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# The Role of Situational Leadership in Manufacturing Industry Decision Making Automation

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Received: 23-12-2024  
Accepted: 25-12-2024  
Published: 31-12-2024



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**Abstract:** This article examines the role of situational leadership in improving decision-making effectiveness in the manufacturing sector, particularly in relation to automation. The research reveals that a strong understanding of team dynamics and the leader's ability to adjust leadership styles according to employee readiness levels can enhance productivity and motivation. Amid technological and organizational changes, leaders who can adapt quickly will be more effective in managing transitions, especially in automating production processes. This article also offers practical recommendations for leaders to address challenges arising from the implementation of new technologies and to create a more collaborative and innovative work culture. By encouraging employee involvement in decision-making, leaders can foster innovation and improve operational efficiency, which in turn supports the company's success in facing evolving industry challenges.

**Keywords:** Situational Leadership, Decision-Making, Manufacturing

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## Introduction

In a dynamic and competitive business environment, the ability to make appropriate and timely decisions is a key factor that determines the success of an organization. Especially in the manufacturing industry, the industry often faces complex challenges such as fluctuating market demand, technological developments and pressure to increase operational efficiency. In conditions like these, the role of leadership becomes increasingly important to ensure that every decision taken can support the optimal achievement of organizational goals.

Situational leadership is an approach that emphasizes the importance of leaders' flexibility and adaptability in managing the various situations they face. This concept teaches that there is not one leadership style that is most effective in every situation, but leaders must be able to adapt their leadership style based on the maturity and skill level of the individual and the complexity of the group. tasks need to be completed. finished. In the context of the manufacturing industry, the application of situational leadership can help optimize decision making by adapting leadership approaches according to the conditions faced, both in crisis situations and in daily activities.

According to Hersey and Blanchard (1982), “situational leadership is the art of adjusting leadership style based on the readiness of subordinates to complete a particular task. » This statement emphasizes the importance of a thorough understanding of team dynamics and the ability to adapt leadership styles to achieve optimal results.

This article will examine the role of situational leadership in optimizing decision making in the manufacturing industry. Through analysis of leadership theory and relevant case studies, this article aims to better understand how to apply situational leadership effectively in the context of the manufacturing industry. Furthermore, this article will also explore the positive impacts that can be achieved through the application of situational leadership, such as increased productivity, increased employee satisfaction, and good adaptability to changes in the business environment.

Therefore, this research is expected to make a significant contribution to the theoretical and practical development of leadership in the manufacturing industry, as well as provide practical recommendations for leaders in this industry to optimize their decision-making processes. In the era of globalization and intense competition, situational leadership is not only a competitive advantage but also a basic requirement for long-term success.

## Methodology

This study adopts a qualitative approach to deeply explore the dynamics of situational leadership in the context of decision-making automation within the manufacturing industry. This approach enables a detailed understanding of the interactions between leaders and employees and how leadership styles influence decision-making processes in environments increasingly reliant on automation. The study begins with a comprehensive literature review from various sources, including academic articles, books, and relevant industry reports. This review aims to establish a strong theoretical foundation, identify research gaps, and provide broader insights into the application of situational leadership across different industrial sectors.

The data obtained from the literature review will be analyzed using thematic analysis. This method is used to identify and group patterns or themes emerging from the data, particularly those related to situational leadership and decision-making automation. This analysis will offer an in-depth understanding of how situational leadership impacts decision-making effectiveness in the context of automation. Furthermore, this research is expected to provide practical recommendations for the manufacturing industry and contribute to the development of more relevant leadership theories to address challenges in the era of automation.

## Result and Discussion

### A. Analysis of Dominant Situational Leadership Styles in Manufacturing Companies

The situational leadership style is an approach that emphasizes the importance of adapting leadership styles based on the situation and the readiness level of subordinates. In the manufacturing industry, where dynamics and operational demands often fluctuate, leaders who can adapt quickly can significantly impact team performance. This leadership style encompasses four main approaches: telling, selling, participating, and delegating, each of which plays a vital role in decision-making and process automation. By understanding and applying the appropriate leadership style, leaders can enhance employee motivation and engagement, thereby contributing to operational efficiency.

In manufacturing companies, the telling style is often used when subordinates are at a low readiness level. At this stage, leaders need to provide clear and specific instructions to ensure tasks are executed correctly. For instance, in situations where new or less experienced employees face complex production processes, leaders must take an active role in providing guidance and instructions. This approach not only helps employees understand their responsibilities but also builds the confidence necessary for transitioning to more participative leadership styles in the future.

