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## Leadership in Decision-Making

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*Abstract. We studied the relationship between transformational leadership, decision-making styles, and certain outcome using a sample of 98 officers of a large manufacturing organization in India. Results show that transformational leadership is related positively to rational style of decision-making and negatively to avoidant style, and that dependent style moderates the relationship between rational style and transformational leadership. Findings also reveal that perceived effectiveness of leader and follower's extra effort and satisfaction are related positively to rational style and negatively to avoidant style. Follower's intention to quit the job is positively related to intuitive and avoidant styles. Transformational leadership fully mediates the relationship between rational and avoidant styles and extra effort. Controlling for transformational leadership also results in a positive relationship between dependent style and intention to quit.*

Burns (1978) identified two types of leadership—transactional and transformational. Transactional leadership occurs when one person takes the initiative in making contact with others for the purpose of an exchange of something valued; that is, “leaders approach followers with an eye toward exchanging” (Burns, 1978: 4). Transformational leadership is based on more than the compliance of followers. It involves shifts in the beliefs, needs, and values of followers. According to Burns, “the result of transforming leadership is a relationship of mutual stimulation and elevation that converts followers into leaders and may convert leaders into moral agents” (Burns, 1978: 4). Transformational leadership occurs when leaders and followers raise one another to higher levels of motivation. Transformational leaders motivate followers to work for transcendental goals and self-actualising needs instead of working through a simple exchange relationship. Characteristics such as charisma, inspiration, intellectual stimulation, and individualized consideration distinguish transformational leadership from the other types of leadership (Bass, 1998; Bass, Avolio & Goodheim, 1987).

Researchers also speak of charismatic leadership as being different from transformational leadership and referring mainly to leadership based on personal identification of followers with the leader. However, the distinction between these two concepts has not been clearly specified. Although some researchers have suggested that charismatic leadership is a component of transformational leadership (Bass, 1985), others have noted that the distinction between transformational and charismatic leadership is unclear. This lack of clear distinction is reflected in the flexible use of these terms by researchers.

Hunt (1991: 215) used a single term, transformationally oriented leadership, to refer to transformational, visionary or charismatic leadership. Thus, researchers seem to have used the terms, charismatic and transformational leadership without making or observing an explicit distinction between them. Such a distinction, however, seems necessary, because some specific aspects of charismatic leadership, namely processes such as attribution or impression management may not be a part of the transformational leadership concept (Pawar & Eastman, 1997). Pawar and Eastman (1997) also proposed that while both context and transformational leadership influence each other, the mere existence of transformational leadership is not sufficient for effecting organizational change. The correspondence between the level of organizational receptivity and the type of transformational process is important.

### ***Transformational Leadership and Outcome Variables***

Bass (1985) argued that transactional leaders “mostly consider how to marginally improve and maintain the quantity and quality of performance, how to reduce resistance to particular actions, and how to implement decisions” (Bass, 1985: 27). In contrast, transformational leaders “attempt and succeed in raising colleagues, subordinates, followers, clients, or constituencies to a greater awareness about the issues of consequence. This heightening of awareness requires a leader with vision, self-confidence, and inner strength to argue successfully for what he or she sees as right or good, not for what is popular or is acceptable according to established wisdom of the time (Bass, 1985: 17).

Bass (1985) sketched a model suggesting that transformational leadership augments and builds on transactional leadership in contributing to subordinate effort, satisfaction, and perceived leader effectiveness. Transformational leadership would also reduce the inclination to quit the organization on the part of the subordinate.

Hater and Bass (1988) used a combination of superiors’ performance ratings and subordinates’ effectiveness ratings to identify 28 managers who were top performers and compare them to 26 others who were not top performers on leadership style ratings provided by 312 subordinates. Top performers perceived to be more effective, evidenced greater charisma and showed more individualized consideration. In a study carried out by Russ, McNeilly and Comer (1996) among sales managers, it was found that the more a manager displays transformational style of leadership, the higher is the level of performance. In another study carried out by Dubinsky, Yammarino, Jolson and Spangler (1995) a transactional style of leadership was preferred for enhancing salespeople’s affective and behavioural responses over the transformational style.

