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# A Study Regarding the Correlations that Exist between Types of Cultures in Banking Organizations and the Country of Origin of the Majority Capital, the Gender of the Employees, their Age, Level of Experience and Seniority the Organization

### **Cosmin MATIS**<sup>★</sup>

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#### ABSTRACT

The aim of this article is that of establishing the correlations that exist between the types of organizational cultures and the country of origin of the majority capital, the gender of the employees, their age, level of professional experience in the banking field and seniority in the organization of the respondents in banking organizations in Romania by using the ANOVA (the analysis of variation with one factor) test. 410 informants, out of which 260 operating personnel and 150 employees with leadership positions answered the questionnaire that was used in order to create the database needed for the analysis. Through the ANOVA analysis of the correlations that exist between the four types of organizational cultures (Task Type, Power Type, Role Type and Person Type) and of the aforementioned variables we can conclude that for both the operating personnel and for those with leadership positions the country of origin of the majority capital influences the organizational culture in the Romanian banking system, while the age and seniority in the organization do not influence the organizational culture. Furthermore, the professional experience in the banking system does not manifest itself as a variable with a significant impact on organizational cultures, with the exceptions of the banks in which the Role Type culture is predominant and in which the managers are aware of the importance of the experience accumulated in the field. In regards to the gender, this leaves its mark on the organizational cultures of the Task Type both in the case of operating personnel and in that of those in leadership positions.

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### 1. Introduction

The organizational culture in the banking system represents one of the important concepts that has affirmed itself relatively recently and that has significantly influenced the mode of thinking and action of the employees, determining important changes within organizations after the privatization process. The organizational culture of the foreign banks that took over the leadership of the subsidiaries in Romania leaves its mark on the autochthonous types og organizational cultures through the values promoted and the strategies implemented. The structuring of the employees according to age, level of experience, and seniority in the organization influences the type of organizational culture that is shaping in banks in Romania. The members of banking organizations increasingly emphasize systems of values, knowledge and behavior in order to adapt the elements of the national culture to the character of the organizational culture from the institution of which they are an integral part. Through the values displayed and the actions undertaken, the organizational culture determines changes that are of a certain depth, in the manner of perception, thinking and action of those who are a part of it.

Starting from the literature in this field it is worth mentioning Lynch's (2002, p.320) scientific endeavor to analyze organizational culture through the prism of certain groups of elements, namely: *cultural factors specific to the organization, the environment, cultural styles that are fundamental to the organization and the analysis of strategic implications*, and we can show that in each banking organization we encounter their own set of beliefs, values, and organizational cultures that are reflected in their structure as well as in the elaboration of strategies regarding the economic environment in which it is developing and which is dominated by continuous competition and change.

The importance of analyzing the organizational culture is also given by the practical valences that are presented by this variable that is increasingly used, in enhancing the performance of the organization. Peters

<sup>\*</sup> Babes Bolyai University of Cluj Napoca, Romania. Email address: <a href="mailto:cosmin.matis@ubbcluj.ro">cosmin.matis@ubbcluj.ro</a> (C. Matis)

and Waterman (1982) offer a strong argument through studies conducted in successful companies, showing that the top performers create a wide, shared culture, a coherent framework in which people search for an appropriate adaptation.

Another opinion that stood at the basis of the present study was that of Hofstede (Hofstede et al., 2012, p. 239), according to whom in long-term oriented organizations the emphasis is on prudence in spending resources, but also on availability towards investments and innovation, as well as on perseverance in obtaining the results. In the case of short-term oriented organization there is a respect that is manifested towards traditions and social responsibilities, pursuing immediate results.

Other empirical research has shown the substantial impact of cultural variables and their effects are the ones developed by Zhenget al. (2012). By using Hofstede's four cultural dimensions (*uncertainty avoidance, collectivism, power distance and masculinity*) as a model of analysis for the culture of a country and by using a sample of 114.723 respondents from forty countries during the 1991-2006 period, the authors document the fact that the companies found in countries with a high level of uncertainty avoidance, high collectivism, wide distance regarding power and high masculinity, tend to use short-term debt more (Cristache et al, 2019).

