THE FIRST 180 DAYS FOR A NEW LEADER IN THE COMPANY—THE CASE STUDY: TIRES AND RUBBER PRODUCTS COMPANY IN THE REPUBLIC OF SERBIA

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Abstract—Studying the company’s new chairman and its associates’ management, in its first 180 days, doesn’t imply its chronological order but the development of understanding the value of influence social forces have on company. By examining company’s history and strategic consulting, we define the clear way in realizing strategic thinking, perceiving its purpose and enhancing the conceptual skills.

At the company’s first meeting the chairman and associates should, with any necessary consulting, determine how social, political and economic forces can affect an organization and its practical management (Daft, 2010; Wren & Bedeian, 2009).

Keywords—the new leader, company, production, associates and followers, The Republic of Serbia

I. THE INTRODUCTION

Social forces reflect the aspects of culture which influence on forging bonds between people. New associates’ leadership must assess what is valuable to employees (regular wage and the amount of one, job security or any other factor.). What are standard indicators among employees (regular appearing at job place, the quality of performing, group solidarity, loyalty to the company, common culture and values, self-initiative, team work, self-analysis etc.) These forces form what is well-known as social response which refers to common unwritten rules and understanding of relationships among employees as well as those who manage the company.

Vital, but underestimated social forces, nowadays are the symbol of change in opinion, ideas and values of the generation Y employees (occasionally called Nexters, Millenials, Nintendo Generation). These young workers are the most educated generation in the history of every country in the world, brought up as the technologically skilful and globally aware.

In difference to many workers in past, they don’t hesitate asking questions to their supervised and don’t come to terms with quo status. They demand the work environment, which offers, at the same time, challenge and support, along with the use of modern technology. It brings new possibilities for further development and training, by improving its leader skills, so that they can fast their career forward, as well as personal aims and power to take part in crucial changes in corporation. Besides that, generation Y demands for additional, wider focus on work (life balance and stability, which reflects trends like communication, gain speed, labour division, financial support of organized holiday and other company’s celebrations, joint celebration, family gathering, joint training and acquiring of new knowledge, visiting other companies, fairs, conferences, congresses, etc.)

The generation of Nexters includes born after 1980 until early 2000. They should be carefully watched over by company’s management (Daft, 2010; Armour, 2005). Political forces imply the influence on the political and legal institutions, people and the company. Political forces refer to primary assumptions, on which political systems foundation lays on. Assumptions are based on a wish for essential inclusion in the process of management (syndicates in Serbia), property right (stakeholders banks, stockholder and creditor) contractual rights (customers, suppliers, consultants, lawyers). Defining justice (the relation between chief executive and his cooperatives on one side and employees on the other) and clarifying whether you are innocent or guilty when committing a crime (each employee and wider social-political community,) the conditions are supposed to be provided for uninterrupted work in the company.

An attempt of creating capitalism in every political power level in the whole world had created deep and permanent consequences, the loss of perspective of the free market as the dominant feature of capitalism and the decrease of interdependence among countries thanks to keeping one-sided political domination. Big changes are inducing new challenges for leaders and managers, especially in small countries, and demanding long-turn process of learning and adapting to upcoming rotations.
Economic forces refer to accessibility, production and distribution of the resources in the society. Every company, regardless the social-political system demands the resources in order to reach its goals. Entering resources (a new employee, raw materials, new technologies, money etc.) which are converted in the exit resources (products and services) are sold on the market and exchanged for financial means (money), which is required for reprocessing of the new cycle of production. This “open system” approach is the best way for the company, as the method of adjusting to turbulent, restless and unpredictable environment, because for a small underdeveloped country, the biggest problem is allocation of the resources becoming increasingly scarce.

All big developed countries, owners of the natural resources, reassess its producible-economic decisions and pass through the phase of significant changes. Today’s economy is based on ideas, information and knowledge as material resources. Digital technology performed “revolution” in the chain of supplying and distribution of the resources. Excess stock, which can induce recession, is decreasing or completely disappearing (Daft, 2010; Petzinger, 2000).

