Influence of Decision Making Styles on the Level of Stress and Consequences of Stress:

An Empirical Investigation of Manufacture of Dairy Products Industry
in Sri Lanka

Ву

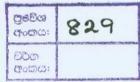
P. Ruwani Kanchana Dayaratne

B Sc. (Honors)

FGH/MHRM/2010/017

Supervisor

Ms. Prasadini N. Gamage



A thesis submitted

in partial fulfillment of the requirements for the degree of

Master of Human Resource Management

to the

Department of Human Resource Management

Faculty of Commerce and Management

University of Kelaniya

Sri Lanka

February 2013



Abstract

Stress is the main cause for most of the conflicts and problems arise in an organization. The effect of stress is a deviation from the existing physical and psychological condition of human life. Decision and decision-making processes are explicitly "fundamental to all leadership and management processes" (Jones, 2005, p. 121).

Because of very limited researches conducted in this regard in the Sri Lankan context, the process of how individual think in order to reach their decisions and how the decision-making influence on strains of stress; is unexplored. This study is an attempt to identify the managerial decision making styles, their effect on consequences of stress and the intervening effect of coping resources and perceived organizational role factor on this relationship.

The target population consisted of executives and above grade employees who are employed in manufacture of dairy products industry in Sri Lanka. Proportionate Stratified Random Sampling method was employed to select the sample. A structured questionnaire, which comprises three parts namely, the Occupational Stress Inventory-(OSI-R)-modified, the Decision Style Inventory and the Individual Data Form was employed to collect the primary data.

The scores derived from the Decision Style Inventory (DSI) indicated that the majority of the respondents were Behavioral Decision Makers followed by Directive Decision Makers leading to action orientation. Results further revealed that these

employees possess more than one decision-making style, implying that they have considerable flexibility in their decision-making. A greater part of the respondents is right brain thinkers rather than left side inferring that the majority of them were managers rather than leaders.

Demographic factors of age, level of education, current position and working experience influence on the decision-making style utilized by the individual. The fascinating finding of this research was that the consequences of stress an individual experienced significantly depend on the style of thinking of the person. Coping resources is a significant mediator of this relationship for Analytical and Behavioral Decision Making Styles.

The findings of this study provide baseline information in filling the gap in scholarly literature regarding the way Sri Lankan manufacture of dairy products industry employees thinks about various situations, process information and make decisions; and improve the understanding of their perceived stress.