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## MANAGEMENT APPROACHES - SIMILARITIES AND DIFFERENCES BETWEEN AMERICAN AND CROATIAN MANAGERS

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The results of management functioning investigations in American and Croatian companies are presented in this paper, with the special focus on similarities and differences between two management approaches.

The conclusions and information we have reached in this work are based on the direct survey of 231 managers from 25 Croatian companies and 77 managers from 12 US companies.

In the paper the basic data on managers, according to the survey, are presented, such as: their sex structure, age structure, level of education, level of management. The emphasis of the research has been directed on management approaches.

Besides management approaches, some more management aspects, which have significantly influenced management approaches, are dealt with in the work. It is firstly related to the knowledge and skills which might be possessed by managers, because management approaches depend a great deal on managers' knowledge and skill level. Management approaches are also influenced by desirable and undesirable traits of managers as well as by their willingness and unwillingness to delegate tasks. The way a manager organises time influence his management approach, but it is also a consequence of particular management approach.

According to my research it is possible to conclude that Croatian managers do not differ greatly from their American colleagues.

Keywords: Management approaches, Management, Manager, Management level, Leadership approaches, Expertise and skills of managers, Skills of managers, Desirable traits of managers, Undesirable traits of managers, Delegating, Authority, Responsibility, Autocratic leadership approach, Democratic leadership approach, Participative leadership approach, Decision making.

### 1. INTRODUCTION

Although the basic principles of management have been known for a long time, modern management is a phenomenon typical of the twentieth century. As P. Drucker (1) points out, management in itself represents a significant innovation. It has effectively revolutionised the manner of conducting business over the last hundred years to such an extent that a managerial revolution is spoken of with much justification, in the same way as of the automobile and telecommunications which have changed lifestyles the world over.

Despite of the existence of numerous schools of thought within management theory, there are still no consistent theories that could be implemented in practice. Closest to this goal is the theory of contingency which stresses the importance of the real situation in which the manager finds himself, regardless of whether he is operating in the USA or some other country (2). For this very reason, management as a concept, besides having a scientific dimension, contains elements of both art and skill. To be more precise (3), management is a science, and successful management is also an art form. This is the main reason why management cannot ever be completely learnt, still less copied.

Just as there is no recipe or general strategy to guarantee the success of a company, so there is no recipe for successful management. And just as the foundations of every company's operations are unique, so are the theory and practice of management in every company unique and inimitable. If this were not the case, how would it be possible to explain the differing business results of different companies in the same branch of industry and operating in the same market conditions.

The success of companies at the present is a result of effective management more than ever before. One half of new businesses fold during the first two years of operation, and around 70% of new businesses disappear within the first five years. In most of these cases, over 90%, the reason for failure is ineffective management (4).

Hence exceptional importance is attached to management today in every country, in which management is undergoing a process of constant evolution under the influence of manifold factors of the organisation, primarily environmental factors.

Just as there can be no management without managers, so there can be no successful management without creative, capable and talented managers. Only those managers who have marked individuality and innovative capabilities can rise to the challenges of the environment in store for them not only at the present, but even more so in the future.

Although the main tasks of managers, such as **planning, organising, personnel development, leadership and control**, are familiar to every manager, an open challenge is still posed by the manner of integrating general managerial expertise into a unified theory (5). The reason for this lies in the fact that managerial work, unlike other tasks, is somewhat indefinite, unclear and nebulous, and hence cannot be completely and precisely described and defined (6). This represents a challenge to every manager, allowing freedom of action and creativity.

This fact served as an incentive to investigate the work of management and managers in Croatia and the USA. Our objective was to note the similarities and the differences in the functioning of management between two different countries and cultures. One (USA) can rightly be called the cradle of management whereas the other (Croatia) has only recently made a serious start along the managerial path.

Of course, such an investigation was motivated not only by scientific curiosity but also by the desire to contribute to the development of the theory and practice of management in Croatia.

Although the survey covers numerous aspects of management, in this paper we shall concentrate on the comparative analysis of **managerial decision making** in Croatia and the USA.

## 2. SUBJECT OF RESEARCH

Within the scientific project "**Management**", financed by the Ministry of Science of the Republic of Croatia, under the leadership of the author of this article, in **October and November 1993**, a comprehensive survey of the functioning of management in Croatian companies was conducted using a questionnaire consisting of 67 questions concerning all the relevant matters of management, divided into ten subject areas.

A similar survey of American companies was conducted by the author in **October 1995** (7).

On the basis of a statistically significant sample, the survey covered **25 companies in Croatia and 12 companies in the USA** (8). In Croatian companies, **231 managers** took part in the survey while in the American companies, the questionnaire was filled in by **77 managers**.

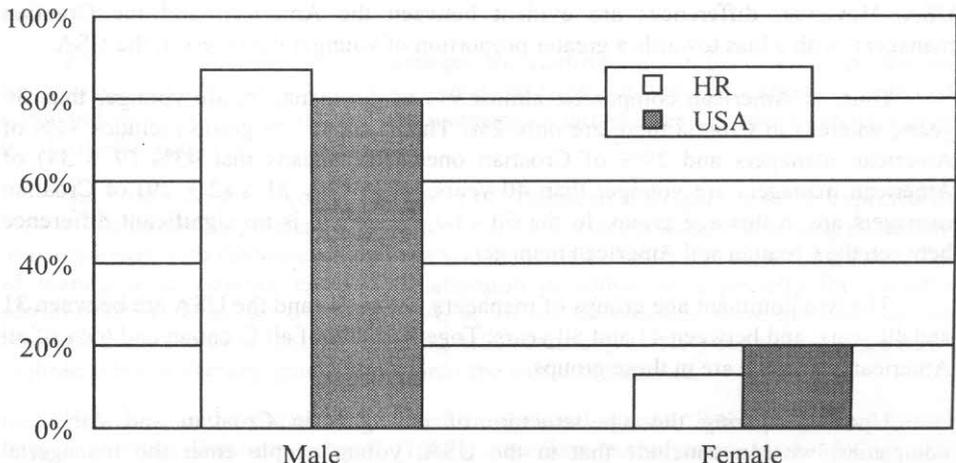
## 3. BASIC DATA ON MANAGERS

Every investigation of management in Croatian and American companies, including this one, begins by putting questions concerning basic data on managers, such as: sex, age, education and management level of the particular managers included in this survey.

These questions appear relevant to this investigation because they allow comparison on the level of basic data, or should we say, the personal identities of the Croatian and American managers.

1. Out of all the questioned managers in Croatia, 87% are men, and only 13% are women. In the USA, the structure is somewhat more favourable towards women managers - 20% of them, while the other 80% of managerial functions are occupied by their male colleagues. (See Fig. 1).

Figure 1 Sex structure of managers in Croatian and American companies

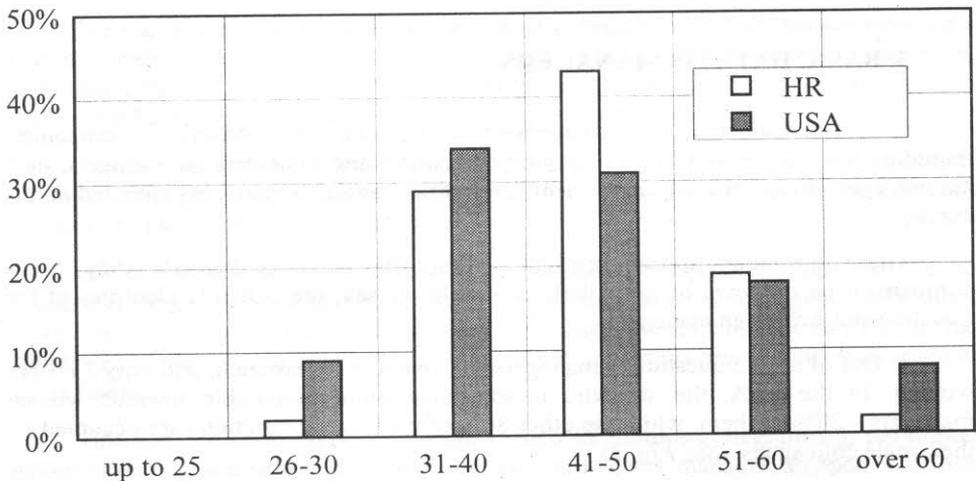


In other words, there is one female manager for every 6,7 male managers in Croatia, while there is one woman for every 4 men among managers in the USA.

