

Modeling the relationship between leadership style, decision-making, and organizational performance in family owned small scale manufacturing industries in Sri Lanka

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The leadership style of entrepreneurs in making the various strategic and operational decisions could be expected to impact the organizational effectiveness of the firm. While entrepreneurs may occasionally learn to change their style are likely to remain fairly stable overall. Therefore, a certain style affects the leader's managerial decisions over extended periods, with a particular style being more effective under a specific set of circumstances. Building on this logic, let us outline the types of relationships. The main objective of the study is to analysis the relationship between leadership styles, decision-making and organizational performance in family owned small manufacturing enterprises in Sri Lanaka.

Data will be collected from the family owned small scale industries those who are registered under the Chamber of Commerce and Industry in Sri Lanka. The sample size is 392. The questionnaire will be issued to leader of small scale industries. The Exploratory Factor Analysis (Principle Component with Varimax rotation) of three leadership styles and correlation relationship between dependent and independent variables are measured by using the Statistical Packages for Social Sciences (SPSS).

The fact statically significant correlations were only found between leadership styles and organizational performance. The significantly correlations were found between leadership styles and decision-making, and decision-making have positive relationship with performance. The research was found that the relationship-oriented leadership style is higher significance than task-oriented and participative leadership style in family owned small manufacturing industries in Sri Lanka.

Key words: Task-oriented leadership, Relationship-oriented leadership, Participative leadership, Decision-making, Performance

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