ANALYSING THE MEDIATING EFFECT OF EMPLOYEE PERCEPTION ON THE IMPACT OF LEADERSHIP BEHAVIOUR AND ORGANISATIONAL CULTURE ON PREDICTION RELIABILITY IN THE CHINESE ORGANISATIONAL CONTEXT.

Liu Shuo, Dhakir Abbas Ali

[1] Lincoln University College, Petaling Jaya, Malaysia.

ABSTRACT

Success and survival in the fast-paced business environment of China depend on an awareness of the relationships among leadership style, company culture, and prediction accuracy. This paper aims to evaluate, in Chinese businesses, the mediating influence of employee perception on the interaction of organisational culture, leadership behaviour, and forecast dependability. Combining concepts from management science and organisational psychology, this study addresses the question of how cultural traits and leadership styles influence workers' emotional and cognitive impressions and thus, their capacity to make relevant predictions and judgements. This research used a quantitative methods approach to distinguish important cultural and behavioural factors influencing or negating the dependability of predictions. Interviews for managers and staff from several sectors is quantitative. The results show that transformational leadership greatly affects employee viewpoint compared to transactional leadership, hence improving prediction accuracy. Projective accuracy is significantly influenced by leadership style and cultural elements. The realistic suggestions of the research for legislators and business leaders try to improve organisational performance by means of improved employee perception and its usage in guiding decisions. These results might direct further studies on cross-cultural management and the accuracy of predictions in developing nations. This study defines the many goals of workers' perceptions as a connection between macro-level organisational dynamics and micro-level decision-making accuracy, thereby complementing the increasing corpus of research on leadership, organisational behaviour, and emotional intelligence. Not just those in China, but any business functioning in a culturally comparable environment might benefit from the knowledge learnt here.

Keywords: Leadership Behaviour, Organizational Culture, Employee Perception, Prediction Reliability, Chinese Organizations.

INTRODUCTION

An early focus in leadership literature was on leaders and the ways in which their personalities, actions, and persuasive strategies impacted the values and habits of their followers. There has been a slow but steady trickle of research on followers. Those who hold this view contend that followers engage in more than simply behavioural mimicry of their leaders. To the contrary, they are very necessary for leaders to form effective alliances. What kind of leadership style develops and how successful it is influenced by the followers. Implicit leadership theories suggest that learning followers' preferred leadership styles could help us comprehend leadership from their point of view. What followers think an ideal leader should be like is shown by these options. The actions of a leader are considered by others who follow them in relation to the leadership style they want to have. It is more probable that people will see a future leader for what they really are when they demonstrate their ideal leadership style (Gelfand et al., 2021).

How well an employee's desired and real supervisor's leadership styles mesh may have far-reaching consequences. Positivity in leader-follower relationships is associated with employee health, work satisfaction, and organisational loyalty. Employees, on the other hand, aren't satisfied with their jobs when the results of leadership aren't what they were hoping for. If they wish to be effective leaders, they must understand their followers' preferences and adjust their approach appropriately. In developing nations like China, however, workers' choices in leadership styles have received shockingly little systematic consideration. Western and Eastern ideas have found a home in China's management style. When thinking about leadership, it's the same. Many Chinese businesses still adhere to the outdated model of paternalistic leadership. In contrast, transformational leadership which has received a lot of praise from academics in the West is also widespread in China. It would be wise for managers both abroad and at home to poll their Chinese employees on the preferred method of leadership so that they may "transplant" or "localise" their practices appropriately. Thanks to the broader view it offered, this was also conceptually useful for studies of multicultural leadership and followership. China a company's culture is its set of ingrained values and norms, as well as the workers' personal convictions and attitudes towards their work and the company as a whole. China to achieve the goals of the organisation, managers often change their leadership style, which might impact how satisfied employees are with their work. Accordingly, it is essential to comprehend the interplay between leadership behaviours, organisational culture, and contentment in one's job (Na-Nan, 2019).

