

Examining the Influence of Human Potential on Organizational Efficiency in the Company

SCIENTIFIC ARTICLE

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Summary: *Organizational innovations play a crucial role in reflecting a company's competitive advantage, its survival, growth, and development. The aim of the study is to examine the presence of a significant relationship between the factors outlined in the research questions and the success of organizational changes within companies. The study utilized purposive sampling, targeting potential employees from small and medium-sized enterprises in the Republic of Serbia (n=194). Data collection was conducted through Google Forms from May to October 2023. The survey was structured into two sections: the first section included general questions about the respondent's gender, years of experience, education level, and current role in the company. In the second section, respondents assessed their attitudes toward readiness for new challenges and personal development. To address the research questions, measures of central tendency, dispersion, symmetry, and correlation analysis were calculated. Parametric techniques, such as the independent samples t-test and ANOVA, were employed to test the hypotheses. Statistical data analysis was performed using the SPSS software package. The study underscores the importance of continual improvement, education, and preparedness for challenges and changes prompted by labor market demands. It has been demonstrated that respondents of all genders and educational backgrounds demonstrate an equal readiness to tackle challenges and new work responsibilities. However, individuals under 40 years old and those with a master's degree show slightly higher readiness to acquire new skills.*

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INTRODUCTION

Cultures are essentially built upon three pillars: the beliefs, values and assumptions of the company's owners, then from the experience and learning of the employed staff as their company develops and new beliefs, values and assumptions brought by new employees and leaders. In this context, Schein (10) points out that organizational culture differs in strength and stability depending on the length and emotional intensity of their actual history. The connection between culture and leadership is clearest in organizational cultures and microcultures, that is, how a company operates to achieve its goals (13).

Companies are implementing organizational changes to meet growing market demands, with a focus on improving specific skills in their workforce and continuously updating knowledge (6;7). To align these changes with selecting employees based on job requirements, the right conditions must be in place. Successful results depend on effective recruitment, proper candidate selection, long-term employee retention and commitment to continuing education. Without them, organizations may face slow progress or fail to achieve desired business transformations.

The timely and continuous adaptation of companies to rapid changes is crucial for survival and growth. The demand for innovation and change necessitates companies' adaptability, continual restructuring, and effective management of elements like system awareness and adopting new standards and prototypes (5). Alfozan (1) underscores the leadership's role in achieving organizational outcomes, highlighting the importance of leaders' effective engagement in mediation, conflict resolution, and emotional management of their teams. Additionally, leaders actively contribute to effective time management, fostering discipline, and emphasizing employee commitment, all essential for successful organizational transformation implementation.

Knowledge-based organizations must recognize that intellectual capital, encompassing its three key components (human, relational, and structural), is essential for achieving competitive advantage and driving organizational growth and development (8).

THEORETICAL FRAMEWORK AND LITERATURE REVIEW

Organizational culture is viewed as a multifaceted phenomenon that profoundly influences an individual's daily life and a company's operations, leading to various conflicting definitions (2). This understanding forms the basis of a definition that conceptualizes organizational culture as a blend of values, beliefs, relationships, and regulations within a company. These elements form the foundation for the behavior and actions of individuals within the organization, representing its identity and assets (4).

Continuous changes present challenges for organizations to meet market demands while enhancing human resource skills for sustained profitability and competitive advantage. A crucial aspect of this process involves organizational changes that leverage

new knowledge, competencies, and employee skills. Somborac et al. (11) investigated the relationship between employee training aligned with evolving business processes in small and medium enterprises in Serbia. The research results recommend that companies implement a strategic plan for continuous and effective training to maximize employee potential, which is essential for achieving long-term profitability and competitive advantage.

Exploring digital innovation and the digitization of human resource management in the Greek shipping industry and their interplay with corporate culture, intelligence, and leadership, Theotokas et al. (13) demonstrated the significant role of organizational culture and intelligence in driving digital innovation and influencing human resource management.

