain about the future. The continuous changes in legislation and political instability produced the situation that people did not rely on savings, and quickly transferring inflated dinar into hard currencies. The transition process in Serbia started with democratic changes (after 2000) and this process has been very difficult, even for countries which were much more stable and stronger when they entered the process. When it seemed that it was a perfect time to replace the old technology in all spheres and to invest in human resources, the global crisis disabled the process of modernization. Very few companies apply strategic management techniques using internationally recognized instruments. Another indication of the low

future orientation is inability or unwillingness of many companies to invest in human resources, which is a long-term investment. Low scores of uncertainty avoidance and performance orientation “as it is” are, at least partly, the result of those years, as well as short-term planning, lack of investment in the development and remuneration which is not primarily based on the results of employees. In addition, the celebration of tradition and paying more attention to the origin of the family, rather than to the performance are usual for countries with low orientation towards the future, which has also been highly expressed in Serbia.

Unemployment, unequal opportunities for advancement and involvement policy in many spheres of social life have contributed to low scores of future orientation and performance orientation and reduced the number of highly educated people (Linden, Arnhold, & Vasiliev, 2008, pp. 6–8), which also has affected the GCI ranking of many countries (Schwab, 2011, p. 315). Similar situation has been in Serbia and the result is that the rank of GCI of Serbia is 95 (among 144 countries). The Global Competitiveness Index (GCI) is the key ingredient of The Global Competitiveness Report (GCR) which is a comprehensive assessment of countries’ economic competitiveness, produced by the Global Competitiveness Network (GCN) of the World Economic Forum (WEF). The “Global Competitiveness Index” (GCI) compares countries’ productivity and efficiency and highlights their comparative advantages and the advisability of investing in them. The index examines the efficiency of different sectors of the national economies and their contributions to the country’s productivity. It is useful because it identifies the strengths and weaknesses of national economies.

Serbian score for the dimension institutional collectivism “as it is” (3.67) is lower than the average of cluster (4.04) and the GLOBE average (4.24). According to Bakacsi et al. (2002), this dimension is another surprise for all the cultures in the cluster which are considered as collective societies (this stereotype is due to collectivistic ideology). However, none of the countries of the cluster is in the group with the highest scores of the GLOBE dimensions institutional collectivism (“as it is”). On the contrary, Greece (3.25) and Hungary (3.53) have the lowest scores, followed by Serbia, which are in the group of countries with the lowest scores, while others are in the middle group. In addition, low scores of the dimension institutional collectivism are typical for highly developed Western countries. In these countries allocation of resources and rewards are based on individual achievement and self-esteem is much greater than loyalty to group cohesiveness and viability (Brodbeck, Frese & Javidan, 2002), which is not a characteristic of Serbia and East European cluster.

Scores for institutional collectivism “as it should be” in our cluster for Russia (3.89) is significantly different than it was expected. A relatively high score on institutional collectivism “as it should be” (4.99) indicates that in Serbia traditional values related to institutional collectivism are still valued. The desire is that the goals and interests of the group have to be more important than individual goals and interests. In such society important decisions have to be made by a group, not by an individual and the state has to be highly responsible for the people. Kabasakal and Bodur (2004) concluded that social culture which is based on bureaucratic practice, formal relations and formalized procedures is typical for the culture in which human orientation is low. In contrast, corruption, involvement policy in all spheres of life, the injustice in society, money in the hands of a few people and the increase of poverty is the image of Serbia today. Status in Serbia largely determines the rights and privileges, and political leaders typically have a high status. All these facts significantly affect the score on human orientation “as it is” (3.48) and put Serbia in the group with the lowest scores of GLOBE’s human orientation dimension. High score on human orientation “as it should be” (6.17) shows that managers in Serbia have the expectation that people should care about another people’s welfare. The score on GLOBE dimension in-group collectivism (5.33) in Serbia is higher than the average of the cluster (5.27) and the GLOBE average (5.1). According to the state “as it should be” Serbian score on in-group collectivism (5.76) is higher than the average in the cluster (5.4) and in the GLOBE (5.64).

The score on the dimension gender egalitarianism “as it is” in Serbia (3.43) is the lowest score in the cluster (its average is 3.83). The score on this dimension “as it should be” for Serbia is the highest in the cluster (4.96) and greater than the average of the cluster (4.39) and the GLOBE project average score (4.5). The position of women in Serbia has increasingly improved at least from the standpoint of legal documents and in certain areas of society. Egalitarianism is guaranteed by the constitution, many laws and relevant international documents, especially those related to the EU documents. Compared to men, women participate less in politics, and only a few occupy the leadership positions. The 2008 elections were held according to different regulations, with parties and coalitions required to have at least 30% of female candidates on their election tickets. The result was the increased number of women in the parliament to about 22%, or 55 seats in the 250-member parliament. The new regulations now bind parties and coalitions to have 33% of women on their election tickets - which should result in more women in the parliament. With regard to this issue, Serbia seems to be on a par with other countries in the region – e.g. Montenegro has just 11% of women in the parliament and Croatia has about 21%. Snežana Lakićević, the chairwoman of the Serbian Government Gender Equality Council,

said the country should aim for an average of 40% of women in parliament. In the 150 municipalities, only 10 women were elected and in 23 cities, only one woman was the mayor (Statistical Office of the Republic of Serbia, 2011, pp. 89–92, 147, 148, 157).

The score on the dimension assertiveness “as it is” (3.97) is lower than the average of the GLOBE (4.13), which means that the sympathy for the weak and the emphasis on loyalty and solidarity are the characteristics of Serbian society. The score on the dimension assertiveness “as it should be” is the lowest in the cluster (2.69) and lower than the GLOBE average for this dimension (3.83). According to Szabo and Reber (2007), low score on the dimension assertiveness “as it should be” may be an indication of a desire for more egalitarian society and tends towards democracy, consensus, and the life model of social partnership.

Conclusion

Historical and political circumstances in which Serbian society has developed are very specific and very different with respect to countries from the former Soviet Bloc. The long period of the Ottoman rule and the number of Serbian victims during the WW I resulted in a prolonged struggle for national survival and contributed to the development of a low degree of orientation towards the future. A specific form of socialism that was one of the characteristics of the former Yugoslavia, the so-called workers' self-management, significantly contributed to the development of a form of management, which is close in many aspects to the contemporary participative management. Employees were consulted about many important issues relevant to the operation of the organization. Various benefits that the workers had (a loan to buy an apartment, health insurance, ability to travel freely abroad) contributed to the high level of human orientation in Serbian society before the transition period. Very fast processes of transition and privatization have contributed to the large increase in unemployment rate and as a reaction to this situation managers considered a high level of uncertainty avoidance as a desirable cultural dimension.

Serbian cultural dimensions (“as it is”), fit into this cluster framework, but certain dimensions differ with respect to the rest of the cluster. Serbia has the lowest score on future orientation, performance orientation and gender egalitarianism and the highest value of power distance among all members of the cluster. Values for the dimensions of national culture (“as it should be”) in Serbia also fit into the framework and conclusions for Eastern European cluster (Bakacsi et al., 2002), with a trend towards reduction (compared to “as it is”

value) of power distance, increased values of uncertainty avoidance, future orientation, humane orientation, performance orientation and in-group collectivism. Serbia, in accordance to the so called “pendulum effect”, among all cluster members mostly tends to increase the scores of these dimensions which means that the pendulum effect is very strong in Serbian society. These facts may be favorable factors for Serbia’s economic growth besides a strategic location, a relatively inexpensive and skilled labor force, as well as free trade agreements with the EU, Russia, Turkey, and countries that are members of the Central European Free Trade agreement.

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