BACKGROUND OF THE STUDY

The impact that transformational leaders may have on their organisations is well-known. They were the first in the field of political science to propose the idea of transformative leadership. After this, they looked at the many models of organisations that apply transformational leadership. A leader practicing "transformational leadership" inspires their followers to think beyond the box, lays

out specific plans for the group's future, communicates those plans clearly, holds them to high standards of performance, and creates a safe space where everyone can share their ideas. Leaders that use transformational administration inspire their employees to exceed expectations in order to achieve organisational objectives. Leadership with a significant influence, such as transformational leadership, is able to adapt to the challenges of global competitiveness while simultaneously increasing workplace engagement, morale, and productivity. In addition, traits and actions are both part of transformational leadership; it is a component of idealised power and the change. The development of transformational communication skills is crucial to this strategy because it paints leaders in a good light, showing them as exemplary figures who inspire their subordinates and help the team work together more effectively. In an organisation undergoing transformation, a transformational leader can enhance morale, performance, and motivation by guiding subordinates to shift their focus from self-interest to collective interest, maximising their strengths while minimising their weaknesses, and ultimately achieving outstanding results. Regardless, a transformative leader is responsible for more than simply motivating their people. Maintaining employee trust and support, overcoming obstacles, and cultivating an environment that encourages creativity are all necessary for success. There are four key components of transformational leadership: challenging one's mind, inspiring one's followers, exerting one's idealised influence, and providing individualised care. Also discussed is the ability to inspire others to do their best job and finish the tasks at hand. All of these characteristics define the behaviour of transformative leaders in corporate settings. Idealised influential leaders are those who inspire others to do the same, demonstrate unwavering commitment to objectives, champion a compelling vision, and communicate the significance of the organization's values, purpose, and mission. Leaders may inspire their teams to greatness by painting a positive picture of the future, outlining specific goals for the team to achieve, and praising workers when they go above and beyond. They need each and every one of them to have amazing motivation. "Leaders create a safe environment for employees to share ideas and disagree, consider new perspectives for problem-solving, be creative, and complete tasks," which helps to stimulate employees' minds. The idea of individualised attention states that "leaders should be relational, focussing on followers' development and personal growth, mentoring, and demonstrating genuine concern for employee needs" (Qin, 2021).

PURPOSE OF THE RESEARCH

This paper aims to investigate the mediating role of employee perspective in the interaction between the organisational culture and the dependability of forecasts in the Chinese organisational environment. Strategic decision-making relies on accurate forecasting more and more; hence companies have to know the internal factors influencing the dependability of their predictions. Although they are basic elements of workplace dynamics, less research has been done on how organisational culture and leadership style affect prediction accuracy. This is particularly pertinent

considering China's unique economic predicament. In this research, we investigate workers' opinions of the forecasting techniques, openness to idea sharing, and accuracy of their predictions with regard to cultural characteristics like collectivism, hierarchy, and innovation orientation. Moreover, it explores how leadership style and corporate culture combine to influence employees' cognitive and emotional responses, therefore influencing the reliability of forecasts. This article presents sensible suggestions for legislators and corporate executives to create a culture enhancing employee involvement, analytical capacity, and quality of decision-making. By means of a quantitative method taken, it offers theoretical understanding of the psychological and behavioural traits of prediction accuracy. The findings present a more complex picture of the accuracy of forecasts in Chinese companies, therefore enhancing the more general discussion on strategic decision-making, organisational behaviour, and leadership.

LITERATURE REVIEW

Among the three tenets of paternalistic leadership, moral leadership emphasises setting a good example for subordinates. Selflessness and becoming an exemplary role model are two prominent principles in Chinese culture. The Chinese people hold their leaders in high esteem, and they hope that they will demonstrate restraint in the use of power. This expectation is rooted in the Confucian heritage and the need to ensure the wellbeing of workers. Since laws and penalties can only govern external behaviour, Confucianism maintains that internal thoughts should be governed by moral principles and examples. Despite the development of legal frameworks, "rule by man" and nepotism continue to be prevalent in Chinese institutions. Therefore, in order to remain competitive, followers can only pray that their leaders are decent individuals. Both Confucian theory and social reality dictate that Chinese employees greatly value leaders who are honest and upright (Meng & Berger, 2019).

