

# TRAITS, SKILLS AND LEADERSHIP STYLES OF MANAGERS IN CROATIAN FIRMS

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Received: 30. 11. 2009  
Accepted: 26. 5. 2010

Preliminary communication  
UDC 65.012.4 (497.5)

*The purpose of this paper is to analyze the preferences of Croatian managers regarding the traits, skills, and leadership styles. Results on the sample of 207 Croatian managers indicate the existence of presumed traits and skills, as well as preferences of appropriate leadership styles in the everyday managerial activities. Also, an interdependence of all these factors has been observed, regardless of the demographic characteristics of the surveyed managers.*

## 1. INTRODUCTION

In the contemporary business environment, in which human potential represents the most important organizational resource, each organization needs strong leadership. This especially stands for organizations in countries in transition, which need the leadership which could help them to achieve a somewhat equal position in competition on a global market. One of those countries is the Republic of Croatia, whose economy was heavily impaired by the war, as well as by the post-war privatization. The question to be examined is, therefore, how developed is the idea of the importance of human potential in Croatian firms, especially of the effective leadership, as one of the significant intangible resources. Subsequently, the purpose of this paper is to analyze traits, skills and leadership styles in the Republic of Croatia, as well as to determine whether there is an empirically verifiable relationship among the demographic characteristics of respondents and their traits, skills, and leadership styles. In addition, it should be tested if there is an empirically verifiable relationship among these elements themselves.

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Despite the fact that the meaning of the term *leadership* is often mistaken with the ideas of leading and management, it seems like the idea of the essence of leadership did not change much, when various definitions, used in the last five decades, are compared. E.g., Hemphill & Coons (1957, p. 7) define leadership as the '*behavior of individuals...that directs activities of a group toward a shared goal*', while Jacobs & Jacques, (1990, p. 281) define leadership as '*a process of giving purpose (meaningful direction) to collective effort, and causing willing effort to be expended to achieve purpose*'.

The growing interest for leadership as an object of research is the reason for existence of an immense and confusing literature. The efforts for systematization of such a complex literature on leadership theories resulted in defining three groups of variables relevant for understanding the concept. They are: (a) leader's traits, (b) followers' traits and (c) situational characteristics (Buble, 2006, p. 309). The most important theories on leadership, which primarily consider characteristics of the leader, are the traits approach, skills approach and style approach, which are applied in this empirical study.

Throughout the entire 20<sup>th</sup> century, researchers have analyzed leadership from the aspect of the traits approach, which also represents the first systematic attempt to the topic. Stogdill (1948), Bryman (1992), Kirkpatrick & Locke (1991), Bass (1990), and Bennis & Nanus (1985) are only some of the authors who focus on 'searching' for the 'perfect' traits, which an individual needs to become a leader. In spite of the fact that the traits approach is theoretically very open and supported by many researches, it is considered that it has a considerable failing - an inability to systematize the key leaders' traits.

By mid 20<sup>th</sup> century, Katz (1955), with his article '*Skills of an effective administrator*', published in *Harvard Business Review*, sets foundations for skills research by focusing away from leader's inborn traits to gained skills and abilities. This author divides skills into three basic groups: technical, human and conceptual. These skills are situated differently within an organization, according to the different responsibility levels associated with a particular management level. Recently, when it comes to the skills approach research, the most important position occupies the work of Mumford et al (2000), which resulted with a new organizational leadership model based on skills. This model provides a complex insight into the skills' effect of the effective leadership. It is based on the concept of ability, concerning the fact that it analyzes the relationship between leader's knowledge, skills (abilities) and his or her performance (Buble, 2006, p. 314).

As opposed to the traits approach, which focuses on the characteristics of personality, and to the skills approach, which emphasizes leader's abilities, the style approach takes into consideration leader's behavior. Namely, such a behavior is usually reduced by relevant researchers into two common types: task-oriented (which facilitates goals achievement) and relationship-oriented (which facilitates interpersonal relations). There are multiple valuable research results based on the style approach, with three studies being considered as especially important (Ohio, Michigan and Blake/Mouton studies)..

Each of these leadership approaches has positive and negative characteristics, primarily depending on the aspect and context in which it is being observed. However, the development of these approaches resulted in the development of the entire discipline of leadership. Therefore, all three have been included as relevant concepts into the design of the empirical part of this study.

