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INVESTIGATING THE BEHAVIORS OF THE MANAGERS, FIRM PERFORMANCE AND THE STAFF ATTITUDES CASE STUDY: HALVA-OGHAB CO.

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ABSTRACT

This study investigates the relationship between the leadership behaviors of the executives, firm performance and the attitudes of the staffs. The samples of the survey were selected from those who had high job experience and high level of education. The size of this population was 189 individuals. It is worth mentioning here that because our population was limited and accessible, all population (sampling based on the statistics) were used to respond to the questionnaire. In this study, a questionnaire containing questions that include the examination of the relationship between leadership practices, company performance and attitude of employees of Halva-Oghab Co, was made based on the Likert scale. LISREL software was used to analyze the test results hypothesis. The results of the study indicated that there is a significant relationship between the task-oriented leadership behaviors of the managers, firm performance and the staff attitudes of Halva-Oghab Co. However, the results indicated the relationship-focused leadership has a significant effect on the enterprise performance.

INTRODUCTION

KEY WORDS
Organization,
management,
performance, attitude

In today's competitive world, multiple factors which contribute to the company's performance should be considered. One of the biggest problems is attending to the human resources as the driving force of the enterprise. Therefore, the managers attempt to increase the productivity of the employees by various methods. In Halva Oghab- Tehran Co., the managers need to develop the talents and abilities of their employees to have a high yield. According to the competitive environment. Given the competitive environment in the market and the need to use all the power in manufacturing firms, Halva Oghab- Tehran Co. concerned to keep competitive advantage and productivity of their employees to reduce costs further and increase their performance. Therefore, the Company managers have to measure the impact of leadership style on reducing the concerns of companies to diminish the costs and to increase productivity. Human resources in the company may lose their motivation and productivity for various reasons. One of the most important factors is the behavior style of the managers and company supervisors as the top leaders who has the direct impact on the employee attitudes. However, previous studies also have shown that general attitudes of employees have a direct bearing on the performance of the Institute [1]. However, such attitudes are not related to the leadership behaviors of top executive managers. The leadership behavior in the companies is one of the most decisive factors in shaping the attitudes of employees concerning the business, objectives and the performance of the enterprise. Numerous studies examined the relationship between executive leadership and the outcomes of the firm (Carpenter et al., 2004). Lack of purposeful leadership style at Halva OGHAB- TEHRAN Co. can be considered as a point of improvement in the company. So if appropriate leadership styles were chosen and manager's conduct based on them, the performance and the practice of the employers can be improved. Some studies indicate that the chief executive officer (CEO) is among the agents who can upgrade the performance of the company, and they are critically important individuals (Peterson et al., 2003). Recent research also established consensus on the issue that the top managers have the critical role in the company's performance (Ling et al., 2008).

The managers have different ways of managing their businesses. Each of them attempts to make the best use of available resources and optimize the efficiency and effectiveness of the company as possible with the lowest cost in the shortest time. The manager as a leader may have different styles of behavior. Another method of improving business performance is Relationship-focused leadership style which affects on the company performance. Relationship-focused leadership style directly influences the job satisfaction and employee attitude of Halva OGHAB- TEHRAN Co. and their performance promotion can be a wide step in improving the productivity of the company.

Relationship-focused leadership, which is based on communication, is affected by the relationship with the employees, showing benevolence to them as well as having an arrogant behavior with them. This leadership style will have a significant impact on employee attitudes. The task-oriented leadership style is one of the styles which focus on the tasks, and it includes the precise statement of the aim, creativity, and risk-taking, and it also includes monitoring operations. This leadership style is to improve the performance and proper functioning.

The aim of this study was to investigate the relationship between leadership practices of the top managers, and the firm performance and the link between these are the employee's attitudes (this is the possible mediator that has not been directly assessed). We are going to help to understand this issue. Accordingly,

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we have a conceptual model that explores the significant relationships between the variables. According to this model, the overall attitudes of the staff have a direct connection with the company's performance.

The results of the study indicate the significant relationships, and they are according to the conceptual model. The results can be a model of Relationship-focused leadership for the managers of Halva OGHAB-TEHRAN COCo. and the results can change the attitudes of employees to provide the basis for better performance.