Such proportions of men and women managers in Croatia and in the USA are evidence that woman still find it more difficult to establish a managerial career, although it is somewhat easier in the USA than in Croatia. This is not surprising in view of the tradition of management theory and practice in the USA, but also in view of the democratic traditions of the USA. However, we expected a somewhat larger proportion of women managers in the managerial structure of enterprises in the USA.

2. One of the important questions for determining the success of managers in domestic and American companies concerns their age structure, i.e. the age groups that they belong to. *This information is presented in Figure 2.*

Figure 2. Age structure of managers in Croatian and American companies



The distribution of managers across age groups in Croatia is similar to that in the USA. However, differences are evident between the American and the Croatian managers, with a bias towards a greater proportion of younger managers in the USA.

Thus, in American companies, almost 9% of the managers are younger than 30 years, whereas in Croatia there are only 2%. The 31 to 40 age group includes 34% of American managers and 29% of Croatian ones. This means that 43% (9 + 34) of American managers are younger than 40 years, while only 31% (2 + 29) of Croatian managers are in this age group. In the 50 - 60 age group, is no significant difference between the Croatian and American managers.

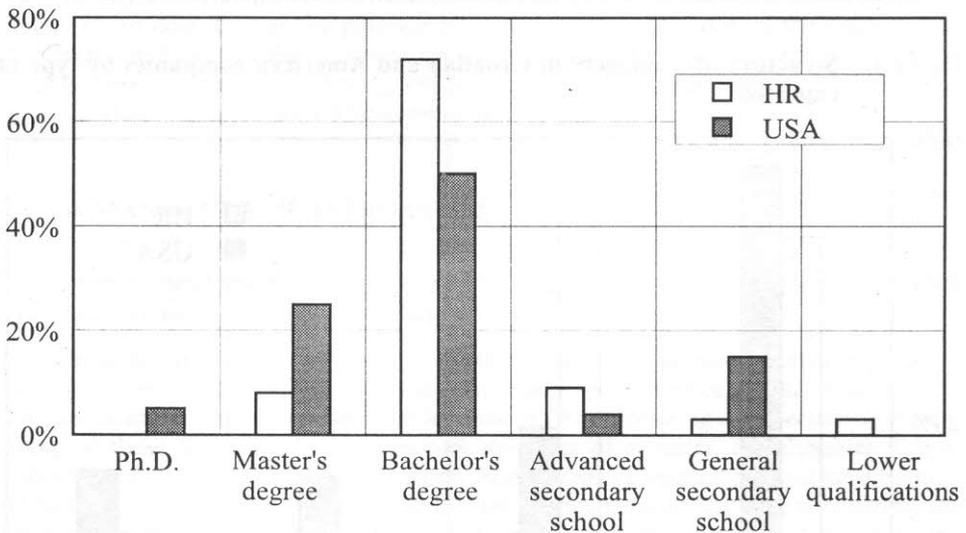
The two dominant age groups of managers in Croatia and the USA are between 31 and 40 years, and between 41 and 50 years. Together 78% of all Croatian and 69% of all American managers are in these groups.

Upon comparing the age structure of managers in Croatian and American companies, we can conclude that in the USA, young people enter the managerial

structures more easily than in Croatia. This serves to confirm the theoretical findings (9) on the necessity of bringing ever younger managers into the world of business.

3. One of the more significant questions concerning successful management both in Croatian and in American companies relates to the level of education of managers. (See Figure 3.)

Figure 3. Structure of Croatian and American managers by level of education



It is interesting to note that both Croatian and American managers are generally highly-educated experts. As many as 82% of the Croatian and American managers have university degrees. Significant differences between the Croatian and the American managers exists at the levels of master's degree and doctorate. While in the USA, one in four managers, or 25%, has a master's degree and 5% have doctorates, in Croatia only 8% of managers have a masters' degrees and not one of the managers questioned had a doctorate.

For every modern American manager, the starting point in his career is graduation at a college, usually in Business Administration. However, their education does not end there and more and more of them are returning to universities in order to attain higher levels of education (10).

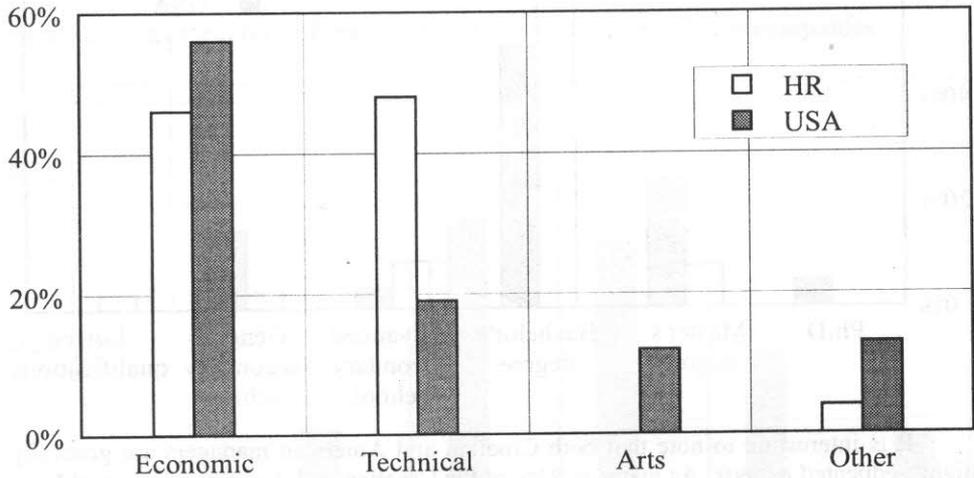
Such data on the level of education of American managers is to be expected in view of the relatively greater proportion of the American population attending university in comparison with the situation in Croatia. On the other hand, America, being the cradle of management, devotes exceptional attention to education, especially for business administration. Thus, all over the USA, at all the universities, there are hundreds of business administration schools (offering MBA courses). Every year many people enrol in these schools, thereby gaining entry into the world of business.

However, as the author of the interestingly entitled book "What They Don't Teach You at Harvard Business School" (1985), American businessman Mark McCormack

points out, the best lesson that you can learn in a business school is to become aware of what they cannot teach you: all the details and technicalities of everyday business life (11). This author wishes to stress the exceptional importance of a formal managerial education, but at the same time to point out the limitations in solving business problems that even the best business schools cannot alleviate.

4. An equally important question, when discussing the work of management is the types of expertise of Croatian and American managers. From this point of view there are significant differences between Croatian and American managers. (See Figure 4.)

Figure 4. Structure of Managers in Croatian and American companies by type of expertise



While 48% of Croatian managers are technically educated, only 19% of managers in American companies have technical college qualifications. These results are a consequence of a greater number of manufacturing companies in the research sample in Croatia in comparison with the USA. However, such a discrepancy cannot be explained only in this way.