## 2. RESEARCH HYPOTHESES AND METHODOLOGY

The empirical part of the research is directed to the determination of the fundamental features and mutual relations of traits, skills and leadership styles in Croatian firms. Based on the existence of the three fundamental theoretical aspects related to traits, skills, and leadership styles, the three main hypotheses of this paper were formulated. They are as follows:

- **Hypothesis 1:** Respondents in Croatian firms consider that they possess adequate traits and skills, as well as implement adequate leadership style for achieving leadership.
- **Hypothesis 2:** Respondents' traits, skills, and leadership styles do not depend on their demographic characteristics.
- **Hypothesis 3:** There is an empirically verifiable relationship between traits, skills, and leadership styles.

Empirical research was conducted in mid-2009. Three questionnaires were created and served as a research leadership – with one for each of the considered theoretical contributions. As a sampling method, the stratified random sample was used, i.e., the entire population of Croatian firms was divided into three strata, according to the criteria of size, measured by the number of employees. Within the three selected strata, 1000 firms were randomly selected, with that the structure of strata corresponding to the actual structure of the population, measured by the criteria of size (Croatian Chamber of Economy, 2008). To the addresses of 1000 randomly selected firms (small,

mid-sized, and large firms), three questionnaires, to be filled in by the management, were sent by regular mail. All three valid questionnaires were received from 207 companies, which brings the return rate to the level of 20.7%, which is slightly above the common rate of return for similar studies (ranging from 10% to 15%). The sample used for the empirical analysis consisted of 207 managers from Croatian firms of all sizes.

To achieve better understanding and a higher response rate, questionnaires were structured into three logical sections. Provided that the study demanded that the same person fills in all three questionnaires, the first two logical sections, concerning general information about the company, the respondent and his/her status in the company, were equal for all three questionnaires. The third section in each questionnaire refers to one of the considered theoretical leadership approaches, that is, to traits, skills, and respondents' leadership styles. The general sections of the questionnaires include:

- *General information about the company*, which refer to the its activity, year of incorporation, number of employees;
- *General information about the respondent and his/her status in the company*, referring to age, gender, position, profession, number of years with the company and on managerial positions;
- *Respondent's traits* – 10 questions aimed at finding out which leadership traits, and of what intensity, does the respondent possess.
- Respondent's skills – 18 questions, based on the Likert's five-point scale, aimed at finding out what type of skills, and to what intensity, does the respondent possess.
- Respondent's leadership styles – 20 sequential questions, with the Likert scale of five intensity degrees, aimed at finding out which leadership style, and of what intensity, does the respondent apply in his/her everyday work.

The gathered data were processed by software package SPSS 17.0 (*Statistical Package for the Social Science, version 17.0*). Methods of data analysis used included:

- Descriptive statistical analysis (calculation of mean, median, and mode, and dispersion measures, such as quartiles and standard deviation);
- Bivariate analysis, i.e. analysis of relationships and their significance (correlation and test of significant differences) between respondents' demographical characteristics and their traits and/or skills, and/or leadership styles, as well as among the respondents' traits, skills, and leadership styles themselves.

### 3. RESEARCH RESULTS

#### 3.1. Demographic Characteristics of Respondents from the Sample

Table 1 presents demographic characteristics of the sample, especially those related to the work environment. The average age of the sample companies is 31.56 years, whereas 50% of the responding companies not existing for more than 19 years. The most common fundamental activity of those companies is trade, while 50% of the responding companies are engaged in have agriculture, fishing, mining, processing activities, electricity and gas supply, construction, or (the previously mentioned) trade. The average number of employees in the sample is 1209.30, although 75% of them responding companies have less than 500 employees. Most of the responding managers are not participating in the ownership of their companies.