An internship in the companies differs from the management through various theoretic approaches, organizational theories, perspectives and paradigms standing as the answer on these social, political and economic forces in our society.

Over time, after 180 days of the leadership, the management in the company along with the leader and his managers must look out for new ideas which should help the company fighting against the turbulent environment and keep the vitality. There is a wide range of ideas and techniques which leaders and managers may use. The life cycle of leadership ideas is much shorter as the tempo of changes has been speeding up. A recent study, by professor at university of Lafayette, established that, from 50’s until 70’s, one good managerial idea would usually need more than a decade to reach its prime. In 90’s the interval time was reduced to 3 years (Daft, 2010; Dvorak, 2006).

A trap for the new chairman and executive officer (ceo): winning criteria

There are no fast, rigid and permanent rules but there are few basic principles which can help chairman to carve the destiny of his own:

1) Common view on things

a) Regardless the acquired respect of the closest associates, it is important that the chairman gain respect of his position and clarify the priorities.

b) The chairman closest associates should understand what contributed his success: who helped him and whether his advisers are still significant to him: how did he cope with eventual crashes in his career?

c) What are the important characteristics of his personality? What kind of the leadership style is he applying and what is his approach towards making decisions? What kind of questions does he impose? Is he making decision in communication with associates individually or in the team? Which associates and stakeholders (bankers, stockholders, suppliers and buyers) place most influence on him? Which source he chooses for keeping him informed?

d) An essential question is how difficult it is for the chairman to hand over the leadership? The best advice to his associates is to try to understand the present situation and what does chairman go through.

e) In that case, the transition of the whole company would be faster.

2) New chairman and his closest associates must know their limits

a) Associates shouldn’t believe that they are over-prepared for performing certain functions more than they are. They can perform the job well, achieving great results and savings, have refreshing style with the trend of prosperity. Not only can they motivate and encourage employees towards implementation of new approaches and make them open for changes but keep them prepared as much as not to be completely trained for their posts.

b) New chairman associates should be prepared to learn through further development of the leadership skills, roles and abilities and the process can last even more than a few years.

c) Meanwhile, the reactions to chairman’s demands like surprise, satisfaction, anxiousness, impatience, uncertainty and fear can constantly interchange.

3) Leadership in the shadows

a) New chairman, if wise, will find a way to comprehend how the hidden net of relationships and norms in the company can incite success.

b) Keeping the records of ups and downs is one of the ways of showing understanding the process. Who were the predecessors of company’s chairmen and what happened with them? How did they lose the loyalty of their closest assistants and stakeholders?

c) Japanese companies had developed the
system, in the 70’s, called “five times why”. They believed that if the certain productive or supplying problem appeared, it is usually located four levels below the chairman.

d) Most of new chairmen create the list of priorities clearly presented on the office board. In order to define if something is valuable we have to determine the origin of it. It is important to know how the product, created years ago, over period of many ethical ups and downs, mistakes and successes, stands the test of time.

Most new chairman associates are hard-working, talented and clever people because they succeed to reach the top in the company but they will become losers if they don’t face up to challenges imposed by the chairman. Inspired leader can dramatically increase the chances for the success of the company through the new prism of organizational culture and politics, acquiring the artistic skill of building winning relationships and raising the awareness through emotional intelligence, leadership skills and abilities, training and testing of the most successful leaders and middle level management as the lifelong process of everyday teeth washing, eating, sleeping and other routine but fundamental activity. The most significant point is for chairman to learn to act maturely and make decisions which are of essential importance for the company.

Critical strategic points for the new leader (chairman) on all levels

New idea

1) The new leader has to prove that he is the key person for gaining new business offers and improvement of the existing ones and all in the first 180 days.
2) During that short period of „proving himself valuable”, the key factor and goods is time.
3) Leader’s transition (Change of the chairman) represents the cause so called “ripple effect” (reduction of feedstock, problems with banks, suppliers, stockholders, buyers, creditors, etc.)

