



Research Article

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Communication and creativity of managers in the context of effective management in organizations in the Republic of North Macedonia

Imer Zenku

JSC ESM Skopje, North Macedonia

Marija K. Dimovska

JSC ESM Skopje, North Macedonia

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Abstract

The increased awareness of the key role of effective management for the success of modern organizations in conditions of globalization has led to numerous questions about the mechanisms that determine the variability of this significant phenomenon. The purpose of this paper is to understand the factors that influence the process of effective management, with a focus on communication skills. This paper investigated the influence of communication skills among managers on effective management in organizations in the Republic of North Macedonia. The paper has a theoretical and empirical character, and the research is oriented towards determining the connection between the communication competencies of managers and management styles. The findings confirm that communication competences are a prerequisite for effective management that includes leadership, and that managers with different levels of communication competence will prefer different management styles. The findings suggest significant links between the three-dimensional integrated management model that is theoretically and operationally defined as a combination of transformational, transactional and liberal management styles with the communication model. These findings speak about the importance of communication skills, which increase with the level of a managerial position where transformational management styles dominate and confirmed the assumption that good and creative communication plays an important role in effective management and becomes crucial in today's world at all organizational levels.

Keywords: management, management styles, communication skills.

1. Introduction

The process of globalization and the development of information and communication technologies led to major changes in management within organizations and

faced numerous challenges. One of them is the understanding of management as a complex phenomenon of various functions integrated into complex managerial competence. The functioning of organizations in conditions of transformation requires a new work model that is compatible with Western countries.

Modern theories of management confirm that the implementation of transformations requires the possession of certain competencies and abilities of the manager, which will enable him to practice modern management styles that include leadership, which are necessary for faster implementation of changes. It should be taken into account the fact that modern management emphasizes certain management styles as the most successful in times of change and reform, and that is the transformational style (Bass & Avolio, 1990). This justifies the attempt of this paper to update the need to practice modern management that includes leadership and to give an answer about their connection with certain personal competencies of managers, such as communication skills. Effective management that includes leadership is closely related to the communication skills of the manager-leader, who spends most of his time in communication (Mintzberg, 1978). Therefore, leadership is a skill of the effective manager that is based on communication. "Managing a team requires greater responsibility for effective communication" (Thill & Bovée, 2002).

Interest in good communication as a basis for effective management is current worldwide, but the number of research studies in the Republic of North Macedonia from this aspect is limited. The interest in this research is motivated by the perceived need for modernization of management processes in defining and developing the key competencies of managers in developing countries, with a focus on social communication skills that should respond to current changes.

2. Modern approaches in management in organizations

In the 21st century, organizations face new challenges, which in some cases are based on the need for quick and reliable intervention strategies. Time is of the essence in the business world, and acting quickly and efficiently can save an organization time and money.

Modern approaches to management are characterized by new theories that, in addition to rational aspects, also take into account the social, emotional and motivational aspects of managers. In this way, two basic modern management styles are developed which are essential in modern working conditions and ensure the desired successful organizational outcome. It is about transformational and transactional styles of management, i.e., leadership. These modern management styles have priorities that know how to communicate the goals, mission and vision of the organization in a clear and concise manner. Exceptional managers who practice these contemporary leadership styles build trust with followers, which is vital to gaining a competitive advantage for the organization.

The theory of transformational management - leadership has become quite popular in recent years. It was initiated by the authors Burns (Burns, 1978) and Bass (Bass,

1985), and focuses on the relationships formed between leaders and followers. Bass and Avolio (Bass & Avolio, 1990) add that to be transformational, a leader needs to learn the needs, abilities and aspirations of successors to develop into leader. "The outcome of implementing transformational leadership is a mutual relationship that turns followers into leaders and leaders into moral agents to meet the needs of their followers" (Avolio, 2011).

Managers who implement a transformational leadership style inspire trust because they put the needs of their followers before their own and demonstrate high standards of ethical and moral behavior resulting in a high percentage of trust (Bass, 1999). This increases the motivation of the followers. Implementing a transformational style can result in managers becoming role models for their followers: people identify with them and want to follow and imitate them.

Transformational managers - leaders communicate with employees to see the vision, encourage them to complete tasks and be more motivated, engaged and productive. According to Avolio (2011) transformational leadership is best suited in an environment that is constantly changing and adapting.

Bass (1985) identifies the components that make up a transformational leadership style, including individualized influence, intellectual stimulation, inspirational motivation, and charismatic character or idealized influence. Individualized influence is a critical aspect of transformational leadership. Managers who practice transformational leadership need to understand and know the needs of followers and their abilities ahead of time in order to challenge and develop them into leaders. Thus, they will be able to improve employees' abilities to reach their potential, improve individual and group performance. The second major component of the transformational leadership style is intellectual stimulation, in which managers challenge the basic thinking and assumptions on which such stimulation is based, in order to make them think of new ways of performing their duties (Berson & Avolio, 2004).

