

## **ORGANISATIONAL CULTURE DIMENSIONS OF THE KYRGYZ INDUSTRIAL COMPANIES**

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### **ABSTRACT**

This study is aimed at defining the corporate culture dimensions in the example of local Kyrgyzstan (Bishkek) companies of the industrial sector. It was focused on cultural dimensions like collectivism, paternalism, long-term orientation, universalism, power distance, and employee-oriented. Results of the study led to a certain both conformities and paradoxes and increased the attractiveness of the research. This article concludes by analyzing and making observations about national culture impact on organizational culture. It is strongly believed that the results of this study will guide future surveys and is thought to be predisposing to the theoretical and methodological perspective.

**Keywords:** Organizational (corporate) culture, national culture, Kyrgyzstan

### **KIRGIZ İŞLETMELERİNİN ÖRGÜT KÜLTÜRÜ BOYUTLARI**

Bu çalışma, Kırgızistan (Bişkek) sanayi sektörü yerel işletmelerin örneğinde örgüt kültürü boyutlarını belirlemeyi amaçlamaktadır. Çalışma toplumsuluk, paternalizm, uzun dönem odaklılık, evrenselcilik, güç mesafesi, ve çalışan odaklılık gibi kültürel boyutları üzerinde odaklanmıştır. Çalışma sonuçlarının bazı durumlarda paradokslara yol açması araştırmanın cazibesini artırmıştır. Örgüt kültürünün toplum kültüründen etkilenmesi sonucu Kırgız işletmelerinin örneğinde de varılmıştır. Bu çalışmanın sonuçları ileride yapılacak çalışmalara rehberlik edeceğine inanılır ve teorik ve metodolojik açıdan yardımcı olacağı düşünülmektedir.

**Anahtar Kelimeler:** örgüt (kurum) kültürü, toplum kültürü, Kırgızistan

### **1. Introduction**

Today Kyrgyzstan as transition economy is going through a difficult period, where looking for a worthy place between the two major challenges. The first challenge is to adapt to new market conditions as a transitional economy, and the second challenge is to find an adequate response to the global and regional competition. In response to the first challenge is the need to create high-quality human resources who can adapt to new market conditions, and how to meet the second challenge is to reproduce precisely the potential of those resources that will create a source for competitive advantage. In this case, such a resource is the organizational (corporate) culture. The role of corporate culture in HRM in Kyrgyzstan undoubtedly is relevant. Despite the fact that this issue was insufficiently studied with scientific point of view by domestic researchers, the very subject matter of corporate culture is the most popular in the world. The high practical interest and insufficient academic research therefore prompted us to choose the corporate culture issue.

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In the process of disintegration of the Soviet Union and after the transition to a market economy, 20 years of independence for Kyrgyzstan there were new deep-rooted changes in the production relations according to the conditions experienced. The transition will be a mix of social and economic changes brought along with him. In this process, adapting to new economic conditions, achieving competitive advantage and increasing the supply of human resources, along with developing and maintaining them is an important problem.

In recent years rekindled concept in the management literature in the world is corporate culture and it has a tremendous popularity. Both academic and practical interest toward corporate culture is increasing. Of course, the concept of corporate culture is originated from Western literature. However, in spite of that for the first time the concept of corporate culture can be seen as entirely new concept, the principal layers (elements) of organizational culture in Kyrgyzstan has had its analogues before. So, conceptually the term of corporate culture is no stranger for Kyrgyzstan. Despite the altering of property forms in business or level of economic development in all country, each organization has a basic source. It is their human resources that will generate a competitive advantage in the field of corporate culture. The academic interest to organizational culture in Kyrgyz business will win the undisputed lead in the practical field.

Of course, some aspects of the corporate culture in Kyrgyzstan at least to a certain extent even were studied. Some of them were conducted by local researchers in this area, but most of them were studied by foreign researchers. Research done by outsiders might miss some points of the view.

## **2. Related Research and Theoretical Framework**

Corporate culture is a pattern of beliefs and expectations shared by the organization's members; and these beliefs and expectations produce norms that powerfully shape the behavior of individuals and groups in the organization (Schwartz and Davis, 1981). Undoubtedly, these beliefs and expectations are shaped by the characteristics of national culture, which is defined as shared values and beliefs among people in a given society. Cseh et al. (2004) assumed that organizational behavior depends on managers' and employees' perceptions of the characteristics of the internal organizational culture; and these perceptions, in turn, will depend on the managers' and employees' national cultural values.

