

# **LEADERSHIP STYLES AND ORGANIZATIONAL COMMUNICATION EFFECTIVENESS: THEIR IMPACT ON STRATEGIC DECISION-MAKING EFFECTIVENESS**

**Lei Jing <sup>1</sup>, Hui Guo <sup>2\*</sup>, Yu-Chen Wei <sup>3</sup>, Prapaphan Wunsuk <sup>4</sup>, Ou Bai <sup>5</sup>**

<sup>1 2 3 4 5</sup> Innovation College, North-Chiang Mai University

\* **Corresponding Author, E-mail:** hui.guo@northcm.ac.th

**Abstract:** In this study, the core conceptual framework was constructed by introducing the following demographic variables such as gender and age, using leadership style, organizational communication, decision-making efficiency and decision-making speed as variables. Attempts were made to analyze the differences in the perceived means of the respondents' demographic variable groupings for each of the variables of leadership style, organizational communication, decision-making efficiency and decision-making speed and the influence of the independent variables on the dependent variables, the research hypotheses were formulated in this study and the case study of the employees of enterprise S. The sample size of the sample was calculated to be 33,657 by using the sampling method out of the total population of the study and a total of 420 questionnaires were distributed in this study, using the simple random sampling method to distribute the questionnaires and 407 questionnaires were returned with a recovery rate of 96.9%.

This study found that leadership style, organizational communication, decision-making efficiency and decision-making speed are specifically reflected in the changes of the actual work in the future. This study provides a reference basis for subsequent scholars to explore ways to improve and enhance team effectiveness in the future, as well as outlook and suggestions for future related research.

**Keywords:** Leadership Style, Organizational Communication, Decision-Making Efficiency, Decision-Making Speed

## **Introduction**

In the current competitive business environment, organizations face increasingly complex challenges and need to continuously optimize their operations and decision-making processes in order to maintain a competitive advantage. The importance of leadership style as one of the key factors influencing organizational operations and employee performance, as well as the importance of communication efficiency within organizations for information flow and decision making has been widely recognized (Bass & Avolio, 1994; Daft & Lengel, 1986). However, how leadership style

interacts with organizational communication effectiveness and ultimately affects strategic decision-making effectiveness remains a complex and worthwhile issue for in-depth research.

Leadership style plays a crucial role in organizations, not only affecting employees' motivation and performance, but also directly influencing the organization's decision-making process (Bass, 1985). According to the transformational leadership theory, transformational behaviors of leaders can stimulate innovation and motivation among employees, thus promoting organizational change and development (Bass & Avolio, 1994). On the other hand, transactional leadership theory emphasizes a transactional relationship between leaders and employees, where employees are motivated to achieve goals through reward and punishment mechanisms (Bass, 1985). However, different types of leadership styles may have different effects on communication effectiveness within an organization. For example, transformational leaders usually tend to encourage an open communication climate, whereas transactional leaders may prefer one-way directive communication. Thus, a complex relationship exists between leadership styles and intra-organizational communication efficiency.

Organizational communication effectiveness is critical to the development and implementation of strategic decisions (Eisenhardt & Zbaracki, 1992). According to the media richness theory, different communication media have different information richness, which affects the efficiency and accuracy of information transfer (Daft & Lengel, 1986). Effective organizational communication can help leaders obtain information from different departments and levels, thus providing more comprehensive data to support strategic decisions. In addition, good communication can enhance cohesion and teamwork within the organization, which can help improve the efficiency of strategic decision making (Eisenhardt & Zbaracki, 1992).

The purpose of this study is to explore the relationship between leadership style, organizational communication efficiency and strategic decision-making efficiency, so as to provide theoretical guidance and practical suggestions for organizational management practices. Specifically, this study will analyze the performance of communication efficiency within organizations under different leadership styles by means of questionnaires and field observations, and further explore the mechanism of its influence on strategic decision-making efficiency. By studying this issue in depth, we can provide organizational managers with suggestions on how to optimize leadership styles and organizational communication mechanisms in order to enhance strategic decision-making efficiency, thereby improving the competitiveness and sustainable development of the organization.

### **Research Objective (s)**

The purpose of this study is to investigate the relationship between leadership style, organizational communication efficiency, and the mediating variable, decision speed, and the dependent variable, decision efficiency, with the employees of Company S as the study population. In today's

competitive business environment, organizations need to continuously optimize their operations and decision-making processes to adapt to market changes and maintain competitive advantage. The purpose of this study is to:

Analyze the performance of organizational communication efficiency in Company S under different leadership styles, including the speed and accuracy of information transfer and the choice of communication channels;

Examine the mediating role of organizational communication efficiency between leadership style and decision-making efficiency, especially the relationship of the mediating variable decision-making speed between leadership style, organizational communication efficiency and decision-making efficiency;

Examining the comprehensive influence mechanism of different leadership styles, organizational communication efficiency and mediating variable decision-making speed on the strategic decision-making efficiency of Company S.

Through the survey and data analysis on the actual situation of employees in Company S, this study aims to provide the company with concrete suggestions and practical guidance on how to optimize the leadership style, organizational communication mechanism, and mediator variable decision-making speed in order to improve the efficiency of strategic decision-making. This study will help Company S to better cope with market challenges and improve its competitiveness and sustainability.