The transactional management style is traditional and is based on rational aspects. A characteristic of this style is the autocratic approach that motivates employees with reward or punishment, and the main means of communication is criticism. Transactional management theory is known as exchange theory and is characterized by a transaction or agreement between a manager and followers. Transactional theory is an exchange process in which the follower may comply with the manager's demands, but not with enthusiasm and commitment to task goals (Yukl, 1999). In contrast to the transactional style of management, i.e., leading, the transformational style is democratic and encouraging for maximum investment of followers for the realization of organizational goals. According to numerous evidences, it can be concluded that transformational management leads to higher organizational productivity (Avolio, 2011).

3. Communication skills and effective management – leadership

Numerous authors have examined the relationship between effective leadership

styles practiced by managers and communication skills (Berson & Avolio, 2004; Frese et al., 2003; Holladay & Coombs, 1996; Madlock, 2008; Vries et al., 2010). In most of them, it is indicated that when considering communication skills, the content of the speech and rhetorical skills should be taken into account.

In the research of De Vries et al. (2010) it was found that effective leadership styles are largely conditioned by communication skills. Other research has pointed to the skill of communicating a vision as a major factor in effective management. Awemleh and Gardner (1999) found that vision-setting communication power has an impact on managers' perceptions and management effectiveness (Awamleh & Gardner, 1999). The existence of implicit theories of leadership styles provide support for the assumption that certain communication styles are closely related to the transformational behavior of managers. According to implicit theories of leadership styles, authors have certain assumptions about which characteristics a manager should possess and which communication styles are maximally represented (Lord et al., 1984).

The results of a series of experimental studies by Holladay and Combs (1993) show that the communication approach of a manager with attentive, dominant, open and friendly communication styles are related to the perception of the manager as charismatic and inspirational.

Research by Norton shows that each manager has an individual style of communication, and they differ from each other in the way they communicate and how they are perceived by others, as a consequence, the communication style affects the perception of the followers towards their manager, that is, the leader (Norton, 1983). Some authors consider communication styles as factors influencing the perception of management behavior such as (Awamleh & Gardner, 1999). Communication competence is most directly recognized in the contexts of direct interpersonal communication during conversation and between human conflicts. Authors Cegala and Rahim (1982) in their research discovered three components of communication competence manifested in conflict situations: alertness, perceptiveness and responsiveness (Cegala, et al. 1982).

According to these research findings, nonviolent communication and conflict resolution skills are components of a manager's communication competence. The manager should be a mediator in social interaction, interested in constructive conflict resolution and increasing awareness of interpersonal conflict resolution strategy.

4. Methodology

This research focuses on creative communication and its role in effective management in organizations. The subject of the research is determining the connection of the communication competence of managers with effective management in organizations. In the context of the subject defined in this way, the following research questions were asked:

Do communication competencies of managers significantly affect effective management?

Do different levels of development of communication competences of managers influence the preference of different management styles: transformational, transactional or liberal style?

In order to answer this question, empirical research was conducted in which the existence of the connection of communication competences with the transformational, transactional and passive or "laissez-faire" management style was investigated.

The sample consists of 49 randomly selected managers from public and private companies in RSM. Also included are 98 independent evaluators, who were selected at random to assess managers in terms of managerial styles and the degree of development of communication skills. Out of the total number of managers, the majority 68% are male, and 32% are female.

Measuring instruments for measuring the variables, the following valid and standardized instruments were used:

- To determine the degree of development of communication skills, the following is used: Questionnaire for measurement of interpersonal communication - IKI (Krizan et al., 2008).

- To determine the management style - Multifactor questionnaire for measuring transformational and transactional leadership MLQ form 5X (Avolio et al., 1995).

Research goals: The main goal is empirical confirmation of the influence of managers' communication skills on effective management. Empirical approaches to this issue have not been realized in our country, unlike in Western countries, therefore this paper is a contribution to the existing scientific thought about effective management. The final goal is updating the need for creating and implementing educational programs for developing communication skills that are necessary for practicing effective management.

5. Results and interpretation

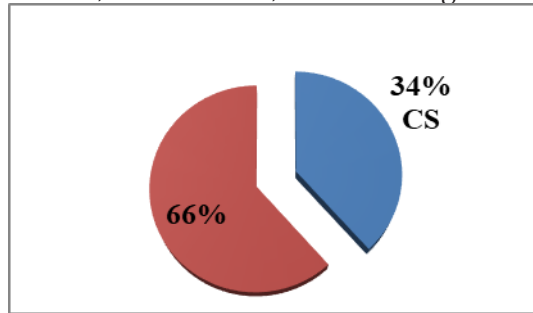
In this part, it is tested whether and to what extent the level of development of communication skills among managers affects the choice of the management style they will practice. A correlation was calculated between the level of differentiation of the communication skills of managers with preference in practicing the three styles of management: transformational, transactional or liberal style.

Results presented in table no. 1 confirm that there is a statistically significant relationship between the degree of development of communication skills and the preference for the transformational management style ($R=0.575$, $p=0.01$). The high coefficient of determination ($R^2=0.336$) indicates that the communication skills of managers significantly participate in determining transformational leadership with about 33.6%. The efficiency index, which indicates the predictive power of the communication skills variable, is 20.75%, which indicates that the size of the error in the prediction of the leadership style with knowledge of communication skills is 20.75% lower than the error in prediction without knowledge of this competence. According to these results, it can be concluded that managers who possess a high degree of development of com-

munication skills can be predicted to prefer a transformational style of management.

