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ORIGINAL SCIENTIFIC PAPER

# **Employees' Perceptions of Their Leaders**

**Golubović-Stojanović Aleksandra**<sup>1</sup>, Belgrade University, Faculty of Organizational Sciences, Belgrade. Serbia

Radović-Marković Mirjana<sup>2</sup>, Institute of Economic Sciences, Belgrade, Serbia Vujičić Slađana, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia Stevanović Mirjana, Faculty of Business Economics and Entrepreneurship, Belgrade, Serbia

ABSTRACT – This paper presents the research about employees and the leaders who are included in leading the organization, as an important segment of the modern business. The aim of this research is to show the real picture about presence new strategies of leaders in the organizations, as well as the analysis of the perception of employees about their leaders. The research in business organizations conducted on the sample of leaders and employees. The construction of high-quality questionnaire represents the important segment of modern statistical and business researches. The issues in questionnaire construction are very complex and they are in the focus of all statistical and research methodologies. It was conducted on the sample of at least 250 examinees (employees) in bigger companies in Serbia. Research results showed that understanding communication satisfaction, with its link to job satisfaction, should provide an ability to better target resources to improve communication satisfaction issues.

**KEY WORDS:** leader's strategies, employees, communication

#### Introduction

Some of the greatest researchers of these fields highlight that creativity and innovation are the key of development and success of modern organizations, business systems, governments as well as non-profit organizations (Mumford et al. 2012:3). While earlier researchers focused on scientists and their organizations to survive in the highly competitive environment (Jung, Chow & Wu, 2003), researchers have made an effort in understanding the factors and mechanisms which improve or inhibit creativity in the organizations (Shalley, Zhou & Oldham, 2004). Based on relevant literature, Steier and Sundgren (2005:68) determined five major organizational factors which affect creativity in the business environment based: organizational climate, organizational culture, leadership styles, resources, skills, structure and organizational systems.

<sup>&</sup>lt;sup>1</sup> aleksandragolubovicstojanovic@gmail.com

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One of basic issues in the research of organizational creativity is defining and measuring of dependent variables. This paper contributes to actual literature by researching the relationship of leaders and employees, including applications of some new leadership strategies and innovations and expanding the understanding of the manner which supports leaders' creativity and includes them in discovering of new possibilities for organizational innovations, as creativity and innovation are very important parts of development processes.

New leadership strategies and their influence of employees' communication are explored relatively poorly, which leads us to an evident need for systematic, detailed, qualitative case studies that should give answers to this question. Therefore, the idea of creativity and leadership practice remain an important part of scientific programs whose aim is to improve creativity as the key process.

This research is based on the need to determine how some leaders manage to incite employees' creativity.

## Literature overview

The leaders are the key of the modern organizations efficiency. Since the second part of the XX century great attention is focused on the researching of the leadership. Hunt (1991) claimed that exist more than 10 000 empirical studies which have been done under the subject of leadership.

Yukl (1998) broadly defines leadership as influence processes affecting the interpretation of events for followers, the choice of objectives for the group or organization, the organization of work activities to accomplish the objectives, the motivation of followers to achieve the objectives, the maintenance of cooperative relationships and teamwork, and the enlistment of support and cooperation from people outside the group or organization. Education and training have a large role in human development by teaching people to improve themselves and actively participate in building a nation (Radović Marković et al., 2012) Kirkpatrick and Locke (1991) emphasize following leaders' characteristics as the most important for the achieving of success:

- energy as a desire for prove, ambitiousness, endurance, initiative,
- honesty and integrity, as reliability, trust, extroversion.
- leaders' motivation, as a desire for the domination to realize common goals,
- self-confidence as a faith in your own capabilities,
- the ability to perceive, as intelligence; ability to summarize and interpretation of large number of information,
- understanding of job as understanding of complete sector, reliable technical support.
- creativity as originality,
- flexibility as ability to adapt to the needs of followers and the requests of certain situation (p. 48-60). The best leaders need to be attentive, motivational, and supportive (Radović-Marković, 2007). Also, leaders must be conscious of what is perceived by others and develop
- strategies that are proactive in building success (Radović-Marković, et al. 2013).