## **Literature Review**

This dissertation's literature review focuses on exploring the interrelationships between leadership styles, organizational communication, decision-making effectiveness, and decision-making speed. By synthesizing theoretical contributions and empirical findings, the impact of different leadership styles on organizational outcomes, particularly in the decision-making process, is discussed. The main points mentioned in the literature review are discussed in depth below.

Firstly, the relationship between leadership style and decision-making effectiveness has been widely discussed. Research suggests that a democratic leadership style contributes to decision-making efficiency because it motivates teams by fostering employee engagement and innovation. On the contrary, an authoritarian leadership style may stifle creativity and employee engagement, thus hindering the efficient decision-making process. This observation has been validated in several studies, emphasizing the importance of leadership style in decision-making efficiency.

Secondly, effective communication within the organization is considered crucial in speeding up decision making. Researchers point out that interaction models like the one proposed by Watzlawick emphasize how clear and open channels of communication facilitate the sharing and understanding of information, thus contributing to faster and more accurate decision making. In today's fast-paced

business environment, timely and effective communication is one of the key factors for organizational success.

Third, the literature review discusses theoretical frameworks that synthesize leadership style, organizational communication, decision-making efficiency, and speed. These integrative models attempt to explain the dynamic interactions between these factors and provide managers with insights to improve organizational decision-making processes. By integrating how leadership style affects communication styles, which in turn affects decision-making efficiency and speed, the complex decision-making mechanisms within organizations can be better understood.

Finally, the literature review highlights the influence of environmental factors on these relationships, particularly in the Chinese context. The study points out how local cultural factors shape these dynamics and that Chinese scholars have made significant contributions in understanding and contextualizing these relationships. This highlights the importance of cross-cultural management in the field of research and how understanding the impact of local culture on organizational behavior is crucial in the context of globalization.

Overall, the literature review in this paper combines theoretical insights and empirical research to provide a fundamental understanding of the complex dynamic relationships between leadership, communication and decision-making within organizations. These findings provide guidance for managers to better understand and optimize the decision-making process within their organizations, thereby improving their organizations' competitiveness and sustainability.

## **Methodology**

Details are presented on the research methodology of a study that investigated the effects of leadership style, organizational communication and decision-making efficiency on decision-making speed and the mediating role of decision-making speed.

The research design is first outlined, including the selection of the type of study, sampling methodology and data collection techniques. The study involved the development of a structured questionnaire based on validated scales and tailored to organizational characteristics to assess variables such as leadership style and communication efficiency .

### *Measurement Instrument*

Detailed measurements of variables such as leadership style, organizational communication, decision-making efficiency, and speed of decision-making were conducted. This chapter includes scales such as the Multifactor Leadership Questionnaire (MLQ) used to assess transformational and transactional leadership styles. Each of the constructs under these styles was measured on a Likert scale ranging from "Strongly Disagree" to "Strongly Agree".

### *Hypothesis Development*

The hypotheses for this study were derived from leadership and organizational communication theories and were linked to decision-making speed and efficiency. This chapter outlines the theoretical underpinnings used to develop the hypotheses, linking leadership behaviors to communication practices and their outcomes in the organizational decision-making process.

#### *Data Collection and Analysis*

The data collection methods described included surveys distributed to employees of selected companies, ensuring that the sample matched the demographic representation of the organization's work in the RCE. Statistical tools such as t-tests, ANOVA, correlation and regression analyses were applied to test the hypotheses formulated and to understand the relationship between the variables.

#### *Reliability and Validity*

This chapter discusses the measures taken to ensure the reliability and validity of the research instruments used. It includes pretesting questionnaires and modifying them based on feedback to improve their accuracy in measuring the expected variables.

#### *Ethical Considerations*

The ethical considerations for conducting the study were briefly discussed to ensure confidentiality and voluntary participation. The methodology follows the ethical standards of research to maintain the integrity and credibility of the findings .

#### *Limitations and Future Research*

Finally, this chapter recognizes the limitations of the current study and suggests directions for future research. This includes exploring different organizational settings, applying different methodological approaches, and expanding the theoretical framework to include more contemporary models of leadership and communication.

This comprehensive research approach ensures a robust design, accurate data collection, and reliable analyses that provide a solid foundation for understanding the dynamics of leadership, communication, and decision-making in organizational settings.

## **Results**

First, this study found a close correlation between leadership style, organizational communication efficiency and decision-making efficiency. Specifically, there is a significant positive relationship between leadership style and organizational communication efficiency, which means that the different styles of leaders will have an impact on the communication efficiency within the organization. In addition, there is also a significant positive relationship between leadership style and decision-making efficiency, suggesting that the leader's style has a significant impact on the organization's decision-making efficiency. These findings provide important clues for understanding the role of leaders in organizations and their impact on organizational functioning.

Second, organizational communication efficiency also has a significant positive effect on decision-making efficiency. Good organizational communication facilitates the flow and sharing of information, which helps leaders obtain the information they need in a timely manner, thus better supporting decision making and implementation. Therefore, organizations should pay attention to and optimize internal communication mechanisms to improve the efficiency and accuracy of decision-making.

