



ANALYSING INFLUENCE OF DETERMINANTS OF LEADERSHIP, HUMAN RESOURCES AND QUALITY ON ACHIEVEMENT OF SUSTAINABLE SUCCESS IN ORGANIZATIONS

Tijana Cvetić¹

Dajana Živković²

Nikola Komatina³

Dušan Đurić⁴

Abstract: This paper presents an analysis of data obtained from small and medium-sized enterprises in the form of a response to the questionnaire concerning the sustainable success of organizations and their self-assessment. The results of this research can be applied in real terms to improve the organization's business by raising the organization's awareness of the existence and significance of the influence of variables of leadership, human resources, and the quality of achieving sustainable success and business excellence of organizations.

Keywords: Sustainable success, Quality, Leadership, Human resources, Influence

JEL Classification: C3

1. INTRODUCTION

The development of the world economy has caused a wide and varied range of products and services and is therefore identified by the user and the supplier. Developed countries of the world, large official government institutions and politicians have realized the importance of the changes that are taking place and creating the conditions for their companies to be better in terms of competition in order to survive on the market, thus creating favourable conditions for the country's progress. From there came the business excellence and the EFQM model. This paper presents an analysis of data obtained from small and medium-sized enterprises in the form of a response to the questionnaire concerning the sustainable success of organizations and their self-assessment. The results of this research can be applied in real terms to improve the organization's business by raising the organization's awareness of the existence and significance of the influence of variables of leadership, human resources, and the quality of achieving sustainable success and business excellence of organizations [1;2].

¹ Tijana Cvetić, Faculty of engineering, Kragujevac, Serbia, t.cvetic@kg.ac.rs

² Dajana Živković, Faculty of engineering, Kragujevac, Serbia, zivkovicdajana@yahoo.com

³ Nikola Komatina, Faculty of engineering, Kragujevac, Serbia, nikola829@hotmail.com

⁴ Dušan Đurić, Faculty of engineering, Kragujevac, Serbia, gaspar04@yahoo.com

Sustainable development of small and medium-sized organizations is most often based on some of the proven models already developed by successful companies. It can also be based on innovative models that every small or medium organization can independently examine and develop. This option carries a greater risk, but also more options, if successful. However, there are frequent situations where they have to deviate from any model, for the sake of progress towards the essential goal [3;4].

In 1927, Videnfield distinguished between three factors of enterprise development: 1) technical development, 2) market development, and 3) the creative tendency of leading personalities [5].

Lenel distinguishes seven areas of the cause of the concentration, and hence the development of the enterprise: 1) technical and other causes in the enterprise, 2) market policy and market organization, 3) financing, 4) civil law, 5) tax law, 6) personal motives and 7) changes in management and the workforce, as well as personal influences [6].

Based on the research in the US oil industry, McClen and Hai have come to the following six groups of sustainability factors: 1) enterprise growth policies, 2) economic climate in the industry, 3) personal thinking of the top management, 4) thinking about investing profits, 5) competitive pressure; and 6) changing economic, legal and political conditions [7]. Sustainable success is the ability of an organization to meet the needs and expectations of its users and other stakeholders over a long period of time and in a balanced way

Nowadays, the easiest way to achieve sustainable success is the management approach to sustainable success, which is meeting the requirements of the standard ISO 9004, whose concept is based on the TQM concept, and the structure is based on the QMS process model, and the methodology is based on a combined application: the QMS model, and the model of excellence.