Srinivas et al. (12) delved into the factors contributing to analytical decision-making challenges in large Indian organizations, highlighting the influence of human resources on decision-making and organizational effectiveness. They identified issues such as inadequate data collection, decentralized analytical data management, and limited analytical focus among executive teams, proposing solutions like training and retraining decision-making teams and addressing centralization challenges in analytics.

Research by Côte-Real et al. (3) emphasized that analytical organizations derive value and make decisions based on data, which forms a crucial aspect of organizational culture. They cautioned against underexploring the Big Data Analytics value chain, suggesting a more dynamic perspective rooted in knowledge and dynamic capabilities theories when exploring business value.

Perović (9) highlights the critical role of business communication in organizational success. He emphasizes its numerous benefits, including improved business results, enhanced organizational reputation, increased employee satisfaction, and the development of all participants in the business process.

DATA, METHODOLOGY AND RESEARCH RESULTS

The main goal of the survey was to examine how different employee groups, categorized based on their positions within the company (management or non-management), perceive the same scenarios. It aimed to determine if there are statistically significant differences in their evaluations, attitudes, and opinions regarding general aspects such as motivation, productivity, and the sense of security that a new company would offer them. The study posed the following research questions:

- Q₁ To what extent do respondents express a willingness to take on new challenging tasks?
- Q₂ To what extent are respondents prepared to acquire new knowledge and skills?

Data collection was conducted through Google Forms, targeting potential employees in small and medium-sized enterprises located in the Republic of Serbia through purposive sampling. The pilot survey involved 25 participants, with a final sample size of 194 respondents ($n=194$). Data collection occurred between May 2023 and October 2023.

The survey was divided into two sections. The first part contained general inquiries about respondents' gender, years of experience, level of education, and current role within the company. In the second part, potential candidates assessed their attitudes toward readiness for new challenges and personal development using a scale ranging from 1 – Strongly Disagree to 7 – I absolutely agree. To address the research questions, measures such as central tendency, dispersion, symmetry, and correlation analysis were computed. Parametric techniques, including the Independent-Samples T Test and ANOVA, were employed to test hypotheses. Statistical data processing was conducted using the SPSS software package.

A total of 194 participants took part in the study, with 46.9% being female and 53.1% male. Among them, 21.6% held managerial positions, while 78.4% were in other roles within their organizations. Table 1 illustrates the distribution of respondents by gender according to their positions in the company. It shows that a similar proportion of women and men occupy managerial roles in the surveyed companies.

Table 1. Structure of respondents by gender in relation to the position they hold in the company

		Position	
		Employee	Line manager
		Count	Count
Gender of Participants	Female	68	23
	Male	84	19

Source: Authors (2024), results of primary research

Table 2. Highest Level of Education of Participants

		Frequency	Percent	Percent	
				Valid	Cumulative
Valid	High School	47	24.2	24.2	24.2
	Bachelor Degree	126	64.9	64.9	89.2
	Master	21	10.8	10.8	100.0
	Total	194	100.0	100.0	

Source: Authors (2024), results of primary research

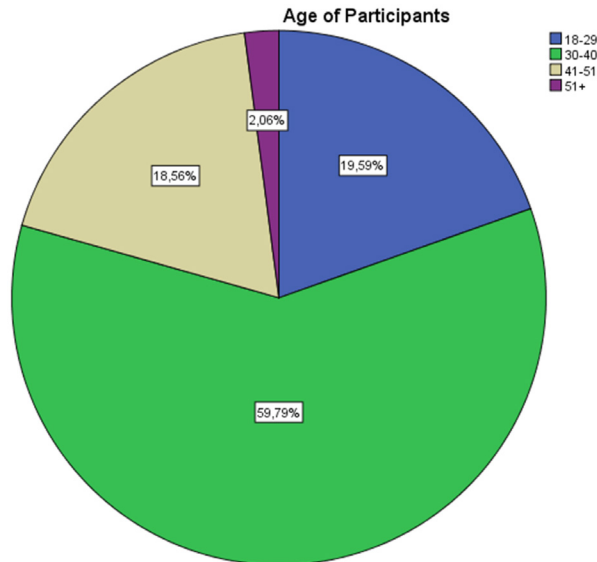
Table 2 displays the Highest Level of Education attained by the participants. From this data, it is evident that the majority of respondents, comprising 64.9%, hold a Bachelor's Degree, followed by 24.2% with a High School diploma, and 10.8% with a Master's degree. In Table 3, the educational qualifications of respondents in managerial positions are presented. Specifically, 7 individuals (16.67%) possess a High School diploma, while 32 (76.19%) hold a Bachelor's Degree, with only 7.14% having completed a Master's degree.