## Subject and issue of the research

The subject of the research in this paper is managers'/leaders' creativity which implies creative approaches to management that are expressed through their leadership strategies as well as their effect on the employees' creativity and organizational innovations of organizations themselves.

The starting point of this paper is a creative leader who has the crucial role in encouraging and strengthening employees' creativity and creative thinking and this is one of the basic conditions of good acceptance and implementation of new leadership strategies, as well as changes and innovations in the organizations, which is the subject of the research of this doctoral thesis at the same time.

The main question, this is issue of this research is whether leaders apply some new strategies or not and, if they apply them, how they affect communication and employees' creativity in the organizations/companies through two levels of observation – individual and group, by means of defined variables and mechanisms.

#### Research method

In this chapter, we will describe methodology used in this paper, including research contest, data collection, analysis techniques as well as results. While defining the research plan, it was decided to base the research on collection of primary data by means of a questionnaire (*Communication Satisfaction Questionnaire*) composed of closed questions. Summing up the results should give us a real picture of existence or absence of leadership, employee creativity, marketing and organizational innovations...

In business organizations, the research was conducted on the sample of leaders and employees. Minimum 256 examinees (employees) participated in the research in larger cities of Serbia, namely Belgrade, Nis, Novi Sad, Cacak and Kragujevac. Employees and leaders were interviewed by the method of a standard questionnaire which requested from the employees (examinees) to evaluate the importance of and satisfaction with certain activities of the organization in order to determine the relation (communication) between employees and leaders as a key of success of each organization.

Some researchers claim that leaders increase the employees' creativity by supporting their creativity and motivating them to participate in the creative process (Amabile et al. 1996; Tierney, 2009), while studies on a leader's influence on creation of psychological conditions which lead to creativity are rare. Therefore, one of the goals of this paper is to expand the existing understanding on how leaders, using their strategies, affect the employees' communication and their creativity through processes and mechanisms and which processes bridge leaders' behavior on all levels within the organization.

Total number of examinees was **256**, including **49** leaders of the chosen organizations and **207** employees who cooperate with a leader directly.

## Questionnaire

In order to examine hypothesis, we created two questionnaires – one for the leaders of the researched organizations and one for the employees. All questionnaires are confidential,



for the sake of general security and protection of the employees. The data about gender, age, level of education, working experience in the cultural institution as well as total years of service were common for both questionnaires. The questionnaire intended for leaders consists of 12 variables and each of these variables contains 5 questions - 60 questions in total.

The answers to the questions are in the form of a Likert scale:

- 1 I completely disagree
- 2 I mostly disagree
- 3 Undecided
- 4 I mostly agree
- 5 I completely agree

Variables examined in this questionnaire are: Guiding vision, Relationship with employees, Motivating the employees, Inspiring the employees, Open communication, Power, coercion, Manipulation, Directive management, Transparency of communication, Monitoring, control, "Leads by example" and Focus on interpersonal relations in the team.

Besides this, leaders had an additional question in which they had to evaluate their own leadership style based on the offered descriptions – coaching style, cross-cultural, situational, transformational or autocratic. Socio-demographic variables were examined as well: gender, age, education, type of organization (production or service providing), sector – private or public, salary, years of service, years of service on a particular position, how many times they changed current position, if they have a partner and kids.

The employees filled 3 questionnaires:

#### about satisfaction with 1. Questionnaire communication (Communication Satisfaction Questionnaire (CSQ), (C. W. Downs and Hazen (1977))

It has 37 questions in total – 7 variables of which each variable contains 5 questions and 2 additional questions on general satisfaction with communication and productivity. The answers to the questions are in the form of a Lakert scale:

Variables examined in this questionnaire are: Communication climate, Relationship to superiors, Organizational integration, Media quality, Horizontal and informal communication, Organizational perspective and Personal feedback

## 2. The questionnaire contains 10 variables in 3 categories of variables, 50 questions in total:

This questionnaire examined variables of communication: Type of communication (written, oral, in person, by phone, by e-mail...), Problems in communication, Non-verbal communication, Communication channels ... Variables of a leader were examined by means of this questionnaire as well: Relationship with a leader, Freedom at work, To what extent the employees feel that a leader uses their potentials to the maximum. This questionnaire examined variables of the employees, too: Motivation, Loyalty to the organization, Identification with organization.