*Table 1 - Mean values and dispersion measures of respondents' demographic characteristics*

DEMOGRAPHY	N		Mean	Median	Mode	Std. Dev.	Percentiles		
	Valid	Missing					25	50	75
<b>How long does the responding company exist</b>	207	0	31.56	19.00	20	31.290	12.00	19.00	50.00
<b>Fundamental activity</b>	207	0	8.86	9.00	7	3.279	7.00	9.00	11.00
<b>Number of employees</b>	207	0	1209.30	108.00	500	4706.445	15.00	108.00	500.00
<b>Respondent's status</b>	207	0	2.05	2.00	2	.319	2.00	2.00	2.00
<b>Respondent's position</b>	207	0	7.57	9.00	9	2.361	7.00	9.00	9.00
<b>Respondent's gender</b>	207	0	1.45	1.00	1	.499	1.00	1.00	2.00
<b>Respondent's age</b>	207	0	29.64	27.00	26	6.736	25.00	27.00	32.00
<b>Respondent's profession</b>	207	0	2.99	1.00	1	3.658	1.00	1.00	2.00
<b>Respondent's total years of service</b>	207	0	5.45	3.00	3	5.643	2.00	3.00	7.00
<b>Respondent's years of service in managerial positions</b>	207	0	2.99	2.00	2	3.310	2.00	2.00	3.00

Since the positions of the responding managers is one of the most significant demographic characteristics for the further analysis of traits, skills and leadership styles, its distribution is more thoroughly analyzed by Figure 1.

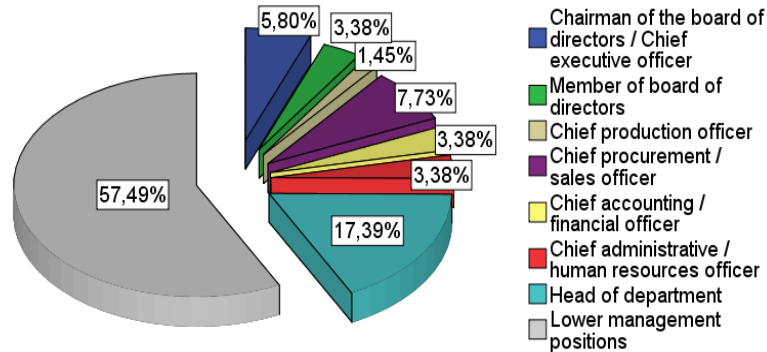


Figure 1. Analyzed managers' positions

More than half of the respondents (57.49%), hold lower managerial positions, which was expected, since the number of managers decreases towards the top management level. They are followed by middle-level managers (33.33%), with as much as 17.39% of department heads. There has been a modest amount of responding chief executive officers (9.18%). Men are in the majority, while the average age of the respondents is 29.5 years. In addition, 75% of the respondents are younger than 32 years, which primarily refers to managers who hold lower managerial positions, i.e. are at the beginning of their managerial careers. This can be observed from the years of service in managerial positions, with the mean of three and the mode (i.e. the most common value) of only two years. If those values are compared to respondents' total years of service, it seems that the majority has been relatively quickly promoted to one of the managerial positions, i.e. within a year to two. Also, the majority of the respondents (more than 50%) have graduated economics or business, while the graduates of economics/business and electrical engineering make up more than 75% of the sample.

### 3.2. Respondents' Traits, Skills and Leadership Styles

Ten respondents' traits (considered to be required, as to be a leader) have been analyzed (see Table 2). Generally, respondents think they possess the required traits to be effective leaders. Namely, the mean of the overall score for the leaders' personality, measured on Likert's five-point scale, is 4.28. When it comes to particular traits, respondents believe that reliability, determination, and confidentiality are their most recognizable traits, while perceptiveness, especially warmth, and relaxed manner are less recognized, in regards to the average rating for leaders' personality, as well as other traits.

Table 2 – Mean values and dispersion measures of respondents' traits

RESPONDENTS' TRAITS	N		Mean	Median	Mode	Std. Dev.
	Valid	Missing				
Leader's articulation level	207	0	4.37	4.00	4	0.651
Leader's perceptiveness level	207	0	4.20	4.00	4	0.709
Leader's self-confidence level	207	0	4.56	5.00	5	0.638
Leader's presumption level	207	0	4.29	4.00	5	0.811
Leader's persistence level	207	0	4.32	4.00	5	0.762
Leader's determination level	207	0	4.49	5.00	5	0.617
Leader's confidentiality level	207	0	4.35	4.00	5	0.728
Leader's reliability level	207	0	4.41	5.00	5	0.709
Leader's warmth level	207	0	3.82	4.00	4	0.915
Leader's relaxed manner level	207	0	3.94	4.00	4	0.864
<b>Overall rating for leaders' personality (traits)</b>	<b>207</b>	<b>0</b>	<b>4.28</b>	<b>4.30</b>	<b>4</b>	<b>0.387</b>

Respondents' skills are analyzed through three elementary groups: technical, interpersonal and conceptual (see Table 3).