Moreover, we took into account Handy's (1985) research that, starting from the four types of cultures, associates two of them, namely the Role Type culture and the Person Type culture with stability and reticence towards change, while the other two types (the Task Type culture and the Power Type one) are associated with flexibility and adaptability to change. Thus, the last two types of organizational cultures are promoters of change and they very quickly implement the changes they go through.

It is worth mentioning the opinion of Schein (1985), which shows the need for an interpretation of organizational behaviors. Therefore, in order to understand the behaviors of their members, certain patterns can be of real use.

Another research that was at the basis of this study is that developed by Marcoulidesand Heck (1993). The emphasis is on identifying the stages and the internal mechanisms, on the dynamics of the functionality and less on categorizing and hierarchizing culture typologies. The authors try to explain the manner in which organizational culture influences the performance of the organization. In their view, organizational culture is seen as being the expression of three interconnected dimensions: a socio-cultural system of the manner in which the functioning of organizational strategies and practices is perceived; a system of organizational values; and the collective beliefs of the individuals who work in the organization.

### 2. Research methodology

For this study we have used as a research instrument the questionnaire given to 410 employees from the banking system, of which 150 were managers and 260 were operating personnel.

The selection of these was exhaustively done, limited by their level of involvement, an approval being needed from those who run the organizations.

The method of gathering data was by directly administering the questionnaires at banking unites as well as the *indirect method*, through an electronic format and communication channel.

The applied questionnaire was a mixed one, including both open ended and closed ended questions, as well as control questions. In addition, it includes dichotomousquestions (with YES or NO answers), open ended questions that allow for answers of an unspecified length, multiple-choice questions, also called semiopen ended (a limited number of given answers), scaling responses, also called questions with ranked answers within a hierarchy (the Likert scale – through which individual preferences can be tested gradually).

Then we studied, by applying the ANOVA method, the correlation that exists between the types of cultures and elements such as: country of origin of the majority capital, gender, age, level of experience within the banking system and years spent within the organization.

In addition, we utilized graphical representation of the correlation that exists between the types of cultures and the answers of the respondents based on the country of origin of the majority capital (both from the point of view of managers as well as that of operational personnel).

# 3. Analysis of the corellation between the types of organizational cultures and the variables considered in the present research

In order to determine the correlation that exists between the types of cultures and variables: country of origin of the majority capital, the gender of the respondents, age, level of professional experience within the banking system and the years spent within the organization in which they carry out their activities at the time of the completion of the questionnaires we used the ANOVA analysis

(1) Exemplifying the research methodology with respect to employees in leadership positions

## a) The Variable - Country of origin for the majority capital

Average

Country of origin for the majority capital	Tasks	Role	Power	Person
Romania	.5761103	.4147000	.6476217	.2287309
Austria	3014700	4950630	1779873	1974553
France	.2697787	.2854498	.3110738	.3369486
Italy	8561594	1177382	-1.1400054	6609513
Holland	.2824380	1267738	.7319236	.5361175
Greece	6223154	2290135	3335525	2527838
Hungary	.3465235	1481129	.3237570	.2951008
Other countries	.1768722	.1167086	3338992	0982143
Total	.0000000	.0000000	.0000000	.0000000

#### **ANOVA Table**

	-	Sum of Squares	Df	Mean Square	F	Sig.
Tasks * Country of origin for the majority	Between Groups	32.679	7	4.668	5.708	.000
capital	Within Groups	115.321	141	.818		
	Total	148.000	149			
Role * Country of origin for the majority	Between Groups	13.632	7	1.947	2.043	.054
capital	, , ,					
	Total	149.000	149			
Power * Country of origin for the majority	Between Groups	40.650	7	5.807	7.611	.000
capital	Within Groups	108.350	142	.763		
	Total	149.000	149			
Person * Country of origin for the majority	Between Groups	14.658	7	2.094	2.213	.037
capital	Within Groups	134.342	142	.946		
	Total	149.000	149			

