

**ORGANIZATIONAL CULTURE AND TRANSFORMATIONAL  
LEADERSHIP: CASE STUDY OF ENVIRONMENTAL  
ENGINEERING CONSULTANT COMPANY IN THAILAND**



**A THEMATIC PAPER SUBMITTED IN PARTIAL  
FULFILLMENT OF THE REQUIREMENTS FOR  
THE DEGREE OF MASTER OF MANAGEMENT  
COLLEGE OF MANAGEMENT  
MAHIDOL UNIVERSITY  
2018**

**COPYRIGHT OF MAHIDOL UNIVERSITY**

## ACKNOWLEDGEMENTS

First of all, I would like to express my deepest gratitude to my thematic advisor, Assoc. Prof. Astrid Kainzbauer. Without her supporting effort and genuinely useful reviews, I would not significantly improve my final thematic paper. She did not only guided and gave me feedbacks through her expertise and knowledge, but she is a dedicated professor who is kind, works hard and taught me to learn about the importance of management both in career and lifetime spending throughout my grateful years at CMMU.

Secondly, I would like to thank you to Mr. Pirote Pankhawong, all participants and interviewees at Engineering Consultant Company for my case study. They are energetic, motivated and play active roles for the interviews.

Finally, I would like to dedicate this paper to all my family members who are always supportive and encourage me with their to study at CMMU. My grateful wish belongs to my grandmother, Manit Klaikokerd who always provides love and stands by me even my tough time. I wish to thank you wholeheartedly to my parents and friends who helped and suggested me with effective guidelines and sharing their grateful experiences. I would like to thank you Dr. Maetee Kunrugsa for his academic advices, love and support for finalizing this paper.

Plopimon Jaijanduean

**ORGANIZATIONAL CULTURE AND TRANSFORMATIONAL LEADERSHIP: CASE STUDY OF ENVIRONMENTAL ENGINEERING CONSULTANT COMPANY IN THAILAND**

PLOIPIMON JAIJANDUEAN 5949130

M.M. (GENERAL MANAGEMENT)

THEMATIC PAPER ADVISORY COMMITTEE: ASSOC. PROF. ASTRID KAINZBAUER, Ph.D., ASST. PROF. RANDALL SHANNON Ph.D., RONALD SURACHAI THESENVITZ, Ph.D.

ABSTRACT

Organizational culture and transformational leadership are significant for leaders to understand how the power of their leadership has effects on organizational culture in organizations. Those instruments are essential to develop human resources in sustainable growth.

The purpose of this research is to understand the relationship between transformational leadership and organizational culture in the small organization. The case study focused on environmental engineering consultant company in Thailand. This paper is designed by using the qualitative approach. The researcher used self-assessments and conducted in-depth interviews with the leader and current employees.

According to Bass' transformational leadership theory and Groysberg, Lee, Price and Chung's integrated culture framework, the positive results are that there is transformational leadership in this small organization and leader can build trust through his own style of leadership. Employees reflect themselves by giving their expressions on cultural sentiments and organizational culture as "Enjoyment" and "Caring". However, there are some hidden issues about organizational culture.

**KEY WORDS:** Organization culture / Transformational leadership / Integrated culture framework

31 pages

## CONTENTS

	<b>Page</b>
<b>ACKNOWLEDGEMENTS</b>	<b>ii</b>
<b>ABSTRACT</b>	<b>iii</b>
<b>LIST OF TABLES</b>	<b>v</b>
<b>LIST OF FIGURES</b>	<b>vii</b>
<b>CHAPTER I INTRODUCTION</b>	<b>1</b>
<b>CHAPTER II LITERATURE REVIEW</b>	<b>3</b>
2.1 Organizational Culture Definition	3
2.2 Organizational Culture in Small Businesses	4
2.3 Leadership Definition	4
2.4 Transformational Leadership Definition	4
2.5 Relationship between Organizational culture and Leadership	5
2.6 The Organizational Culture Assessment Instrument (OCAI) and Competing Values Framework (CVF)	6
2.7 Integrated Culture: The Framework	7
2.8 Conclusion	9
<b>CHAPTER III RESEARCH METHODOLOGY</b>	<b>10</b>
3.1 Research Design	10
3.2 Collecting Primary Data	10
3.3 Self-Assessment questions	11
3.4 Interview questions lists	12
<b>CHAPTER IV FINDINGS AND DISCUSSION</b>	<b>15</b>
4.1 Transformational leadership through employee's perspectives	17
4.2 Organizational culture in accordance with CEO's perspectives	20
4.3 Understanding organizational culture in the company	21
4.4 Discussion on leader and employees' perspectives	23
4.5 Some hidden issues	24