Overall, the mean of all the respondents' skills, also measured on five-point Likert scale, amounts to 4.05, which is a very good result. By analyzing each group of skills, it can be determined that the respondents have the most recognizable technical skills (with the mean of 4.13), especially for the ability to understand the assigned tasks and execution efficacy. Technical proficiency and ability to adhere to instructions and complete forms are technical skills being the least developed. Interpersonal skills are somewhat less developed than technical skills (4.09), especially regarding the ability to adjust one's own ideas to people, and concern for the impact of one's own decisions on other people's lives.

On the other hand, orientation to improving work environment and communication, as well as to understanding social relations, are mostly developed interpersonal skills. Conceptual skills are the least developed, i.e. their mean (3.84) is noticeably smaller than the means of the other two groups of skills. Abstract thinking is least developed, not only in comparison to conceptual skills, but also to all the analyzed skills. Besides, tendency to engage in drafting of a mission statement is significantly less developed than the other skills in this group, while the tendency to formulate the organization growth

strategies and the ability to understand the ‘big picture’ are the most developed conceptual skills.

Table 3 - Mean values and dispersion measures of respondents' skills

RESPONDENTS' SKILLS	N		Mean	Median	Mode	Std. Dev.
	Valid	Missing				
Tending to details	207	0	4.30	4.00	4	0.688
Technical proficiency	207	0	3.55	3.00	3	0.979
Problem-solving	207	0	4.06	4.00	4	0.697
Ability to adhere to instructions and complete forms	207	0	3.86	4.00	4	0.913
Efficacy of executing assigned tasks	207	0	4.44	4.00	5	0.587
Ability to understand assigned tasks	207	0	4.60	5.00	5	0.538
<b>Technical skills</b>	<b>207</b>	<b>0</b>	<b>4.13</b>	<b>4.17</b>	<b>4</b>	<b>0.411</b>
Ability to adjust own ideas to people	207	0	3.65	4.00	4	0.722
Importance of understanding others	207	0	4.20	4.00	5	0.817
Orientation to improving work environment and communication	207	0	4.47	5.00	5	0.695
Orientation to understanding social relations	207	0	4.32	4.00	5	0.766
Encouragement of team work and cooperation	207	0	4.19	4.00	5	0.811
Concern for the impact of one's own decisions on other people's lives	207	0	3.69	4.00	4	10.057
<b>Interpersonal skills</b>	<b>207</b>	<b>0</b>	<b>4.09</b>	<b>4.17</b>	<b>4</b>	<b>0.487</b>
Abstract thinking	207	0	3.31	3.00	4	10.053
Ability to understand the ‘big picture’	207	0	4.05	4.00	4	0.729
Tendency to analyze complex organizational problems	207	0	3.99	4.00	4	0.862
Tendency to formulate growth strategies	207	0	4.11	4.00	5	0.929
Tendency to engage in drafting of a mission statement	207	0	3.67	4.00	4	0.960
Tendency to think about organizational values and business philosophy	207	0	3.92	4.00	4	0.861
<b>Conceptual skills</b>	<b>207</b>	<b>0</b>	<b>3.84</b>	<b>3.83</b>	<b>4</b>	<b>0.546</b>
<b>Overall rating for skills</b>	<b>207</b>	<b>0</b>	<b>4.05</b>	<b>4.00</b>	<b>4</b>	<b>0.415</b>

Generally, it can be concluded that these respondents, from the viewpoint of the skills possessed, are most appropriate for performing managerial tasks of the middle and lower level. Namely, technical skills, which are their most



developed skills, are mostly required on the lowest managerial levels, while conceptual skills, which are least developed, are mostly required on the highest management levels. When it comes to interpersonal skills, they are equally required on all management levels.