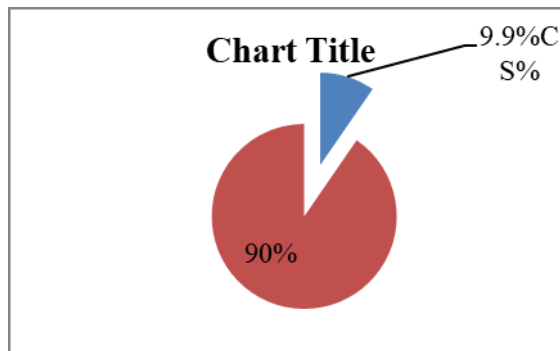
Management style	Pearson coefficient R	Determination coef- ficient R²	Variance %
Transformational	0,575***	0,336	33,6%
Transactional	0,305**	0,093	9,93%.
Liberal	0,201	0,040	4,00%

Table 1. Pearson coefficient of correlation between communication skills and transformational, transactional, liberal management style



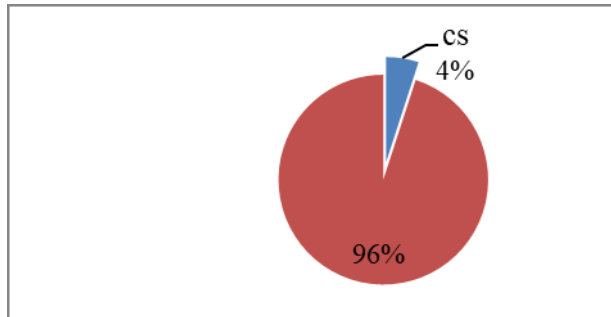
Picture 1. Graphic presentation of participation of communication skills 34% in choosing transformation management style.

The correlation coefficient between communication skills and transactional management style showed a lower level of association of communication skills with transactional management ($R=0,305$; $p < 0.05$). These findings can be interpreted with the fact that the transactional management style, although classical, still requires a certain level of skills among managers because it is effective in certain situations



Picture 2. Graphic presentation of participation in percent of communication skills in determining transaction substyle – situational awarding

The results for the association of communication skills with the liberal management style showed a low and statistically insignificant correlation ($R = 0.201$) and a coefficient of determination of ($R^2 = 0.040$). The percentage with which the variance of communication skills participates in the liberal style of management is the lowest of all and amounts to 4.0%.



Picture 3. Graphic presentation of participation in percent of communication skills in determining liberal management style

These results say that managers do not need to have communication skills to practice the liberal style, or more precisely, those managers who have a low level of communication skills would opt for this ineffective style, the practice of which is not conditioned by these competencies.

6. Conclusions

Communication competence can be counted among the main pillars of effective management, along with other cardinal characteristics. Communication skills themselves are by their nature multi-dimensional and include emotional and non-verbal aspects, as well as skills related to effective communication in social situations, such as: role-playing skills, sensitivity, empathy, etc.

This paper gave an answer to the problem of how the communication competencies of managers are related to effective management. The findings confirm that communication competences are a prerequisite for effective management that includes leadership, and that managers with different levels of communication competence will prefer different management styles. The findings suggest significant connections between the three-dimensional integrated model of management which is theoretically and operationally defined as a combination of transformational, transactional and liberal models ie. management style with a communication model.

The paper provided empirical support and confirmed that communicatively competent managers with developed creativity prefer practicing effective management styles with the transformational style. The explanation for this finding can be related

to the idea that practicing effective management styles requires a high level of communication competence, which is important for successfully sharing visions and motivating employees towards the goals of implementing organizational designs (Hogan et al., 1994).

The second finding of this paper provides the answer to the question of whether managers with different degrees of development of communication skills will prefer different management styles. How Different levels of representation of communication and language competencies were found to be associated with different management styles. Managers with high competence were oriented towards the transformational style, while those with low competence towards liberal style management. As for the transactional style, communication competencies are a partial indicator of the situational reward dimension. The role played by communication skills is most significant in transformational management, where it participates with 38% and somewhat less in transactional situational management, where it participates with 13%. With the rest of the styles in the three-dimensional model, which includes the liberal style, the manager's communication competence has no significant impact.

These findings speak about the importance of communication skills, which increases with the level of a managerial position dominated by transformational management styles and confirmed the assumption that social communication skills are important for effective management. Namely, even early research on managerial communication suggests that managers spend about half of their time engaged in communication, and directors and top managers are involved in communication activities almost all the time (Klemmer & Snyder, 1972).

In addition to implementation practices, this study provides perspective for future academic studies. These findings are based on the experiences of managers and employees in organizations in the Republic of North Macedonia they could also bring unique perspectives to the literature. Therefore, the rich experiences of employees and managers can be qualitatively examined in further studies.

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