

ABSTRACT

This research was comed out to test the influence of leadership behaviors toward the value chain in manufacturing industry. The purpose of this research is to know how to influence leadership behaviors: transformational, transactional and passive toward the value chain in manufacturing industry. The Multifactor Leadership Questionnaire (MLQ-5X) is used as the instrument to assess leadership behaviors as transformational, transactional and passive. In this research leadership is defined as a leader for one's behavior affects others in ways transformational, transactional and passive in the manufacturing industry. Value chain is a string value used to detect the internal processes in manufacturing. Value chain is not measured directly, but leaders perception toward the value chain.

Analysis and testing methods that used to determine the effect leadership behaviors toward the value chain is correlation analysis, regression and hypothesis. From the resulting analysis and testing of leadership behaviors: transformational and transactional have a significant positive toward the value chain activities in manufacturing industry. While leadership behaviors: passive has significant negative toward the value chain activities in manufacturing industry. Overall it leadership behaviors: transformational, transactional and passive have a significant positive toward the value chain activities in manufacturing industry. These results are consistent with the hypothesis predicted.

Keywords: *Leadership behaviors, value chain and manufacturing industry*