The above findings warrant further examination of transformational leadership to explain managerial outcomes. This study considered four outcome variables—perceived effectiveness of the leader, subordinate satisfaction, subordinate’s intention to quit and subordinate’s willingness to put in extra effort. Based on the findings of past studies, we hypothesized:

*Hypothesis 1: Transformational leadership will be positively related to perceived effectiveness of leader, and subordinate’s satisfaction and extra effort, and will be negatively related to subordinate’s intention to quit the job.*

### ***Decision-Making Style***

Tallman and Gray (1990) addressed the importance of distinguishing between choosing, deciding, and problem solving. Citing Etzioni, they argued that “the term choice should be used to encompass the sorting out of options, whether conscious or unconscious.

Deliberate choices are to be referred to as decisions.” Problem solving is “a process that involves, at a minimum, three stages: recognition, selection from among alternative courses of action, and an evaluation of outcomes”(p. 423).

Doktor and Hamilton (1973) viewed decision-making style as a cognitive style. They said, “ it is a part of the person’s cognitive style, which is the characteristic, self-consistent way of functioning that an individual exhibits across perceptual and intellectual activities.” Henderson and Nutt (1980) said that it is an individual’s cognitive “make-up” that we call decision style, and it is thought to influence the selection among alternative courses of action (Mason & Mitroff, 1973). Coscarelli, Burk and Cotter (1995) proposed a definition that looks at the construct of cognitive style as more limited. They proposed that, “decision-making is a characteristic, self-consistent way of functioning that an individual exhibits across perceptual and intellectual activities when making a choice.”

Decision-making styles have been studied from three broad perspectives—the guidance counselling perspective, the social perspective and Jungian-based theories.

***The Guidance Counselling Perspective.*** Arroba (1977) and Harren (1979) classified decision-making styles into planning, intuitive, and dependent, based on the degree to which an individual takes personal responsibility for decision-making and uses rational versus emotional strategies. Johnson (1978) developed a model that describes two basic processes for gathering information (spontaneous and systematic), and two for analysing information (internal and external).

***The Social Perspective.*** McKenney and Keen (1974) and Driver, Brousseau, and Hunsaker (1990) conceptualised cognitive style along two dimensions—information gathering, and information processing and evaluation. Information gathering consists of receptive and perceptive behaviours while information evaluation consists of systematic and intuitive behaviours. Driver et al. (1990) developed the decision style model that combines dimensions of information processing to arrive at five basic styles: decisive, hierarchic, flexible, integrative, and systemic. Scott and Bruce (1995) developed a typology that provides a comprehensive set of decision-making styles.

***Jungian-Based Theories.*** Jung’s theory suggests that individuals prefer to perceive in patterned, non-random ways. Perception includes the ways individuals become familiar with, and gather information about the world around them. Judgement means arriving at conclusions about the perceptions. Jung identified four preferences for perceiving and judging the world, each representing a dichotomy. Individuals would have preferences for one part of each dichotomy and each preference combines to identify a cumulative personality type.

The Myers-Briggs Type Indicator (Myers and McCaulley, 1985) is based on Jung’s psychological types (extraversion, sensing, thinking, and judgement). Sixteen personality types are possible. The judgement and perception dimensions determine an individuals decision-making behaviour in an organization. Mitroff and Kilmann (1975) identified four styles that are a combination of the two dimensions of data input (sensation-intuition) and decision-making (thinking-feeling). Nutt (1989) argued that managers have preferences for how they gather information and implement their decisions. Henderson and Nutt (1980) sought to explore the effect of decision style on the decision-maker’s perception of risk and found that the perception of risk was related to the executive’s psychological makeup. Their findings also could be related to Jung’s belief that either the judgmental or the perceptual dimension of cognitive style will dominate an individual’s decision process. However, the tendency toward judgmental or perceptual dominance is contingent upon an individual’s tendency to be extroverted or introverted.

### *Transformational leadership and Decision-making Style*

The five stages of decision-making are, Scanning, Discovery and Diagnosis, Search and Innovation, Evaluation and Choice, Authorization and Implementation (Bass, 1985). The decision process may begin at any phase. Organizational decision-making does not ordinarily occur in the neat, linear order that complete rationality dictates. It is erratic, cyclical, and political. Its process can potentially be reversed, and certain phases skipped. Each component of transformational leadership has relevance for improving the decision-making process: Individually considerate leaders make sure that all parties to the problem are heard. Intellectually stimulating leaders reformulate with followers, colleagues, or superiors into more familiar and concrete terms what may have begun as fuzzy. Inspirational leaders increase confidence and raise aspiration levels that the problem can be solved once its causes have been determined. Leaders with idealized influence show their concern about the problem and the need for its solution.