Table 3. Highest Level of Education of Participants

Highest Level of Education of Participants	Position	
	Employee	Line manager
	Count	Count
High School	40	7
Bachelor Degree	94	32
Master	18	3
PhD	0	0

Source: Authors (2024), results of primary research

Graph 1 illustrates the age distribution of respondents. The data reveals that the largest percentage, accounting for 59.79% of participants, falls within the age range of 30 to 40 years old, while the smallest percentage, comprising 2.06%, is represented by respondents over 51 years old.

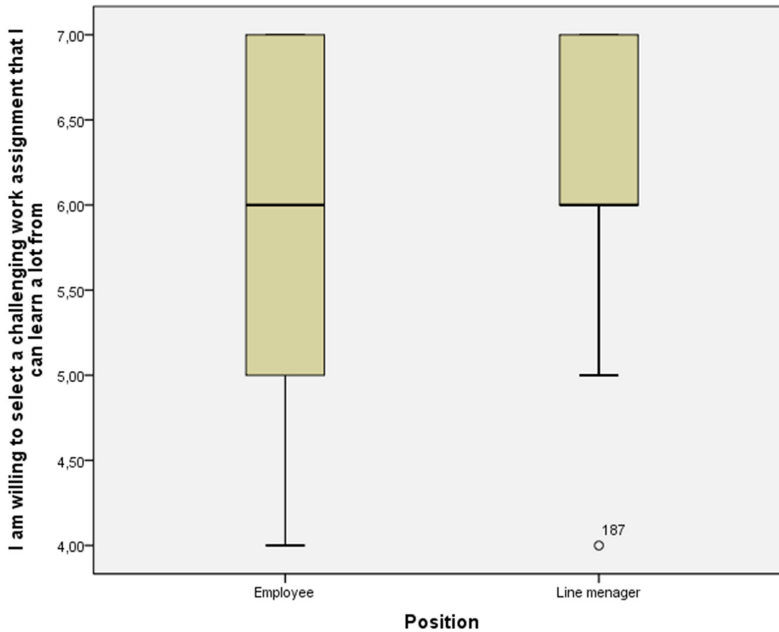
**Graph 1.** Structure of respondents by age

Source: Authors (2024), results of primary research

The respondents rated the variable “I am ready to take on challenging work tasks from which I can learn a lot”, the average rating is 6.07, median 6 (indicating that 50% of respondents rated it a 7), mode 6, Skewness is -0.414, indicating moderate negative skewness, and there is a relatively low variability of 13.43%.

Respondents in management positions gave a slightly higher average score of 6.14 compared to the employees’ score of 6.04. The interquartile range (IQR) for managers is 1, while for employees it is 2. This means that the variability in responses is greater among employees, with a Q_1 of 6 for managers and 4 for employees. Chart 2 provides further details on this.

Regarding the level of education, respondents with a master's degree gave the highest average score of 6.23, while those with high school education gave the lowest score of 5.91 for the variable "I am willing to select a challenging work assignment that I can learn a lot from compared to the current position."