### **2.1. Cultural Dimensions**

National cultures can differ in many ways, for instance individuals from different cultures vary in their communication behavior, motivation, and decision-making. Hofstede's cultural dimensions are dominant and the most cited one in literature. In this study, we focus on the following cultural dimensions: power distance, individualism/collectivism, future orientations, universalism, involvement, paternalism and employee-oriented.

**Table 2.1.** Cultural Dimensions Descriptions

<b>Cultural Dimensions</b>	<b>Descriptions</b>
Power distance (PDI) (Hofstede, 1980, 1996)	The degree to which members of an organization or society expect and agree that power should be unequally shared.
Collectivism/ Individualism (IND) (Hofstede, 1980, 1996)	The degree to which organizational and societal institutional norms and practices encourage and reward collective distribution of resources and collective action. The extent to which people place importance on extended families or clans, which protect them in exchange for loyalty. The 'in-group'- 'out-group' difference is salient.
Involvement Denison, D. R., Mishra A. K. (1995)	The degree to which members of organization have a sense of ownership and responsibility. Out of this ownership grows a greater commitment to the organization and a growing capacity to operate under conditions of autonomy. Increasing the input of organizational members is also seen as increasing the quality of decisions and their implementation.
Long – term orientation (LTO) (Hofstede, 1980, 1996)	The degree to which individuals in organizations or societies engage in future-oriented behaviors such as planning, investing in the future and delaying gratification.
Universalism (Trompenaars, 1993)	The extent to which an organization or society strives for consistency and uniform procedures, institutes formal ways of changing the way business is conducted, seeks fairness by treating all like cases in the same way.
Paternalism (Aycaan et al., 2000)	The extent to which an organization or society encourages and accepts that people in authority provide care, guidance and protection to their subordinates, just as they would do to their own children. In return, subordinates are expected to show loyalty and deference to the superiors.
Employee-Oriented – Job oriented (Hofstede, 1990)	The extent to which an organization concerns people and takes a broader view of its responsibility to employees including an obligation to watch out for their overall well-being.

## 2.2. National Culture of Kyrgyzstan

Fundamental studies on the problems of ethnogenesis and ethnic history of Kyrgyz were deeply conducted by Abramson (1990), where Kyrgyz economical and social life was conditioned by nomadic and patriarchal-communal style. Naturally it imprinted on material and economic culture of Kyrgyz. At the same time Anderson (1999) discussed that despite Kyrgyz are dominantly Sunnite Muslims, their belief system are influenced by totemism and anti-religious campaign of Soviet regime. Osmonova (Осмонова, 2004:164) underlined that uniqueness and peculiarity of Kyrgyz is originated by interest to Tengriism, the study on ancient mythological and religious-philosophical school, a Central Asian religion that incorporates elements of shamanism, animism, totemism and ancestor worship (from Wikipedia). According to Isaev (Исаев, 2004), nowadays the effect of Tengriism as package of the mythology, religion, ideology and outlook, is going on in life style, traditional culture and values of Kyrgyz. In past, for a long period of time Kyrgyz life order was conditioned by restriction of consumption and wasting. It was preconditioned by shortage of natural

resources and one-way narrow house-hold, and it cultivated a sense of indifference and satisfaction by small mercies (Koichuyev, 2007:131). Of course, settled life style of Kyrgyz beginning from XVIII centuries intersected with nomadic life style. People began to settle by clans, and settled life style strengthened we-feeling (Osmonov, 2004). Kyrgyz has lived with collectivistic principles.

