

Evaluating Managerial Impact on the Success of Agricultural Enterprises for Sustainable Growth

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Abstract: The success of the company is created primarily by managers. To achieve prosperity, profit, and development, it is necessary for everyone to show a great deal of effort and use it to achieve the set goals. For the best cooperation between employees, a key element is needed, and that is the manager. The manager is the one who gives the company the right direction, sets goals, controls, and makes decisions. The article aims to evaluate managerial impact on the success of agricultural enterprises for sustainable growth and to evaluate the personality of the manager in the selected agricultural enterprise by compares of realized researches in the world and case study from the Slovakia. The point of running a successful agricultural business is to do things for people and with people. Only with such cooperation, support, communication, regular information, and acceptance of individual actors is it possible to create a successful agricultural enterprise on the market.

Keywords: innovation, managerial impact, personality, human resource management, ESG

JEL Classification: G32, G33, C35

1 Introduction

Managers typically exhibit a distinctive personality profile that sets them apart from non-managers. Lounsbury et al. highlight that traits such as extraversion and conscientiousness are prevalent among effective managers, aligning with workplace competencies essential for managerial roles (Lounsbury et al., 2016). These traits not only enhance interpersonal interactions but also contribute to a manager's ability to foster a supportive work environment, which is crucial for promoting employee creativity and innovation (Jong & Hartog, 2007). Moreover, the relationship between personality traits and leadership styles is further elucidated by the findings of various studies. For example, conscientiousness has been shown to predict both democratic and bureaucratic leadership styles, suggesting that managers who are organized and responsible tend to adopt more structured approaches to leadership (Naz, 2022). Besides financial styles, other individual characteristics of managers, including gender, age, experience, and qualification, also play a vital role in distinguishing one manager from another. (I. Naz, 2024), Lotfi et al. found a significant relationship between personality type and performance, emphasizing the importance of aligning leadership styles with the personality traits of team members to optimize performance outcomes (Lotfi et al., 2023). Additionally, the ethical dimensions of leadership are also influenced by personality traits, where conscientiousness and agreeableness are particularly relevant for ethical leader behaviors (Kalshoven et al., 2010). Similarly, research by Hassan et al. supports the notion that personality traits are associated with different leadership styles, which in turn affect a leader's effectiveness (Hassan et al., 2016). Managers play a pivotal role in establishing frameworks that facilitate knowledge transfer and utilization, thereby enhancing the organization's responsiveness and efficiency (Bahrami et al., 2013).

2 Methods

The main goal of the scientific paper to evaluate managerial impact on the success of agricultural enterprises for sustainable growth and to evaluate the personality of the manager in the selected agricultural enterprise by compares of realized researches in the world and case study from the Slovakia. For this purpose, research was carried out in selected agricultural companies from Slovakia with a general director and sales at least 6 millions. In the research paper where applied following methods: management style method, interview, the motivation table method, questionnaire. Management Style method, which among diagnostic methods. It focuses primarily on the way of thinking, choosing the

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path to solving the problem. The main goals of this method are to determine various personality characteristics such as dominance, empathy, independence, organizational skills, communication skills, the ability to manage a team, focus on career progression and, last but not least, to derive a preferred management style. (Evangelu, 2009). Interview, which was performed with head of agricultural enterprise. The "motivation table" method was originally created from a simple children's game, during which it was discovered that people who tend to give similar answers have similar personality types. The method can be used by all individuals with different professional experiences. Using this method, we monitor many characteristics such as openness to new things, creativity, dominance, different types of thinking, empathy, planning, decision-making, independence, communication, etc. In the second part of the evaluation, we focus on the lexicological part of the task, that is, on the words written in the table. We group them on the basis of similarity and derive from them the given characteristics of the observed person. (Evangelu, 2009) Last used method was questionnaire. It is one of the most widespread methods of marketing research. We consider its evaluation to be a relatively quick acquisition of information from a wide range of respondents. Questionnaire was created with 21 closed questions focused on employee satisfaction with the manager. Time schedule of the research was carried out in March – June, 2024 and 29 managers were involved into research from selected agricultural company.