Economics is the dominant area of expertise among both of Croatian (46%) and American (56%) managers. The dominant position of economic education among the managers of American companies is a consequence of the profusion of business schools in the USA that are considered to offer good management courses during the last thirty years.

5. A significant part of the survey on management in Croatian and American companies is related to the level of management and the managers included in this survey. This matter becomes all the more important if we compare the responses of different levels of management to the various questions on the functioning of management in Croatian and American companies.

Out of the total number of managers covered by the survey, 53% of those in Croatian companies were at the highest levels of management, while 41% of the American managers were at these levels in their companies. They were company

directors, presidents and vice-presidents of companies. The next most numerous category of managers was that of higher middle level (closer to the top level of the companies). There were 30% of these in the Croatian companies and 47% of them in the American ones. Both in Croatia and in the USA, there were 12% of middle-level managers, while 3% of the managers in Croatia covered by this survey were at the lowest level of management.

Most of the managers in the survey (83% in Croatia and 89% in the USA) were at the top or upper middle level of management in their companies. It is exceptionally important to note this for the purpose of comparing the responses of the Croatian and American managers to the questions on the functioning of management, since if these figures were significantly different, the comparability of the answers from the Croatian and American managers would be questionable.

#### 4. MANAGEMENT APPROACHES

Various leadership approaches can be found in both management theory and practice, varying from autocratic to democratic approaches.

In addition to these two basic leadership approaches, numerous other approaches have also developed in both management theory and practice, in accordance with various factors that have a bearing on leadership. When defining a leadership approach, many of these theories take into account the traits of a leader, the characteristics of subordinates, and also the actual situation. Some types of leadership combine a number of factors, such as structure, responsibility for people, responsibility for production, the relationship between the leader and subordinates, task structure, the position of the leader in the organisation, etc.

In addition to types of leadership in a narrower sense, we shall also discuss some other aspects of management which are of great significance in defining leadership approaches. These primarily include the expertise and skills of managers, as leadership approach is to a large extent dependent on the expertise and skills of a manager. Managerial leadership approaches are also influenced by both desirable and undesirable traits in a manager, and also his willingness or unwillingness to delegate tasks. Time-management both influences the leadership approach, and at the same time is a consequence of the approach to leadership.

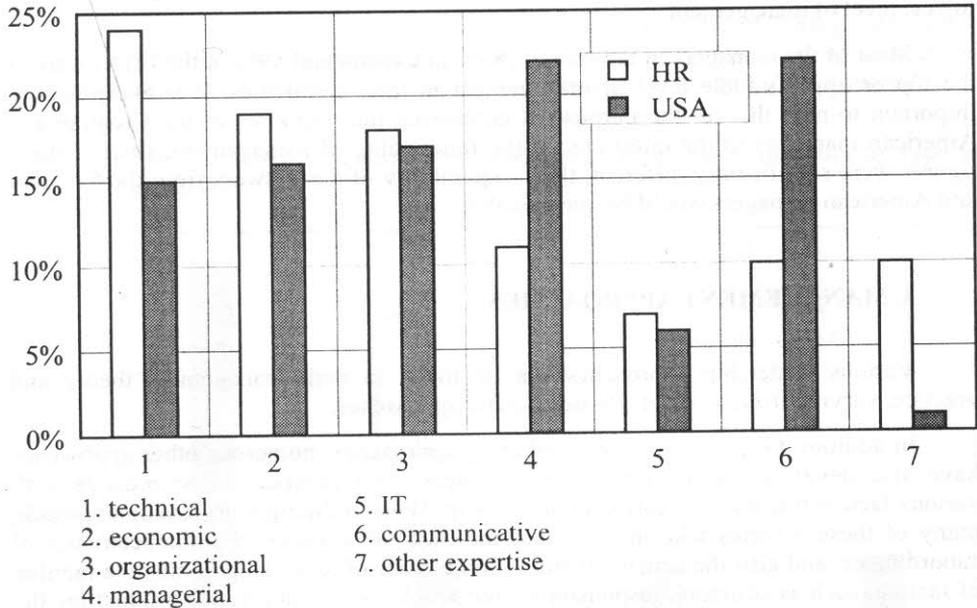
##### *4.1. Expertise and skills needed by managers*

Since, according to Robert L. Kotz (12), managerial skills include technical expertise, the ability to communicate with people, and both conceptual and organisational expertise, they are different at different management levels. Technical expertise is of greater importance at lower management levels, while the importance of conceptual and organisational expertise is more significant at the highest levels of management, i.e. top management.

1. One of the issues which significantly influences the approach to managerial leadership is that of desirable managerial expertise and skills for the efficient

management of a company. In this sense there are no significant differences between American and Croatian managers (See figure 5.).

Figure 5. Expertise needed by managers



For both Croatian and American managers the most important skills necessary for the efficient management of a company include technical, economic, organisational, and managerial skills. Their share in the total expertise and skills of Croatian managers amounts to 72%, while in the case of American managers the share is 70%.

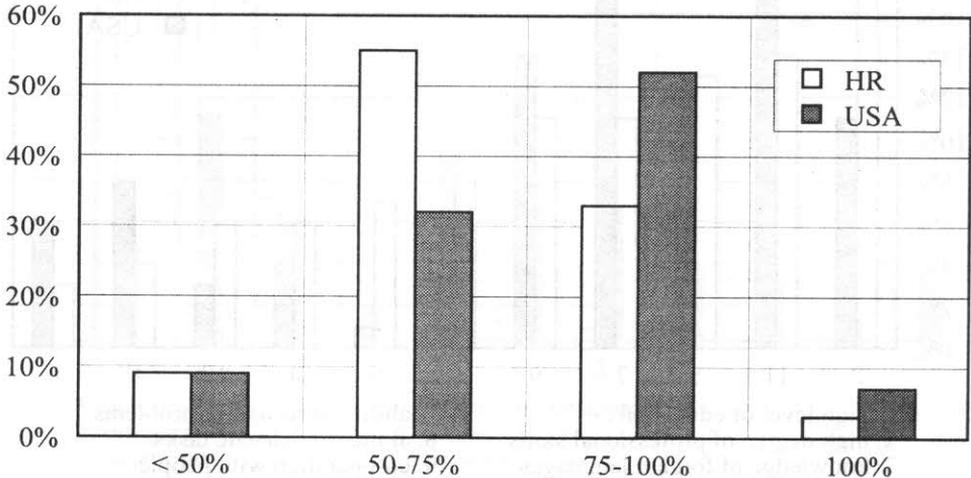
The only significant difference between Croatian and American managers is that of the importance of communication skills in the successful management of a company. While in American companies managerial and communication skills are first on the list of important skills (their share in total managerial expertise and skills is 22%), in Croatian companies, managerial expertise is fourth on the list (11%), and communication skills come fifth (10%).

However, we should emphasise that in both Croatian and American companies organisational and managerial expertise and communication skills are of a great importance. Their share in the total expertise of Croatian managers amounts to 39%, and in the group of American managers, 51%. These data indirectly explain why there is a great number of business schools in the USA, and why the number of people who are not economists continue their post-graduate education in the area of organisation and management in order to achieve the necessary managerial expertise.

2. One of the questions we asked both Croatian and American managers is that of to what extent their expertise is used in their jobs. The answers given by both American

and Croatian managers show a great amount of similarity, but there is a difference in the order of importance. (See figure 6.).