2. EMPIRICAL RESEARCH

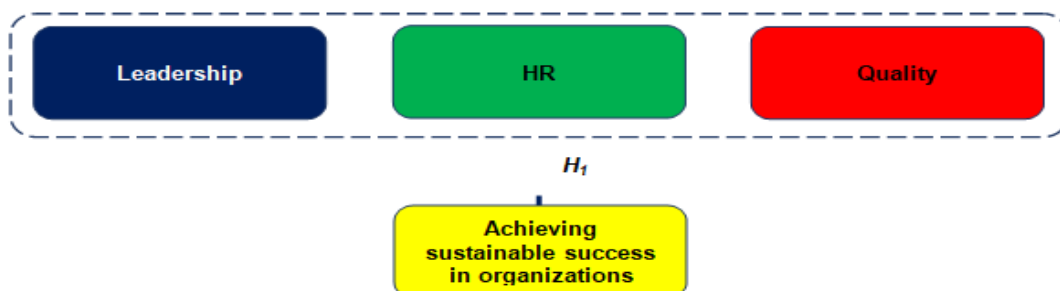
On the basis of conducted theoretical researches [8;9;10;11;12;13;14;15], a research questionnaire was made. The questionnaire consists of 34 claims classified according to the meaning of 4 elements:

1. Leadership,
2. Human Resources (HR),
3. Quality, and
4. Achieving sustainable success

Possible attitudes for each set of claims is defined in the following way:

- mark 1 - I completely disagree,
- mark 2 - I disagree,
- mark 3 - I neither disagree nor agree,
- mark 4 - I agree,
- mark 5 - I completely agree.

After defining the claims and attitudes, the System Model is set (Picture 1).



Picture 1. System model

Source: Authors

3. IMPACT ANALYSIS

3.1 Impact analysis of independent variables leadership, HR and quality on the dependent achievement of the organization's sustainable success

H1 hypothesis - it is assumed that group independent variables affect the dependent variable of the set system model.

From the System model we can see that in independent variables: leadership, HR and quality. The dependent variable in this System Model is: Achieving a sustainable organization success.

Interpretation of the results of Pearson's correlation:

- in Table 1, Descriptive Statistics for all variables is displayed, where the values of the average grades are:

- leadership 4.1372,
- HR 4.0671,
- Quality 3.9045,
- Achieving sustainable organization success 3,9451.

Table 1. Descriptive statistics

		Leadership	HR	Quality	Achieving sustainable success in organizations
N	Valid	82	82	82	82
	Missing	0	0	0	0
Mean		4,1372	4,0671	3,9045	3,9451

Source: Authors

Table 2 provides the Correlation Matrix for variables from the System Model. The number of cases in the sample is $N = 120$ is correct and there are no missing data. From the presented dimensions, one can see the relationship between the variables and the correlation r . We can conclude that: the positive correlation of the variables in all cases, and that the highest coefficient of correlation between the variable HR and Quality. The correlation coefficient is $r = 0,692$, these variables are medium highly correlated - related.

Table 3 provides the adjustment overview and is calculated by the Coefficient of Determination (R Square) $r^2 = 0,273$ which indicates how much the variation of the dependent variables is explained in the model and the Multiple Correlation Coefficient (R) $r = 0,523$ the strength of the relationship between the variables. Which means that 27.3% of the variability depends on the variable. The achievement of a sustainable organization success can be explained by the influence of independent variables: Leadership, HR and Quality. Here the variables are medium highly correlated - related.

Table 2. Correlations of variables in the System model

		Leadership	HR	Quality	Achieving sustainable success in organizations
Leadership	Pearson Correlation	1	,619**	,616**	,226*
	Sig. (2-tailed)		,000	,000	,041
	N	82	82	82	82
HR	Pearson Correlation	,619**	1	,692**	,389**
	Sig. (2-tailed)	,000		,000	,000
	N	82	82	82	82

		Leadership	HR	Quality	Achieving sustainable success in organizations
Quality	Pearson Correlation	,616**	,692**	1	,502**
	Sig. (2-tailed)	,000	,000		,000
	N	82	82	82	82
Achieving sustainable success in organizations	Pearson Correlation	,226*	,389**	,502**	1
	Sig. (2-tailed)	,041	,000	,000	
	N	82	82	82	82

Source: Author

Table 3. Summary of Fit for observed features: Leadership, HR, Quality and Achieving sustainable success in organizations

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Change	Square Change	F Change	df1	df2
1	,523 ^a	,273	,245	,48025	,273	9,774	3	78	,000

a. Predictors: (Constant), Quality, Leadership, HR

b. Dependent Variable: Achieving sustainable success in organizations

Source: Authors

In order to evaluate the statistical significance we observe (Table 4) ANOVA. Here are the results of the zero-hypothesis tests that r^2 in the population is equal to 0. The statistical significance is (Sig. = 0,000), which in fact means $r < 0,0005$. The hypothesis H1 - confirms that group independent variables affect the dependent variable of the set System model.