The common thread that emerges from the discussion on decision-making is that decision-making styles may be primarily viewed as being based on logic or feelings and instincts. The rational and intuitive decision-making styles are generally considered in conjunction since they represent two ends of a continuum as observed through most studies.

According to Bass (1994: 118), while making decisions, in contrast to transactional leaders, transformational leaders are more likely to be

- proactive to incipient problems, anticipating the emergence of problems more frequently and farther in advance.
- incremental, taking small steps toward problem solving without waiting for a guarantee of complete success.
- willing to look at a problem in a larger context and longer time frame.
- not focusing search and innovation solely on variables and alternatives over which they have control.
- encouraging of search and choice that take into account the wider context of the larger organization and outside environment rather than limiting the search to the immediate neighbourhood of the problem.
- quick to react to emergent problems.
- seeking information informally for making their decisions rather than prescribed by organisational rules.
- practicing walk-around management to promote the upward flow of communication and information.
- making decisions involving higher payoffs at higher risks rather than decisions that favour exploitation and achieve lower payoffs at lower risks.
- willing to take failure in their stride.

The decision-making style typology developed by Scott and Bruce (1995), identifying five styles—rational, intuitive, spontaneous, dependent and avoidant—appeared to be the most comprehensive for this study. The rational style is deliberate, analytical, and logical assessing the long-term effects of decisions and having a strong fact-based orientation. The intuitive style is feeling-oriented and based on internal ordering of information. Such decisions are made quickly. The dependent style is characterized by use of support from others while delay and denial characterize the avoidant style. The spontaneous style displays a

strong sense of immediacy and an interest in getting through the decision-making process as quickly as possible. Russ et al. (1996) use the rational, intuitive, dependent, spontaneous and avoidant decision-making styles along with transformational leadership to establish a relationship with performance. Given the definition of transformational leadership and its objective of addressing the true genuine needs of the followers (Burns, 1978), such a leader would be more likely to make decisions rationally after considering carefully all the facts and information and spending a considerable time over the decision-making process. We thus have the following hypotheses:

*Hypothesis 2a: Transformational leadership will be positively related to rational, spontaneous and dependent decision-making styles, and will be negatively related to intuitive and avoidant decision-making styles.*

*Hypothesis 2b: The interaction effect of rational and dependant decision-making styles on transformational leadership will be significant.*

### ***Decision-making Style and Outcome Variables***

Russ et al. (1996) establish a relationship between decision-making styles—rational, intuitive, spontaneous, dependant and avoidant—and managerial performance. Rational decision makers assess long term effects of their decisions and have a strong fact-based task orientation to decision-making. This style seems related to initiation of structure and an internal control orientation (Rotter 1966) and both may be linked to higher performance (Kohli, 1989; Bagozzi 1980). Intuitive decisions are made relatively quickly, with limited information and are likely to be error prone and inconsistent. If the dependent style is viewed as participative, it produces favourable reactions from superiors and subordinates. If it is perceived to be leaning, it produces a negative response. The avoidant style, which is characterized by delay and denial, may represent an aversion to the risk of making a wrong decision (Janis and Mann, 1977), and is linked to poor performance. The spontaneous style of decision-making may affect performance positively or negatively depending on whether it is viewed as decisive or impulsive.

Driver et al. (1990) proposed that manager's decision styles are central to effectiveness and personal success. In this lies the implication that managers whose roles and operating styles fit their environmental circumstances will be more effective than those whose styles do not fit their environmental circumstances. In this study, we examined the linkages between the five decision-making styles and four outcome variables—perceived effectiveness of leader and work unit, subordinate's satisfaction, intention to quit, and extra effort from subordinate.

*Hypothesis 3a: The rational and dependent decision-making styles will be positively related to perceived effectiveness of the leader, subordinate's satisfaction, extra effort from subordinate, and negatively related to subordinate's intention to quit.*

*Hypothesis 3b: The intuitive, spontaneous and avoidant decision-making styles will be negatively related to perceived effectiveness of the leader, subordinate's satisfaction, extra effort from subordinate, and positively related to subordinate's intention to quit.*

*Hypothesis 3c: Controlling for transformational leadership, decision-making styles will have no relationship with the outcome variables.*

## METHODS

The sample consisted of respondents in a large Indian manufacturing organization. The organization divides its managerial employees into two broad categories—executives, and officers. Each broad category comprised five levels. The respondents were from three successive levels across the officer category. While there were minor differences in terms of compensation and benefits across these levels, the level of responsibility and decision-making that individuals would have to undertake was about the same. Questionnaires were administered to 115 officers. Some respondents did not fully complete the questionnaire and so their responses were excluded from the analysis producing a final sample size of 98. More than 95% of the respondents were male. Most of the respondents had completed about nine years in the organization and the average age was 35 years.