LITERATURE REVIEW

Organizational behavior

Organizational behavior based on several series of applied behavioral sciences and behavioral sciences, which include psychology, sociology, social anthropology and political science, psychology and other micro and macro level.

1. **Psychology:** the science that seeks to measure, explain, account for the reasons of behavioral change in human beings. This science refers to the study of individual behavior. So this science is at the micro level in which the individual behavior is investigated. Psychologists studied topics such as thought, perception, personality, learning, teaching, effective leadership, needs and motivational forces, job satisfaction, decision-making processes, performance evaluation, assessing people's attitudes, practices, staff selection, career planning and job stresses.
2. **Sociology:** Sociologists consider the social system in which one plays roles. The sociologist is involved in the provision of organizational behavior through the study of group behavior in organizations, and their vital fields of interests include group dynamics, team planning, culture, structure and organization theory, bureaucracy (Bureaucracy), communications, tolerant person, power, and conflict.
3. **Social Psychology:** Social Psychology is one of the subsidiaries of the psychology in which two psychology and sociology are combined with each other. In this field, the leveraging on each other is influenced. One of the issues addressed in this field is the phenomena of changing (i.e., how can the obstacles be eliminated). Social psychologists assess changing attitudes, communication patterns and consider the ways in which the activities of the group can meet individual needs, and they focus group decision-making process.
4. **Anthropology:** the study of science about human beings and their activities that can be taught. Anthropology specialists have been able to understand the culture, organizational environments and the differences between national cultures.
5. **Political science:** the study of individual behavior and group in a political context. Scientists in the field consider the structural conflict or power allocation and the way people use their power to benefit themselves.

Leadership behaviors

After more than 50 years, the most common way of studying the leadership is relying on the distinctive traits of leadership. It was believed that the traits and the inherent and individual characteristics such as intelligence, having good speech, having sound knowledge, and the appropriate appearance is the main indicators of the real leader. However, these individual studies did not reach clear results to explain the leadership, so theories of leadership focused on the behavior of the leader (Hersey and Blanchard, 2006). For many people, the leadership has the endowed inherent attributes. The leadership is nothing but the integrated acquired and complicated skills. Leaders are not born, but they are grown. With sustained effort, leadership skills can be gained. (Hajir,1986).

Attitude of staffs

The Equivalent word in English for the word "Negaresh", is attitude, behavior style, perception and thinking method based on prior assumptions (Masood et al., 2002). Many definitions have been given in management and psychology about attitudes, and some of them are mentioned below: Attitude refers to the readiness to respond to a person, object, thought or situation [10]. Attitude refers to the set of beliefs, emotions and behavioral intentions toward an object, person or event. In other words, is defined as a relatively stable tendency to a person, thing or event that appears in emotion and behavior. [3]. Attitude refers to the estimated assessments about the object or person or event takes place, and these evaluations are favorable or unfavorable. Attitudes reflect the way one feels about oneself, one thing or one person. For example, when we say "I love my job" you express your attitude about work. [11]. Attitude is also described as the state of mind which indicates a tendency through the organized experience, and completely tailored individual responses to all situations with which he is associated, [8].

Study of the related literature

There is evidence that overall employee attitudes at the organizational level have the direct relationship with organizational performance (Asklicher et al., 2004) and have the inverse relationship with the turnover of staff [12]. Many factors may influence the attitudes of staff including support and supervision, effects of collaboration and personal characteristics of the employees. We will mention with the provision of the reasons in which the chief executive in this category is the main agent in instilling the positive attitudes among employees (such as perceived organizational support and organizational commitment). In the meantime, staff attitudes are regarded as a link between senior executive's leadership behaviors and practices of the institutions.

