

THE EFFECTS OF LEADERSHIP BEHAVIOUR AND ORGANISATIONAL CULTURE ON THE  
RELIABILITY OF PREDICTIONS IN THE CHINESE ORGANISATIONAL CONTEXT ARE  
MEDIATED BY EMPLOYEE PERCEPTION.

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**ABSTRACT**

This study intends to look at the links between leadership style, corporate culture, and prediction accuracy in Chinese companies under the mediation of employee perspective. Maintaining current with China's continuously changing economic climate requires on a grasp of the ways in which leadership and cultural aspects impact the accuracy of estimates. The results of the study suggest that strong leadership practices include communicating, supporting, and adapting, which would help workers to see the operations of the organisation and thus influence the dependability of the predictions. A healthy company culture built on mutual respect and collaboration could increase the degree of this influence. Using a qualitative research methodology, empirical data was gathered by means of interviews with representatives of many Chinese firms. The results reveal that worker's favourable opinions significantly affect the relationship between leadership style and the reliability of predictions. This emphasises even more the need of building workplaces that allow their staff members and themselves to grow. The study concluded that leaders should give creating a strong company culture and excellent employee views high priority if they want to increase their capacity to foresee outcomes. More than that, it provides essential data China's constantly changing sector's experts may employ to enhance processes of decision-making. According to the study, leaders should give creating a strong corporate culture and positive employee attitudes first priority in order to raise predictive capability. It also provides valuable information for professionals seeking to enhance the decision-making procedures in the active Chinese market.

**Keywords:** Employee perception, Leadership behaviour, Organisational culture, Chinese organisation.

**INTRODUCTION**

Maintaining competitiveness, eliminating risks, and proactively planning in China's continually shifting economic environment depend on accurate projections. Although their accuracy relies on factors outside of technical innovation or the

situation of the external market, predictive analytics and forecasting technologies are becoming ever more crucial for businesses. Many facets of the firm, particularly its culture, affect employees' view of data, pattern detection, and good judgement ability. Defining values, communication, and appropriate behaviour helps an organisation to shape the attitude and behaviour of its employees. Strong and cohesive cultures assist to provide more accurate forecasts by means of trust, knowledge sharing, and agreement on long-term goals among other things. Staff members' confidence in the accuracy of assessments and forecasts is shaped by their view of the corporate values, openness of the workplace, and leadership approach. The management style of a leader directly influences the culture of the business and, thus, the attitudes, degrees of engagement, personnel readiness to deliver the necessary insights required to provide accurate predictions. Especially in situations where cognitive biases and uncertainty assist to lack trust in predictions under inadequate leadership, leaders that provide an open, friendly, and knowledge-driven culture aid their subordinates to make more accurate and definite forecasts. This paper intends to research the mediating effect of workers' viewpoints in a Chinese firm environment in order to evaluate the link between organisational culture and the dependability of predictions. Knowing how cultural characteristics and leadership styles influence workers' opinions and decision-making process might help businesses aiming to boost their ability for anticipating crucial new direction. If companies want to survive in the complex and erratic corporate environment of today, they need study the connections between cultural fit, leadership style, and the accuracy of predictions.

## **BACKGROUND OF THE STUDY**

The potential influence that transformative CEOs have on their companies is well recognised. When they first proposed the concept of transformational leadership, no one in the political science community had responded. Next, they dove into the many leadership theories that include transformational approaches. "Transformational leadership" describes a style of management in which the boss establishes ambitious long-term goals for the team, explains the steps to reach those goals, expects great work from everyone, and fosters an environment where anyone can speak their mind. Through the use of transformational administration and the encouragement of subordinates to go above and beyond, organisational goals may be more capably attained. Leadership that makes a difference by being adaptive enough to face global competition is transformational leadership (Motilewa, 2020). This kind of leadership boosts engagement, morale, and productivity in the workplace, which helps achieve organisational objectives. Elements of idealised authority and a paradigm shift, transformational leadership encompasses both personality qualities and deeds. Essential to this approach is honing transformational communication skills, which present leaders in a positive light, encouraging their followers to follow their example and fostering better teamwork. By helping their subordinates move from focussing on themselves to focussing on the group, a