When employees demonstrate higher levels of readiness, the selling and participating styles become more relevant. The selling style involves leaders explaining decisions and motivating subordinates to commit to the tasks at hand. In the manufacturing industry, where innovation and continuous improvement are critical, this approach enables leaders to inspire their teams to tackle new challenges. Meanwhile, the participating style encourages collaboration and active participation from employees in decision-making, which can enhance their sense of ownership and accountability for outcomes.

When employees reach a high level of readiness, the delegating style becomes predominant. At this stage, leaders give subordinates the freedom to make decisions and complete tasks in their own way. In the context of automation, where new technologies and systems are implemented, leaders using the delegating style can empower their teams to explore innovative solutions and improve efficiency. By trusting employees, leaders not only boost motivation but also create a more dynamic and responsive work environment.

The application of the appropriate situational leadership style in manufacturing companies is crucial for supporting decision-making and automation processes. Leaders who can adjust their approaches based on subordinates' readiness levels will be more effective in managing teams and achieving organizational goals. By understanding the characteristics of each leadership style and the situations they face, leaders can foster a productive and innovative work environment, ultimately contributing to the company's success in addressing the evolving challenges of the industry. (Arifin, 2021)

## **B. Factors Influencing the Implementation of Situational Leadership Styles in the Manufacturing Industry**

Situational leadership requires leaders to adapt their approaches to various conditions, both internal and external. In the manufacturing industry, the application of this leadership style depends heavily on several evolving factors, both from within the organization and the external environment.

### **1. Technological Development and Innovation**

The manufacturing industry is now facing rapid advancements in technology and automation. The introduction of new technologies such as the Internet of Things (IoT), big data, and artificial intelligence (AI) forces leaders to adapt quickly. Leaders using situational leadership styles can adjust their approaches according to the team's level of understanding of these new technologies, providing more direction if needed or allowing the team to be more independent when they are skilled.

### **2. Organizational Changes and Managerial Structure**

Many manufacturing companies continue to undergo changes in their organizational structure, such as implementing new management systems or streamlining production processes. During these times, leadership styles need to be adjusted to support these transitions. In the early stages of change, a more authoritative style may be needed to ensure changes are implemented correctly. However, over time, a more collaborative style that allows employees to participate in decision-making will be more effective.

### **3. Human Resources Aspects**

The diversity in employees' skills and experiences influences how leadership styles are applied. For higher-skilled employees, leaders tend to use a more collaborative leadership style, while for newer or less skilled employees, a more instructional approach is needed. Leaders must be able to adjust their styles to provide the support that aligns with the individual needs of team members.

### **4. Crisis and External Uncertainty**

Changes in economic conditions, government policies, or social-political instability can affect how organizations operate. When facing crises or uncertainty, leaders need to adapt their leadership styles to provide clear and swift direction. A more directive style is required to make quick and efficient decisions, while in more stable times, a more participative leadership style will help maintain team engagement and motivation.

### **5. Influence of Globalization**

Globalization has introduced new challenges, such as international competition and cultural differences in the workplace. Leaders in manufacturing companies operating globally need to adjust their leadership styles to the cultural diversity within their teams. This includes the ability to manage teams spread across different countries and adjust decisions to local conditions while maintaining alignment with global organizational goals and strategies. (Nuhiya et al., 2024)

### **C. Implications of Using Situational Leadership on Decision-Making**

Situational leadership is an approach that emphasizes the importance of adjusting leadership styles based on the needs of the situation and the characteristics of the group. This approach has several important implications for decision-making in organizations.

#### **1. Flexibility in decision-making**

Situational leadership gives leaders the flexibility to adapt their style according to the context. Effective leaders can assess the skill level and commitment of their team members, then choose the right approach, which can be more directive or more supportive. This allows for decision-making that takes into account the capabilities and needs of the team, thereby increasing the likelihood of successful implementation of those decisions. This flexibility ensures that leaders can respond to situations in the most appropriate way, both under normal and crisis conditions. (Ramadhan et al., 2024)

#### **2. Improve team performance**

By adapting the leadership style to the needs of the team, leaders can increase member motivation and engagement. When team members feel supported and understood, they tend to be more motivated to achieve a common goal. These adjustments not only increase productivity but also create a more collaborative and creative work environment, which is essential in today's digital age. For example, in an innovation project, a participatory approach can encourage creativity and active contributions from team members.

#### **3. Adaptability to change**

The dynamic business environment requires leaders to be able to adapt quickly. Situational leadership allows leaders to respond quickly and effectively to change, optimizing decisions made in changing situations. For example, in a crisis situation, leaders may be required to make quick decisions without in-depth consultation, using a more autocratic approach to provide clear direction. Once the situation stabilizes, leaders can return to a more collaborative style.