Figure 6. Managers' use of their expertise in their jobs expressed as a percentage



9 per cent of American and Croatian managers believe that their expertise is used less than 50%. We should be even more concerned about the data which show that as many as 55% of Croatian managers believe that their expertise is used between 50 to 75%, compared to 32% in the group of American managers. American managers use their expertise in their jobs to a greater extent than their Croatian counterparts, hence as many as 52% of American managers believe that their expertise is used between 75 and 100%, while this percentage in the group of Croatian managers amounts to only 33%. Only 3% of Croatian managers, and 7% of American ones consider their expertise to be used 100%.

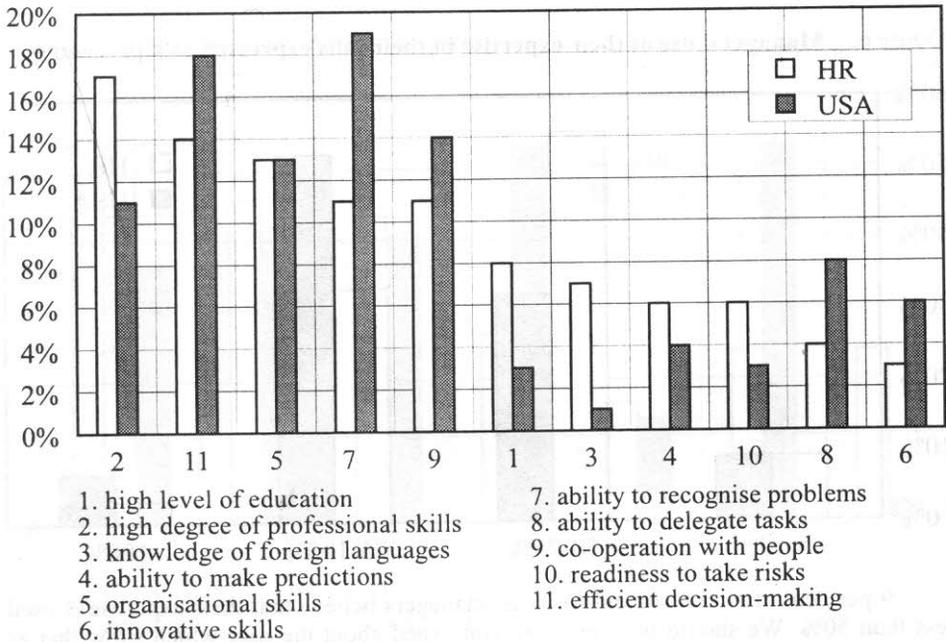
3. In terms of the most important skills of a manager, there are no significant differences between American and Croatian managers. (See figure 7.)

Figure 7 shows that the most important skills for American managers include: the ability to recognise problems (19%), decision-making (18%), co-operation with people (14%), organisational skills (13%), and a high degree of professional skills (11%). The answers given by Croatian managers are similar to those supplied by the American ones, but the order of importance is somewhat different. Hence professional skills are first on the list (17%), and the ability to recognise problems is in fifth place (11%). We can conclude that both Croatian and American managers consider the same managerial skills to be of greatest importance, but there are differences in the order of importance.

#### 4.2. Desirable and undesirable traits of managers

Desirable and undesirable personal traits are important factors in a successful manager. A successful manager must develop his desirable characteristics to the greatest

Figure 7. The most important skills of managers



possible extent and eliminate the undesirable ones. How have American and Croatian managers answered this question?

While there is a great similarity in terms of managers' undesirable traits, there are certain differences in their answers with regard to the desirable ones. (See figures 8 and 9).

For Croatian managers, the most desirable trait is a business-like approach (35%), which is followed by determination (32%), integrity (12%), independence (9%), objectivity (4%), etc. For American managers, determination is of the greatest importance (19%), and is followed by objectivity (17%), resourcefulness (13%), enthusiasm (11%), and integrity (10%). While American managers have ranked objectivity, enthusiasm and resourcefulness highly (these qualities make up 41% of desirable traits), in the group of Croatian managers, the same qualities make up only 11%.

Figure 9 shows a large similarity in answers concerning undesirable traits in managers supplied by American and Croatian managers. The only difference is in the order of importance. The most undesirable traits in Croatian and American managers are as follows: unbusiness-like approach, dishonesty, superficiality and undecisiveness. While in the group of Croatian managers an unbusiness-like approach comes first on the list of undesirable traits, and third in the group of American managers, American managers consider dishonesty the most undesirable trait in managers, while in the group of Croatian managers this trait is third on the list. Both Croatian and American managers

Figure 8. Desirable traits in managers

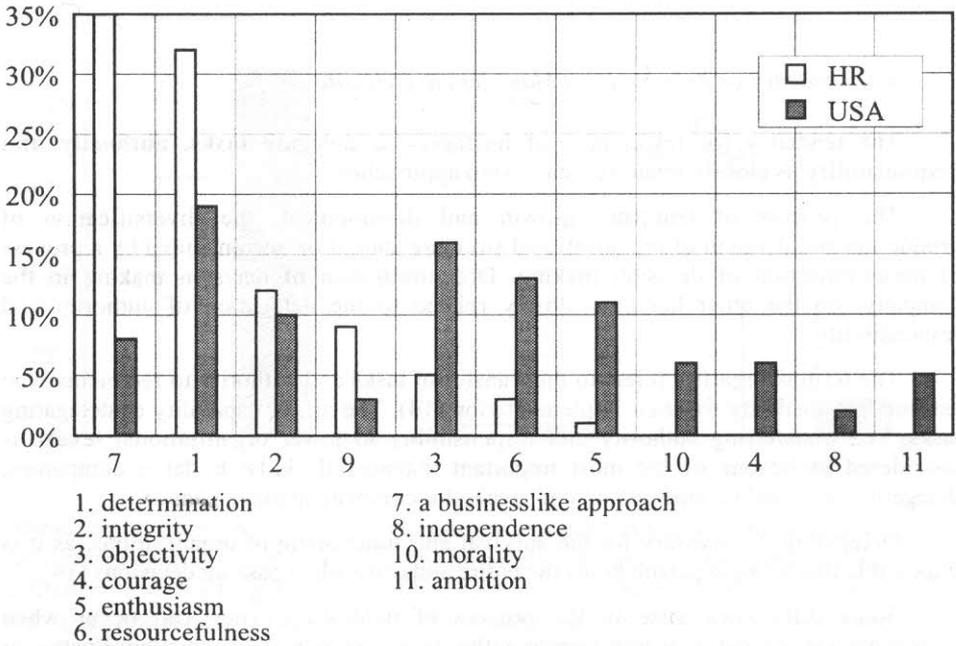
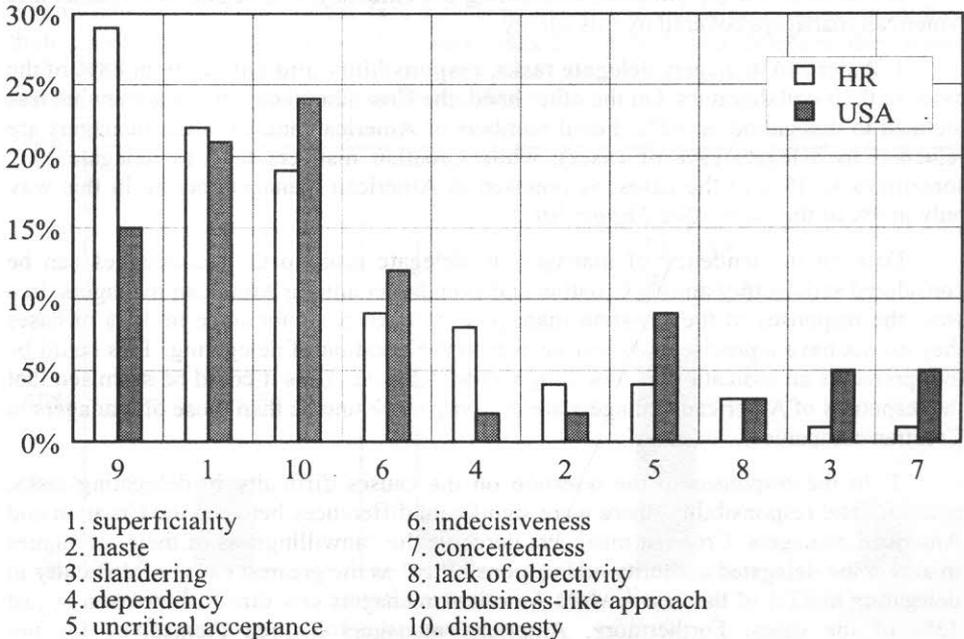


Figure 9. Undesirable traits in managers



have ranked superficiality as the second most undesirable trait in managers. (22% and 21%).