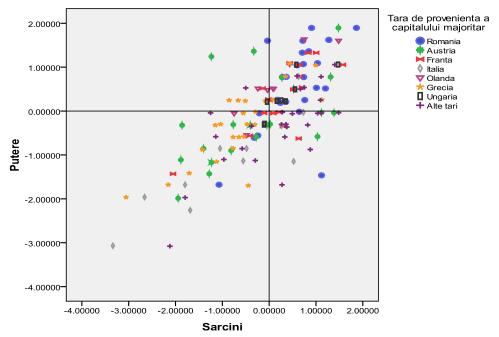
### All variables are significant, Sig. < 0.1

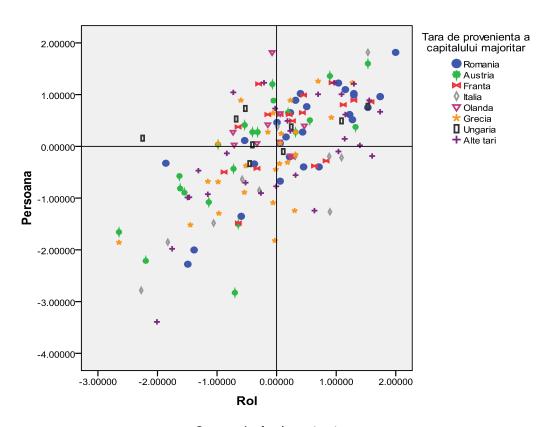
The conclusions that result from the application of the ANOVA analysis in relation to the variable – country of origin of the majority capital:

- Regardless of the types of cultures found within the banking organization, it differs significantly depending on the country of origin of the majority capital;
- The managers of banking organizations with national and French majority capital tend on average to Agree, while those with Austrian, Greek and Italian majority capital tend on average to Disagree.

The correlations that exist between the types of cultures and the answers given by the respondents – persons in leadership positions depending on the country of origin of the majority capital are illustrated also in the following graphical representations:

Graph1. Opinion of managers regarding the types of cultures that are predominant in the banking organizations that they are active in based on country of origin for the majority capital





Source: Author's projection

Exemplification of the research methodology with respect to operating personnel **Report** 

#### Average

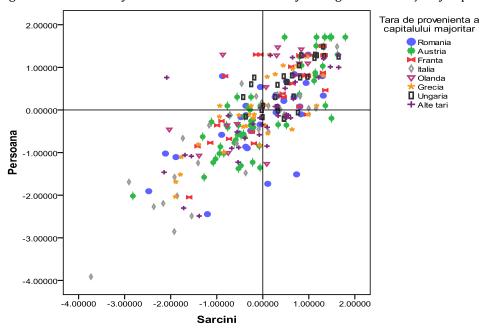
Country of origin for the majority capital	Tasks	Power	Role	Person
Romania	0741938	.0906397	0265744	2303358
Austria	.0302831	.1060312	0776530	0061098
France	.3238371	.4982439	.4978419	.4151304
Italy	5728492	6089915	5552521	6432648
Holland	1561222	.2050079	.1418108	.3241771
Greece	2050772	4249046	2831445	1153835
Hungary	.5379341	.4391938	.2255276	.5796466
Other countries	.0200557	2151480	.1779748	0911289
Total	.0000000	.0000000	.0000000	.0000000