### **2.3. The Organizational Culture Orientations in Soviet Kyrgyzstan**

It is logical that being a part of Soviet systems for about three generation, Kyrgyzstan strongly was influenced by Soviet values. These values have left perceptible traces not only in political or social culture, but also in (to) the organizational culture of modern Kyrgyz business. It will be sensible to look back to organizational culture of Soviet enterprises. Shkaratan & Karacharovski (Шкаратан & Карачаровский, 2002) described the main characteristics of the organizational and managerial culture of Soviet system in five dimensions: 1) prevalence of "permissive" orientation regulations, 2) formal relationships, 3) primarily hierarchical management structure, 4) orientation on punishment for mistakes, tight control over the performance of official duties and regulations, 5) promoting universalism, combining jobs and responsibilities, centralization and personalization of decision-making and responsibility. Clarke (2004) described Soviet managerial style as "authoritarian paternalistic". In Soviet system managerial and organizational behavior was formed according not only to economical but also to political structure of general system. Cseh et al. (2004:265) characterized the behavior of middle managers like meticulous rule following, the lack of initiative and contentment with marginal product quality; and assumed on desired behavior of employees in Soviet republics like following rules, not questioning authority, and refraining from displaying too much independent initiative. Muratbekova-Touron (2002) mentioned that the influence of the communist regime of the former Soviet Union left clearly trace on a heavy bureaucratic and hierarchical management structures and discussed that high power distance facilitated an autocratic management style that resulted a respect and obedience to power. The desire to avoid a risk or uncertainty had been countered by "heavy bureaucracy, centralization and detailed strict law. Therefore, employees refrained from displaying initiative, individual decision-making, and taking on the responsibility. Luthans et al. (2000:96) argued that it is important background information because the traditional Russian culture was one of the key factors shaping the business culture in the rest of the former Soviet Union. Luthans et al. (1998:187) cited Conger (1990) that Soviet leaders were abusive, who resorts to manipulation of followers, gains power and takes advantage of followers, and/or exploits and employs followers only for his/her own self interest/self enhancement.

In addition, communist countries have traditionally been described as having high uncertainty avoidance and been identified as espousing collective, as opposed to individualistic values (Hofstede, 1996; Naumov, 1996; Puffer & Shekshnia, 1996). Because of these values, the people of these countries preferred a leader who can guide the masses and unite the people around a common goal (Luthans et al, 1998).

As Klimyuk (Климюк 2002:277) argued the corporate culture is affected by the national ideology and mentality. Post Soviet businesses have kept the features inherent in the Soviet mentality. They are "closed" organizational culture, which is based on a strict vertical subordination, hierarchy, with a strict distribution of roles, negative feedback, excessive bureaucracy. In these organizations, in order to maintain stability, the loyalty, conformity and obedience are welcome. Resuming all above mentioned, the corporate culture of Soviet companies can be described as following: close system, long-term orientated, authoritarian and paternalistic, universalist, lower participative.

#### **2.4. The Organizational Culture Orientations in Post-Soviet Kyrgyzstan**

As Odegov and Rudenko (Одегов & Руденко, 2009:10) shared, new realities of post-soviet economies and labor relationships proved the insufficiency of old management practice. Because of the transition period, the environment, where companies are in, had to go through the radical changes. And new challenges of market economy faced with an old system. The system of economic and social values has changed. For example, values like a safety on employment and belief on a future was in chaos. People had to take care on their future themselves. The labor relationship between employee and employer has altered. These changes brought new expectations and new values.

In new conditions and system old soviet managers and leaders was disoriented. It was proved by empirical researches by Adamson (1999). The results showed that Russian top industrial management had no experience of top decision-making processes, and individually they felt disorientated by the collapse of the former Soviet Union. Their historical understanding of their professional roles and distrust of the present changes left them demotivated and without any constructive personal aspirations.

The considerable practices on the transformation of organizational culture at the result of social and cultural values parallel with a changing of economical and political environment originated in the period of last 10-15 years in the post communist republics. Most of these countries have gone through a radical privatization of state – controlled industries, liberalization of financial markets, transformation of business-related legal infrastructures, and through significant shifts in societal values and norms (Cseh et al., 2004:266). There is no doubt that all of these factors had a great impact on organizational culture and behavior.

Among researches on changes in social values system and organizational culture in former Soviet republics, it is to add Puffer (1996), Holden & Cooper (1998), Aysan et al (2000), Fey & Beamish (2001), Danis & Shapilov (2002) , Федорова (2005), Персикова (2007), Гвоздкова (2008), Тушева (2008), Чапкина (2008) etc. However, most of these researches are focused on Russian samples. Some empirical studies on managerial and organizational culture in neighbor Kazakhstan were conducted as well (Muratbekova-Touron, 2002; Tatibekov et al, 2004; Minbaeva et al, 2007).