Personal promotion

1) Personal promotion doesn’t mean at all creating initial good image through economic propaganda, paid media or other stakeholders.
2) „Let it all get ruined“(Do not use any of the nihilistic strategies and hopelessness but optimism and new approach- you should use the symbolic moves which could convince the associates and employees that it is time for strategic changes and new leader’s vision, for example: common ritual of burning unnecessary documentation in front of the main office building or training and testing the closest associates and middle management level).

3) Transfer of the authorities means change of habits and responsibilities (with authority you transfer responsibility to your associates because new power brings more obligation and strict implementation of hierarchy duties).

4) There are a few significant ways for leader’s personal promotion:

   a) Define the break point
   b) Estimate its own vulnerability
   c) Emphasis on strong sides,
   d) Relearn how to educate (education, development of leadership skills and roles, trainings, testing and specialist consultancies),
   e) Reconstitute company’s own network (connect internal and external factors with no limits-from the closest assistants to the production line workers from external stakeholders in the country and abroad to the countries institutions and syndicates,
   f) Look out for people who want to improvement, make you go into the wrong direction or remove you from the corporation as the last measure.

Speed the process of learning

1) All new leaders feel the need for action, as imperative (actions need to be predesigned, reworked in segments with consultants and assistants and always have the short-term and long-term effect as a result.

2) What do you want and need to know?

   a) The new chairman should focus on his self-knowledge and strengthening the same
   b) Technical knowledge is not the priority but the importance of further development of emotional intelligence as one of the conditions necessary for
realization of leadership vision, mission and strategy,
c) Assistants following the leader can’t gain as the opportunist unless they contribute and develop their leadership abilities and skills,
d) The spirit of competitiveness should be substituted with team work: Excellent leadership is built on confidence, loyalty and expertise and referent power of the leader. Legitimate power on position is merely a supplement.

3) One of the most difficult things leader have to learn is the organizational culture and climate:
   a) Cherishing culture, the company must become tradition,
   b) Company’s culture tradition is reflected in the system of the culture values, norms of behaviour, clothing, standards, language, symbols and technology,
   c) The company’s new philosophy is shaped by the new leader,
   d) That’s establishing the new model of business philosophy through new way of thinking, communicating and behaviour,
   e) New paradigm which should be nurtured and carried on younger assistants and employees
   f) In the company’s latter phase development a new established model of the culture values becomes a legend or a myth
   g) The new leader mustn’t allow inconsistency in company’s cultural tradition and dominating values which may stumble upon a rock,
   h) Shaping of the essential culture values should represent a renewed model of the company’s approach.

4) Lack of time in learning seems trivial but it should be decreased to minimum in order to bring better decisions and possess better work control. The new leader could develop raise spirit of the company still learning (Senge, 1990):
   a) The company works on educating the individual,
   b) By learning, they become specialists (experts),
   c) Individual learning is incited by leader’s vision and individual’s decision to fulfil it
   d) There is a creative tension between vision and reality
   e) The leader knows that the creations are realized in restricted conditions
   f) Building confidence in the company
   g) Integrating mind and intuition and
   h) Grasping the meaning of the leadership role in the country and abroad

Senge differs seven ways of the incapability of learning:
   i) I am my position
   ii) The enemy is outside of me and my company,
   iii) Illusion of making changes,
   iv) Focus on events,
   v) The boiling frog metaphor,
   vi) Learning from experience illusion and
   vii) The myth about management team.

5) Change is the circle – Adapt or reform your morals towards culture sets the rules of the fifth discipline which should be followed by the new leader:
   a) Today’s problem comes from decisions made the day before,
   b) The harder you hit the system hits back even harder,
   c) Behaviour develops faster in positive way than in negative,
   d) The simple way out leads to the beginning,
   e) The process of healing can be worse than disease,
   f) What is slower and more expansive is faster in the process,
   g) Causes and consequences are not connected in time and space,
   h) Little changes can induce big results-but the but not always obvious in the sections applied,
   i) You can have a piece of cake and it the one slowly but not eating it at
Once,

j) Splitting the elephant into two you don’t get two smaller elephants, and

k) There is no our guilt.