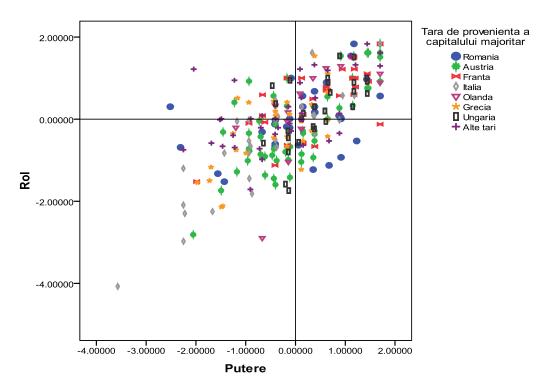
### **ANOVA Table**

	-	Sum of Squares	df	Mean Square	F	Sig.
Tasks * Country of	Between Groups	23.224	7	3.318	3.546	.001
origin for the majority capital	Within Groups	235.776	252	.936		
capitai	Total	259.000	259		Į.	
Role * Country of origin	Between Groups	32.873	7	4.696	5.233	.000
for the majority capital	Within Groups	226.127	252	.897		
	Total	259.000	259	u.		
Power * Country of	Between Groups	22.447	7	3.207	3.416	.002
origin for the majority capital	Within Groups	236.553	252	.939		
capitai	Total	259.000	259			
Person * Country of	Between Groups	31.169	7	4.453	4.925	.000
origin for the majority capital	Within Groups	227.831	252	.904		
capitai	Total	259.000	259			

All variables are significant with a significance level of 1%

**Graph 2.** Opinion of operating personnel regarding the types of cultures that are predominant in the banking organizations that they are active in based on country of origin for the majority capital





Source: Author's projection

## b) Variable-gender of respondents

Average

Gender	Tasks	Role	Role Power P	
Male	1744426	1836426	1460341	0219023
Female	.1277893	.1329825	.1057488	.0158603
Total	.0000000	.0000000	.0000000	.0000000

## **ANOVA Table**

	-	Sum of Squares	Df	Mean Square	F	Sig.
Tasks * gender	Between Groups	3.321	1	3.321	3.375	.068
	Within Groups	144.679	147	.984		
	Total	148.000	149			
Role * gender	Between Groups	3.663	1	3.663	3.730	.055
	Within Groups	145.337	148	.982		
	Total	149.000	149			
Power * gender	Between Groups	2.316	1	2.316	2.337	.128
	Within Groups	146.684	148	.991		
	Total	149.000	149			
Person * gender	Between Groups	.052	1	.052	.052	.820
	Within Groups	148.948	148	1.006		
	Total	149.000	149			

Gender variables for the Task Type and Role Type Cultures are significant, Sig.<0.1

The conclusions that result from the application of the ANOVA analysis in relation to the variable – gender or respondents:

- For the *Task and Role Type* organizational cultures significant differences exist based on the gender of employees in leadership positions;
- Female managers tend on average to Agree, unlike males, who tend on average to Disagree.

## c) Variable-Age of respondents

Average

Age	Tasks	Role	Power	Person
20 – 30 years	1207217	1221735	0665546	0831474
30 – 40 years	0752536	1332142	0249861	0712425
40 – 50 years	.0468053	.1451090	.0046821	0093663
50 de years	.4401827	.3778798	.2348651	.6295994
Total	.0000000	.0000000	.0000000	.0000000

#### **ANOVA Table**

		Sum of Squares	Df	Mean Square	F	Sig.
Tasks * Age	Between Groups	2.869	3	.956	.956	.416
	Within Groups	145.131	145	1.001		
	Total	148.000	149			
Role * Age	Between Groups	4.164	3	1.388	1.399	.245
	Within Groups	144.836	146	.992		
	Total	149.000	149			
Power * Age	Between Groups	.720	3	.240	.236	.871
	Within Groups	148.280	146	1.016		
	Total	149.000	149			
Person * Age	Between Groups	4.839	3	1.613	1.634	.184
	Within Groups	144.161	146	.987		
	Total	149.000	149			

No variable is significant, Sig.>0.1

The conclusions that result from the application of the ANOVA analysis in relation to the variable– age of respondents:

- Regardless of the types of cultures found within the banking organizations, no significant differences exist based on the age of employees in leadership positions;
- Managers with ages above 40 tend on average to Agree, they being interested in stability, while young managers, with ages below 40, tend on average to Disagree, which explains their mobility.