On the other hand, very limited number of studies was done in Kyrgyz companies, during independence period. Despite of shortage of studies, most of them were useful in

order to continue cycle of researches on organizational culture and behavior in Kyrgyzstan (Ardichvili & Gasparishvili, 2001; Ardichvili & Kuchinke, 2002). In these studies managerial and non-managerial employees in the four former USSR differed primarily by much lower levels of power distance, higher levels of masculinity and much longer planning horizons. Cseh et al. (2004) studied managerial organizational culture and social values in five transition economies including Kyrgyzstan. Results indicated that, employees and managers in Kyrgyzstan displayed themselves like mid-range individualism and participation scores, higher paternalism and fatalism, highest in proactivity and obligation to others. Authors tried to explain the differences of Kyrgyz scores with Russian and similarities with Kazakhstan and Georgian scores with the fact that, being further from the center of power during the Soviet era, these Central Asian countries have been able to retain more of their traditional values in various spheres of social and economic life. And the collapse of communism has created conditions for the return to a more traditional, rooted in the national culture, type of a paternalistic and collectivist management style in the Central Asian countries.

Bakacsi et al, (2002) noticed that post-soviet countries have common historical values like centralized management system, planned economy, one-party political system, hierarchical order etc. Therefore, post-soviet organizational culture is described by dimensions like high power distance, high collectivism scores and high uncertainty avoidance. Authors related this fact with bureaucratic management style as a heritage of communistic regime, where leaders had a huge power source and subordinates had just to obey.

As mentioned above, the literature on corporate culture in the post-soviet Kyrgyzstan is limited and has more potential for future researches. In support above mentioned Ismail and Ford (2010) issued a “Clarion Call” for leadership scholars to focus their attention in the post-Soviet countries of Central Asia and also provided key considerations and directions for future leadership research in this region.

Altay (2003) studied on the perception of foreign managers about Kyrgyz employees and resulted that firsts appreciated latter like emotional, collectivist, and lower uncertainty avoidance or less anxious on future.

Turan et al. (2009) studying entrepreneurial attitudes and behavior in Kyrgyzstan in comparison with Turkish counterparts, resulted that Kyrgyz entrepreneurs are more tolerant to pressing outside, dislike changes in business environment and appreciate stability.

**Table 2.2.** Studies on corporate culture, values and organizational behavior related to modern Kyrgyzstan

<i>Authors</i>	<i>Title</i>	<i>Date and journal of publication</i>
<b><i>Papers directly concerned to Kyrgyz organizations</i></b>		
Ardichvili A. & Gasparishvili A.	Socio-Cultural Values, Internal Work Culture and Leadership Styles in Four Post-Communist Countries	2001, <i>International Journal of Cross Cultural Management</i> , Vol. 1, No. 2, 227-242
Alexander Ardichvili and K. Peter Kuchinke	Leadership styles and cultural values among managers and subordinates: a comparative study of four countries of the former Soviet Union, Germany, and the US	2002 <i>Human Resource Development International</i> 5:1, pp. 99–117
Altay Hüseyin	Orta Asya Türk Cumhuriyetlerindeki Türkiye Kökenli Firma Yatırımları ve Kültür: Yöneticiler Açısından Bir Değerlendirme	2003, Balıkesir Üniversitesi, SB Dergisi, cilt 6, Sayı 9 ss. 39-57
Cseh, M., Ardichvili, A., Gasparashvili, A., Krisztian, B., & Nemeskeri, Z.	Organizational Culture and Socio-cultural Values: Perceptions of Managers and Employees in Five Economies in Transition	2004, <i>Performance Quarterly</i> , 14(2) pp. 265-283
Mehmet Turan, Seil Nazhimudinova, Ali Kara	A Comparative Study of Entrepreneurial Attitudes and Attributes of Turkish and Kyrgyz Entrepreneurs	2009, <i>Entrepreneurship and its Economic Significance</i> , Editors: V. Bradshaw & P.T. Carrington, Nova Science Publishers, USA pp.21-39
Kiran Ismail & David Ford Jr.	Organizational leadership in Central Asia and the Caucasus: Research considerations and directions,	2010, <i>Asia Pacific Journal of Management</i> , 27, pp.321–340
<b><i>Papers indirectly concerned to Kyrgyz organizations</i></b>		
Luthans, F., Peterson, S., & Ibrayeva, E.	The potential for the “dark side” of leadership in post communist countries.	1998. <i>Journal of World Business</i> , 33(2): 185–20.
Luthans, F., Stajkovic, A., & Ibrayeva, E.	Environment and psychological challenges facing entrepreneurial development in transitional economies.	2000. <i>Journal of World Business</i> , 35(1): 95–110.

