

Leadership is the process of influencing the behaviour of others to work willingly and enthusiastically for achieving predetermined goals. Leadership is an important factor that adds to the success of any organization. Throughout history, the importance of leadership has been recognized. The difference between success and failure in a war, a political movement, a business or a team game can be attributed largely to leadership. Since the organization is basically a deliberate creation of human beings for certain specified objectives, the activities of its members need to be directed in a certain way. Any deviation from this way can lead to inefficiency in the organization. The leader affects direction of activities in the organization.

Leadership enhances the morale and motivation in any organization, which in turn results in high productivity, sense of direction, clarity in communication, and organizational stability. However, Messick and Kramer (2004) were of the opinion that the degree to which individuals' exhibits leadership depends not only on his characteristics and personal abilities, but also on the characteristics of the situation and environment in which he finds himself.

India is a developing country where promotion of small scale industries (SSIs) received considerable attention. Importance of small scale industries for economic growth was properly realized by the Government of free India and effort was made to assign appropriate place to these industries in the development plans of the country. The promotion of SSIs has been regarded as an important element of the development strategy. The performance of SSIs in terms of number, employment, production and export is becoming better due to the priority and importance given to SSIs by the Government. However, there are many discouraging factors which hinder the steady progress of this sector. Inadequate finance, inefficient management, unfavourable external environment and poor leadership styles are some of them. Among these factors, one of the most important internal factor which is controllable is Leadership.

The leadership styles of managers are affected by factors such as decisiveness, planning, relationship building, model of values, dependability, openness to input, emotional control, visionary thinking, inspirational role model, self confidence, taking initiative etc. It is a tough task to lead an industrial unit and to earn the authority. To do it successfully a leader should have a belief in him, passion for the job and respect for the individuals.

Statement of the Problem

Analyzing the common problems faced by the SSI units, it is found that the major problems are related to the challenges involved in adopting and adapting to rapid change, and the need for innovation and improvement. To survive the severe competition and to move ahead as a successful organisation the SSI units should be led by effective leaders. Hence the top management should focus on building leaders within organisation. In a unit, all managers have to interact with their subordinates, peers, and superiors and outside environment on a daily basis to achieve the goals. To gain their support, he/she should understand the peers, motivate the subordinates and build trust among the superiors. So the potential employees need to be trained to build those leadership qualities that would become the base for an organisation's survival. In order to develop the leaders, it is essential to analyse the various leadership styles of managers in SSI units of Kerala. So that training can be given to imbibe the necessary set of skills including interpersonal skills, and group dynamics. Every organisation has a number of talented employees. But mostly the Organisations are not utilizing their capabilities and they are not ready to groom the potential leaders within the organisation. Only leaders can withstand the challenges of the environment. Here comes the importance of studying Leadership styles and leadership development programmes.

Objectives of the Study:

1. To exhibit the socio-economic profile of the small scale industrial units in Kerala.
2. To assess the extent of leadership attributes among entrepreneurs in small scale industrial

units in Kerala and to test whether the perceived leadership attributes are dependent on the profile of entrepreneurs.

3. To determine the pattern of leadership and to analyse the relationship between leadership styles and organizational variables in the small scale industrial units in Kerala.
4. To assess the leadership styles which affect the organisational performance of small scale units in Kerala
5. To study the role of training programmes of institutions in promoting leadership among entrepreneurs in small scale industrial units in Kerala.

Hypotheses

1. There is no significant difference in the leadership attributes of the entrepreneurs between industries, region, entrepreneur's profile and organizational variables.
2. There is no significant difference among authoritative, participative and delegative leadership styles of the entrepreneurs in small scale industrial units
3. There is no requirement of a particular leadership style in small scale industrial units.
4. Entrepreneurs preferred to have no further improvement in the present leadership style in the small scale industrial units.
5. There is no significant association between different leadership styles and performance of the small scale industrial units.
6. Training programs of institutions have no significant impact on the leadership styles of entrepreneurs in the small scale industrial units.

Sample Design

Multistage systematic random sampling was applied in this study. In the first stage, three major districts, Trivandrum, Ernakulam and Kozhikode were selected to represent the south, the central and the north zones of Kerala. In the second stage selection of the small scale units was

made from industrial sector using systematic random sampling. Finally, the entrepreneurs and three employees each, from the selected units, contacted personally to collect the necessary information. Two sets of structured schedule were administered to collect primary data.

Data Sources

Primary data were collected by administering a pre-tested structured schedule. Secondary data were collected from books, periodicals, articles, working papers, thesis, project reports and various websites. Also authorities in the area of the study provided valuable materials for this study.

Selection of Sample Industrial Units and Employees

For selecting the entrepreneurs, the Kerala state was first divided into three zones – the south, the central and the north. From these zones, one district each representing the south, the central and the north (Trivandrum, Ernakulam and Calicut) was selected. Three industrial sectors were selected from the Small Scale Industrial units, namely Handloom, IT and Food, considering the increasing number of registered units in them.

Ten industrial units were chosen using quota sampling from each industrial sector in each district. Thus, thirty industrial units from each district were selected as sample and the total sample size has come to 90. Three employees were selected systematically at random from the records of the industrial units earmarked for the intensive study. Ninety employees were taken from each industrial sector.