#### 4.3. *Tendency or Reluctance of Managers to Delegate*

The tendency (or reluctance) of managers to **delegate tasks, authority and responsibility** is closely related to leadership approaches.

The process of company growth and development, the diversification of production and division of organisational structure should be accompanied by a process of decentralisation of decision making. Decentralisation of decision making in the company, on the other hand, is closely related to the delegation of authority and responsibility.

The term **delegating** refers to the transfer of tasks and authority to recipients who assume responsibility for their implementation (14). The art, or capability of delegating tasks, i.e., transferring authority and responsibility to lower organisational levels, is considered to be one of the most important managerial skills. In large companies, delegating is a *conditio sine qua non* of successful company management.

Delegating is necessary for the survival and functioning of organisations, as it is impossible that a single person holds the entire authority when passing decisions (14).

Some difficulties arise in the process of delegating. They can occur when employees are incapable of transferring authority and responsibility to subordinates, or if subordinates are not capable of accepting the authority and responsibility that is allocated to them.

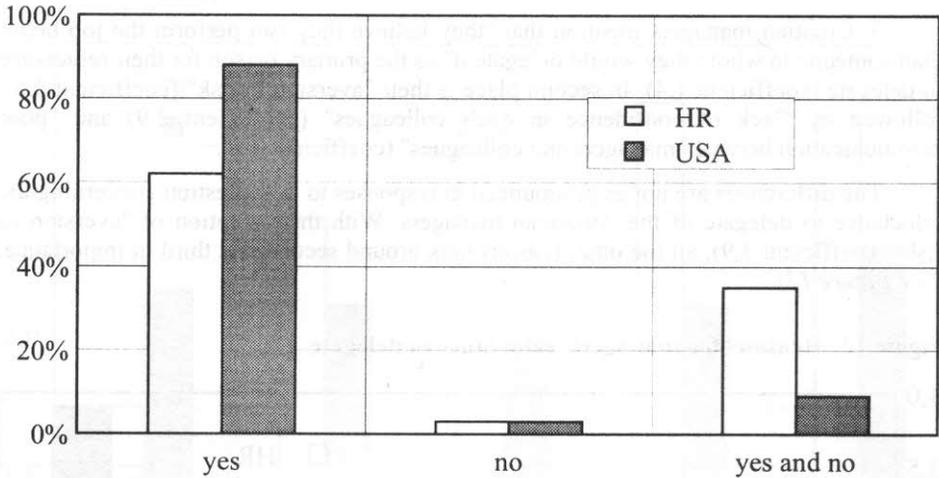
Let us examine the situation concerning the tendency to delegate of Croatian and American managers covered by this survey.

1. American managers **delegate tasks, responsibility and authority** in 88% of the cases to their collaborators. On the other hand, the Croatian managers are somewhat less inclined to delegating, at 62%. Equal numbers of American and Croatian managers are reluctant to delegate (3% of cases), while Croatian managers tend to delegate only sometimes in 35% of the cases, as opposed to American managers acting in this way only in 9% of the cases. (*See Figure 10*).

Data on the tendency of managers to delegate tasks to their colleagues can be considered satisfactory among Croatian and even better among American managers. In a way, the responses of the Croatian managers are open to doubt since in 35% of cases they do not have a precise and clear answer to the question of delegating. This could be interpreted as an indication of unwillingness to delegate. Thus it could be surmised that the responses of American managers are in a way more sincere than those of managers in Croatian companies.

2. In the responses to the question on the causes difficulty in delegating tasks, authority and responsibility, there were significant differences between the Croatian and American managers. Croatian managers perceive the "unwillingness of their colleagues to accept the delegated authority and responsibility" as the greatest cause of difficulty in delegating in 82% of the cases, while American managers saw this as the reason in just 13% of the cases. Furthermore, American managers blamed themselves for not

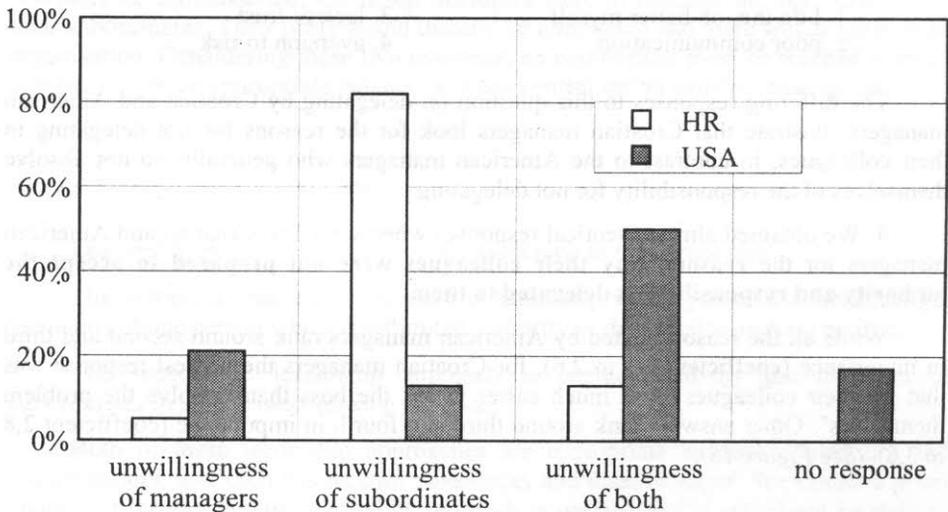
Figure 10. Tendency and reluctance to delegate



delegating in as much as 21% of the cases, as opposed to Croatian managers who were far less critical of themselves (5%). Similarly, American managers consider their difficulty in delegating, in almost 50% of the cases, to be bilateral, i.e. caused by both managers and their collaborators, while the reason for (not delegating) is perceived in this way by Croatian managers in only 13% of the cases. (See Figure 11)

It is evident from this data that American managers are much more critical of themselves than Croatian managers. This observation becomes even more significant when viewed in the light of the fact that American managers delegate much more than their Croatian counterparts, and for those tasks that they do not delegate, they blame