*Leadership styles* are the third analyzed variable, with the two fundamental leadership styles being taken into consideration - people oriented leadership style and task oriented leadership style (see Table 4).

Regarding the *people oriented leadership style*, the mean of its overall indicator amounts to 4.23, with its most developed dimensions being the fair treatment of subordinates, friendly behavior toward group members, active communication toward workgroup members, as well as the perception of subordinates' satisfaction as being of great importance. On the other hand, acting predictably towards subordinates and sharing one's own considerations and feelings with subordinates are the least developed dimensions of the people oriented leadership style.

*Task oriented leadership style* is slightly more developed than the people oriented one, with the mean value of its overall indicator at 4.25. Certain dimensions of this leadership style are considerably balanced, with the most developed ones being: informing group members about their work tasks and planning the implementation of work. The least developed dimensions are setting/developing performance standards and activity plans for workgroup members. Overall, both leadership styles have almost identical means; in other words, the respondents nearly equally prefer both leadership styles. In the context of the '*managerial grid*' theory, which suggests that the team management style (a balanced combination of the people oriented leadership style and task oriented leadership style) is most effective, it can be concluded that the respondents actually do apply the most preferred combination of the two mentioned leadership styles.

The results concerning leadership skills and styles are inter-related. Namely, approximately the same values regarding technical skills and interpersonal skills (4.13 and 4.09) gain additional confirmation in the fact that the task oriented leadership style and the people oriented leadership style score approximately the same values (4.25 and 4.23). In other words, it is expected that the respondent with the equally developed technical skills and interpersonal skills will have the same preference for the task oriented and the people oriented leadership style.

Table 4 - Mean values and dispersion measures of respondents' leadership styles

LEADERSHIP STYLES	N		Mean	Median	Mode	Std. Dev.
	Valid	Missing				
Friendly behavior toward group members	206	0	4.50	5.00	5	0.623
Helping subordinates feel pleasant in a workgroup	206	0	4.38	4.00	5	0.727
Reacting positively on subordinates' suggestions	206	0	4.08	4.00	4	0.786
Fair treatment of subordinates	206	0	4.62	5.00	5	0.611
Acting predictably towards subordinates	206	0	3.73	4.00	4	0.839
Communicating actively with members of the workgroup	206	0	4.46	5.00	5	0.621
Subordinates' satisfaction is very important	206	0	4.46	5.00	5	0.695
Decision-making flexibility	206	0	4.02	4.00	4	0.826
Sharing one's considerations and feelings with subordinates	206	0	3.75	4.00	4	0.884
Helping subordinates accomplish their tasks and work roles successfully	206	0	4.27	4.00	4	0.742
<b>People oriented leadership</b>	<b>206</b>	<b>0</b>	<b>4.23</b>	<b>4.30</b>	<b>4</b>	<b>0.424</b>
Informing workgroup members about their work tasks	206	0	4.52	5.00	5	0.696
Establishing performance standards for group members	206	0	3.94	4.00	4	0.743
Giving subordinates suggestions for problem solving	206	0	4.29	4.00	4	0.741
Defining subordinates' roles clearly	206	0	4.18	4.00	4	0.793
Developing activity plans for workgroup members	206	0	4.01	4.00	4	0.811
Defining articulate responsibilities of each workgroup member	206	0	4.24	4.00	4	0.788
Ensuring that subordinates clearly understand their roles in the group	206	0	4.35	4.00	5	0.756
Planning the implementation of work	206	0	4.46	5.00	5	0.637
Setting standards for task realization and ensuring that employees understand what is expected from them to do	206	0	4.22	4.00	4	0.758
Encouraging and supporting subordinates in achieving quality in performing their tasks	206	0	4.31	4.00	5	0.751
<b>Task oriented leadership</b>	<b>206</b>	<b>0</b>	<b>4.25</b>	<b>4.30</b>	<b>5</b>	<b>0.476</b>
<b>Overall leadership rating</b>	<b>207</b>	<b>0</b>	<b>4.24</b>	<b>4.30</b>	<b>5</b>	<b>0.401</b>

By summarizing all the results related to traits, skills, and leadership styles of the respondents in Croatian firms (Figure 2), final conclusions related to the first hypothesis are reached. Namely, having in mind adequate results related to the existence of proven leadership traits, possession of the three essential groups of skills, and the relation of the two main leadership styles, it can be concluded that **Hypothesis 1 can be confirmed**.