In addition, the study found that leadership style and organizational communication efficiency have a positive effect on decision-making speed. A leader's open communication style and an organizational culture that promotes information sharing can accelerate the speed of decision making and execution, and improve the organization's responsiveness and adaptability. Therefore, establishing a positive communication climate in an organization is critical to improving decision-making speed.

However, personal traits did not show a significant effect on leadership style, organizational communication effectiveness and decision-making efficiency in this study. This is different from the research hypothesis, but it also provides new ideas and directions for future research. It may be necessary to further explore the effects of personal traits on organizational management in different contexts and their interactions with other factors.

In summary, this study delves into the relationship between leadership style, organizational communication efficiency and decision-making efficiency, providing an important theoretical and empirical basis for organizational management practice. By optimizing leadership style and organizational communication mechanisms, organizations can improve decision-making efficiency and decision-making speed, and enhance their competitiveness and sustainable development. Meanwhile, this study also provides new ideas and directions for future research in related fields, which helps to deeply understand and explore the mechanisms and effects of internal management in organizations.

## **Discussion**

In Chapter 5 of the dissertation, we provide a detailed analysis and summary of the findings, as well as a discussion that explores the possible implications and significance of these findings from different perspectives.

First, we discuss the main findings from the research results. We found a strong correlation between leadership style, organizational communication effectiveness, and decision-making effectiveness, which is consistent with past research findings. This suggests that leader style and communication style have an important impact on decision-making efficiency in organizations. In particular, we found that leadership style has a significant effect on the communication climate and the degree of information sharing within an organization, which indirectly affects decision-making efficiency. This finding provides important clues for understanding the role and influence of leaders in

organizations.

Second, we provide insights into the significance and implications of the findings. We point out that optimizing leadership styles and organizational communication mechanisms can improve decision-making efficiency and decision-making speed, which can help organizations better cope with market challenges and changes. Leaders should value and cultivate an open communication climate that encourages employees to share information and ideas in order to improve organizational responsiveness and flexibility. In addition, we emphasized the importance of organizational communication for decision-making efficiency and stressed that establishing good communication mechanisms is crucial for organizational success.

We then discussed the limitations of our findings. Although we tried our best to ensure the credibility and validity of the study in terms of research design and data analysis, there are still some limitations. For example, this study utilized a cross-sectional design, which was unable to capture the dynamic process of change and development. Future research could consider adopting a longitudinal design to track the process of change and development of the study population in order to obtain more comprehensive findings.

Finally, we made some suggestions for future research directions. We suggest that future research could further explore the effects of personal traits on organizational management in different contexts and their interactions with other factors. In addition, the effects of leadership styles and organizational communication effectiveness on different types of organizations and the differences in different cultural contexts could also be examined in depth. These studies will help to further deepen the understanding of the mechanisms and effects of organizational management.

In summary, this study provides important empirical evidence and theoretical support for understanding the relationship between leadership style, organizational communication efficiency and decision-making efficiency, and provides useful insights and guidance for organizational management practices and future research.

## **Conclusions**

In this study, we explored the strong links between leadership style, organizational communication effectiveness and decision-making effectiveness and drew some important conclusions. First, we found a significant positive relationship between leadership style and organizational communication efficiency. This means that different styles of leaders may have an impact on communication efficiency within the organization, which in turn affects the overall functioning of the organization. In addition, we also found a significant positive relationship between leadership style and decision-making efficiency, suggesting that a leader's style has a significant impact on an organization's decision-making efficiency. These findings provide key clues to a deeper understanding of the role of

leaders in organizations and their impact on organizational functioning.

Second, we find that organizational communication efficiency also has a significant positive effect on decision-making efficiency. Excellent organizational communication facilitates the flow and sharing of information, which in turn helps leaders obtain the information they need in a timely manner and better supports decision making and implementation. Therefore, we suggest that organizations should pay attention to and optimize their internal communication mechanisms to improve the efficiency and accuracy of decision making.

In addition, we observe that leadership style and organizational communication efficiency have a positive effect on decision-making speed. Leaders adopting an open communication style and an organizational culture that promotes information sharing can accelerate the speed of decision making and implementation, and improve the organization's responsiveness and adaptability. Therefore, establishing a positive communication climate in an organization is critical for increasing decision-making speed.

However, our study did not find that personal traits significantly influence leadership style, organizational communication effectiveness, and decision-making efficiency. Although this is inconsistent with our research hypothesis, it provides new ideas and directions for future research. It may be necessary to further explore the effects of personal traits on organizational management in different contexts and their interactions with other factors.

In summary, this study delves into the relationship between leadership style, organizational communication efficiency and decision-making efficiency, providing an important theoretical and empirical basis for organizational management practice. By optimizing leadership style and organizational communication mechanisms, organizations can improve decision-making efficiency and decision-making speed, thus enhancing their competitiveness and sustainable development. Meanwhile, our study also provides new ideas and directions for future research in related fields, which helps to deeply understand and explore the mechanisms and effects of internal management in organizations.

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