Questionnaires were administered to the respondents while they had gathered together for a training session by the person conducting the session and anonymity was guaranteed. Each respondent completed a 55-item questionnaire. The instrument measured transformational leadership, decision-making style, and effectiveness of the respondent's boss, and the respondent's satisfaction with the leader, willingness to put in extra effort, and intention to quit.

### *Instruments*

***Transformational Leadership.*** The instrument used to measure the extent of transformational leadership was the Multifactor Leadership Questionnaire 6S (Bass & Avolio, 1992). The questionnaire used 12 items to measure transformational leadership along four factors. These items were rated on a 5-point scale (1= not at all, 2= once in a while, 3 = sometimes, 4= fairly often, 5= frequently, if not always). The four factors of transformational leadership—idealized influence, inspirational motivation, individualized consideration and intellectual stimulation—had significant positive relations with each other. All correlation values were greater than .60. Cronbach alphas were computed for the items making up each sub-scale and no reliability coefficient was less than .50. The mean of the four factors—idealized influence, inspirational motivation, individualized consideration, and intellectual stimulation—was taken as the measure of transformational leadership.

***Decision-making Style.*** We measured the boss's perceived decision-making style using the 5 sub-scales (comprising 5 items each) developed by Scott and Bruce (1995)—rational, intuitive, avoidant, dependent, and spontaneous. This was a 5-point scale (1=not at all, 2= once in a while, 3=sometimes, 4= fairly often, 5= frequently, if not always). This instrument had been used earlier (Russ et al., 1996) and was found to have high validity.

***Perceived Effectiveness.*** The instrument used was a slightly modified version of a four-item scale used by Bass (1985) to measure subordinate's assessment of his or her leader and work unit effectiveness. Respondents had to give their responses to each of the four items on a 5-point scale (1=not effective, 2= only slightly effective, 3=effective, 4=very effective, 5= extremely effective). The mean score on the four items was taken as the measure of perceived effectiveness.

***Satisfaction of Subordinate.*** Subordinates satisfaction with leader was measured by having subordinates respond to two items (Bass, 1985). The responses were recorded on a 5-point scale (1= very dissatisfied, 2= somewhat dissatisfied, 3= neither satisfied nor dissatisfied, 4= fairly satisfied, 5= very satisfied). The mean score on the two items was taken as the measure of satisfaction.

**Extra Effort.** Extra effort put in by the subordinate because of leadership behaviours was measured using three items (Bass, 1985). Subordinates were asked to rate how frequently their bosses displayed the behaviours described, on a five-point scale (1=not at all, 2= once in a while, 3= sometimes, 4= fairly often, 5= frequently, if not always). The mean score on the three items was taken as the measure of extra effort.

**Intention to Quit.** The subordinate's intention to quit the organization was measured using three items. Responses were recorded on a 5-point scale (1= strongly disagree, 2= slightly disagree, 3= neither agree nor disagree, 4= slightly agree, 5= strongly agree). The mean score on the three items was taken as the measure of intention to quit.

### **Analytical Procedures**

Pearson product-moment correlation analysis was used to examine the links between transformational leadership and outcome variables (Hypothesis 1), transformational leadership and decision-making style (Hypothesis 2a) and the decision-making styles and outcome variables (Hypotheses 3a and 3b). Multiple regression analysis was used to examine the interaction effect of the rational and dependent decision-making styles on transformational leadership (Hypothesis 2b). We first entered rational and dependent in the regression equation and subsequently entered the product of rational and dependent. By way of testing Hypothesis 3c, partial correlation analysis was used to study the relationship between the decision-making styles and outcome variables, having controlled for transformational leadership.

## **RESULTS**

The correlations between variables are included in Table 1. Transformational leadership was found to be significantly positively related to perceived effectiveness of the boss, extra effort from subordinate, and satisfaction felt by the subordinate. It was significantly negatively related to the subordinate's intention to quit the job. Thus, the results supported Hypothesis 1.