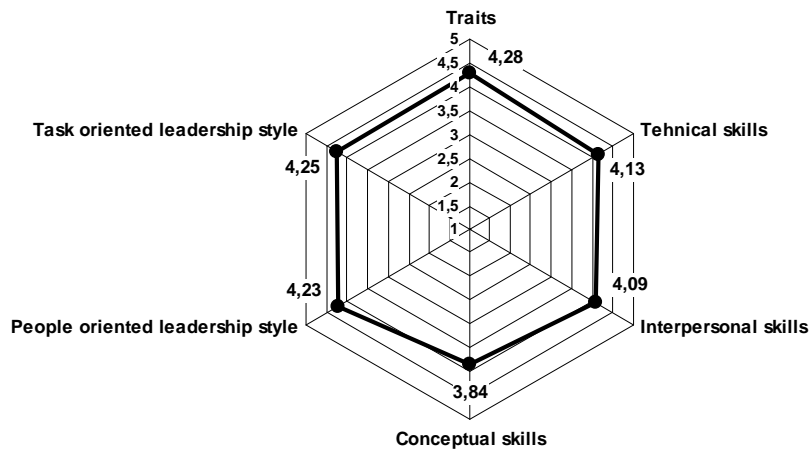


Figure 2. Summary values of traits, skills, and leadership styles

### 3.3. Relationship of Respondents' Characteristics and their Traits, Skills and Leadership Styles

For the purpose of this paper, it is certainly very interesting to analyze the mutual relationships among the respondents' demographic characteristics and their traits, skills and leadership styles. Bivariate analysis of these variables has been performed, including correlation analysis and tests of significance differences, depending on the nature of certain variables (see Table 5).

The obtained results demonstrate relatively weak mutual relationships among demographic characteristics and the respondents' traits, skills, and leadership styles. Namely, only variations in the age of firms and number of employees have an after effect in the variations of respondents' traits in general. These correlations are statistically significant on a somewhat lower confidence level ( $\alpha < 0.100$ ), i.e. on a confidence level of 90%, while the relationship intensity is very weak ( $r < 0.2$ ). Regarding other demographic characteristics, there were no statistically significant relationships with the respondents' traits.

Table 5 - Relationships among respondents' demographic characteristics and their traits, skills, and leadership styles (correlations and tests of significance differences)