**CONTENTS (cont.)**

	<b>Page</b>
<b>CHAPTER V CONCLUSION AND RECCOMENDATION</b>	<b>26</b>
5.1 Conclusion	26
5.2 Recommendations	26
<b>REFERENCES</b>	<b>29</b>
<b>BIOGRAPHY</b>	<b>31</b>



## LIST OF TABLES

<b>Table</b>	<b>Page</b>
2.1 Characteristics of Transformational and Transactional leaders	5
2.2 Advantages and Disadvantages in Culture style from Integrated Culture: The Framework	8
3.1 Primary data and information of seven interviewees	11
3.2 Self-assessment from Integrated Culture: The Framework	11
3.3 Transformational leadership interview question list CEO	12
3.4 Transformational leadership interview question list to employees	14
4.1 Evaluation of Characteristics of Transformational Leadership Between leader and employees	16

## LIST OF FIGURES

<b>Figure</b>	<b>Page</b>
2.1 Characteristics of Transformational and Transactional leaders	5
2.2 Competing Values of Leadership, Effectiveness, and Organizational Theory	7
2.3 Integrated Culture: The Framework	8
2.4 Process models of Transformational Leadership and Organizational Culture for analysis in this research	9
4.1 Home office floor plan of environmental engineering consultant company	16
4.2 Organizational culture framework according to CEO's perspectives	20
4.3 Organizational culture framework according to employees' perspectives	22
4.4 Relationship between Transformational leadership and organizational culture	23
5.1 Relationship between Transformational leadership and organizational culture	28

## **CHAPTER I**

### **INTRODUCTION**

In this dynamic world of business, leadership styles of management and organizational culture are greatly important for organizational change and development in a sustainable manner. It is essential that leaders in organizations should understand, gain the ability to interpret and react logically to challenging business environment with potential capabilities. There are many approaches in academic studies, shared experiences and effective practices in the past which managers should focus to develop their own initially strategic plans with encouraged visions.

In long-term perspectives, human development is the consensus of practices for successful management. Organizational culture represents identities and values about how patterns, dynamics, functions, and work politics of people in the company are connected. Leaders should learn more about the deeper understanding of people in different aspects.

According to the contemporary theory about leadership, Transformational Leadership which is introduced during the 1970s is crucially developed for a valuable and positive approach that can enhance employees' motivation and performance in the workplace. This means that transformational leadership style connects people in the organization together and support leaders to identify the culture of the organization as a group. This is challenging and inspiring for everyone in the organization. As a result, people can be motivated and optimize their performance by transformational leadership.

About organizations in Thailand, after the financial crisis in 1997, the majority of business drivers are small and medium-sized enterprises (SMEs). According to the World Bank (2017), Thailand is implementing digital frontiers and further improving business environments which are key reforms to Thailand's effort and strengthens the country's economic growth. According to this, companies in



Thailand should be supported technically both in terms of financial growth and organizational development. Therefore, people are highlighted to be key factors and alignments in organization growth.

Seeing that people-orientation is essential, my motivation for this study is that some SMEs in Thailand may still do not understand the power of culture and leadership which are moderators for sustainable development. Most SMEs are in the transitional phases of change and need to apply strategic managements with human resources capabilities. They should utilize soft skills which can be reflected in leadership, social patterns and behavior of employees in the organizations.

There are some hidden issues in management through leadership and culture in many organizations. Leaders' points of view may be different from employee's perspectives. Consequently, the case study will be the analysis of the small business company in Thailand which provides consultations for sustainable design in environmental engineering especially in water management and public transportations.

The company is in service industry and provides consultations for both government and private sectors. There are only around 20-30 employees in the company. Some specific culture in organization can be studied and it is important to include all stakeholders in this business.

The objective of this paper is to study on transformational leadership and organizational culture from both leader and employees' perspectives to compare and fill the gap in correlation between leadership and culture in organization. The research mainly aims to enhance understanding that leaders with transformational leadership can be the role models who create values and develop organizational culture for sustainable growth. Moreover, the seeking value is that researchers and leaders can learn from the case study which is the practical example of further studies and organizational improvement. The research question is "How transformational leadership has an impact on organizational culture in the small organization?"