## d) Variable - Level of professional experience within the banking system

Average

Your level of professional experience within the banking system:	Tasks	Role	Power	Person
0 – 5 years	.1102980	3095522	.3552667	4105976
5 <i>-</i> 10 years	1273166	2173692	.0984224	1455137
10 – 15 years	0728364	0157562	1428261	0023861
15 - 20 years	.0987865	0404353	0090297	.1493977
Over 20 years	.2325430	.5750893	.0684686	.1974156
Total	.0000000	.0000000	.0000000	.0000000

## **ANOVA Table**

	-	Sum of Squares	Df	Mean Square	F	Sig.
Tasks * Your level of professional experience	Between Groups	2.466	4	.616	.610	.656
within the banking	Within Groups	145.534	144	1.011		
system:	Total	148.000	149			

Role * Your level of	Between Groups	9.850	4	2.463	2.566	.041
professional experience within the banking	Within Groups	139.150	145	.960		
system:	Total	149.000	149			
Power *Your level of professional experience	Between Groups	2.448	4	.612	.606	.659
within the banking	Within Groups	146.552	145	1.011		
system:	Total	149.000	149			
Person * Your level of professional experience	Between Groups (	3.511	4	.878	.875	.481
within the banking	Within Groups	145.489	145	1.003		
system:	Total	149.000	149			

# In the case of *Role* type culture, the Variable - Level of professional experience within the banking systemis significant, Sig.<0.1

The conclusions that result from the application of the ANOVA analysis in relation to the variable – professional experience within the banking system of the respondents:

- For *Role Type* organizational cultures there exist significant differences based on the level of professional experience within the banking system of the employees; if we consider the main principles of this type of culture stable and organized environment, high degree of formality, standardized rules and procedures, it makes sense why the level of experience within the banking system is important;
- Managers with a professional experience of over 20 years within the banking system tend on average to Agree, while in the case of managers with a professional experience between 10-15 years within the banking system a feeling of disgruntlement can be felt and they tend on average to Disagree.

## e) Variable - Years spent in current organization

Average

Years spent in current organization	Tasks	Role	Power	Person
0 – 5 years	1898169	2557245	1279295	1954179
5 – 10 years	0019546	.0426976	.0164962	.0473137
10 – 15 years	.3087432	.1604744	.1477383	.1420731
15 – 20 years	.0812697	0501989	.2361592	.1924465
Over 20 years	7766794	.4468067	8685637	6395835
Total	.0000000	.0000000	.0000000	.0000000

#### **ANOVA Table**

		Sum of Squares	Df	Mean Square	F	Sig.
Tasks * Years spent in current organization	Between Groups	6.636	4	1.659	1.690	.155
	Within Groups	141.364	144	.982		
	Total	148.000	149			
Role * Years spent in current organization	Between Groups	4.102	4	1.026	1.026	.396
	Within Groups	144.898	145	.999		
	Total	149.000	149			
Power * Years spent in current organization	Between Groups	4.860	4	1.215	1.222	.304
	Within Groups	144.140	145	.994		
	Total	149.000	149			
Person * Years spent in current organization	Between Groups	4.162	4	1.040	1.042	.388
	Within Groups	144.838	145	.999		
	Total	149.000	149			

No variable is significant, Sig.>0.1

The conclusions that result from the application of the ANOVA analysis in relation to the variable – years spent in current organization:

- Regardless of the types of cultures found within banking systems, there are no significant differences based on the years spent by employees in leadership positions within their current organization;
- Managers with very few years within the organization (between 0-5) and those with many years (over 20) tend to Disagree, while managers with between 10-15 years within their respective organizations tend on average to Agree.

#### (2) Centralization of Results Section 02

■ The result of the correlations that exist between the types of organizational cultures and the variables considered – country of origin of the majority capital; age, level of professional experience within the banking system and years spent in the organization, both for respondents in leadership positions as well as operating personnel are illustrated and centralized in Table9 and Table 10 and presented in detail in Annex 5

**Table 1.** Influence of certain variables over organizational cultures – respondents in leadership positions

Variables Types of organizational cultures	Country of origin for the majority capital	Gender	Age	Years in organization	Level of professional experience within the banking
Task Type Culture	F = 5.708	F = 3.375	F = 0.956	F = 1.690	F = 0.610
	Sig =0.000***	Sig = 0.068*	Sig = 0.416	Sig = 0.155	Sig = 0.656
Power Type Culture	F = 7.611	F = 2.337	F = 0.236	F = 1.222	F = 0.606
	Sig = 0.000***	Sig = 0.128	Sig = 0.871	Sig = 0.304	Sig = 0.659
Role Type Culture	F = 2.043	F = 3.730	F = 1.399	F = 1.026	F = 2.566
	Sig = 0.054*	Sig = 0.055*	Sig = 0.245	Sig = 0.396	Sig = 0.041**
Person Type Culture	F = 2.213	F = 0.052	F = 1.634	F = 1.042	F = 0.875
	Sig = 0.037**	Sig = 0.820	Sig = 0.184	Sig = 0.388	Sig = 0.481