3 Research results

Managerial influence on organizational performance is significant and multifaceted. Research argues that senior and middle level managers contribute largely to the overall performance of an enterprise with their individual characteristics and the competitive rivalry between different managers of a given enterprise (Peeters et al., 2015). To maximize managerial influence, an organization should strive to develop key skills and to implement a value-based approach to performance management that aligns with organizational goals and participates in improving employee and organizational performance (Reeshi, 2023). Manager's leadership styles and experiences have a significant impact on employee performance, job satisfaction and organizational success. Several studies demonstrate the positive effects of effective leadership on various aspects of a company's employees and economic performance. Several researches have shown that different leadership styles affect employee performance and productivity. For democratic and transformational leadership styles, it has been found that there are demonstrable positive relationships between employee and effectiveness. (Ajayi, 2020). Among other things, trans-formational leadership has been shown to stimulate creativity and innovative behavior in employees (Anwer & Hyder, 2024). It is believed that managers who adopt these leadership styles will foster a positive work environment and improve the overall performance of the organization. However, the impact of people leadership on job quality is assessed differently by authors. (Ajayi, 2020) reported a positive relationship between autocratic leadership and employee job quality, while (Soetjipto et al., 2021) found no significant impact of transformational leadership on job satisfaction or work ethic. Hence, we can conclude that the effectiveness of leadership styles may vary depending on organizational context and culture. Effective leaders who prioritize employee well-being, provide a clear vision, and promote a positive organizational culture according to (Buys et al., 2016; Kustiawan et al., 2022) will achieve higher levels of job satisfaction, employee engagement, and productivity.

The overall success of farms depends on a combination of various factors such as leadership styles, manager's personality, personnel management and strategic alignment of internal and external factors. Important challenges of contemporary agriculture include access to finance, technology adoption, and workforce development, is key-important for fostering agricultural innovation and rural economic growth (Herissuparman et al., 2024). The success of agricultural enterprises is strongly influenced by managerial characteristics and their approach to work. Research argues that the age and education of managers are among the critical roles in farm performance. Younger managers have the prospect of achieving greater success. We consider education as another aspect of success. Managers with university and primary education seem to be more motivated than those with secondary education (Negrão, 2020).

Managerial skills and abilities are key in the success and sustainable growth of agricultural enterprises. Effective management of agricultural operations requires a combination of technical, conceptual and interpersonal skills (Desai et al., 2024). These skills are divided into: planning and decision making, organizational, leadership, communication and interpersonal skills, financial management, problem solving and analytical skills (Desai et al., 2024). The importance of management skills on agricultural enterprises is significant especially in creating sustainable business models. Economic aspects ranging from optimization of production processes, through cost management to market trend analysis rank among the key components of sustainable agricultural business models (Kyfyak et al., 2024). Shen argues that the human factor has a significant positive impact on sustainable business growth (Shen et al., 2021). This brings about the implementation of innovative technologies, diversification of production, optimization of resource use, development of local markets, improvement of risk management and promotion of social development in local communities (Kyfyak et al., 2024). It is

also essential for farm management to adopt a holistic approach that links economic, social and environmental objectives together with risk management, innovation promotion, employee engagement and strategic partnerships (Nemashkalo et al., 2024). With the management skills, farmers can better navigate the challenging industry, optimize resource use and foster innovation, contributing to the growth and sustainability of the agricultural sector (Desai et al., 2024).

Various factors influence the success of farm businesses, including management, knowledge, organisational learning and innovative strategies. In Spain, a successful model of organizational learning has emerged in organic farming, where 25 years of experience has created prosperity and sustainable development (Rios, 2017). Thanks to this integration of the knowledge of experienced farmers with techno-scientists, we can talk about the modernization of the countryside. The success of farms also depends to a high degree on effective personnel management. Aspects of management can be categorized into technical and technological, internal and external groups, each requiring specific management strategies (Kvasha et al., 2020). Agricultural enterprises in Slovakia are increasingly adopting modern logistics trends and innovations to increase their success. The majority (71.6%) of respondents strongly agree with the use of logistics technologies, yet cost remains a significant factor in implementation decisions (Dupal' et al., 2019). Lean logistics is currently the most frequently implemented logistics innovation (Szabo et al., 2021), and there is a growing interest in smart technologies and inventory management innovations. Special attention must be paid to waste management since animal production is often criticized for the negative consequences resulting from its activities, which have a negative impact on climate change. (Kapsdorferová, 2023)

Case Study of Slovak Republic

Based on the literature review, the individual approaches using the methods presented in the methods chapter were applied to investigate in a selected agricultural cooperative in Slovakia.