Figure 11: Causes of Difficulty in Delegating

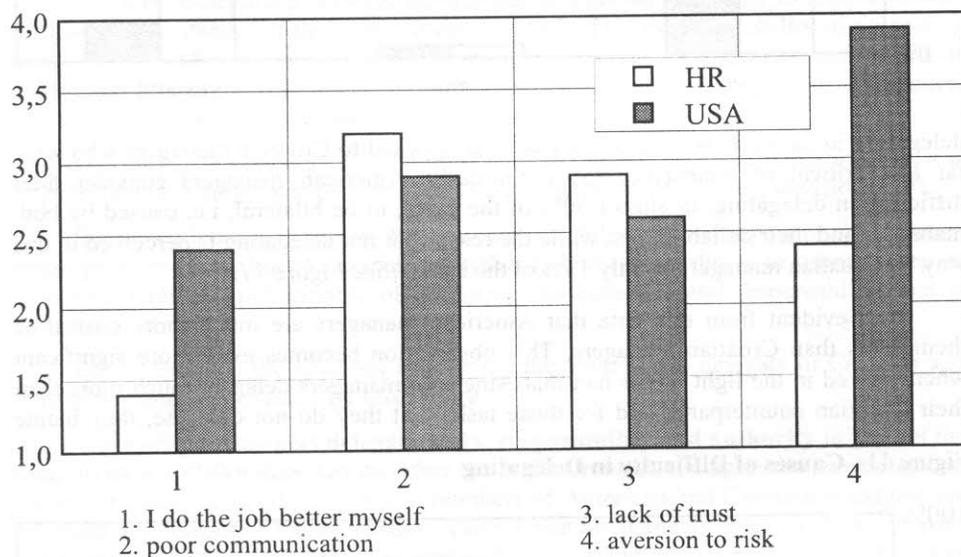


themselves more than their colleagues. This would indicate that American managers are much more sincere in their answers than the Croatian ones.

3. Croatian managers mention that "they believe they can perform the job better than someone to whom they would delegate it" as the primary reason for their reluctance to delegate (coefficient 1.4). In second place is their "aversion to risk" (coefficient 2.4), followed by "lack of confidence in one's colleagues" (coefficient 2.9) and "poor communication between managers and colleagues" (coefficient 3.2).

The differences are not as pronounced in responses to this question concerning the reluctance to delegate of the American managers. With the exception of "aversion of risk" (coefficient 3,9), all the other reasons rank around second and third in importance. (See Figure 12).

Figure 12: Reasons for managers' reluctance to delegate

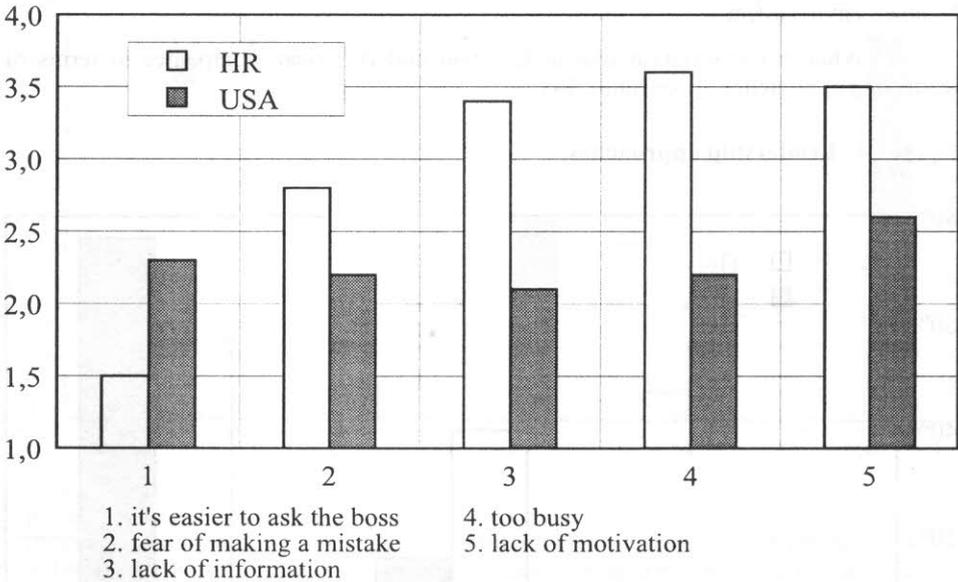


The differing responses to this question on delegating by Croatian and American managers illustrate that Croatian managers look for the reasons for not delegating in their colleagues, in contrast to the American managers who generally do not absolve themselves of the responsibility for not delegating.

4. We obtained almost identical responses when we asked Croatian and American managers for the reasons why their colleagues were not prepared to accept the authority and responsibilities delegated to them.

While all the reasons stated by American managers rank around second and third in importance (coefficient 2,1 to 2,6), for Croatian managers the highest response was that for their colleagues "it is much easier to ask the boss than to solve the problem themselves". Other answers rank around third and fourth in importance (coefficient 2,8 to 3,6). (See Figure 13).

Figure 13. **Reasons why collaborators are not ready to accept delegated authority and responsibility**



The problem of tendency or reluctance to delegate is one of the crucial factors of the functioning and effectiveness of management. It is originally related to concepts such as centralisation and decentralisation, as centralisation represents concentration, and de-centralisation is the dispersion of authority.

In conditions of absolute centralisation of authority in a single person, as H. Koontz and H. Weihrich (15) state, the subordinate managers and the whole organisational structure is omitted. The same situation would arise in conditions of complete de-centralisation, i.e. if top managers were to delegate all their authority to their subordinates. Their posts would thereby be eliminated and there would again be no organisation. Considering these two extremes, an equilibrium must be reached in every company, with an appropriate balance between centralisation and decentralisation.

#### 4.4. Leadership approaches

Leadership approaches vary from the autocratic to the democratic.

The autocratic leadership approach is leadership where power is concentrated in the hands of one person who has unlimited authority in the decision-making process.

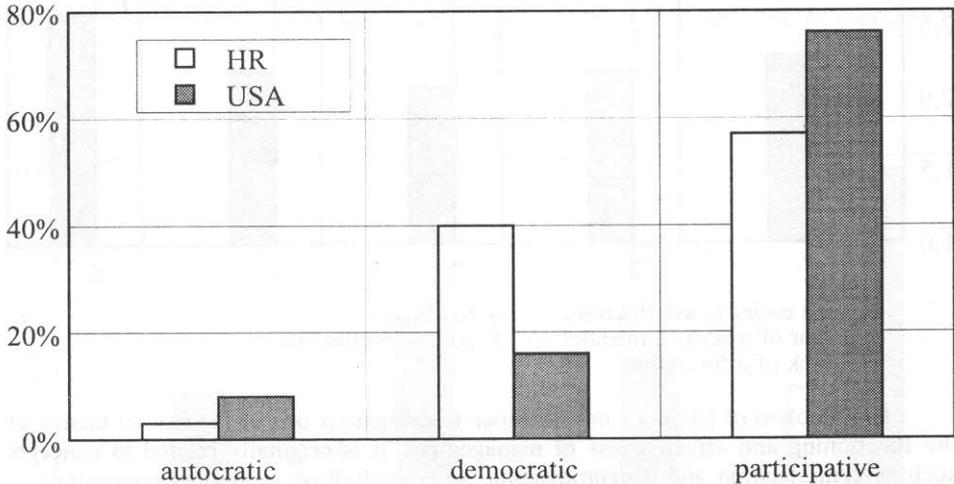
The democratic leadership approach is characterised by the inclusion of subordinates in the decision-making process.

Both of these leadership approaches are appropriate in certain situations and circumstances, and each has its own advantages and disadvantages. We cannot a priori claim that the democratic leadership approach is perfect, and it would not be right to

completely reject the autocratic approach. In certain situations, especially in extraordinary circumstances, the autocratic leadership approach has certain advantages, but this leadership approach is undesirable in the long-run, especially in the modern business environment.