When compared to Western models, the study of implicit leadership theories in China highlights the importance of a leader's personal morals. This is the most compelling explanation for why the Chinese people have such different ideas about what made a good leader. It is believed that leaders behave in a beneficent way when they demonstrate acts of compassion and giving. China encompasses one's professional and personal life. Good leaders are concerned about their followers' development as professionals and do everything they can to help them succeed, including providing advice, shielding them from criticism, and offering second chances when they mess up. Effective leaders in the non-work family sector create an atmosphere like a big family by treating their followers like family. By assisting their followers in overcoming individual obstacles, they exhibit a profound concern for their welfare. According to Confucian teachings, superiors should be nice and giving to subordinates, while subordinates should be subservient and loyal. Perhaps because compassion undermines authority and is difficult to reconcile with, loving

dads are uncommon in Chinese households. As a result of having a less giving father figure "transferred" to the workplace, the researchers believe that morality, not friendliness, was seen the ideal leadership quality for Chinese employees. When leading with an authoritarian manner, one must constantly stress one's superiority over one's subordinates. Authoritarian leadership is characterised by a father figure and concentrated power. They want to speak from on high and are averse to delegating. They concentrate on projecting an aggressive image, use deceptive tactics, and their objectives remain nebulous. They discovered that these actions both astonish and alarm the followers. It seems that authoritarian leadership styles are becoming less popular in Chinese enterprises, notwithstanding their former prevalence. Authoritarian leadership styles are detrimental to workers, according to a plethora of recent research. This is due to the fact that followers lose trust in their leaders when they see them as harsh and unjust. Conversely, the connection between leadership and employee attitudes is mediated by reciprocity and trust. Every culture represented in the GLOBE program values leaders who are charismatic, motivating, and visionary. Even more specifically, similar to moral leaders, transformational leaders often respond to the moral needs of their followers. Its followers are urged to prioritise the group's welfare above their own, demonstrate more morality, and exercise "more principled levels of judgement" (Lai et al., 2020).

RESEARCH QUESTIONS

How does leadership behaviour 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.
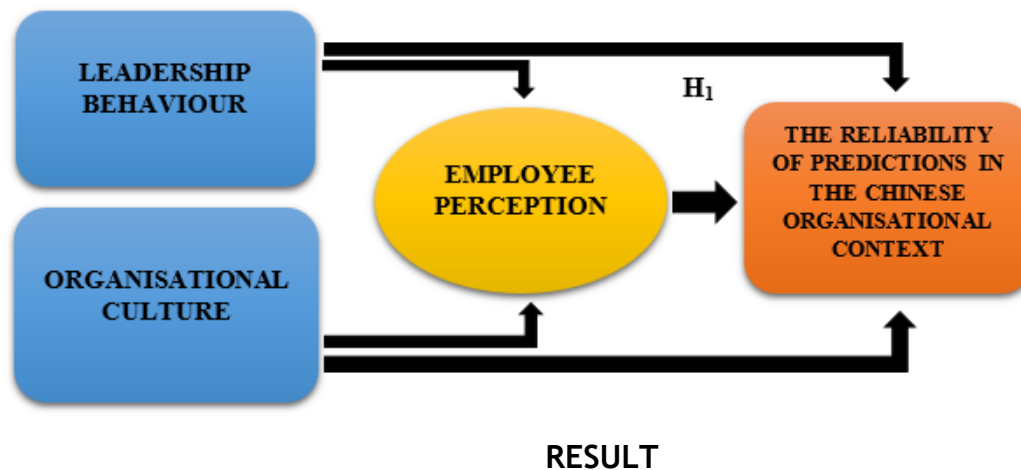
STATISTICAL SOFTWARE

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.

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

Leadership behaviour: Leading includes inspiring, guiding, and controlling the actions, attitudes, and decision-making methods of your team or company towards your objectives. It looks at problems in performance management, budget, decision-making, and communication. Among the many leadership philosophies there are those of transactional, democratic, authoritarian, laissez-faire ones.