In this study we aimed to define the corporate culture dimensions in the example of local Kyrgyzstan companies of the industrial sector.

### 3. Research Methodology

The data were collected from individuals (both managers and employees) working in a three large-sized private companies in the manufacturing sector. Table 3 shows the profiles of the respondents. Data was collected through self-administered questionnaires (each lasting about 20-25 minutes). The questionnaire consisted of two parts. In the first part, demographic information such as education, gender, and age, are included to test the variation.

Second part consists of 68 statements (see Table 4) that ask respondents their opinions about dimensions of corporate culture that exists in their company and general views about the relationships at work. This questionnaire for the survey of Kyrgyz firms' employees was developed in Kyrgyz and Russian. A five-point Likert scale is used to obtain the score for each statement (1 = strongly agree; 5 =strongly disagree). Sample size is 267 respondents. Two levels of employees were surveyed: middle-level managers and non-managerial employees, including engineers, production and service employees. A survey was administered to stratified random samples of employees in each of the companies surveyed. Data collection procedures were similar in all organizations. Respondents were asked to fill given questionnaires. Survey forms were prepared in two languages, Russian and Kyrgyz. The obtained data were processed with SPSS program.

**Table 3.1** Profiles of the participants (N=267)

<b>Participants'</b>	<b>Percent %</b>
<i>Age (N- 267)</i>	
20-30	54.3
31-40	21.7
41-50	16.1
51-60	6.7
61 <	1.1
<i>Gender ( N- 267)</i>	<i>Percent %</i>
female	31.5
male	68.5
<i>Education ( N- 267)</i>	<i>Percent %</i>
Primary school	21.0
secondary education	31.5
higher education	46.1
postgraduate	1.5
<i>Job position ( N- 267)</i>	<i>Percent %</i>
Middle level managers	10.5
Specialist	38.5
Production employees	30.0
Service employees	21.0

### 3.1. Research Findings

The participants were asked to evaluate 68 statements in order to find out their perceptions about corporate culture dimensions and features of company where they work. Table 3.2 displays the mean scores for each of 68 statements. A brief synopsis of the mean scores indicates that the highest mean score (1.34) is related to the statement “The employees must work as a team. And for the success and failure they should be responsible together” shows the highest index of collectivism and supported with other higher statements such as “It is easy to co-work both with employees from the same and other departments” (1.66) and “Employees are friendly and sympathetic to each other” (1.71). The statement “Managers come to office through private service entrance” (3.62) shows the lowest power distance index and supported with other statements such as “Parking places are divided into the official and personal” (3.28) and “At meetings it is unacceptable to object to managers even if they are wrong” (3.28). Other statements with high ratings are “The ideal boss must behave like a father of the family and take care of their subordinates” (1.40), “The team respects his former managers” (1.62), “Employees agree any decision with the management” and “The management must deal with training of their employees”(1.78). These statements indicate high paternalism index. Statements related to long-term orientation such as “I tie my future with the future of this company” (2.37), “I am ready to work till the end of my professional career in this company” (2.25), “I want my relatives work for this company” (2.41) indicate relatively lower rating. The statements such as “All employees go to work in an office-style clothing” (3.27), “Discussion of personal issues, political situations or films during working hours is not acceptable” (2.62), “Meetings always begin on the time without any delay” (2.32), “Employees can not leave the office space during business hours” (2.06), “Employees must be strictly controlled, otherwise they will not work” (2.64) indicates lower universalistic rating and more close to particularism. The statements “Management is tolerant to the mistakes of subordinates” (2.46) and “When the job is done well, it does not remain unnoticed by management” (2.19) show relatively lower rating for job-oriented dimension and become close to employee-oriented aspect.

**Table 3.2.** Mean scores are based on a five-point scale ranging from 1 (strongly agree) to 5 (strongly disagree)

Descriptive Statistics			
Statements	Mean	Std. Deviation	Sig. (2-tailed)
The employees must work as a team. And for the success and failure they should be responsible together.	1,3472	.71260	.000
The ideal boss must behave like a father of the family and take care of their subordinates.	1,4091	.80827	.000
The team respects its former managers.	1,6241	.90784	.000