As part of the Motivation Table method, we presented the team managers with a blank paper and pencil with an assignment to draw a table with 10x10 boxes. They then wrote arbitrary occupations in the first column of each row and the qualities they valued about them in the others. Depending on how the table was drawn and the traits assigned, we determined the personal-trait characteristics of the managers. On the basis of the promptness of work, quick elaboration, we consider most of them as managers open to new ideas and able to adapt very quickly. These qualities are very important for a manager's work in terms of various unexpected situations and their quick resolution. The openness to innovation of the company helps them to implement the latest knowledge in the field. Since the managers under study created their spreadsheet continuously, they are very creative and have no problem with improvisation. The spreadsheet looks neat in the final impression, which shows their consistency and ability to plan. The second phase of the method was lexical and focused on specific characteristics. Based on these, we can infer the characteristics of the managers. The most important characteristics are: honesty, reliability, empathy, goal-orientedness, creativity, communicativeness, education, diligence.

Another research method was the management style method. In this method, managers were presented with model situations and based on their reactions we can infer which management style they are most inclined to.

After presenting 5 model situations to the managers of the cooperative, we analyzed their responses and entered them into a table constructed according to the following criteria: highly helpful behavior, lowly helpful behavior, highly dominant behavior, lowly dominant behavior, introponutive behavior (looks for the blame for failure in oneself), extroponutive behavior (looks for the blame for failure in others), imponutive behavior (looks for the fault in unfavorable circumstances). The rating of the manager's behaviour will be from 1 - 5, where 1 represents the lowest and 5 the highest level of the behaviour.

Tab. 1 Summarized results of managers evaluation (average)

The way the manager behaves	1. situation	2. situation	3. situation	4. situation	5. situation	In total
Highly helpful behavior	4	2	1	5	1	2,6
Little helpful behavior	2	4	4	1	5	3,2
Highly dominant behavior	4	5	5	3	5	4,4
Low dominant behavior	1	1	1	2	1	1,2
Introponutive behavior	1	1	1	1	1	1
Extropunitive behavior	3	4	5	3	4	3,8
Impulsive behavior	3	2	1	4	2	2,4

Source: own processing

Based on the analysis of the results, we can conclude that the monitored managers exhibits the most dominant behavior, which reached the value. This underlines his preferred management style, which most of them stated in the interview - an authoritative management style. The lowest value was achieved by a few dominant behaviors that should not occur in top management. It could be characteristic of more benevolent management styles than a liberal management style, leading a "gardener's association" and so on.

Highly helpful behavior scored 2.6 and low helpful 3.2, representing very similar values. Based on them, we conclude that the observed manager cares about the fulfillment of the set goals, but in some cases he also cares about the well-being of his employees, especially those who have gained trust and respect over a longer period of time. We can also observe certain signs of a democratic management style.

The third area of observed behavior was attribution of blame, it is transferred to the persons directly responsible for the subsequent elimination of subsequent steps to eliminate the consequences of the consequences as a result of the situations that have arisen.

Discussion

According to Peeters (2015), the influence of a manager on the performance of a company is undeniable. Based on this, we have derived certain personality characteristics and behavioral patterns of managers, which tend to predict the prosperity of a company, through our research. From the point of view of leadership, the ideal management style seems to be democratic. This statement is also supported by Ajayi (2020), according to whom there are positive relational forces between employees in the case of democratic leadership. The observed managers have skills such as planning, decision-making. According to Desai (2024), these are key management skills for effective management of agricultural enterprises.

4 Conclusions

A manager is faced with various variables daily that greatly affect the results of his work. He bears great responsibility for his decisions. What makes a successful manager is not only the knowledge, but also the experience that he or she accumulates throughout his or her life. The aim of research was to evaluate managerial impact on the success of agricultural enterprises for sustainable growth and to evaluate the personality of the manager in the selected agricultural enterprise by compares of realized researches in the world and case study from the Slovakia. This research evaluates the impact of managers on the success and economic growth of agricultural enterprises. Managers play a key role in managing the business by using their personality traits, leadership styles and skills. Effective managers are characterized by qualities such as extraversion and conscientiousness, which contribute to creating a conducive work environment and fostering innovation. In the case study in Slovakia, different methods were used to assess the impact of managers on growth in an agricultural cooperative: management style methods, interviews, motivational table methods and questionnaires. The results highlight the importance of managerial characteristics such as openness to new ideas, creativity, consistency and

planning ability. Based on research, we can consider the key managerial qualities that indirectly contribute to positive economic results in small and medium-sized enterprises to be the predominance of a democratic management style, excellent level of communication with employees, B2B, B2C. Other preferred qualities include dominant behavior in cooperation with highly helpful behavior. The study also highlights the importance of innovation to enhance the competitiveness of agro-farming enterprises.

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