	Age of the firm	Business activity	Number of employees	Manager's status	Manager's position	Manager's gender	Manager's age	Manager's profession	Total years of service	Years of service in mgmt.
	Spearman's rho	Kruskal-Wallis One Way ANOVA ( $\alpha$ )	Spearman's rho	Kruskal-Wallis One Way ANOVA ( $\alpha$ )	Kruskal-Wallis One Way ANOVA ( $\alpha$ )	Man-Whitney Test	Spearman's rho	Kruskal-Wallis Analysis of Variance ( $\alpha$ )	Spearman's rho	Spearman's rho
Traits	r = <b>0.128</b> $\alpha$ = <b>0.071*</b>	0.352	r = <b>0.120</b> $\alpha$ = <b>0.090*</b>	0.934	0.137	0.117	r = 0.054 $\alpha$ = 0.446	0.458	r = 0.084 $\alpha$ = 0.237	r = 0.065 $\alpha$ = 0.363
Technical skills	r = 0.111 $\alpha$ = 0.112	0.180	r = 0.119 $\alpha$ = 0.087	0.511	<b>0.011</b>	0.511	r = 0.101 $\alpha$ = 0.150	<b>0.080*</b>	r = <b>0.135</b> $\alpha$ = <b>0.052*</b>	r = 0.003 $\alpha$ = 0.970
Interpersonal skills	r = 0.061 $\alpha$ = 0.385	0.543	r = 0.024 $\alpha$ = 0.727	0.120	0.199	0.749	r = <b>0.122</b> $\alpha$ = <b>0.081*</b>	<b>0.079*</b>	r = 0.085 $\alpha$ = 0.225	r = 0.035 $\alpha$ = 0.619
Conceptual skills	r = <b>0.123</b> $\alpha$ = <b>0.078*</b>	0.884	r = 0.092 $\alpha$ = 0.189	0.408	0.130	0.166	r = 0.080 $\alpha$ = 0.253	0.445	r = <b>0.133</b> $\alpha$ = <b>0.057*</b>	r = 0.091 $\alpha$ = 0.194
Overall skills	r = 0.130 $\alpha$ = 0.061	0.720	r = 0.106 $\alpha$ = 0.127	0.233	<b>0.082*</b>	0.881	r = <b>0.120</b> $\alpha$ = <b>0.085*</b>	<b>0.057*</b>	r = <b>0.145</b> $\alpha$ = <b>0.037</b>	r = 0.048 $\alpha$ = 0.490
People oriented leadership style	r = 0.027 $\alpha$ = 0.698	0.563	r = 0.013 $\alpha$ = 0.849	0.933	0.203	0.672	r = <b>0.162</b> $\alpha$ = <b>0.020</b>	0.207	r = <b>0.142</b> $\alpha$ = <b>0.041</b>	r = 0.095 $\alpha$ = 0.174
Task oriented leadership style	r = -0.040 $\alpha$ = 0.572	0.088	r = 0.063 $\alpha$ = 0.367	0.494	0.391	0.191	r = <b>0.199</b> $\alpha$ = <b>0.004</b>	0.673	r = <b>0.214</b> $\alpha$ = <b>0.002</b>	r = 0.092 $\alpha$ = 0.187
Total leadership styles	r = -0.005 $\alpha$ = 0.938	0.257	r = 0.040 $\alpha$ = 0.567	0.703	0.261	0.314	r = <b>0.203</b> $\alpha$ = <b>0.003</b>	0.363	r = <b>0.192</b> $\alpha$ = <b>0.006</b>	r = 0.108 $\alpha$ = 0.121

\* Significance considerable on confidence level of 90%

Regarding leadership styles, the situation is pretty clear. Namely, two demographic characteristics, age and total years of service are those characteristics whose variation results in the variations of both leadership styles, as well as the leadership style in general. In other words, as respondents become older and have more years of service with the company, they apply both leadership styles more.

By summarizing all the results of the relationships among demographic characteristics and respondents' traits, skills and leadership styles, it can be concluded, in general, that mostly weak observed relations are only minor. In other words, the results presented in Table 5 lead to the conclusion that **Hypothesis 2 should be confirmed**, which suggests that there are no empirically significant relationships among demographic characteristics and traits, skills, and leadership styles.

### 3.4. Correlation of Respondents' Traits, Skills and Leadership Styles

Apart from relationships among demographic characteristics and traits, skills, and leadership styles, it is also important to analyze the mutual relationship among the traits, skills, and leadership styles themselves. Results of the correlation analysis, presented in Table 6, indicate a statistically significant correlation among all the included variables, except for the conceptual skills and people oriented leadership style, for which the statistically significant correlation was not determined. Also, it was determined that technical skills and people oriented leadership style are correlated, but with a somewhat lower confidence level (90%) the other correlations (95%, or even 99%). All these significant correlations have a positive direction, while their intensity (i.e. the value of correlation coefficient) varies from weak to strong intensity. In this way, the increase of required traits has, as a consequence, the increase of skill development (however, with a lower intensity for certain skills, and skills in total), as well as the preference of both leadership styles.

Relationships among certain skills are positive, but of weaker intensity, as well, while the relationships of specific skills with the total skills have rather strong intensity. Positive, but weaker correlations were determined when analyzing relationships among both specific and overall skills with leadership styles. In other words, development of a certain skill leads to the development of (however, with weaker intensity) the other skills, as well. In addition, skill development is related to the application of both leadership styles (with a weaker intensity, as well). The mutual relationship of leadership styles is positive, of a medium intensity, i.e. increase in application of one of the

analyzed leadership styles also results in the application of the other style. These results assure that there is an empirically verifiable relation between respondents' traits, skills, and leadership styles, **which confirms Hypothesis 3.**