#### **4. Challenges in Implementation**

Despite its many benefits, the implementation of situational leadership also faces challenges. Leaders must understand the situation and dynamics of the team so that they can adjust their style effectively. Not understanding the context can lead to confusion or rejection from team members. Additionally, relying on certain situations can lead to inconsistencies in leadership styles, thus harming organizational stability. Leaders must continue to develop their skills to ensure a consistent and effective approach. (Nabilah Maulidah Az- Zahroh et al., 2023)

Overall, the use of situational leadership has positive implications for decision-making by providing flexibility, improving team performance, and enabling quick responses to change. However, leaders must be aware of the challenges that may arise and strive to deeply understand the team dynamics and organizational context in order to implement this approach effectively. Flexible and adaptive leadership is the key to achieving optimal results and supporting the achievement of organizational goals. (Toana, 2019)

## **D. Case Study of a Successful Manufacturing Company Implementing a Situational Leadership Type**

In this analysis, we compare several companies to review the implementation of situational leadership. The results can be used as a reference to find out how the application of situational leadership types has an impact on corporate decision-making.

### **1. PT SIANTAR TOP TBK.**

The senior leaders of PT Siantar Top Tbk demonstrate the characteristics of situational leadership by providing clear direction and necessary support. They can identify each employee's needs and tailor their approach, both in terms of coaching and feedback. When starting a task, leaders often use a storytelling style, providing clear and specific instructions. When employees begin to understand their duties, a sales style is applied to explain the reasons for decision-making and provide guidance. In situations where employees show competence and confidence, a participatory style is applied by involving employees in decision-making. When employees demonstrate a high level of competence, a delegation style will be used, which gives them more responsibility and less supervision.

The implementation of situational leadership at PT Siantar Top Tbk improves employee performance by creating a supportive and motivating work environment. Employees feel more valued and motivated to achieve better results. This positive work environment creates an atmosphere that makes employees feel comfortable to contribute to the maximum. Business leaders also seek to make constructive contributions through open and transparent communication between leaders and employees. To support situational leadership, PT Siantar Top Tbk also invests in employee training and development.

Although implementing situational leadership brings many benefits, PT Siantar Top Tbk faces several challenges. Differences in employee backgrounds and experiences can make it difficult for leaders to tailor their leadership style to each individual. Resistance to change by employees who are used to a certain way of working can hinder the implementation of new strategies. Leaders must also continue to develop their abilities to be able to adapt to changes in team dynamics and the work environment. However, these challenges do not discourage the spirit to reap great benefits from the implementation of this leadership style.

Overall, the situational leadership style at PT Siantar Top Tbk contributes significantly to improving employee performance. By adapting leadership styles to individual circumstances and needs, companies can create a productive and innovative work environment that supports the achievement of organizational goals and creates a positive work culture where every employee feels motivated to work as well as possible. (Handoko, 2020)

### **2. PT FUTUREFOOD WAHANA INDUSTRI**

Situational leadership at PT Futurefood Wahana Industri is applied with a flexible approach, where leaders analyze the level of readiness of their subordinates before determining the right leadership style. In this context, leaders use a delegated and participatory style, depending on the abilities and willingness of existing subordinates. This allows leaders to define tasks and give subordinates the freedom to coordinate, thus



creating a more independent work environment.

The results of the implementation of situational leadership show an increase in the productivity of subordinates. By understanding each individual's readiness level, leaders can maximize the performance potential of their subordinates and create more effective communication. Success in establishing good relationships between leaders and subordinates is also one of the main advantages of this method. However, the challenges faced in the implementation of situational leadership are quite significant. One of the main challenges is the low adaptability of leaders in recognizing the level of readiness of their subordinates. Leaders must be more sensitive to changes in the situation and conditions faced by their followers in order to provide appropriate support.

In addition, the personal development of leaders is also an important aspect that needs to be considered. Leaders must continue to improve their skills and knowledge to apply behaviors that are appropriate to the current situation. This will help create a more enjoyable and productive working atmosphere. Effective communication between leaders and followers is also essential to overcome these challenges. By encouraging subordinates to share the difficulties they face while carrying out tasks, leaders can more easily analyze the readiness level of their subordinates. This will allow leaders to provide more accurate and relevant input.