Table 4. ANOVA

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	6,763	3	2,254	9,774	,000 ^b
Residual	17,990	78	,231		
Total	24,753	81			

a. Dependent Variable: Achieving sustainable success in organizations

b. Predictors: (Constant), Quality, Leadership, HR

Source: Authors

From table 5, Coefficients, can be determined which of the independent variables in the model contributed to the prediction of the dependent variable. In this case, the highest coefficient of beta is 0.512, which is the value for the independent variable Quality, which means that this independent variable contributes the most to the explanation of the dependent variable achieving the sustainable success of the organization.

Table 5. Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients Beta	t	Sig.	95,0% Confidence Interval for B	
	B	Std. Error				Lower Bound	Upper Bound
(Constant)	2,247	,563		3,993	,000	1,126	3,367
1 Leadership	-,237	,172	-,180	-1,384	,170	-,579	,104
HR	,177	,171	,147	1,033	,305	-,164	,518
Quality	,502	,139	,512	3,611	,001	,225	,779

a. Dependent Variable: Achieving sustainable success in organizations

Source: Authors

For the compilation of the regression equation, the values from column B from (Table 5) are used, and on the basis of which the multiple linear equation is:

$$y = 2,247 - 0,237 \cdot x_1 + 0,177 \cdot x_2 + 0,502 \cdot x_3$$

or

$$\begin{aligned} \text{Achieving sustainable success in organizations} = \\ = 2,247 - 0,237 \cdot \text{Leadership} + 0,177 \cdot \text{HR} + 0,502 \cdot \text{Quality} \end{aligned}$$

Statistical processing aims at this research to provide a qualitative and quantitative idea of the data set, based on which the selection of fitting functions - adjustments will be made in the next phase. In addition, during this processing we should eliminate data with large deviations and to reduce the data set in an adequate way when it comes to large numbers of data. Therefore, it is necessary to adjust the contribution of certain independent variables by using the column Sig. (Table 5) looks at how much their contribution to the equation (the value must be less than the Sig value <0,05), and that size is extracted from further analysis. In this study, the first largest is the value of 0.305 for the independent variable HR, which is ejected from further consideration. By extracting an independent variable HR, we obtained a new Setup Table (Table 6) and a modified Table of Coefficients (Table 7).

The determination coefficient (R Square) $r^2 = 0.263$ was calculated to indicate how much the variance of the dependent variable was explained in the model and the Multiple Correlation Coefficient (R) $r = 0.513$, which is the strength of the relationship between the variables. Which means that 26.3% of the variability depends on the variable. Achieving sustainable organization success can be explained by the influence of independent variables: Leadership and Quality. Here, the variables are medium relatively correlated - related.

Table 6. Summary of Fit for the observed features: Leadership, Quality, and Achieving Successful Success in Organizations

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	R Square Change	Change Statistics			Sig. F Change
						F Change	df1	df2	
1	,513 ^a	,263	,245	,48046	,263	14,115	2	79	,000

a. Predictors: (Constant), Quality, Leadership

b. Dependent Variable: Achieving sustainable success in organizations

Source: Authors

From table 7 we can determine the coefficients which contributed to the prediction of the dependent variable from the independent variables in the model. In this case, the highest coefficient of beta is 0.585, which is the value for the independent variable Quality, which means that this independent variable contributes the most to the explanation of the dependent variable achieving the sustainable success of the organization.