One of the possible substrates for communicating between behaviors of chief executive and the organization performance is affected by the communicative role of the overall staff attitudes based on the theory of "shared values." According to [12] if the employees of an organization have common values, they are more likely to cooperate and collaborate and this would, in turn, lead to improved organizational performance. The chief executive officer can appeal to the reward and punishment mechanism to motivate employees to work more to achieve organizational goals. Moreover, the charismatic behavior of the chief executive can inject incentive to employees to work more than they are expected (Yuki, 1989, p. 272). The incidence of such behavior on the part of senior management helps the employees to achieve the mission of the group or organization and to reflect beyond their personal interests [13], Shamir et al., 1993, Shamir et al., 1993).

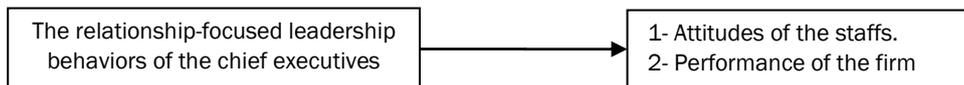
Most studies have found a direct relationship between a charismatic behavior [2] or transformational leaders [9] with their job satisfaction, organizational commitment, trust and confidence their efforts a, self-assessment effort and the rated performance of supervisors at individual level. Evidence of the relationship between leadership behaviors of Executive Director and staff attitudes are more limited. [5], in their recent meta-analysis study, reported that the requirements dimension (relationship-oriented behavior) and the core structure dimension (task-oriented behavior) of leadership behavior at the regulatory level have a relatively strong relationship with job satisfaction, employee performance, and the collective performance. Therefore, our expectation is that the task -oriented behavior of Chief Executive be directly related to the performance of the Institute, the relationship-focused behavior of top managers and the positive attitudes of the employers.

Research hypotheses

H1.The relationship-focused leadership behaviors of the chief executives impact on the attitudes of the staffs.

H2.The relationship-focused leadership behaviors of the chief executives impact on the performance of the firm

The conceptual model of the investigation:



MATERIALS AND METHODS

Methodology

This study is an applied one regarding its objective, and it is descriptive -survey regarding data collection method. To collect data, the researcher used the library studies and the field studies among consumers of luxury products in North Khorasan province. To investigate the relationship between leadership practices, company performance, and attitude, the following domains were specified:

Subject domain: the general debate on the relationship between leadership practices, business performance, and attitude of the personnel involved. **Time domain:** the information and data of this study are related to the first six months of 2015. **Place domain:** the domain of this study is Halva-Oghab Co. in Tehran.

The population and sample

To address the relationship between the leadership behaviors of the executives, firm performance and the attitudes of the staffs, the study population includes all staffs, experts, executives and managers of Halva-Oghab Co. in Tehran. The samples of the survey were selected from those who had high job experience and high level of education. The size of this population was 189 individuals. It is worth mentioning here that because our population was limited and accessible, all population (sampling based on the statistics)were used to respond to the questionnaire.

Data collection method

In this study, a standard questionnaire containing questions that include the examination of the relationship between leadership practices, company performance and attitude of employees of Halva-Oghab Co, was made based on the Likert scale (strongly disagree, disagree, neither agree nor disagree, agree and strongly agree). LISREL software was used to analyze the test results hypothesis.

The methods for data analysis

Descriptive statistics refers to an applied set of concepts and methods employed in the company, to sum up and prepare tables, graphs and descriptions of the collected data and descriptive statistics. In general, descriptive statistics provides the summary, and image of the observed data using standard figures and diagrams. Descriptive statistics of variables regarding frequency, variable values, and the density are examined.

In the inferential statistics, the researcher deals with sampling method, selecting the small group as a representative of the large population and he predicts the characteristics of the population based on the data derived from the sample. LISREL Software is employed at inferential statistics level regarding the required information and the distribution of the population. To investigate the correlation of the variables, the researcher used the Pearson or Spearman test. Structural equation modeling is a comprehensive statistical approach to test hypotheses about the relationship between the observed and latent variables.