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It is easy to co-work both with employees from the same and other departments.	1,6604	.94835	.000
The most important thing is to maintain stability in the company.	1,7019	1.00651	.000
Employees agree any decision with the management.	1,7186	1.05059	.000
I try to save material resources of the organization.	1,7256	1.09366	.000
Employees are friendly and sympathetic to each other	1,7321	.98083	.000
The management must deal with training of their employees.	1,7854	1.08128	.000
A clear planning of work makes it easier to implement them.	1,7879	1.07534	.000
The management strictly monitors after performance objectives.	1,8707	1.12502	.000
Inside the company everything is built in order to maximize customer satisfaction.	1,8755	1.06046	.000
Employees who unconditionally obey his managers are a great success for the company.	1,8943	1.19823	.000
Employees should easily share their personal problems with managers.	2,0189	1.27164	.000
Successful are those who work hard and well.	2,0192	1.25342	.000
Employees can not leave the office space during business hours.	2,0646	1.30164	.000
I easily adapt to unexpected situations.	2,0827	1.22887	.000
The most pleasant moments in my life are associated with success in the workplace.	2,1170	1.24525	.000
Management does everything to keep good staff.	2,1402	1.16315	.000
It is mostly important to help each others.	2,1466	1.23362	.000
Employees do not just accept the responsibility, but also seek to expand their circle.	2,1629	1.16017	.000
Management listens to the views of employees.	2,1908	1.23248	.000
When the job is done well, it does not remain unnoticed by management.	2,1925	1.27800	.000
Each employee works in strict accordance with job descriptions.	2,2299	1.33619	.000
I am ready to work till the end of my professional career in this company.	2,2548	1.26601	.000
Newcomers quickly adapt or feel comfortable with the team.	2,2566	1.37421	.000
The future lies in the hands of people and external forces can not seriously affect it.	2,2642	1.32789	.000
I schedule my work over the week or month before.	2,2727	1.29398	.000
During the lunch break managers and subordinate sit together side by side.	2,2907	1.33086	.000
I always treat to innovation and new things with caution.	2,3094	1.30939	.000
Meetings always begin on the time without any delay.	2,3233	1.31206	.000

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In our company it is possible to enter to office only with the presence of corporate ID card.	2,3698	1.45352	.000
I tie my future with the future of this company.	2,3788	1.31404	.000
The result is achieved when employees do the job as they want not because they were showed and ordered.	2,3817	1.38109	.000
Employees are eager to pursue their work.	2,3826	1.36546	.000
I want my relatives work for this company.	2,4176	1.37208	.000
Employees use the same stationery.	2,4457	1.33203	.000
Management is tolerant to the mistakes of subordinates.	2,4644	1.26016	.000
It is important team-members have common interests and views and conduct similar lifestyles.	2,4773	1.29618	.000
Employees are punished severely for being late.	2,5265	1.46417	.000
The authorities are delegated and decisions are made individually.	2,5290	1.29179	.000
I hate when I miss important events in the company.	2,5328	1.38719	.000
It is better to preserve traditional methods of doing business.	2,5509	1.22407	.000
Important decisions must be taken only by director.	2,5606	1.39667	.000
Designing the workplace by own taste is forbidden.	2,5660	1.46305	.000
The main thing for us is a quality work, and it is not interesting how it was done.	2,5703	1.36260	.000
Management should not make a decision that has been agreed with the team.	2,5725	1.37871	.000
Successful are those who are born under a lucky star.	2,5843	1.44947	.000
In the negotiations it is recommended to follow dress code.	2,5900	1.32887	.000
Discussion of personal issues, political situations or films during working hours is not acceptable.	2,6288	1.47427	.000
In the company there must be a strict hierarchy of authority.	2,6423	1.36946	.000
Employees must be strictly controlled, otherwise they will not work.	2,6464	1.43845	.000
It is impossible to predict the future, so no need to plan at work.	2,7939	1.47374	.024
Today is important, but tomorrow has not ever come.	2,8023	1.53548	.038
In my career I prefer to work in several different companies.	2,8068	1.41844	.028
Changes in the process are not welcome in the team.	2,8220	1.34904	.033
I prefer to get information in writing.	2,8327	1.43649	.060