Transformational leaders inspire their subordinates to reach their best, therefore fostering success and creativity throughout time. They also underline for every worker the requirement of personal development. Conversely, transactional leadership is more under control as it depends on incentives and punishments to inspire individuals to follow rules and perform at their best. Leaders address problems and guide their subordinates depending on industry standards, organisational culture, and leadership style. Confucian ideas on communication, employee relationships, and decision-making have greatly influenced Chinese corporate leadership which now promotes hierarchy, respect, and collectivism by helping to mould it. Flexibility in reaction to changing business norms, increasing organisational needs, and outside events distinguishes good leadership. Usually speaking, executives assess a company's success in relation to strategic goal execution, organisational effectiveness, and employee participation (Yukl, 2024).

DEPENDENT VARIABLE

Reliability of predictions in Chinese organisation: The reliability of predictions produced by Chinese companies could be significantly impacted by a multitude of factors. To begin, the rapid pace at which policies and technology are altering China's economic environment makes it difficult to produce reliable long-term forecasts for the country's economy. In an ever-evolving market, companies typically rely on historical data and industry trends, which may quickly become irrelevant. Cultural factors could affect how decisions are made. Organisational structures that restrict workers' ability to freely communicate with one another run the risk of introducing bias into data gathering and analysis. Risk aversion due to an excessive dependence on consensus could impact the accuracy of predictions. On the other hand, huge data and AI are helping an increasing number of Chinese businesses become better forecasters. Machine learning and AI are attracting investment from companies due to their superior data-sifting capabilities compared to humans. Although improving business procedures and continually integrating technology is a challenge, Chinese enterprises are striving to overcome it in order to achieve accurate forecasts. With time and increased data reliance, they have undoubtedly become more adept at making precise predictions (Song et al., 2022).

Relation between Leadership behaviour and Reliability of predictions in Chinese organisation: Leadership style influences the accuracy of forecasts in Chinese companies; thus, it influences organisational culture, employee opinions, and decision-making process. A characteristic of strong leadership is inspiring others to freely express their ideas, do honest fact-based analysis, and help to provide accurate forecasts. Transformational leaders—who highly value vision, innovation, and staff development—are able to make more exact forecasts because they support honest and open communication and the sharing of knowledge. Conversely, transactional leaders could give rules, incentives, and performance monitoring top priority. While this kind of leadership may aid with short-term planning, it might

restrict immediate issue fixing capability. By stressing the value of hierarchy, respect, and collectivism, Confucian ideas help Chinese business executives to shape their behaviour. This may affect the development and implementation of expected findings. By designing a workplace that is both psychologically pleasant and actively motivates staff members to review their own preconceptions, leaders decrease biases and improve forecast accuracy. Very powerful leaders face the risk of suppressing individuals who disagree with them; top management may rely more on intuition than on facts. Moreover, the faith of workers in prediction models depends on the attitude of leaders; ethical and honest leaders assist to establish confidence in the procedures of decision-making. The degree of accuracy of Chinese firm leaders' forecasts depends much on their behaviour. More accurate forecasts are made possible by strategic, inclusive, flexible leadership. Forecasts therefore lose credibility if leaders are excessively centralised or rigid (Liu & Ali, 2025).

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

H_{01}: There is no significant relation between leadership behaviour and Reliability of predictions in Chinese organisation.

H_1: There is a significant relation between leadership behaviour and Reliability of predictions in Chinese organisation.

Table 2: H_1 ANOVA Test.

ANOVA					
Sum					
	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	39588.620	188	3698.517	1569.828	.000
Within Groups	492.770	311	2.356		
Total	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_1: **There is a significant relation between leadership behaviour and Reliability of predictions in Chinese organisation**" is accepted and the null hypothesis is rejected.