Graph 2. Rating I am willing to select a challenging work assignment that I can learn a lot from compared to the current position

Source: Authors (2024), results of primary research

There was no statistically significant difference observed for the variable "I am willing to select a challenging work assignment that I can learn a lot from" concerning gender (Sig. (2-tailed)=0.847 for Independent Samples T-Test), current position (Sig. (2-tailed)=0.497 for Independent Samples T-Test), level of education (Sig.=0.200 for ANOVA), and age (Sig.=0.805 for ANOVA).

Regarding the variable "I often look for opportunities to develop new skills and knowledge", respondents rated it with an average score of 6.17. The median and mode were both 6, indicating a balanced distribution. The skewness value was -0.367, indicating a slight negative asymmetry, and the coefficient of variation was 11.83%, suggesting relatively weak variability.

Both men and women gave nearly identical average scores of 6.18 for this variable. However, respondents aged 40 and above gave a slightly lower average score (around 5.5) compared to younger respondents (around 6.22). Respondents with a master's degree provided the highest average score of 6.38.

Similar to the previous variable, no statistically significant difference was observed for “I often look for opportunities to develop new skills and knowledge” concerning gender (Sig. (2-tailed) = 0.838 for Independent Samples T-Test), current position (Sig. (2-tailed)=0.877 for Independent Samples T-Test), level of education (Sig.=0.269 for ANOVA), and age (Sig.=0.175 for ANOVA).

CONCLUSION

The findings of this study indicate the preparedness of all potential employees, regardless of gender, to take on challenging work assignments, educational attainment, and position for those below 40 years old, particularly those with a master’s degree. Given the ongoing nature of changes and adaptations, resistance within companies can be anticipated. It is within such dynamic and evolving business landscapes that the role of leaders becomes crucial and represents a fundamental divergence in management styles. Forward-thinking companies that are willing to revamp their organizational structures gain a competitive edge over those opting for a defensive approach, reacting only after issues become apparent. The research underscores that a thoughtful and comprehensive process for planning organizational changes, coupled with a clearly defined timeframe for their execution, significantly influences the achievement of the company’s strategic objectives. It is recommended that each proposed organizational innovation be piloted on a smaller scale and within specified timeframes to identify potential challenges.

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Ispitivanje uticaja ljudskog potencijala na organizacionu efikasnost kompanija

Rezime: Organizacione novine imaju snažne refleksije na konkurentsku prednost kompanije, njen opstanak, rast i razvoj. Cilj istraživanja je provera postojanja značajne korelacije između faktora definisanih u istraživačkim pitanjima i uspešnosti organizacionih promena u kompanijama. Istraživački uzorak je bio *purposive sampling*, potencijalnih zaposlenih u malim i srednjim preduzećima u Republici Srbiji (n=194). Prikupljanje podataka sprovedeno je putem Google Forms-a od maja do oktobra 2023. godine. Anketa je bila podeljena na dva dela: prvi deo je obuhvatao opšta pitanja o polu ispitanika, godinama iskustva, nivou obrazovanja i trenutnoj ulozi u kompaniji. U drugom delu ispitanici su procenjivali svoje stavove prema spremnosti za nove izazove i lični razvoj. Da bi se odgovorilo na istraživačka pitanja, izračunate su mere centralne tendencije, disperzije, simetrije i korelacione analize. Za testiranje hipoteza korišćene su parametarske tehnike, kao što su T-test nezavisnih uzoraka i ANOVA. Statistička obrada podataka izvršena je korišćenjem SPSS softverskog paketa. Ustanovljena je važnost konstantnog usavršavanja i edukacije, ali i spremnost na izazove i promene koji se javljaju u zahtevima tržišta rada. Dokazano je da se ispitanici oba pola, kao i svih stepena obrazovanja podjednako odnose prema izazovima i novim radnim zadacima, dok su za razvoj novih veština nešto spremniji kandidati mlađi od 40 godina, kao i ispitanici stepena obrazovanja master.

ključne reči: korporativna kultura, organizacijske promjene, liderstvo, intelektualni kapital, digitalne inovacije.