transformational leader can boost morale, performance, and motivation in a changing organisation, allowing them to play to their strengths while limiting their weaknesses, and so achieve extraordinary results. Without question, inspiring followers is only the beginning of what a transformational leader must do. Sticking to the plan, getting everyone on the same page, and creating an atmosphere that supports creativity are all necessary for success. The four pillars of transformational leadership are intellectual stimulation, inspirational motivation, idealised influences, and personalised scrutiny. Also covered is the art of motivating others to give their all and keep projects on track. As a whole, these traits characterise the actions of transformational leaders in business cultures. The most effective leaders are those that set a good example, devote themselves wholeheartedly to the organization's goals, promote a clear vision, and effectively convey the core values, strategic priorities, and importance of the staff's work. Motivating teams to attain their full potential requires leaders to envision a promising future, establish clear objectives, and affirm that their team is capable of achieving every one of them. Inspiring people to extraordinary levels will need all of these. "Leaders create a safe environment for employees to share ideas and disagree, consider new perspectives for problem-solving, be creative, and complete tasks," which fosters intellectual stimulation from employees. "Leaders should be relational, focussing on followers' development and personal growth, mentoring, and demonstrating genuine concern for employee needs" (Manning, 2019) is the notion behind personalised attention.

### **PURPOSE OF THE RESEARCH**

This paper investigates how corporate culture influences the accuracy of predictions in a Chinese company environment, with particular attention to the mediator function played by workers' opinions. More and more precise predictions define strategic planning and decision-making; so, companies must grasp the internal factors influencing the validity of forecasts. The culture of the company influences values, methods of communication, and decision-making process of personnel. These factors influence both their prediction accuracy and data understanding. Moreover, the employee's viewpoint is a major mediator in this interaction; their confidence in leadership, degree of involvement, and sense of shared purpose might affect their ability to participate appropriately in forecasting systems. By means of an examination of these interactions, this study seeks to provide understanding on how businesses should improve their cultural frameworks to increase prediction accuracy. Corporate leaders will find the findings helpful in building a trusting, information-sharing, strategically planned workplace that will result in more accurate and consistent projections.

### **LITERATURE REVIEW**

There are three parts to paternalistic leadership, and moral leadership is one of them. Exemplary personal qualities are defining characteristics of moral leaders.

Being a good example for others and not putting one's own needs first are two ideals that have great significance in Chinese culture. They are highly esteemed by the Chinese people, who look up to them as role models for how to properly handle power. In addition to its roots in Confucianism, this expectation stems from a desire to protect employees' welfare. Internal conceptions should be governed by moral rules and examples, according to Confucianism. This is due to the fact that punishment and regulation can only influence outward behaviours. "Rule by man" and nepotism persist in Chinese institutions despite the existence of institutional procedures to prevent them. The only option for followers who want to stay ahead of the curve is to trust that the people they follow are kind and genuine (Na-Nan, 2019).

Since both social reality and Confucian philosophy are at work, the Chinese people have a strong preference for leaders who are honest and upright. The personal morality of a leader is seen as one of the ways in which Chinese implicit leadership beliefs diverge from Western counterparts. As far as the Chinese people are concerned, this may provide the best explanation for why their ideal leaders should vary from Western leaders. People look up to leaders who show kindness and generosity as doing what's best for the community. A person's personal and professional lives are seen as intertwined in Chinese culture. Optimistic leaders care about their followers' professional growth and development; therefore, they guide them, protect them from shame, and provide them chances to fix their errors when they happen on the job. Regarding the non-work family sector, great leaders create an environment where followers are treated like family, and the ambiance is like a big family. A thorough degree of care for their followers is shown when they help their followers in the face of personal hardships. Those in positions of authority, according to Confucianism, should provide kindness and generosity to those in lower positions, while those in lower positions should remain submissive and faithful. Conversely, caring father figures are unusual in Chinese families, maybe because empathy makes authority seem weak and is hard to reconcile. Researchers in China are concerned that employees may look up to leaders who exude morality rather than compassion if they see an image of a less generous parent "transferred" to the workplace. When leading with an authoritarian style, one must constantly stress one's superiority and power over subordinates. A centralised control system and the presence of a father figure are hallmarks of authoritarian leadership. They would rather talk from on high and are unwilling to delegate. They persist in being vague about their goals, using misleading tactics, and fixated on presenting themselves in a strong light. According to their findings, these acts frighten and amaze followers at the same time. Although autocratic management styles used to be common in Chinese businesses, they seem to be losing ground recently. Most recent studies have shown that employees suffer under authoritarian leadership styles. This occurs when followers lose faith in their leaders due to their perception of those leaders as being unfair and harsh. However, research shows that when leadership and employee