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Employees do not have enough ambition and initiative, so they are afraid to take responsibility.	2,9769	1.34976	.783
The management encourages competition among workers.	3,0382	1.27399	.628
At meetings it is important to seating by the status.	3,1136	1.46517	.209
The bosses accept subordinates only by appointment	3,1208	1.46181	.180
If an individual makes a mistake once, in the future he will repeat it.	3,1880	1.38809	.028
Personal problems of subordinate should not worry the manager.	3,2273	1.41739	.010
All employees go to work in office-style clothing.	3,2727	1.45707	.003
At meetings it is unacceptable to object to managers even if they are wrong.	3,2803	1.39970	.001
Parking places are divided into the official and personal.	3,2852	1.45362	.002
I do not care what is happening within the company.	3,5709	1.44107	.000
Managers come to office through private service entrance.	3,6250	1.39237	.000

### **3.2. Factor analysis: Perceptions of individuals on the culture of organization where they work**

The responses obtained from 267 participants were factor analyzed to determine their perceptions concerning the corporate culture dimensions in their companies. The resultant factor matrix is shown in Table 5. The analysis resulted in seven factors. These factors are named as (1) collectivism, (2) paternalism, (3) involvement, (4) long-term orientation, (5) power distance, (6) universalism and (7) employee oriented.

The reliability computed for 68 statements with Cronbach's alpha is 0.683.

Nunnally (1978) indicated a reliability coefficient of 0.60 or larger as an acceptable measure. Therefore, our coefficient (0.683) can be considered reliable.

**Table 3.3.** Perception of employees on socio-cultural dimensions in Kyrgyzstan: mean scores

	<b>Factors</b>	<b>Statements</b>	<b>Factor loadings</b>
1	Collectivism	It is easy to co-work both with employees from the same and other departments.	.561
		Employees are friendly and sympathetic to each other.	.739
		It is mostly important to help each others.	.652
		The team respects its former managers.	.588
2	Paternalism	Employees agree any decision with the management.	.501
		I try to save material resources of the organization.	.502
		The management must deal with training of their employees.	.752
		Employees should easily share with their personal problems with managers.	.525
		Employees who unconditionally obey his managers is a great success for the company.	.764
3	Involvement	Employees do not just accept the responsibility, but also seek to expand their circle.	.746
		Management listens to the views of employees.	.649
4	Long-term orientation (LTO)	The most pleasant moments in my life are associated with success in the workplace.	.504
		I am ready to work till the end of my professional career in this company.	.501
		I want my relatives work for this company.	.500
		I tie my future with the future of this company.	.764
5	Power Distance (PDI)	At meetings it is unacceptable to object to managers even if they are wrong.	.607
		In the company there must be a strict hierarchy of authority.	.533
		At meetings it is important to seating by the status.	.613
6	Universalism	All employees go to work in office-style clothing.	.750
		Discussion of personal issues, political situations or films during working hours is not acceptable.	.682
		Meetings always begin on the time without any delay.	.555
		Employees can not leave the office space during business hours.	.500
		The most important thing is to maintain stability in the company.	.645
		Employees must be strictly controlled, otherwise they will not work.	.809
7	Employee - oriented	When the job is done well, it does not remain unnoticed by management.	.765
		Management is tolerant to the mistakes of subordinates.	.500

**Table 3.4** Factors Values (T Test)

<i>Factors</i>	<b>Value</b>
Collectivism	1.7893
Paternalism	1.8279
Involvement	2.1729
Long-term Orientation	2.2883
Power Distance	3.0019
Universalism	2.4431
Employee-Oriented	2.3277

- The higher rating of collectivism index is expected value (1.78).
- Paternalism has higher scores and it is expected and hypothesized as same as first dimension (1.82).
- Involvement is relatively lower scoring (2.17).
- Long-term orientation is relatively lower indexed (2.28).
- Power distance index (PDI) is the lowest (3.00).
- Universalism is relatively lower scored (2.44).
- Employee-oriented dimension was relatively lower rated (2.32).

Afterwards an analysis of variance (ANOVA) test was run and results shown on Table 3.5. In addition to factor analyses, it was important to see whether these factors exhibit variation with respect to participants' demographics, which included age, education, gender, and length of service.

- When comparing scores reported by men and women participants, we found significant mean differences in power distance index (PDI). Men display higher PDI than women.
- Respondents with school education display more universalistic behavior and more employee-oriented than respondents with higher education.
- PDI has higher scores in managers than in service personnel.
- Universalism is higher in technical personnel than service staff and less in managers. It can be explained by the fact that technical staff is directly participated in production process and they are more sensitive to every little error or problem in operations.
- Employee-oriented is higher in technical personnel than in managers and specialists.