Adapt the strategy to business situation

1) An approach or a strategy, which leader chooses to use, depends from situation to situation,

2) Different business situations have various problems and opportunities, and

3) A concrete business situation should be the leader's guidance.

There are four key types of business situations which makes leader face them in the company:

1) The Beginning

The whole company is in entropy and demands upbuilding the system and its wakening form the letargic state along with the usage of limited resources. Building the team of high performance up are the strongest cohesive force of the company.

2) The Reversal

Regenerating of demoralized employees and other stakeholders demands immediate action and frisk mind. The new leader goes out of „darkness with new force and different personal choice.

3) The Realignment

The new leader is building up new cultural norms with no hesitation and with great effects. He convinces employees that the changes are necessary, reconstructs top-management and refocuses the company. He calls for employee’s critical opinion and assures them the situation can be worse.

4) The Sustainable success

The new leader must possess the ability to solve little problems before they become the big ones with, at the same time, defining the cause. During the first 180 days period, “the organizational shadow” is active until the moment they gather the winning team. After that, it is possible to find new ways and divert company’s business to the next (higher) level.

Securing early triumph

1) Securing an early triumph is an imperative action with exception that the action is followed by the pre-formed thought which secures an early triumph (that’s why it’s necessary to work on building the leader’s credibility).

2) Early triumphs are the processes or the systems which can be easily changed and get highly developed,

3) The new leader must build priorities when he comes to decision what to change in the company,

4) Careful analyzing the company’s real situation,

5) Incite people’s thinking about the changes, plan and lead the changes through collective learning.

Reaching success by negotiation

1) It’s impossible to succeed an meet all the goals you set during the period of 180 days,

2) Reaching success by negotiation is the way you set the guidelines and allow flexibility in the communication to your associates in order to reach your goals,

3) Effective communication to associates is reached through usually the form of five dialogues-situational discussion, discussion about expectations, discussion style, discussion about resources and personal-development discussion.

The new leader evolves the labour-productive relationships with his associates, through the dialogue, concluding beforehand diagnose and the plan for incoming actions. Reaching success by negotiation is achievable through five different but inter-dependable dialogues:

1) Situational discussion

a) The goal is not only to attain unanimous agreement about company’s situation but to see where will it lead from there,

b) Discussion about expectations

c) Involve the chairman and associate’s business expectations, which can be identical or disparate,

d) Discussion style

e) Various leaders (chairmen) have different ways of reaching success, so the associates should find out the leader’s style and try accepting it as their own,

f) Discussion about resources

g) The resources, required and asked by the leader, must be in agreement with the current situation in the company,

h) Personal-development discussion

i) Associates should advise the leader about the problems which may influence their personal development.

Encourage realignment

1) Corporative scale shows the leader’s responsibility for improving the design of corporative architecture. The new leader and the associates are the ones most responsible. At
the same time, they have the highest authority.

2) To meet the goals, every system and unit in the company must work as one.

3) Seven elements must be harmonized so that the company can function properly - strategy, vision, structure, skills, systems, mission and culture.

4) Every element in the company must go through changes at the same time.

Building up the leader’s team

1) When setting up his leadership team, the chairman should treat everybody “the first” when choosing.

2) When he begins evaluating his team he should have the list of criteria which would provide him with rules for assessment of the received reports.

3) The new leader creates the plan for reconstruction of his team.

4) He determines how the team should function.

5) Establish the way to measure and reward individual and group result.

Creating coalition

1) Influence provides the ground for new opportunities.

2) Establishing of new relationships is very important for strengthening of the support system.

3) The new leader should learn which means he can use for convincing by using the force of power and what the competitive forces can propose.