Questions about dominant types of communication contain different offered answers, while the answers to other questions are in the form of a Likert scale:

## Public leadership questionnaire

It contains 29 questions in total, distributed on 5 variables, with the answers in the form of a Likert scale.

In theoretical research, we used the data collected by the analysis of relevant scientific, professional and modern literature in the field of management, leadership, psychology and organizational innovations. Inductive and deductive methods of conclusion have been used for creation of questionnaires and data analysis. Quantitative statistical methods have been used, namely:

- Correlation method
- Analysis of variance

## Research procedure

The research was conducted by means of online questionnaire on the website: www.kwiksurveys.com. Leaders and employees who belong to the teams lead by the leaders filled these questionnaires. Questionnaires for leaders were electronically connected with the questionnaires for the employees from their team. Questionnaires were filled anonymously.

In this doctoral thesis it was planned to examine managers/leaders in 49 chosen organizations as well as their closest, direct cooperatives. Total number of examinees in this research was 256, including 49 leaders from the chosen organizations and 207 employees who cooperated directly with the leaders. Among them, there were marketing managers, commercial managers, public relations managers, production managers, lawyers. All of them were permanently employed.

## a) Structure of examinees (age, gender, education)

Number of leaders Percent of leaders 49 19.1 207 80.9 Total 256 100.0

Leaders **Employees** 

Chart 1. Total number of examinees

Table 1. Structure of the total number of examinees



The ratio of female and male examinees, the leaders, is 49% to 44.9%



Table 2. Ratio of female and male examinees (leaders)

Gender	Number of leaders	Percent of leaders
Men	22	44.9
Women	24	49.0
Total	49	100.0

Table 3. Gender structure of examinees (employees)

Gender	Number of employees	Percent of employees
Men	92	44.4
Women	98	47.3

Table 4. Employees' education

Education	Number of employees	Percent of employees
Secondary education	34	16.4
Faculty/College	40	19.3
Bachelor's degree	48	23.2
Master's degree	39	18.8
Magister's degree	6	2.9
Specialization	3	1.4
TOTAL	207	100.0

Table 5. Average age of employees

Average age	Average age Standard deviation		Maximum
36.7529	10.20257	23.00	71.00

Table 6. Leaders' education

Education	Number of leaders	Percent of leadesr
Secondary school	3	6.1
Faculty/College	5	10.2
Bachelor's degree	11	22.4
Master's degree	18	36,7
Magister's degree	7	1,3
Specialization	2	4,1

Table 7. The average age of leaders

Average age	Standard deviation	Minimum	Maximum
39.8043	7.90673	28.00	65.00

As for the age of employees, all examined leaders are 40 or more. In order to check theoretical aspects of leadership, communication, motivation in the function of improving organizational success which were mentioned above, we checked the sample of 50 chosen business companies.



Speaking of the level of examinees' education, the results are very encouraging. None of the examinees stopped his/her education after primary school, but they continued their education. The lowest level of examinees' education is finished secondary school – 34 (16.4%) of the examinees from the employees' group and only 3 (6.1%) from the leaders' group. 40 (19.3%) examinees from the category of employees have graduated from the faculty/college, 48 (23.2%) have Bachelor's degree, 39 (18.8%) have Master's degree, 6 (2.9% of the examinees) are magisters and 3 (1.4%) examinees have finished specialization. The leaders in the organizations in which the research was conducted also have Master's degree (18 leaders or 36.7%), 7 leaders (1.3%) are magisters, while 2 examinees (4.1%) have specialization. These very positive results can testify to education of the people employed on key positions in the examined organizations, in relation with their expertise and knowledge, which have been previously identified as important segments of individual creativity