On the other hand, leaders also need to pay more attention to supervision of the activities of their subordinates. Even if the leader only supervises by receiving task progress reports, it is important to ensure that subordinates feel supported and have opportunities to grow. In this way, leaders can create a more inclusive and collaborative work environment. Overall, the implementation of situational leadership at PT Futurefood Wahana Industri brings many benefits but also encounters many challenges. With the right approach and continuous personal development, leaders can overcome these challenges and maximize the potential of their followers. This will contribute to the company's success in achieving its goals and improving its overall performance. (Anthony & Remiasa, 2019)

### **3. PT PRAMONO IRINDO JAYA**

PT Pramono Irindo Jaya implements a situational leadership style that is in accordance with the readiness and desire of its employees. This style includes storytelling, selling, engagement, and assignment approaches, allowing leaders to provide clear direction, explain decisions, involve employees in processes, and communicate autonomy in executing tasks. In this way, leaders can tailor their approach to individual and collective needs, thereby increasing team effectiveness. The result of the implementation of this leadership style is an increase in employee morale and motivation. Employees feel more valued and more involved in the decision-making process, thereby increasing productivity. In addition, a collaborative and open work atmosphere encourages innovation, so employees feel comfortable sharing ideas and solutions.

Thanks to a participatory approach, employees also have the opportunity to develop their skills. Production managers actively provide guidance and training, helping employees improve their technical knowledge and skills. This not only improves individual performance but also strengthens the entire team. This leadership style also encourages

more effective communication between management and employees. Production managers regularly hold meetings to listen to complaints and input from subordinates, thus creating a two-way information exchange channel. By listening to and responding to employee needs, companies can resolve issues more quickly and effectively.

However, the implementation of this leadership style is not without challenges. One of the main challenges is the rejection from some employees who are accustomed to a more authoritarian approach. Some employees may feel uncomfortable with the autonomy given to them, which can hinder the process of adapting to the new leadership style. In addition, the compatibility between different leadership styles and employee readiness levels is also a challenge. Less prepared employees may need more guidance and support, while more prepared employees may want more freedom. Therefore, production managers must constantly evaluate and adjust their approach to meet the needs of all employees.

Overall, the implementation of situational leadership at PT Pramono Irindo Jaya has brought many benefits, including increased productivity, employee engagement, and a positive work atmosphere. Although challenges still exist, with the right approach and effective communication, businesses can continue to grow and achieve their goals. (Gunawan, 2019).

Number	Company Name	Implementation	Result and Benefits	Threats
1	PT SIANTAR TOP TBK	Provide clear direction and necessary support. They can identify each employee's needs and tailor their approach, both in terms of coaching and feedback.	Employees feel more valued and motivated to achieve better results. This positive work environment creates an atmosphere that makes employees feel comfortable to contribute to the maximum.	Differences in employee backgrounds and experiences can make it difficult for leaders to tailor their leadership style to each individual. Resistance to change by employees who are used to certain ways of working can hinder the implementation of new strategies



Number	Company Name	Implementation	Result and Benefits	Threats
2	PT FUTUREFOOD WAHANA INDUSTRY	It is applied with a flexible approach, where leaders analyze the level of readiness of their subordinates before determining the right leadership style.	There is an increase in the productivity of subordinates. By understanding each individual's readiness level, leaders can maximize the performance potential of their subordinates and create more effective communication.	The low adaptability of leaders in recognizing the level of readiness of their subordinates. Leaders must be more sensitive to changes in the situation and conditions faced by their followers in order to provide appropriate support.

### Conclusion

In this study authors found that the application of situational leadership in the manufacturing industry can improve the effectiveness of decision-making. By understanding their team's needs and capabilities, leaders can choose a more appropriate, directive and supportive approach. A positive work environment and employee participation in decision-making increase productivity and motivation, creating a comfortable atmosphere for employees to contribute optimally. However, challenges such as differences in staff qualifications and readiness levels must be considered. Leaders must continually evaluate and adjust their approach to meet the needs of all team members. Therefore, situational leadership not only increases team effectiveness but also contributes positively to the overall success of the organization.

### Recomendation

#### 1. Strengthening Competence in Situational Leadership

Companies are advised to organize training programs for leaders and managers to better understand the concept and application of situational leadership. This initiative enables them to be more responsive to employee needs and readiness, allowing for the selection of appropriate leadership styles.

## 2. Review and Adjustment of Leadership Styles

Leaders should regularly review the effectiveness of their leadership styles through team performance evaluations and feedback from employees. This adjustment aims to ensure that the chosen approach remains relevant to changing needs and situations in the workplace.

## 3. Employee Capacity Development

Companies are encouraged to provide development programs to enhance employees' skills and readiness. With improved capabilities, leaders can optimize participative or delegative leadership styles, supporting innovation and organizational productivity.

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