**TABLE 1**  
**Correlations Between Variables Studied**

(N=98)	Mean	S.D.	1	2	3	4	5	6	7	8	9	10
1. Transformational	3.19	.80										
2. Rational	3.38	.76	***.70	(.74)								
3. Spontaneous	2.94	.66	.07	-.09	(.56)							
4. Intuitive	3.17	.59	-.11	.13	**.27	(.46)						
5. Dependent	3.24	.65	.07	-.06	***.36	.09	(.59)					
6. Avoidant	3.00	.83	***-.42	***-.50	**.32	**.32	***.35	(.74)				
7. Effectiveness	3.21	0.99	***.72	***.76	-.03	-.06	-.06	***-.53	(.91)			
8. Extra Effort	3.24	1.06	***.74	***.58	.06	-.11	.02	***-.32	***.65	(.87)		
9. Satisfaction	3.27	1.06	***.74	***.69	-.04	†-.17	-.06	***-.60	***.85	***.61	(.89)	
10. Intention to Quit	2.52	1.27	***-.35	†-.19	.06	**.33	†.19	***.36	***-.31	***-.30	***-.44	(.89)

Alphas are in parentheses along the diagonal.

\*\* =  $p < .01$ . \*\*\* =  $p < .001$ .

Transformational leadership was found to be significantly positively related to the rational style and significantly negatively related to the avoidant style. It was not significantly related to the remaining three styles of decision-making. Thus, the results provided only partial support for our hypothesis 2a. The product of the rational and dependent styles explained significantly more variance in transformational leadership than what was explained

by the rational and dependent styles separately. Thus, the presence of an interaction effect between rational and dependent was evidenced thereby supporting our hypothesis 2b.

Rational decision-making style was found to be significantly positively related to perceived effectiveness, extra effort, and satisfaction. It was not significantly related to the subordinate's intention to quit. Dependent decision-making style was not significantly related to any of the four outcome variables. Thus, the results support hypothesis 3a only in part.

Avoidant style was found to have a significant negative relationship with perceived effectiveness, extra effort, and satisfaction. It also had a significant positive relationship with subordinate's intention to quit. Intuitive style was found to be significantly positively related to subordinate's intention to quit, but was significantly related to the other three outcome variables. No significant relationship was seen between the spontaneous decision-making style and any of the four outcome variables. Hypothesis 3b is thus supported only partially.

Results of partial correlation controlling for transformational leadership lent only partial support to hypothesis 3c. The results are given in Table 2. Controlling for transformational leadership resulted in extra effort being no longer significantly related to decision-making. The relationships between the other three outcome variables—perceived effectiveness, satisfaction, and intention to quit—and decision-making continued to remain significant even after controlling for transformational leadership. Thus, hypothesis 3c was supported only in the case of extra effort.

**TABLE 2**  
***Partial Correlations, Controlling for Transformational Leadership***

	1	2	3	4	5	6	7	8	9
1. Rational									
2. Spontaneous	†-.20								
3. Intuitive	** .30	** .28							
4. Dependent	-.15	*** .36	.10						
5. Avoidant	** -.32	*** .38	** .30	*** .42					
6. Effectiveness	*** .52	-.11	.04	-.16	***-.37				
7. Extra Effort	.12	.02	-.04	-.05	-.02	** .27			
8. Satisfaction	** .35	-.13	-.13	†-.17	***-.48	*** .68	.13		
9. Intention to Quit	.09	.09	** .31	* .23	* .26	-.09	-.06	**-.29	

† =  $p < .10$ . \* =  $p < .05$ . \*\* =  $p < .01$ . \*\*\* =  $p < .001$ .

## DISCUSSION

### *Transformational Leadership and Outcome Variables*

Transformational leadership is significantly positively correlated with perceived effectiveness, satisfaction and extra effort and is significantly negatively correlated to the subordinate's intention to quit. Other studies have also found similar relationships (Krishnan, 1998). A transformational leader would be expected to have the qualities of inspirational leadership that involve the arousal and heightening of motivation among followers (Bass, 1985). Envisioning a desired future state and making followers see that vision attracts commitment, and energizes people. Vision gets people to commit voluntarily and completely to something worthwhile (Nanus, 1992). Transformational leaders would also exhibit



individualized consideration towards followers giving personal attention to those who feel neglected and help each follower get what he or she wants (Bass, 1985).