Tools of Analysis

The collected data were classified and tabulated. This was followed by analysis and interpretation of data. Statistical tools were used for systematic analysis of data. Averages, percentages and ratios were worked out initially to study association between variables. Chi-square test, likelihood ratio etc. were also used. Difference between mean value of responses and

hypothesized value was examined with t-test. ANOVA (F-test) and t-test were used to examine the difference in mean values.

Limitations

1. The study is constrained by certain limitations: The co-operation of respondents is very much required for a survey based research. But co-operation of a few respondents was not up to the expectations.
2. The variables related to leadership attributes, leadership styles and performance of the enterprises selected only with the help of reviews and the experts in the relevant field. But some attributes might have escaped the consideration.
3. Some subjectivity biases of the respondents might influence the conclusions of the study.
4. The study focused on the trend of small scale entrepreneurs during the interview period.
5. Since the Government machinery does not maintain relevant records of small scale entrepreneurs, the study relied on the data supplied by the respondents.

Chapter Scheme

- 1) The thesis is presented in eight chapters. The first chapter provides an introduction to the study. It includes statement of the problem, objectives, hypothesis, methodology, significance, scope and limitations of the study.
- 2) The second chapter provides the theoretical aspects and a critical review of related literature.
- 3) Chapter three explains the role, growth and performance of small scale industrial units.
- 4) The fourth chapter discusses the concept, importance, approaches, theories and types of leadership. It also explains the leadership styles in various contexts.
- 5) The fifth chapter interprets the attributes of leaders in SSI units in Kerala.
- 6) The sixth chapter expounds the leadership styles in SSI units in Kerala.
- 7) The seventh chapter explains leadership styles and performance of SSI units in Kerala
- 8) Eighth chapter presents major findings and conclusions of the study.

Major Findings

The following attributes, viz; ability to take risk, managerial ability, technological literacy, willingness to adopt new technology, readiness to seek opportunity, knowledge about the industry, ability to keep public relations, self confidence, readiness to hard work and ability to take quick decisions were considered in measuring leadership qualities of the respondent entrepreneurs.

Around 38 per cent of entrepreneurs perceived themselves as 'very good' in technological literacy, 48 per cent in self confidence and 58 per cent in readiness to hard work. Leadership attributes in which entrepreneurs perceived as 'good' are, risk orientation, managerial ability, willingness to adopt new technology, readiness to seek opportunity, knowledge about industry and ability to keep public relations. In ability to take quick decisions, 33.3 per cent of entrepreneurs exhibited only 'average' skills.

From majority of the employees' point of view, no entrepreneurs are 'very good' in any of the selected attributes. More than forty seven per cent is of the opinion that their entrepreneurs are 'good' in ability to take risk, managerial ability, technological literacy, willingness to adopt new technology, readiness to seek opportunity, knowledge about industry, ability to keep public relations, self confidence, readiness to work hard and ability to take quick decisions.

The leadership attributes' index of the entrepreneurs in small scale industrial units in Kerala is 'very good' and according to employees' perception, the dominant level of leadership attributes index among entrepreneurs is 'good'.

In handloom, IT and food sectors, respondent entrepreneurs are not following strictly any particular leadership style. They are showing moderate leadership style in authoritative, participative and delegative mode. Results of F-test disclose that there is significant difference between styles of leadership of the entrepreneurs in Handloom, IT and food sectors.

While entrepreneurs are with moderate authoritarian style, the level of job satisfaction of around forty five per cent of the employees is average, while they are with low degree of authoritarian leadership style, employees are at average or high job satisfaction level and 55 per

cent of the employees expressed average job satisfaction towards high degree of authoritative style. Job satisfaction of around 45 per cent of the employees is average while the leadership styles of entrepreneurs are either moderately or low participative. While they are at high degree of participative style, job satisfaction is high for 57.1 per cent of employees. Job satisfaction is average for 47.6 per cent of the employees while their entrepreneurs are moderately delegative and it is high while the entrepreneurs are showing low degree of delegative leadership style. Hypothesis testing reveals that job satisfaction of the employees is independent of the authoritarian and participative leadership styles of the entrepreneurs. Study further reveals that delegative leadership style influences the job satisfaction of the employees.

Training programmes focusing to improve presentation skills, managerial techniques and motivational techniques provided by various institutions were attended by only 42 entrepreneurs. Moderate authoritative, participative and delegative leaders are interested in upgrading their leadership skills in all three aspects. Low level authoritarians are focusing on presentation skills and high level authoritarians are focusing on managerial techniques and motivational techniques. Low level delegative and participative leaders are interested in improving presentation skills and managerial techniques while high level participative leaders attended only training on motivational techniques. Result of likelihood ratio test discloses that authoritative and delegative leadership styles of entrepreneurs are influenced by focus of training they attended. Result further proves that participative leadership style of the entrepreneurs is not affected by the training programmes. Test results also prove that participative and delegative styles are not affected by institutions providing training programmes. But authoritative leaders are influenced by the training programmes organized by the private institutions.