## b) Organizational sector

Table 8. Organizational sector

Sector	Number of organizations	Percent of organizations
Private	43	87.8
Public	3	6.1
Total	49	100.0

Some authors (Oldham & Cummings, 1996; Tierney & Farmer, 2004) showed in their researches that expertise was proportional to the years of service and it could explain variations in the employees' creativity and communication and therefore we examined the employees' years of service in the chosen organizations (Table 9), as well as leaders' total years of service (Table 10). Based on this research, we came to the conclusion that leaders were averagely 14 years employed in the examined organizations. The years of service in certain company may imply identification with the institution as well as knowing of its organizational climate, building of positive and deeper relationships with the employees, including also knowing of formal and informal forms of communication which exist in the organization. Leaders were averagely about 4,5 years on that position and they changed the company in which they work at least once. As for the employed in the examined institutions, their average years of service were about 9 years and they were on the same position for about 3 years. Just like their leaders, they also changed the company in which they worked at least once.

Table 9. Total years of service of the examinees (employees)

	Average	Standard deviation	Minimum	Maximum
Years of service	9.2294	7.52670	0.00	40.00
Years of service on the current position	3.2941	3.98317	0.00	20.00
How many times they changed position	1.2412	2.00755	0.00	14.00



	Standard deviation		N
Table 10. Total years of service of the examinees (leaders)			

	Average	Standard deviation	Minimum	Maximum
Years of service	14.8478	7.63025	3.00	42.00
Years of service on the current position	4.1739	3.83727	.00	19.00
How many times they changed position	1.5000	1.64317	.00	6.00

Speaking of monthly salaries, 75.5% leaders have above average salary and 16.3% have average salary (Table 11).

*Table 11. Total monthly salary of the examinees (leaders)* 

Salary	Number of leaders	Percent of leaders
Below average	0	0
Average	8	16,3
Above average	37	75,5

Speaking of monthly salaries of the employees, 39.1% has above average salary, 25.6% have average salary and 15.9% have below average salary. (Table 12).

*Table 12. Total monthly salary of the examinees (employees)* 

Salary	Number of employees	Percent of employees
Below average	33	15,9
Average	53	25,6
Above average	81	39,1

## Key results and their explanation

The main goal of this research was to perceive the influence of leadership (leadership style) as well as new leadership strategies which a leader applies to motivate and award the employees in order to improve organizational success. The examinees' attitudes show that leadership style has a significant effect on their everyday work and environment in which they work, which is confirmed by the examinees' answers in which better relationship with the leader is pointed out as one of important elements. Personal responsibility and participation in decision-making are significant regulator of relationships between the employees, as they are mandatory and undisputed for achieving of general organizational goals, which is confirmed by the employees' answers.



Table 13. Leadership strategies

Strategies	Average (maximum is 5)	Standard deviation
Guiding vision	4,01	,52
Relationship with employees	4,48	,41
Motivating	4,37	,38
Inspiring	4,34	,53
Open communication	4,53	,40
Power, coercion	2,16	,72
Manipulation	2,65	,91
Directive management	2,32	,91
Transparency of communication	4,04	,66,
Monitoring, control	3,57	,80
"Leads by example"	4,20	,73
Focus on interpersonal relations	4,40	,46

One of possible interpretations of such results is that employees are mostly satisfied with communication and relationship to their superiors, as the average of their answers to satisfaction with communication is 3,60, while standard deviation is 0,71. Standard deviation is a measure which shows average variation of the values from arithmetic mean, i.e. in this case average satisfaction with communication. It is the average deviation from arithmetic mean. If it is lower, this means that the values are close to average, and if it is higher, the values vary more. All desirable strategies are above 4 of 5 and all undesirable values are low. As we can conclude based on the data from the table, the employees are not very satisfied with organizational perspective (3,36), which is indicated by standard deviation amounting to 0,99. The higher standard deviation, the bigger dissatisfaction of the employees. This is one possible interpretation. Another possible interpretation is that the sample we used was not random, but occasional, so that we may have included similar employees in the research, while a part of the reason may be that the majority of employees worked in the organizations from private sector, which could cause their similar behavior.