### ***Transformational Leadership and Decision-Making Styles***

Our study shows that while transformational leadership is significantly positively related to the rational decision-making style, no such relationship exists for the dependent style. This would imply that while a transformational leader is more likely to make decisions strongly based on facts after a lot of deliberation and analysis, there is no evidence to show that these decisions would be made after consultation of the people around. The rational style seems related to initiation of structure and an internal control orientation (Rotter, 1966). Both initiation of structure and a higher internal control orientation may be linked to higher performance (Kohli, 1989; Bagozzi, 1980). A rational problem solving orientation emphasises elements such as orderly staging of the process, and this orientation forms the logical basis for intellectual stimulation (Bass, 1994).

There is no significant relationship between transformational leadership and dependent decision-making. However, the presence of both dependent and rational styles together produce a significant positive relationship with transformational leadership, thus implying that the transformational leader would use a unique combination of these two styles. In other words, transformational leaders use dependent style not alone but only in conjunction with rational style. Further supporting the results of this study, according to Bass (1994), a transformational leader would seek information for making decisions rather than as prescribed by rules.

There is a significant negative relationship between transformational leadership and the avoidant decision style, while there is no significant relationship with the intuitive and spontaneous styles. The avoidant style may represent an aversion to the risk of making a wrong decision and such managers would be most likely to generate discontent from both supervisors and subordinates. This study and others before show that a transformational leader would inspire followers and is unlikely to put off making an unpleasant decision. Transformational leaders are more willing to be incremental, taking small steps toward solving a problem without waiting for a guarantee of complete success (Bass, 1994).

### ***Decision-making Style and Outcome Variables***

Rational style is significantly positively correlated to perceived effectiveness of the leader, willingness to put in additional effort, and satisfaction of the subordinate, and is significantly negatively correlated with the subordinate's intention to quit. The implication is that a leader who is seen as making decisions rationally would be associated with better performance thus encouraging subordinates to do the same. A rational decision-maker would add to his or her subordinate's satisfaction with the job through a strong adherence to facts and a thorough analysis of information. A dependent decision-maker might be more popular because of a tendency to consult everyone but this need not be a sign of better performance. In fact, it might be considered as the inability to make decisions by some. Hence a dependent style may not deter subordinates but it need not inspire them either.

Avoidant style is significantly positively related to subordinate's intention to quit and is significantly negatively related to perceived effectiveness, subordinate's willingness to put in extra effort and satisfaction of the subordinate. The avoidant style may represent an aversion to the risk of making a wrong decision and managers who constantly defer decision-making seem likely to generate discontent from both superiors and subordinates. Similarly a

manager who is perceived to make decisions on the basis of feelings and intuition rather than facts is likely to encourage subordinates to quit.

Irrespective of leadership style, an avoidant or intuitive decision style encourages subordinates to quit and a rational style encourages satisfaction and additional effort. There is no significant relationship between the spontaneous style and either leadership or any of the four outcome variables. A spontaneous style characterised by a strong sense of immediacy and wanting to get through the process quickly may be viewed as decisive or impulsive and so it is not clear whether it would lead to higher or lower performance evaluations (Russ et al., 1996). Perhaps viewing it in conjunction with another decision style or variable might yield better results.

### ***Limitations and Conclusion***

Participation in this study was not voluntary. All participants of the training programs had to fill in the questionnaire and it is likely that some of them may not have filled in accurate responses. The questionnaire could not be personally administered to all the participants and it might be possible that responses were not all accurate due to unclear understanding of the question. One major limitation was that respondents were across different levels in the officer categories and there was no uniformity in their age, tenure in the organization or tenure with the boss. A majority of the respondents was male, limiting the generalisability of this study.

Though past studies have looked at the relationship between leadership style and the outcome variables and that between decision-making styles and certain performance measures no study has looked at all these variables in conjunction. This research study indicates that there is a relationship between the leadership and decision-making styles of a boss and a subordinate's perception of the boss's effectiveness as well as the subordinate's own effort levels and satisfaction in the job.

In today's complex business environment, where organizations are moving towards decentralization of decision-making, it is essential that every individual's decision-making process be treated as part of his or her relationship with subordinates since it is likely to have a significant impact on their perception of the boss's competence as a leader and manager. Despite the vast literature on leadership, more research is necessary to identify leadership and decision-making styles clearly to train managers to be successful leaders.

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