**Table 3.5** Demographic differences (ANOVA results)

		N	Multiple Comparisons			95% Confidence Interval for Mean		Sig.
			Mean	Std. Deviation	Std. Error	Lower Bound	Upper Bound	
Power	Female	84	3.2123	1.03821	.11328	2.9870	3.4376	.018
Distance	Male	183	2.9053	.94418	.06980	2.7676	3.0430	.018
Universalism	Primary school	56	2.3589	.55589	.07428	2.2101	2.5078	.022
	University	123	2.5615	.63828	.05755	2.4476	2.6754	.010
Employee-oriented	Primary school	56	2.0446	.94039	.12566	1.7928	2.2965	.033
	University	123	2.4634	.95851	.08643	2.2923	2.6345	.028
Power	Manager	28	3.1607	.95310	.18012	2.7911	3.5303	.014
Distance	Service personnel	56	3.1071	1.11574	.14910	2.8083	3.4059	.009
Universalism	Manager	28	2.4131	.61593	.11640	2.1743	2.6519	.001
	Technical personnel	80	2.2879	.67094	.07501	2.1386	2.4372	.006
Employee-oriented	Service personnel	56	2.3149	.59990	.08016	2.1542	2.4755	.006
	Manager	28	2.6607	1.09759	.20742	2.2351	3.0863	.001
Specialist	Specialist	103	2.5485	.92226	.09087	2.3683	2.7288	.001
	Technical personnel	80	2.1250	.91229	.10200	1.9220	2.3280	.000

### Results and Discussion

Results of this study led to a certain both conformities and paradoxes and increased the attractiveness of the research. The high *collectivism* index is explicable by both traditional culture of Kyrgyz and Soviet system of values where collectivism was in priority. The *paternalism* score is high as well. It is natural in Central Asian cultures like Kyrgyzstan where patriarchal life style is dominated. In paternalistic relationship, the role of the superior is to provide guidance, protection, nurturance and care to the subordinate, and the role of the subordinate, in return, is to be loyal and deferent to the superior (Aycan,2000:191). In Soviet system subordinates were not welcome to display initiative and they are expected to show obedience to superiors. Middle-range of *involvement* in Kyrgyz companies can also be explained by lower initiative and centralization of decision-making process. Long-term orientation dimension is inherent to Asian cultures, but Kyrgyzstan is a little bit exceptions. It showed *medium-term orientation rating*. Employees relatively lower tie their future with the future of company where they work now. They are not ready to work till the end of their professional career in this company and they do not strongly want their relatives work in company they work.

What about paradoxes, for example, apparently the Soviet regime and traditional value system of the Kyrgyz society was expected to display higher *power distance* score.

However, as a result of the research, participants showed lower power distance. On the one hand while continuing paternalistic tendencies of a society; on the other hand, of course, the lower power distance is astounding. It can be conditioned by the higher power distance in the normal life of individuals, but in working life individuals could get rid of this statement. It suggests about their professionalism. Another more plausible explanation was given by Aycan (2000). According to her paternalism does not occur only in high power distance cultures. It is possible to observe a paternalistic relationship between doctor and patient, student and teacher, or manager and employees in low power distance cultures. Lower-range *universalism* index can be explained from two aspects. Firstly, Soviet system of employee behavior presupposed strictly following to written instructions and formal procedures (Muratbekova-Touron, 2002). Secondly, what reduces universalism can be more particularistic culture of Kyrgyz where “particular” circumstances are much more important than the rules. Bonds of particular relationships (family, friends) are stronger than any abstract rule and the response may change according to circumstances and the people involved (Trompenaars & Wooliams, 2003).

It is concluded that not only national culture, but also political regime and ideology can imprint on organizational culture.

Every national and organizational culture is unique. This study tries to demonstrate the cultural dimensions of Kyrgyz companies in the case of manufacturing sector. Knowing cultural orientations of any society is believed to be useful for both academicians and practitioners. The academic interest to this issue can be related with successful finding other formulas and mechanisms different from Western experience. The business interest to this issue might be concerned with growing international business and HRM practices in multinational companies that are meeting with the problem of effective management in local level.

Kyrgyzstan is a specific laboratory for the researchers on organizational culture and HRM practices. In this respect, it is a very attractive research area for organization and management theorists and practitioners. It is strongly believed that the results of this study will guide future surveys and is thought to be predisposing to the theoretical and methodological perspective.

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