Analysis

H1

The task-oriented leadership behaviors impact on the staff attitudes

Table 1: Fit indices (the second hypothesis of the test)

row	Index models	Amount of acceptable	Observed value	result
1	χ^2/df	$\chi^2/df < 3$	2/63	Good fitness model
2	CFI	$CFI > 0/9$	0/921	Good fitness model
3	GFI	$0/1 < GFI < 0/5$	0/408	Good fitness model
4	RMSEA	$RMSEA < 0/08$	0/015	Good fitness model

Because all indicators of the goodness in the fitting model except GFI are in the desired range, so it can be concluded that the model is well- fitted. So, we can comment on the second hypothesis. As shown in [Table 1], the path coefficients between the variables of task-oriented leadership behaviors and staff attitudes is $56/0 = \beta$ and this path coefficient, at 95 percent (or 99 percent) is significant ($001/0 = P$ -value). So we can accept the second hypothesis.

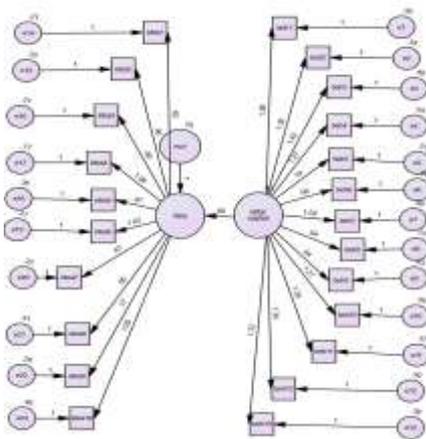


Fig. 1: The path coefficients between the variables of the relationship-focused leadership behaviors and the staff attitudes.

H2

The relationship-focused leadership behaviors impact on the firm performance.

Table 2: Fit indices (the fourth hypothesis of the test)

row	Index models	Amount of acceptable	Observed value	result
1	χ^2/df	$\chi^2/df < 3$	2/69	Good fitness model
2	CFI	$CFI > 0/9$	0/975	Good fitness model
3	GFI	$0/1 < GFI < 0/5$	0/171	Good fitness model
4	RMSEA	$RMSEA < 0/08$	0/023	Good fitness model

Because all indicators of the goodness in the fitting model except GFI are in the desired range, so it can be concluded that the model is well- fitted. So, we can comment on the fourth hypothesis. As shown in [Fig. 2], the path coefficients between the variables of the relationship-focused leadership behaviors and the firm performance is $0.62 = \beta$ and this path coefficient, at 95 percent (or 99 percent) is significant ($001/0 = P$ -value). So we can accept the fourth hypothesis.

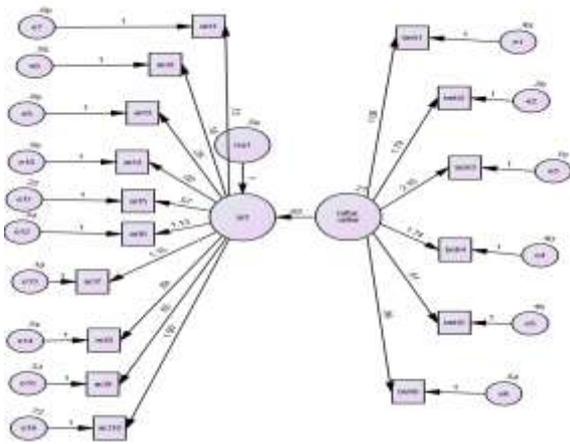


Fig. 2: The path coefficients between the variables of the relationship-focused leadership behaviors and the firm performance.

DISCUSSION AND CONCLUSION

The review of the literature and the research hypotheses have been considered. Then the explanation about population, sampling and data collection by a standard questionnaire have been given. The questionnaire includes the questions about the relationships between the leadership behaviors of the managers, firm performance and the staff attitudes of Halva-Oghab Co. LISREL software was used to analyze the data. The results of the study indicated that there is a significant relationship between the task-oriented leadership behaviors of the managers, firm performance and the staff attitudes of Halva-Oghab Co. However, the results indicated the relationship-focused leadership has a significant effect on the enterprise performance. This study implies that the behaviors of the managers can change the staff attitudes, and these behaviors can lead to the modification of the organization (the change in the quality of the products, quality of the work, the motivation for working,) and these behaviors can finally lead to the improvement of the firm performance.

CONFLICT OF INTEREST
There is no conflict of interest.

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FINANCIAL DISCLOSURE
None

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