Table 6. Correlations among respondents' traits, skills, and leadership styles

Spearman's rho N = 207		Traits	Technical skills	Interpersonal skills	Conceptual skills	Total skills	People oriented leadership style	Task oriented leadership style	Total leadership styles
Traits	Correlation Coefficient	1.000	<b>0.353**</b>	<b>0.253**</b>	<b>0.217**</b>	<b>0.322**</b>	<b>0.217**</b>	<b>0.232**</b>	<b>0.265**</b>
	Sig.***	.	<b>0.000</b>	<b>0.000</b>	<b>0.002</b>	<b>0.000</b>	<b>0.002</b>	<b>0.001</b>	<b>0.000</b>
Technical skills	Correlation Coefficient		1.000	<b>0.348**</b>	<b>0.355**</b>	<b>0.667**</b>	<b>0.118</b>	<b>0.296**</b>	<b>0.236**</b>
	Sig.			<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.089</b>	<b>0.000</b>	<b>0.001</b>
Interpersonal skills	Correlation Coefficient			1.000	<b>0.494**</b>	<b>0.788**</b>	<b>0.282**</b>	<b>0.365**</b>	<b>0.377**</b>
	Sig.				<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>
Conceptual skills	Correlation Coefficient				1.000	<b>0.828**</b>	0.112	<b>0.208**</b>	<b>0.186**</b>
	Sig.					<b>0.000</b>	0.19	<b>0.003</b>	<b>0.007</b>
Overall skills	Correlation Coefficient					1.000	<b>0.201**</b>	<b>0.358**</b>	<b>0.324**</b>
	Sig.						<b>0.004</b>	<b>0.000</b>	<b>0.000</b>
People oriented leadership style	Correlation Coefficient						1.000	<b>0.531**</b>	<b>0.864**</b>
	Sig.							<b>0.000</b>	<b>0.000</b>
Task oriented leadership style	Correlation Coefficient							1.000	<b>0.874**</b>
	Sig.								<b>0.000</b>
Total leadership styles	Correlation Coefficient								1.000
	Sig.								

\*\* Correlation is significant at the 0.01 level .

\*\*\* All significances are 2-tailed.

#### 4. CONCLUSIONS

In terms of a rapidly changing environment and 'ruthless' market conditions, each organization requires a 'special organizational resource', such as an effective leader, who will, with his or her special traits, developed skills, and appropriate leadership style, strongly and honestly lead the organization. Regardless of the leadership approach preferences (traits approach, skills approach, or style approach), it is impossible to deny the impact of each of these approaches on (effective) leader development. Namely, each approach provides a specific contribution, in its own domain, to the creation and improvement of the leaders, as key figures in ensuring the success of an organization. Acceptance of the first hypothesis of this paper empirically proves that respondents from Croatian companies consider that a high level of appropriate traits and skills is possessed, as well as that, depending on the context, appropriate leadership styles are applied. This indicates the development of consciousness related to the importance of leadership.

In addition, confirmation of the second hypothesis about the nonexistent relationships among the respondents' demographic characteristics, as well as their traits, skills, and leadership styles, suggests that the significant traits, skills and leadership styles exist regardless of demographic characteristics. In other words, demographic characteristics do not influence the respondents' awareness of the importance of effective leadership and its further improvement for the benefit of the firm they work in. Acceptance of the third hypothesis, related to the existence of the relationships among respondents' traits, skills, and leadership styles, only completes the general findings about the mutual dependence of leadership elements. It is also advocated by the three exhibited theoretical leadership approaches, i.e. that towards effective leadership achievement, one should possess appropriate traits, develop needed skills, and prefer appropriate leadership styles.

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## **OSOBI NE, VJEŠTINE I STILOVI VOĐENJA MENADŽERA U HRVATSKIM PODUZEĆIMA**

### **Sažetak**

U ovom se radu analiziraju osobine, vještine i stilovi vođenja koje preferiraju menadžeri u hrvatskim poduzećima. Iz tog je razloga anketirano 207 hrvatskih menadžera, za koje je utvrđeno da posjeduju pretpostavljene osobine, vještine i stilove vođenja te da ih primijenjuju u svojim svakodnevnim aktivnostima. Također je utvrđena međuovisnost prethodno identificiranih osobina, vještina i stilova vođenja, kao i njihova neovisnost o demografskim karakteristikama menadžera.