4) Improvement of leadership abilities through process of education affects the others and modifies the associates’ observations and actions.

Keeping the balanced leadership

1) The new leader keeps balance between personal and professional life because it’s essential part of every successful leadership.

2) Three pillars form a solid balance foundation:

3) Adoption of success strategy (Choose the strategy which brings positive results, high generated power and security at taking over the majority of tasks),

4) To keep self-discipline (by creating a framework of strict boundaries which helps new leader to stay focus and to be on the alert), and

5) Planning system supporting construction (the new leader searches for a good mix of people who can give impartial advice outside or inside of corporation).

Speed up everything (recommendation to the new chairman)

1) Keep the most capable employees.

2) Support their transition by your direct participation and subordination.

3) Write down the first 180 days transitional program in order to reach the point where you neither lose nor gain

a) Create common language,

b) Work with team,

c) Bring people from other companies,

d) Develop potential leaders,

e) Strengthen the success plans, and

f) Accelerate merger integration (Watkins, 2003; BusinessSummaries.com). Fig. 1 represents essential perspectives which influence the new chairman’s success in the first working months of the company.

Analysis of research and results

1) Test of the leadership qualities, used as the standard questionnaire in many multinational companies, showed that, in the first 180 days, the new chairman of the tires and rubber company products had improved by leaps and bounds in establishing good cooperation with his closest assistants. The progress is measured by the value represented on the scale, which ranges from 1 to 10, showing level 8. This result is regarded as an excellent one. We are putting emphasis on the fact that the results are more valid because the respondents didn’t use their names which is not the case in everyday practice. Analyzing the results we came to conclusion that:

![Diagram](http://www.imtuoradea.ro/auo.fmte/)
a) The new leader got affirmed by his closest assistants about his further strengths: hard-working, persistence and self-confidence which when measured on the scale from 1 to 5 reached maximum.

b) Communicativeness, observation, self-confidence, self-assertion, decisiveness, trust, reliability, cordiality and self-awareness showed, on the scale from 1 to 5, level 4. The new chairman gained valuable trust in his assistants which raised the possibility for taking fast and fundamental changes in the company. Previously lined up qualities reflect strong sides of his personality.

c) Openness, sensitivity and empathy represent, on scale from 1 to 5, level 3. The chairman should pay great attention to these features. It’s necessary to raise the quality of the characteristics to level 4 or 5 through training and educating. A specific program of education, training and development should be provided with for each of these characteristics.

d) By objective analyzing, it’s determined that the small number of assistants marked new chairman’s characteristics by level 1 (two assistants commented sensitivity, the other two in communicativeness and empathy) and level 2 (one assistant commented communicativeness, one self-confidence, one decisiveness, three trust, one reliability, three cordiality, two openness, one self-consciousness and one sensitivity). Out of total number of 18 associates, only two associates or 11% are on level 1 marked for some leadership qualities, and probably the same two are on level 2 while gaining marks for some other qualities. Also, one of the associates who estimated new leader with levels 3, 4 or 5, joined the group of the first two associates on level 2 as for leadership characteristics: openness and trust.

e) At table observation, the first level holds four statements, level two fourteen, level three sixty three, level four a hundred and two, level five seventy five which is overall 254 statements. In percentage, level four and five holds 68%, which is a great result.

2) By analyzing “the great 5” dimensions of chairman associates personalities, we can come to conclusion:

a) At assurgency (high level of activity and positive emotions: impulsiveness and engagement with environment) range moves from 23 to 34 points, regarding the fact that 30% of the associates have 30 or more points which is a good supposition for accepting of quick changes in the company (from organizational architecture to growth and innovation). It is essential that the other 50% of the associates continue developing this leadership quality through the leadership program.