To summarize, in contemplation of developing for successful management, it is essential that all leaders should concern about how they value people with their leadership styles and organizational culture. No matter what size of organization is, all leaders should adapt transformational leadership and integrate positive culture for both individual and group achievements.

## CHAPTER II

### LITERATURE REVIEW

#### 2.1 Organizational Culture Definition

In terms of organizational culture, it is rather broad and abstract for academics and researchers to define in only one definitive meaning. In his book, Shein stated that the concept of organizational culture is how group members *share* or *hold* together collectively to be recognized as “culture”. Therefore, from this shared sense of cultural belonging, the group will act from the way they perceive, think and feel to solve problems both from external adaptation and internal integration (Shien, 2004).

According to Bolman and Deal, there is one frame model called “*The Symbolic Frame*” which can be indicated in metaphors as carnival, temple, or theater in order to see the organization as cultures. This can be explained that “*The Symbolic Frame*” is one central role of perspectives on how stories, ceremonies, and heroes shape organizational culture which will inspire people for team building. The model shows how employees work on purpose and meaning as a group (Bolman & Deal, 2017).

From the contemporary definition of organizational culture, values and norms are shared by people and group to express what is their importance in the organization. Interactions both inside and stakeholders outside are influenced by the organizational culture which comprises of things that are valued, leadership style, the method of human communication, either spoken or written or regular practices. The characteristic of organizational culture is shaped by the particular collection of values (Obasan, 2012).

## **2.2 Organizational Culture in Small Businesses**

According to Graham and Nafukho, there are two main reasons for the small-size business to create successful learning organizations which are a survival from environmental rapid change and excellence, which means how they can be strived by performance (Graham & Nafukho, 2017).

From the research, “The Cultural Paradigm of the Smaller Firm” is described by Haugh and McKee that there are shared cultural values in the organizations in long-term perspectives which are grounded for survival of organization. For example, independence and financial prudence. (Haugh & McKee, 2004).

## **2.3 Leadership Definition**

Many Leadership definitions are developed through history since the 1920s. For contemporary theories, Rost’s study described the influence of leadership which reflects relationship and shared purposes between leaders and followers (Rost, 1993). Therefore, this can be stated that leadership is about how to manage relationships in the organization, either from leader’s position or shared values and cultures. According to Dirks and Ferrin, trust in leadership is greatly significant and relate to influence about the relationship in organization. (Dirks & Ferrin, 2002)

## **2.4 Transformational Leadership Definition**

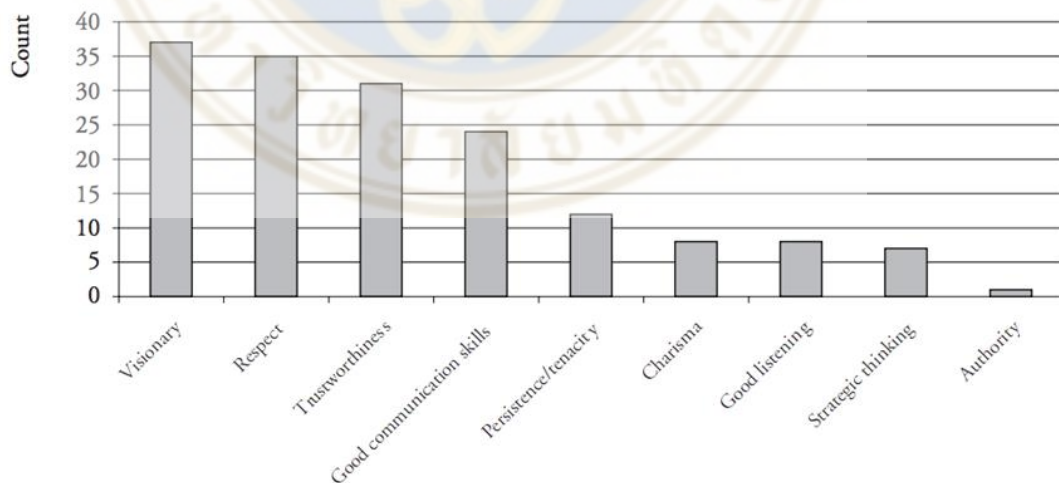
From Bass’s study, transformational leadership is articulated by leaders who concern, gain awareness and appreciate the interests of their employees. Transformational leaders are charismatic and inspirational to their followers. They will search for the purposes or missions of the group rather than self-interests. There are differences in characteristics between Transformational leaders and Transactional leaders will be shown in table 2.1 (Bass, 1990).