views interact, trust and reciprocity mediate the relationship. Leadership traits like as charm, inspiration, and vision are valued and promoted in every culture that takes part in GLOBE. Specifically, similar to moral leaders, transformational leaders often tend to meet the moral demands of their followers. In turn, its adherents are urged to act more morally, put the group's needs before of their own, and use "more principled levels of judgement" (Nigussie, 2019).

## **RESEARCH QUESTIONS**

How does organizational culture impact the reliability of predictions in the Chinese organizational context?

## **RESEARCH METHODOLOGY**

### **RESEARCH DESIGN**

The quantitative data analysis was conducted using SPSS version 25. The odds ratio and 95% confidence interval were used to ascertain the strength and direction of the statistical link. The researchers developed a statistically significant criterion at  $p < 0.05$ . A descriptive analysis was performed to determine the key characteristics of the data. Quantitative approaches are often used to evaluate data obtained from surveys, polls, and questionnaires, as well as data modified by computational tools for statistical analysis.

### **SAMPLING**

The questionnaire had a preliminary test with 20 Chinese workers, and subsequently, a final sample of 492 worker was used to conduct the study. 600 questionnaires were sent to customers selected by random sampling. The researcher excluded 100 questionnaires that was not completed for the study.

### **DATA AND MEASUREMENT**

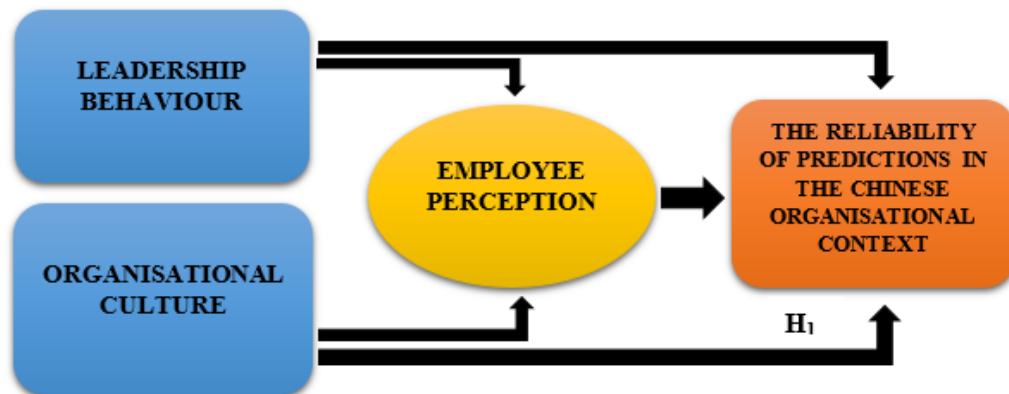
A questionnaire survey served as the principal tool for data gathering in the study. The survey had two sections: (A) General demographic information and (B) Responses on online and offline channel variables assessed using a 5-point Likert scale. Secondary data was obtained from many sources, mostly on internet databases.

### **STATISTICAL SOFTWARE**

The statistical analysis was conducted using SPSS 25 and MS-Excel.

### **STATISTICAL TOOLS**

To grasp the fundamental character of the data, descriptive analysis was used. The researcher is required to analyse the data using ANOVA.



## CONCEPTUAL FRAMEWORK

## RESULT

**Factor Analysis:** One typical use of Factor Analysis (FA) is to verify the existence of latent components in observable data. When there are not easily observable visual or diagnostic markers, it is common practice to utilise regression coefficients to produce ratings. In FA, models are essential for success. Finding mistakes, intrusions, and obvious connections are the aims of modelling. One way to assess datasets produced by multiple regression studies is with the use of the Kaiser-Meyer-Olkin (KMO) Test. They] verify that the model and sample variables are representative. According to the numbers, there is data duplication. When the proportions are less, the data is easier to understand. For KMO, the output is a number between zero and one. If the KMO value is between 0.8 and 1, then the sample size should be enough. These are the permissible boundaries, according to Kaiser: The following are the acceptance criteria set by Kaiser:

A pitiful 0.050 to 0.059, below average 0.60 to 0.69

Middle grades often fall within the range of 0.70-0.79.