1. What is the situation like in Croatian and American companies in terms of leadership approaches? (See figure 14)

Figure 14. Leadership approaches



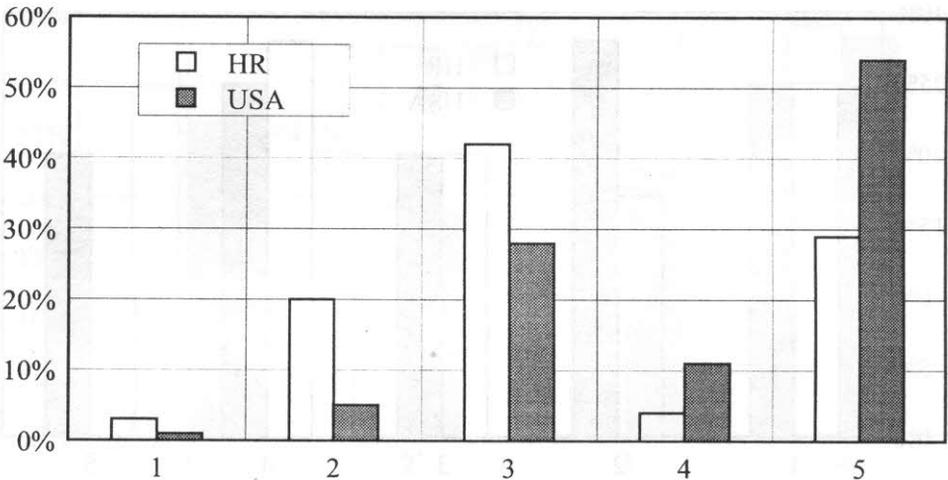
While 3% of Croatian managers consider themselves autocratic managers, American managers seem to be more objective, and among them this percentage amounts to 8%. 40% of Croatian managers, and only 16% of American ones believe that their leadership style is democratic. However, the participative management approach prevails in both groups (57% of Croatian, and 76% of American managers).

The data on leadership approaches in Croatian and American companies show that the participative approach is the prevailing one, the democratic approach is in second place in terms of importance, while the autocratic one is of marginal significance.

2. In a certain way, the data on the behaviour of managers in the decision-making process also show traits typical of a certain management approach. With regard to this issue, there are significant differences between Croatian and American managers. (See figure 15).

The majority of American managers, 54%, reach decisions jointly with their employees. Second in importance for American managers is an approach to decision-making whereby they present problems to their employees and include them in the process of solving them (29%). These data confirm the previous evidence of the predominance of the participative approach in American companies. Such behaviour is also predominant in Croatian companies. 72% of Croatian managers make decisions in accordance with one of these two principles, which corresponds with the prevailing democratic or participative approach in Croatian companies.

Figure 15. Behaviour of managers in the decision-making process



1. making decision by oneself
2. presenting decision to employees
3. presenting problems to employees and including them in solving the problem
4. defining restrictions in decision-making and asking employees to make the decision
5. making decisions jointly with employees

Other behaviour models in the decision-making process are of marginal significance for both groups of managers.

#### 4.5. Time-management

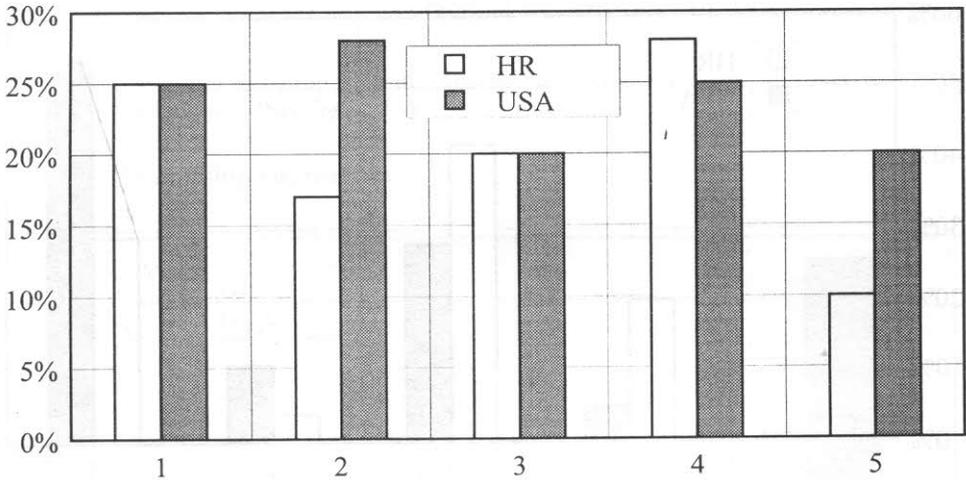
One of the most important tasks of a manager is that of time-management. For managers, more than for other employees, time is becoming increasingly important, and hence special emphasis should be put on the organisation of time.

1. According to this study, there is a great similarity between the answers given by both Croatian and American managers concerning methods of time-management. (See figure 16)

25% of both Croatian and American managers at the beginning of the day prepare a plan of tasks to be completed that day. 28% of Croatian managers, and 25% of American managers delegate tasks to employees. 28% of American managers, and only 17% of Croatian managers draw up a list of tasks to be carried out, grouped by importance, and 20% of managers in both groups define priority tasks within such a list.

2. Successful organisation of their own time, i.e. successful time-management is no guarantee that managers will use their time in the best possible way. Although communication with employees is necessary, managers sometimes spend a large amount of their time on unnecessary communication, and many of the problems that their employees consult them about, they should be able to resolve themselves. Hence a

Figure 16. **Methods of time-management**



1. at the beginning of the day, preparing a plan of tasks to be completed that day
2. drawing up a list of tasks to be completed and grouping them according to their importance
3. defining priority tasks within a group of tasks
4. delegating tasks to employees
5. working on solely one task a time

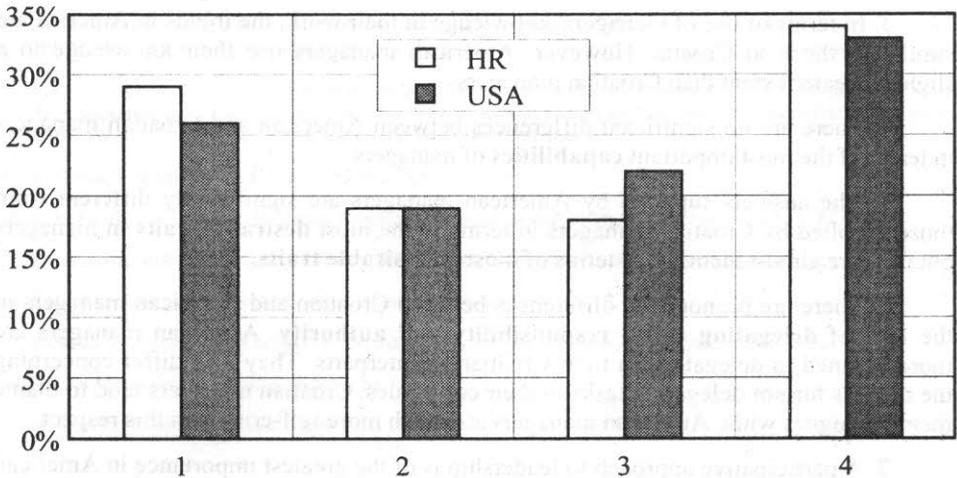
manager's time can be rationalised by eliminating or reducing to the smallest possible extent all unnecessary interruptions during their work which are caused by giving information or assistance to employees.