Tabela 7. Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients Beta	t	Sig.	95,0% Confidence Interval for B	
	B	Std. Error				Lower Bound	Upper Bound
(Constant)	2,436	,532		4,579	,000	1,377	3,496
1 Liderstvo	-,178	,162	-,135	1,099	,275	-,499	,144
Kvalitet	,575	,120	,585	4,771	,000	,335	,814

a. Dependent Variable: Achieving sustainable success in organizations

Source: Authors

For the compilation of the regression equation, the values from column B from (Table 7) are used, on the basis of which the New System Model looks like (Figure 2) and the multiple linear equation is:

$$y = 2,436 - 0,178 \cdot x_1 + 0,575 \cdot x_3$$

or

$$\text{Achieving sustainable success in organizations} == 2,436 - 0,178 \cdot \text{Leadership} + 0,575 \cdot \text{Quality}$$



Picture 2. New system model

Source: Authors

3.2 Analysis of the influence of independent variables leadership, and the quality dependent on the achievement of the sustainable success of the organization

Statistical processing continues to be adjusted by adjusting the contribution of certain independent variables, in the column Sig. (Table 7) looks at how much their contribution to the equation (the value must be less than the Sig value <0,05), and that size is extracted from further analysis. In this study, the first largest is the value of 0.275 for an independent variable Leadership, we are thrown out of further consideration. With the removal of the independent variable Leadership, we got a new Setup Table (Table 8) and the modified Coefficient Table (Table 9).

Calculated is the Coefficient of Determination (R Square) $r^2 = 0.252$ which indicates how much the variance of the dependent variables is explained in the model and the Multiple Correlation Coefficient (R) $r = 0.502$ the strength of the relationship between the variables. Which means that 25.2% of the variability depends on the variable. The achievement of a sustainable organization success can be explained by the impact of an independent variable quality. Here, the variables are mediumly relatively correlated - related.

Table 8. Summary of Fit for the observed features: Quality and Achieving sustainable success in organizations

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	R Square Change	Change Statistics			Sig. F Change
						F Change	df1	df2	
1	,502 ^a	,252	,243	,48108	,252	26,951	1	80	,000

a. Predictors: (Constant), Quality

b. Dependent Variable: Achieving sustainable success in organizations

Source: Authors

From (Table 9) We can determine coefficients which contributed to the prediction of the dependent variable from the independent variables in the model. In this case, the coefficient of beta is 0.502 which is the value for the independent variable Quality, which means that this independent variable contributes to the explanation of the dependent variable Achieving the sustainable success of the organization.

Tabela 9. Coefficient

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95,0% Confidence Interval for B	
	B	Std. Error	Beta			Lower Bound	Upper Bound
1 (Constant)	2,020	,375		5,394	,000	1,275	2,766
Kvalitet	,493	,095	,502	5,191	,000	,304	,682

a. Dependent Variable: Achieving sustainable success in organizations

Source: Authors

For the compilation of the regression equation, the values from column B from (Table 9) are used, on the basis of which the New System Model looks like (Figure 3) and the linear equation is:

$$y = 2,020 + 0,493 \cdot x_3$$

or

$$\text{Achieving sustainable success in organizations} = 2,020 + 0,493 \cdot \text{Quality}$$



Picture 3. New system model

Source: Authors

From Figure 3 and the equation, we can conclude that quality has an impact and can affect the dependent variable Analysing the sustainable success in organizations.

4. CONCLUSION

The need for introducing sustainability issues in business entities in Serbia appears to be business-minded, in the foreground, and then as a social and developmental need. In addition, the question of sustainability is also a response to challenges such as: laws, globalization, increased consumer or user expectations and competition. Business entities have to continually improve their services or products in order to meet their needs and the needs of the trader. This directly affects: the success of a business entity in its competition and its survival. The application of ISO 9004: 2009 standard is in fact only one step to the sustainable achievement of a business entity. Improvement of the quality system in business subjects ensures its survival. Sustainable business success can be seen through the prism of management: business processes, human resources and innovations. The subject of the analysis of this paper is the definition and establishment of the more realistic model of Sustainable

Success and Business Excellence of a Business Entity on a sample of service and manufacturing enterprises in Serbia. This research has shown that quality has a significant impact on achieving sustainable organization success.

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