With a quality point score ranging from 0.80 to 0.89.

They marvel at the range of 0.90 to 1.00.

Testing for KMO and Bartlett's: Sampling Adequacy Measured by Kaiser-Meyer-Olkin .936

The results of Bartlett's test of sphericity are as follows: approx. chi-square

df=190

sig.=.000

This establishes the validity of assertions made only for the purpose of sampling. To ensure the relevance of the correlation matrices, researchers used Bartlett's Test of Sphericity. Kaiser-Meyer-Olkin states that a result of 0.936 indicates that the sample is adequate. The p-value is 0.00, as per Bartlett's sphericity test. A favorable result from Bartlett's sphericity test indicates that the correlation matrix is not an identity matrix.

**Table 1: KMO and Bartlett's Test.**

<b>KMO and Bartlett's Test</b>		
<b>Kaiser-Meyer-Olkin Measure of Sampling Adequacy.</b>		.936
<b>Bartlett's Test of Sphericity</b>	<b>Approx. Chi-Square</b>	3252.968
	<b>df</b>	190
	<b>Sig.</b>	.000

This substantiates that assertions on the execution of a sample are valid. Researchers used Bartlett's Test of Sphericity to evaluate the importance of the correlation matrices. The Kaiser-Meyer-Olkin metric deems the sample satisfactory when the value is 0.936. The p-value obtained from Bartlett's sphericity test is 0.00. The statistically significant findings of Bartlett's sphericity test indicate that the correlation matrix differs from an identity matrix.

## Test For Hypothesis

### INDEPENDENT VARIABLE

**Organizational culture:** Employees' interactions with one another and their approach to work are influenced by the common values, beliefs, behaviours, and conventions that make up an organisation's culture. The term refers to the norms and dynamics that shape a company's culture without explicitly stating them. Organisational values such as honesty, creativity, cooperation, and customer service are the bedrock upon which the company is built. Communication methods, decision-making procedures, and dispute-resolution practices are all examples of norms and practices that govern how work is done. The stance adopted by leaders, which has a major impact on the culture. An example of a leadership style that might encourage open communication and teamwork is the participatory model. Things that people can see and touch, such as logos, workplace design, and rituals and ceremonies that uphold cultural norms. The degree to which an organization's culture reflects the beliefs and priorities of its members, which in turn affects the amount of dedication and enthusiasm that workers have for their work. Increased



employee happiness, retention, and performance may come from an organisation with a strong, positive culture; disengagement and high turnover might be the outcome of a poor culture. For this reason, success in the long run depends on fostering a positive organisational culture (Kampini, 2020).

## DEPENDENT VARIABLE

**Reliability of predictions in Chinese organisation:** There are a number of variables that could substantially affect the accuracy of forecasts made by Chinese businesses. Starting off, it's hard to make accurate long-term predictions for China's economy because of how quickly policies and technologies are changing the country's economic landscape. Companies often depend on past data and trends in the industry, but in a constantly changing landscape, they may become outdated very fast. The decision-making process may be impacted by cultural influences. Data collection and analysis might be skewed if employees are unable to freely interact with one another as a result of hierarchical systems. Prediction accuracy might be affected by risk aversion caused by over-reliance on consensus. Contrarily, a growing number of Chinese companies are improving their predictive skills with the use of big data and artificial intelligence. Companies are investing in machine learning and artificial intelligence because of its ability to sift through mountains of data and see trends and patterns that humans would miss. Accurate forecasting remains a difficulty, but Chinese firms are working to overcome it by enhancing their business processes and continuously integrating technology. Adapting to new surroundings and relying more on data has surely improved their ability to make accurate forecasts over time (Song & Zhang, 2022).