DISCUSSION

Leadership behaviours significantly affect employees' perceptions of their superiors, as shown by the findings. When leaders are transparent, clear, and encouraging, they provide a good example for their teams to follow. This leads to more confidence and buy-in from the team. In order to raise morale and encourage participation in corporate endeavours, trust must be built. Workers are more inclined to accept and

commit to organisational projections when they have trust in and see their leaders as competent. Workers' perceptions of their company are shaped, in large part, by its culture. Employees are more inclined to pull together to achieve a shared goal in a workplace that encourages and celebrates individual contributions as well as group efforts. This harmony is essential for improving prediction accuracy since invested personnel are more likely to provide beneficial criticism and solutions. The findings suggest that in order to boost workers' perspective and predictive reliability; businesses should prioritise creating a positive work environment. The mediating role of employee perception renders leadership conduct and culture insufficient in isolation. Their focus should instead be on how these elements interact with one another. For example, even the most capable leadership will fail to provide reliable predictions if employees do not feel valued or invested in the company. To counter this, no amount of amiable culture will succeed if leadership isn't hands-on with employees. The study's results are crucial for practitioners because they suggest that leadership training programs should emphasise methods that include communication and participation. Companies should also invest in initiatives that strengthen company culture and ensure it supports the company's long-term objectives. Research into the factors that influence workers' perceptions of their boss and the reliability of their forecasts might provide intriguing results in the future. By studying these connections across different industries and sizes of Chinese organisations, a more nuanced picture of the role of contextual elements in shaping these dynamics may become apparent.

CONCLUSION

This paper emphasises Chinese leadership style as well as the link between the prediction accuracy and business culture. This approach primarily depends on the staff members' mediation capability. The findings expose that management activities significantly affect worker involvement in forecasting techniques. Transformational leadership which advances honest communication, trust, and critical thinking is associated with better prediction accuracy. Should companies with strict hierarchies restrict employees' ability to voice their opinions, evaluations may depend more on gut emotions than on objective facts. The corporate culture of the company highlights these achievements. While cultures that give framework rigidity high importance may yield less accurate forecasts, those that value innovation and adaptability encourage proactive problem-solving and information flow. Psychological safety, confidence in leadership, and engagement greatly affect employee views of their business and expected performance. If Chinese companies used techniques to produce more accurate projections, then strategic decision-making and general performance would benefit leadership, culture, and employee attitude. The results validate how culture and leadership influence forecasting capacity, thereby complementing the present studies on organisational behaviour, leadership, and decision-making. Future studies might investigate many

organisational environments and industry-specific innovations to see how new technology influence the dependability of projections.

REFERENCES

1. Gelfand M.J., Jackson J.C., Pan X., Nau D., Pieper D., Denison E., Dagher M., Van Lange P.A., Chiu C.Y., Wang M. The relationship between cultural tightness–looseness and COVID-19 cases and deaths: A global analysis. Lancet Planet. Health. 2021;5: e135–e144.
2. Na-Nan, K., Chaiprasit, K. and Pukkeeree, P. (2019) 'Factor analysis-validated comprehensive employee job performance scale', International Journal of Quality & Reliability Management, 35(10), pp. 2436-2449.
3. Qin X., Yam K.C., Chen C., Li W., Dong X. Talking about COVID-19 is positively associated with team cultural tightness: Implications for team deviance and creativity. J. Appl. Psychol. 2021; 106:530–541.
4. Meng J., Berger B.K. The impact of organizational culture and leadership performance on PR professionals' job satisfaction: Testing the joint mediating effects of engagement and trust. 2019.
5. Lai F.Y., Tang H.C., Lu S.C., Lee Y.C., Lin C.C. Transformational leadership and job performance: The mediating role of work engagement. Sage Open. 2020; 10:1–11.
6. Yukl, G. (2024). Effective Leadership Behavior: What We Know and What Questions Need More Attention. Journal of Management Studies, 61(3), 567–593.
7. Liu, S., & Ali, D. A. (2025). In the Chinese organisational context, invest in the mediating role of employee perception in the effects of leadership behaviour and organisational culture on the reliability of predictions. International Journal of Management and Informatics, 27(1).
8. Song, M., Fu, X., Wang, S., Du, Z., & Zhang, Y. (2022). Predicting organization performance changes: A sequential data-based framework. Frontiers in Psychology, 13, 899466.