<sup>\*</sup> lower significance level< 10%, \*\* average significance level< 5%, \*\*\* high significance level- 1% Source: author's projection

(2) Centralization of results with respect to operational personnel

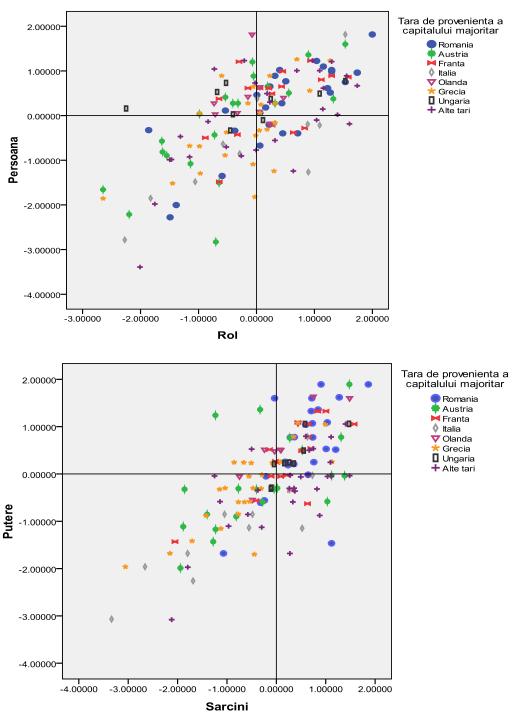
**Table 2.** Influence of certain variables over organizational cultures – operating personnel

Variables  Types of organizational cultures	Country of origin for the majority capital	Gender	Age	Years in organization	Level of professional experience within the banking system
Task Type Culture	F = 3.546	F = 3.156	F = 1.236	F = 0.326	F = 0.968
	Sig =0.001***	Sig = 0.078*	Sig = 0.297	Sig = 0.861	Sig = 0.426
Power Type Culture	F = 5.233	F = 2.200.	F = 0.820	F = 0.536	F = 1.190
	Sig = 0.000***	Sig = 0.139	Sig = 0.484	Sig = 0.709	Sig = 0.316
Role Type Culture	F = 3.416	F = 1.237	F = 1.326	F = 0.526	F = 1.827
	Sig = 0.002***	Sig = 0.267	Sig = 0.266	Sig = 0.717	Sig = 0.124
Person Type Culture	F = 4.925	F = 0.106	F = 0.126	F = 0.792	F = 0.496
	Sig = 0.000***	Sig = 0.745	Sig = 0.945	Sig = 0.531	Sig = 0.738

<sup>\*</sup> lower significance level< 10%, \*\* average significance level< 5%, \*\*\* high significance level - 1% Source: author's projection

In what follows we have endeavored to illustrate the opinion of managers, considering the grouping of organizational cultures that are open to change, respectively the Task Types with the Power Types, as well as those that are reticent towards change, respectively the Role Types with the Person Types, starting from the differentiation of banks that they belong to, based on country of origin of the majority capital. Thus, the graphic representation of the answers is the following:

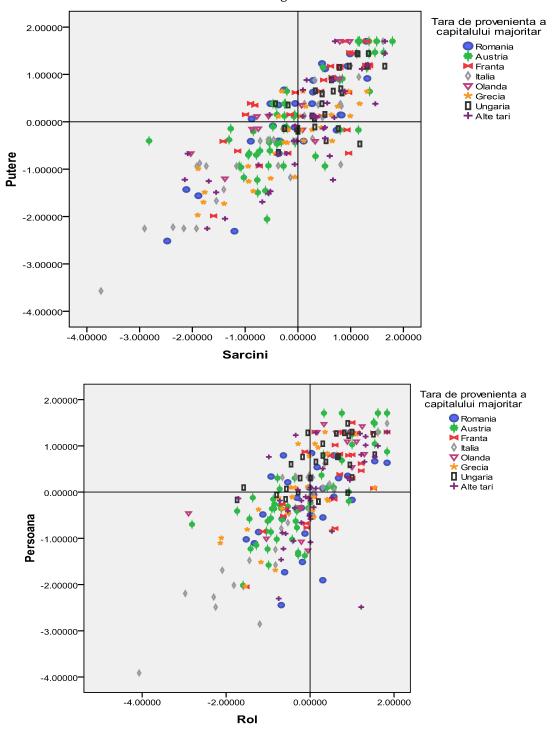
Graph3. Opinion of managers regarding organizational cultures that are open to change vs. those that are reticent



Source: author's projection

With respect to the opinion of operating personnel, considering the same grouping of organizational cultures mentioned, also in the case of managers, the graphic representation of the answers is the following:

**Graph 4.** The opinion of operating personnel regarding organizational cultures that are open vs. reticentto change



Source: author's projection

## 4. Conclusions

Based on the analysis of what has been presented, we can affirm the following:

- The country of origin of the majority capital influences the organizational culture of the Romanian banking system, regardless of the type of culture found, both with regard to operational personnel as well as managers;
- For both categories of employees, age and years spent in the organization do not influence organizational culture, irrespective to the type of culture that manifests itself;
- Neither does *experience within the banking system* manifest itself as a variable with an impact on the organizational culture, with the exception of banks in which the Role Type culture predominates and in which managers are aware of the importance of aquired experience in the domain;

- Gender has an impact on the Task Type organizational culture both with respect to operational personnel as well as those in leadership positions, the influence being nevertheless of little significance.
- With respect to the opinion of those interviewed regarding the organizational cultures that are open to change, respectively the Task Type with the Power Type, and to the ones that are reticent to change, respectively the Role Type with the Person Type, starting from the differentiation of the banks they carry out their activities, based on the country of origins of the majority capital we can conclude the following:
- Managers that work in banks with a Romanian majority capital, irrespective of the organizational cultures that are manifested, they are in agreement with these, with a more prolific tendency in the case of those open to change;
- On the other end of the spectrum, managers from banks with an Italian majority capital, regardless of the organizational cultures manifested, are opposed to them, with a greater degree in the case of those that are favorable to change;
- In the context of some organizational cultures open to change, managers from banks with a Greek majority capital tend to disagree, unlike those from banks with a Hungarian majority capital who tend to agree;
- A tendency emerges from managers of banks with a French majority capital towards agreement, especially in the case of organizational cultures that are reluctant to change; while managers from an Austrian majority capital tend towards disagreement, especially within organizational cultures that are favorable to change.
- With respect to the opinions of operational personnel we may conclude the following:
- As in the case of managers, operational personnel from banks with a Romanian majority capital also tend
  to agree, but less so than them, and in the case of organizational cultures that are reluctant to change, one
  may observe a tendency towards reversing the convergence;
- Operating personnel from banks with an Italian majority capital tend to disagree, a fact that is seen also in the case of banks with an Austrian majority capital, but to a lesser degree;
- Regardless of the predominant organizational culture, operating personnel from banks with a Hungarian majority capital tend to agree;
- In the context of organizational cultures that are open to change, operating personnel that belong to banks with a Greek majority capital, tend to disagree, an aspect which is evident also in the case of managers from within the same institution;
- In banks with a French majority capital, with respect to operating personnel, the tendency is towards agreement, especially in the case of organizational cultures that are reluctant to change.

Summing up the above statements, we can affirm that by identifying the correlation that exists between the types of organizational cultures and the country of origin of the majority capital, the gender of the employees, their age, their level of professional experience within the banking system and the years spent within the same organization of the respondents, we can establish the directions to be followed in order to raise awareness of the importance of knowledge regarding the organizational culture.

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