**Relation between Organizational culture and Reliability of predictions in Chinese organisation:** Forecasts' dependability is strongly influenced by organisational culture, which also influences staff understanding and data use, information flow, strategic decision-making, and transfer of knowledge. In a strong and well-defined culture, trust, collaboration, and a common aim might help to increase forecasting accuracy; even in this case, collectivist values and the hierarchical systems of Chinese companies could impede workplace dynamics. Better forecasts follow from a corporation helping its staff members to be more innovative, open, and honest with their information. Conversely, a too rigid or too open-ended culture of an organisation may compromise the accuracy of projections, lead to poor communication, lower employee engagement, and raise the uncertainty of decisions. In Chinese businesses, where leadership activities significantly affect corporate culture, workers' opinions on organisational values and leadership styles also influence their assurance in producing accurate forecasts. Well stated and followed expectations help workers to anticipate trends and improve the forward vision of the company (Tang & Gai, 2023).



On the basis of the above discussion, the researcher formulated the following hypothesis, which was analyse the relation between Organizational culture and Reliability of predictions in Chinese organisation.

**H<sub>01</sub>: There is no significant relation between Organizational culture and Reliability of predictions in Chinese organisation.**

**H<sub>1</sub>: There is a significant relation between Organizational culture and Reliability of predictions in Chinese organisation.**

**Table 2: H<sub>1</sub> ANOVA Test.**

ANOVA					
Sum					
	Sum of Squares	df	Mean Square	F	Sig.
<b>Between Groups</b>	39588.620	188	3698.517	1569.828	.000
<b>Within Groups</b>	492.770	311	2.356		
<b>Total</b>	40081.390	499			

This investigation yields remarkable results. The F value is 1569.828, attaining significance with a p-value of .000, which is below the .05 alpha threshold. This signifies the “**H<sub>1</sub>: There is a significant relation between Organizational culture and Reliability of predictions in Chinese organisation.**” is accepted and the null hypothesis is rejected.”

## DISCUSSION

The results demonstrate that leadership practices have a substantial impact on how subordinates see their bosses. Leaders may attract the trust and support of their teams by setting a good example themselves via openness, clarity, and encouragement. Key results of a trustworthy workplace include increased morale and engagement in corporate activities. The likelihood that workers will commit to and adhere to the organization’s predictions increases when they have faith in and regard for their leaders. Employees’ views of their workplace are also affected by the company’s culture. In a work environment that values and promotes teamwork, diversity of thought, and public acknowledgement, workers are more likely to pull together to accomplish common objectives. Because involved staff are more likely to provide helpful feedback and solutions, this harmony is critical for increasing forecast accuracy. Businesses should emphasise building a happy work environment to increase people’ perspective and predictive dependability, according to the research. Leadership behaviour and culture are not enough on their own due to the mediating function of employee perception. Thinking about the interplay between these components would be the more appropriate strategy. To prove a point, if workers don’t feel appreciated or engaged, not even the most competent leadership can provide accurate estimates. That being said, if leadership isn’t actively involved

with workers, no amount of friendly culture will be effective in countering this. Findings from this research have important practical implications for leadership development programs, as they point to the need of including communication and involvement into such programs. Further, businesses should put money into programs that fortify company culture and make sure it lines up with future goals. Potentially interesting future findings could emerge from studies investigating the elements that impact employees' views of their supervisor and the accuracy of their predictions. Looking at these relationships across different sectors and sizes of Chinese companies could help us understand how contextual variables impact these dynamics more nuancedly.

## **CONCLUSION**

The major objective of this study was to determine the effects of corporate culture on worker productivity. Researchers were only able to speak with the chief executive officer and two IT staff members due to budget and time limitations. Because the sample was so tiny, some details may have been overlooked. There wasn't enough time for follow-up questions, and the interview questions didn't go deeply enough into the company's culture. In this section, the researchers laid forth the bigger picture of globalisation that inspired the main research topic. The philosophical and literary underpinnings of this matter need both theoretical and practical validation. Determine the overall framework and format of this thesis. Topic, aims, questions, technique, projected contributions and limitations, scope, significance, and research challenge are covered in the sections that follow an examination of dedication. In order to evaluate the study's credibility, the researchers read the section on research methods. You can find every detail. A synopsis of the research methods used by this study is provided below. The article discusses new studies that explain how trust and connections might moderate an impact.

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