Table 14. Employees' satisfaction with communication

Satisfaction with communication	Average (maximum is 5)	Standard deviation
Communication climate	3,60	,92
Relationship to superiors	3,97	,81
Organizational integration	3,53	,87
Media quality	3,57	,86
Horizontal and informal communication	3,77	,79
Organizational perspective	3,36	,99
Perfonal feedback	3,43	,97
Satisfied with communication	3,60	1,12
Evaluation of their own productivity	4,16	,74
Total satisfaction with communication	3,60	,71



Table 15. Employees	' satisfaction wit	th communication wi	th their leader

	<b>Average</b> (maximum is 5)	Standard deviation
Relationship with a leader	4,04	,88
Freedom at work	3,91	,70
Leader exploits their potentials	3,69	,76
Motivation	4,04	,70
Loyalty	3,78	,89
Identification with organization	3,64	,80

Based on the obtained results, it can be seen that the employees mostly have good relationship with their leader (average is 4,04 and standard deviation is 0,88). As we can conclude based on the data given in the table, the employees do not have strong identification with the organization in which they work, which implies that they are not loyal to the organization itself, but they are strongly motivated to stay and work in that organization. We cannot be 100% sure about this, but in the organizations in which there are no possibilities for advancement, loyalty is on the lower level as well as motivation of the employees to stay in that organization.

#### Conclusion

This research contributes to the literature theoretically and methodologically. It examines leadership strategies and their influence on the employees' communication at all levels in the organization.

The obtained results show that good communication has the effect on the organizational success itself. They also show that the employees are mostly satisfied with communication and relationship with their superiors, which results in their higher motivation and loyalty to the organization in which they work.

Our research has provided the findings which suggest that new leadership strategies have an effect on the employees' communication at all levels in the organization. Furthermore, we have explained the methods and mechanism through which leaders encourage creativity of their employees on individual, group and organizational level. The results of this research highlighted the importance of communication climate as the characteristic which explains the organizational perception supporting innovations.

Leadership strategies and styles shape organizational climate which results in a positive relation between good communication of a leader with his/her employees and organizational success.

According to the obtained results, we can conclude that the employees are mostly satisfied with communication and relationship with their superiors. From the obtained results it can be seen that the employees mostly have good relationship with their leader, but their identification with the organization in which they work is not strong, which brings us to a conclusion that they are not loyal to the organization itself, but they are strongly motivated to stay and work in that organization. We cannot be 100% sure about this, but in the organizations in which there are no possibilities for promotion loyalty is smaller as well as the employees' motivation to stay in it.

Based on this research, we think that creative approaches in management are necessary, not only in private organizations but also in public, governmental and non-governmental agencies.

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# Kako zaposleni percipiraju svoje lidere?

REZIME – Ovaj rad predstavlja istraživanje o zaposlenima i liderima koji su uključeni u vođenje organizacije, kao važan segment savremenog poslovanja. Cilj ovog istraživanja je da pokaže pravu sliku o prisustvu novih strategija lidera u organizacijama, kao i analizu percepcije zaposlenih o njihovim liderima. Istraživanje u poslovnim organizacijama sprovedeno je na uzorku lidera i zaposlenih. Izrada visokokvalitetnog upitnika predstavlja važan segment modernih statističkih i poslovnih istraživanja. Pitanja u upitniku su veoma kompleksna i u fokusiraju se na sve statističke i istraživačke metodologije. Istraživanje je sprovedeno na uzorku od najmanje 250 ispitanika, zaposlenih u većim kompanijama u Srbiji. Rezultati istraživanja su pokazali da zadovoljstvo komunikacijom, koje je povezano sa zadovoljstvom samim poslom, treba da obezbedi mogućnost da se bolje usmere resursi za poboljšanje pitanja zadovoljstva komunikacija

KLJUČNE REČI: liderske strategije, zaposleni, komunikacija

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