b) Politeness, as the personal associates’ characteristic, varies in interval from 21 to 32 points. Only three associates possess good qualities and politeness is their congenital or acquired characteristic which functions quite well. The rest of the associates need to undergo further process of development and training because that is the condition for forming good interpersonal relationships, not only in the company but in cooperation with the business environment (customers-buyers, suppliers, stakeholders, etc.). Personal and professional mustn’t be the barrier for enhancing this qualitative characteristic.

c) Adjustment, as associates’ personal characteristic varies in interval from 18 to 33 points. Adjustment is a condition for changes and management of changes. Seven associates has 30 or more points and 10 associate 26 to 29. One associate has 18 points and is absolutely out of leadership program, innovation and growth in the company. Seventeen associates show great readiness for adjustment and upcoming changes in current situation and it is ideal fundament for the new chairman, inciting the absolute turnover in the company.

d) Soberness ranges from 25-35 points. It is quiet expressed characteristic in associates at times of change and turbulences in the company. Even the first 14 chairman associates possess this quality in excessive amount (at least 30 points or more). The lowest result equals 25 points which is good as well. The chairman should use
associates’ sobriety because in difficult time of transition (changes) and succession (accession) he has at his disposal a team which is prepared to think rationally of changes and need for innovation in the company. Sobriety has one flaw. It can slow leader’s vision and mission. Impatience is one of the leader’s features reflecting the need for changes in the company. Sobriety can be observed through prism of rationality and there are no changes if there is no emotional intelligence or heart in it. Technical skills can often be equated with sobriety and emotional intelligence presenting the leader’s ability to recognize the existence of his own or somebody else’s, to value them in the right way, to establish interpersonal relationships in the company based on performed estimation and lead it to the new, higher leadership level, innovation and growth. Therefore, it’s necessary to reconsider the results related to sobriety again and through a few tests conclude whether the sobriety, as a characteristic, refers to category of keeping your own status, regardless future, or sobriety can be observed through prism of accepting the risk and uncertainty.

e) Openness to experience, as for associates, is expressed in interval from 21 to 34 points. Eleven associates have 30 or more points. The lowest value is 21. Openness to experience is a good foundation to start the change. Associates are ready for new experiences in working for company and as well for monitoring the new leader’s actions and the implementation of new ideas through a leadership program, innovation and growth. It is necessary to prepare a development program of leadership roles and skills which will offer personal growth and new knowledge to meet the changes boldly and openly. The desire for new experience is the Nintendo generation quality, who definitely is one of the chairman associates.

3) Analysis of the transactional and transformational leadership reveals overall readiness of the employees to accept the content of transformational leadership as modus Vivendi of the company. That’s a very good sign of readiness for the new leader’s start point in acceptance and development of new knowledge and abilities because without it the transformation is impossible. The limit of absolute transformation acceptance, as the key attribute of comprehensive changes which should be achieved in short term period, is 70% taken from the total number of respondents. All this happens because business world becomes more dynamic, concurrent and fluctuate every year round. Since the transformational leadership is accepted up to 83% in the company, through analysis of the results of chairman closest associates, radical measures can be undertaken in relation to the former way of making business.

Transformation leader recognizes his potential associates’ need or demand and by articulating their motives he tries to meet their requirements. It’s a suggestion to keep going with further developing of transitional leadership through programs of training, innovation and growth.

II. THE CONCLUSION

1) Further training will speed up the changes giving assistants the possibility to reach consensus on the change barriers and how to approach them in the best way,

2) Participants are encouraged to reconsider yet the heavy change barriers (organizational structure, possibilities and resources) and mild change barriers (the manner of common or individual behaviour in members of management and how they spend their time)

3) Eternal challenge of the chairman and his associates in balancing between the short or long term-or simultaneously manage the presence and creating the future-shall be separately considered,

4) Besides providing the new concept which would make people observe their management and self differently, there is a program composed of the unique dictionary changes-the words which will become part of communication inside the company,

5) This is not an academic program: It is structured so that a team can show up with the draft of the action plan inciting the changes in their management and feel obligated to fulfill it.

6) These principals can be applied to creation of any program related to management and leadership.
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