According to the research, both groups of managers have large time reserves. If they eliminated unnecessary communication with employees, both American and Croatian managers would be able to use their time in a better way. (See figure 17)

Figure 17 shows that the answers given by Croatian and American managers are very similar, in fact, almost identical. Croatian managers would be able to save 66% of their time, while this percentage amounts to 67% in the group of American managers, if they insisted that their employees did not ask for their assistance or advice when it was unnecessary, that is if employees resolved problems themselves or with assistance of their colleagues instead of unnecessarily consulting their managers.

In both Croatian (29%) and American (26%) companies, the largest portion of issues that employees consult their managers about should be able to be resolved by the employees themselves. In both Croatian and American companies, employees should be able to resolve 19% of such issues with the assistance of their colleagues, without consulting the manager. 18% of such issues in Croatian companies, and 22% in American ones, could be resolved by consulting the manager on the phone. These data show that only 34% of the issues in Croatian companies, and 33% in American companies, require direct communication on the part of employees with their managers in order to resolve problems.

Figure 17. Structure of time used by managers in communicating with employees



1. problems which employees resolve themselves
2. problems which employees resolve with the help of their colleagues
3. problems which they resolve through consulting the manager on the phone
4. problems which they resolve directly with the manager

This leads us to the conclusion that both Croatian and American managers have a large time reserve which makes up two-thirds of total available time, which they have so far spent on unnecessary communication with employees.

## 5. CONCLUSION

The following conclusions can be drawn on the basis of this survey on the similarities and differences in managerial decision making between managers in Croatian and American companies.

1. Croatian managers do not differ greatly from their American counterparts in sex and age structure, or concerning **the type and degree of education or the level of management.**

In the USA, there is a small tendency towards more women managers and younger managers than in Croatia. Furthermore, in the USA there is a significantly greater number of managers with masters' degrees than in Croatia. In both Croatian and American companies, economic education prevails among managers.

Therefore, it can be surmised that there are no major differences between Croatian and American managers themselves.

2. In terms of **necessary knowledge and skills** there is a high level of similarity between the answers supplied by Croatian managers and those supplied by American managers. Both Croatian and American managers consider technical, economic and organisational knowledge, as well as managerial knowledge, to be most important.

American managers placed somewhat more emphasis on the importance of communication skills.

3. In terms of use of managers' knowledge in their work, the trends in America are similar to those in Croatia. However, American managers use their knowledge to a slightly greater extent than Croatian managers.

4. There are no significant differences between American and Croatian managers in terms of the most important **capabilities** of managers.

5. The answers supplied by American managers are significantly different from those supplied by Croatian managers in terms of the most **desirable traits** in managers but they are almost identical in terms of most **undesirable traits**.

6. There are pronounced differences between Croatian and American managers in the area of **delegating tasks, responsibility and authority**. American managers are more inclined to delegate than their Croatian counterparts. They also differ concerning the reasons for not delegating tasks to their colleagues. Croatian managers tend to blame their colleagues while American managers are much more self-critical in this respect.

7. A participative approach to leadership is of the greatest importance in American companies, while in Croatian ones the democratic approach dominates. This has resulted in significant differences between Croatian and American managers in terms of the behaviour of managers in decision making.

8. According to the results on time management, there is a high level of similarity between the answers supplied by Croatian and those provided by American managers. Also in both groups there are large time reserves resulting from unnecessary communication of managers with their colleagues. Hence both Croatian and American managers would be able to put at least two thirds of their time to more useful purposes.

In summarising the above findings on the similarities and differences between Croatian and American managers, it is our opinion that all the differences, with some exceptions, are small or negligible.

However, in stating such a conclusion, it should be borne in mind that we have analysed only a few aspects of management. Our conclusions might be different had we included some other areas of management in our comparative analysis, such as basic functions of management and managers, knowledge and skills of managers, styles of time management and others related issues. This will be the subject of another paper on another occasion.

#### FOOTNOTES:

- 1 P. Drucker, after R. Lessen: *Global Management Principles*, Prentice Hall, New York, etc. 1989, p. 73.
- 2 H. Koontz, H. Wehrich: *Essentials of Management*, Fifth Edition, McGraw-Hill Publishing Company, New York, etc. 1990, p. 504
- 3 T. Derek, J. Neightman, J. Kirsty: *Effective Management: People and Organization*, Prentice Hall, New York, etc. 1989, p. 393
- 4 J. Gordon, R. W. Mondy, A. Sharplin, S.R. Premeaux: *Management and Organization Behaviour*, Allyn and Bacon, Boston, etc. 1990., p.3

- 5 H. Koontz, H. Weirich: cited under 2., p. 504
- 6 T. Derek, J. Weightman, J. Kirsty: cited under 3, p. 27
- 7 I would like to take this opportunity to thank the companies "Robni terminali", "Tržište ovca", "Riba", "Pliva" and "Croatia-Drvo" which sponsored my trip to the USA for the purpose of conducting this survey.
- 8 The companies in Croatia are from all parts of the country and various branches of the economy while all the companies from the USA are from the state of Kentucky and include industrial manufacturers, wholesalers, retailers, hotel companies, banks and large fast food chains.
- 9 T. Derek, J. Weightman, J. Kirsty: cited under 3., p. 389
- 10 R. E. Griffin, R. J. Ebert: Business, Prentice Hall, Englewood Cliffs, New Jersey, 1989., p. 112
- 11 R. Lessem: Global Management Principles, Prentice Hall, New York, etc. 1989, pg 133.
- 12 Robert L. Katz: after Harold Koontz, Heinz Weirich; cited under 2, p. 6/7
- 13 Mescon M., Albert M., Khedouri F.: Management, Harper and Row, New York, 1985., p. 282
- 14 H. Koontz, H. Weirich: cited under 2, pg 186
- 15 H. Koontz, H. Weirich: cited under 2, pg 185

#### Sažetak

### STILOVI MANAGEMENTA - SLIČNOSTI I RAZLIKE IZMEĐU AMERIČKIH I HRVATSKIH MANAGERA

U ovom referatu prezentiraju se rezultati istraživanja funkcioniranja managementa u američkim i hrvatskim poduzećima s posebnim osvrtima na sličnosti i razlike u stilovima managementa.

Zaključci i spoznaje do kojih smo u ovom radu došli temelje se na anketnom ispitivanju 231 managera iz 25 poduzeća u Hrvatskoj i 77 managera iz 12 poduzeća u SAD-u.

U radu se iznose osnovni podaci o managerima obuhvaćeni ovim istraživanjem, kao što su: njihov spoj, njihova dob, školska sprema koju posjeduju i razima managementa na kojoj se nalaze, kako bi se težište rada usmjerilo na stilove managementa.

Osim stilova managementa u užem smislu u radu se obrađuju i još neki aspekti koji znatno utječu na stilove managementa. To se, u prvom redu, odnosi na znanja i vještine koji manageri moraju posjedovati, jer o razini znanja i sposobnosti managera u velikoj mjeri ovisi i njihov stil vođenja. Na stil managerskog vođenja utječu i poželjne odnosno nepoželjne osobine managera, a također i njihova sklonost odnosno nesklonost delegiranju poslova. način upravljanja vremenom managera utječe na managerski stil vođenja, ali je ujedno posljedica odgovarajućeg stila vođenja.

Na temelju ovog istraživanja moguće je zaključiti kako se hrvatski manageri bitno ne razlikuju od svojih američkih kolega.

Ključne riječi: stilovi menadžmenta, menadžment, menadžer, razine menadžmenta, autokratski stil vođenja, demokratski stil vođenja, participativni stil vođenja, znanja i vještine menadžera, sposobnosti menadžera, poželjne osobine menadžera, nepoželjne osobine menadžera, delegiranje, odgovornost, autoritet, stilovi vođenja i donošenja odluka.