

Executive Summary

Link Natural Product (Pvt.) Ltd is private limited company incorporated as an essential oil manufacture in 1982 with a 7 staff members. Dr.Dewapriya Nugawela is the Founder and the present Chairman of the Company. The company has expanded its product portfolio in to verity of herbal products. The Organisation was performed successfully despite of critical departure points. As the founder, influence from Dr. Nugawela to the organisation is a crucial factor in the organisational lifecycle.

This study intended to analyse the Founder-CEO effect on Organisational Performance of Link Natural Products Pvt. Ltd. The framework of this study consists of three independent variables; Leadership style, Corporate Vision, Corporate Governance, two moderators; Organisational Culture and the Management Commitment and a dependent variable the Organisational Performance. As per the framework, the first three variables influenced the Founder/CEO effect and the last two variables moderate the relationship. Since the study was intended to analyse the impact of some behavioural aspects of the Founder-CEO of Link Natural Products, on its performance, mainly a qualitative approach was used as the methodology of the study. Under that approach, in-depth interviews and focus group discussions were used as the major data collection instruments. In addition to that, standard and pre-prepared questionnaires also used to collect data for some variables. The information gathered through the interviews and focus group discussions were further strengthened by using the results of the above questionnaires.

The applicability of the case frame work, for Link Natural Products was able to prove during the study. Hence it has been proved that there is a direct relationship between the organisational performance and the founder-CEO effect. Another key finding was the ability of moderators to influence the above relationship. The analysis was able to prove that the Organisational Culture and the Management Commitment are capable of influencing the relationship, in either positively or negatively and it was found that there is no proper mechanism for the Company to replace the Founder/CEO effect, after his retirement. In addition to that, key shortcomings and key success areas were identified, in relation to the organisational activities.

Finally, the study was concluded, revealing the positive relationship between the founder/CEO effect and the Organisational Performance. It was concluded that the successful organisational performance of Link Natural Products was always influenced by the founder/CEO effect and positively influenced by the Organisational Culture and the Management Commitment. The Company was recommended to pay a higher attention on the future activities of the company, after the retirement of the founder/CEO. Also, the shortfalls found during the analysis, were provided with necessary remedial actions.