**Table 2.1 Characteristics of Transformational and Transactional leaders**

Transformational Leader	Transactional Leader
<ul style="list-style-type: none"> <li>• <i>Charisma</i>: Provides vision and sense of mission, instills pride, gains respect and trust.</li> <li>• <i>Inspiration</i>: Communicates high expectations, uses symbols to focus efforts, express important purposes in simple way.</li> <li>• <i>Intellectual Stimulation</i>: Promotes intelligence, rationality and careful problem solving.</li> <li>• <i>Individualized Consideration</i>: Gives personal attention, treats each employee individually, coaches, advises.</li> </ul>	<ul style="list-style-type: none"> <li>• <i>Contingent Reward</i>: Contracts exchange of rewards for effort, promises rewards for good performance, recognizes accomplishments.</li> <li>• <i>Management by Exception (active)</i>: Watches and searches for deviations from rules and standards, takes corrective action.</li> <li>• <i>Management by Exception (passive)</i>: Intervenes only if standards are not met.</li> <li>• <i>Laissez-Faire</i>: Abdicate responsibilities, avoid making decisions.</li> </ul>

## 2.5 Relationship between Organizational Culture and Leadership

### *The Single Most Important Characteristic a Leader Needs to Shape Culture Effectively*



**Figure 2.1 The Single Most Important Characteristic a Leader Needs to Shape Culture Effectively**

Source: Hall (2005)

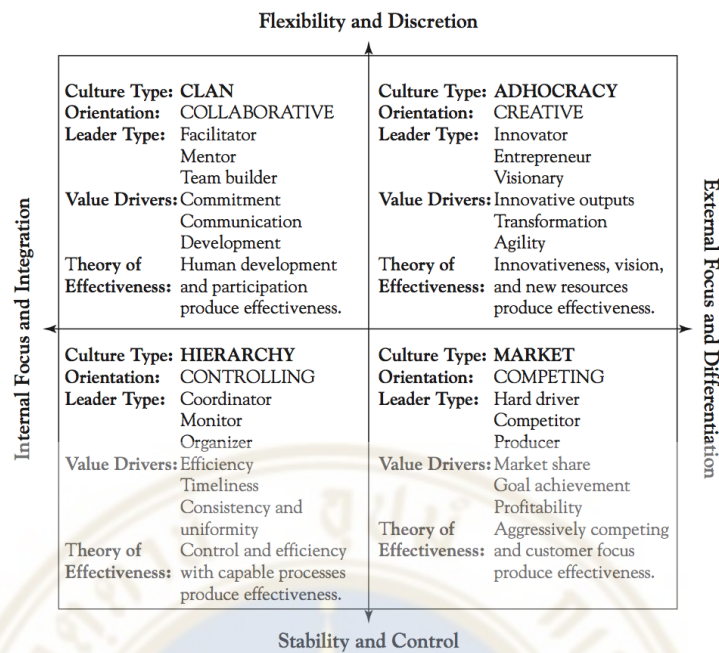
According to Hall's study, figure 2.1 illustrates the most important characteristic for leaders that need to shape culture. In order to be effective leaders, there should be both positional and personal leadership. After the vision, respect, trustworthiness, and communication skills are important for leaders to create an organizational culture (Hall, 2005).

Shein, in his book, stated that visions in leaders are concerned. However, the organization's capacity to learn and how they absorb from environments should be covered as well (Schein, 1992). Moreover, from Tohidi's study, he argued that leadership and management are overlapped and associated with connections is not true. Leaders are different from managers and leadership is about building and guiding direction for the group and modifies organizational culture. (Tohidi, 2012)

## **2.6 The Organizational Culture Assessment Instrument (OCAI) and Competing Values Framework (CVF)**

In 1983, The Organizational Culture Assessment Instrument (OCAI) is developed by Kim Cameron and Robert Quinn to create the method which can investigate organizational culture. (Organizational Culture Assessment Instrument online, 2012). "Those investigations were followed by studies of organizational culture, leadership roles, management skills, and information processing styles." (Cameron, 2009)

There are four organizational types which are Clan, Adhocracy, Hierarchy, and Market. Each type is the basis of OCAI and represents the assessment of organization. Competing Values Framework (CVF) also represents the attributes of cultural values in organizations. In figure 2.2 will illustrate values of leadership in each type (Cameron & Quinn, 2011).



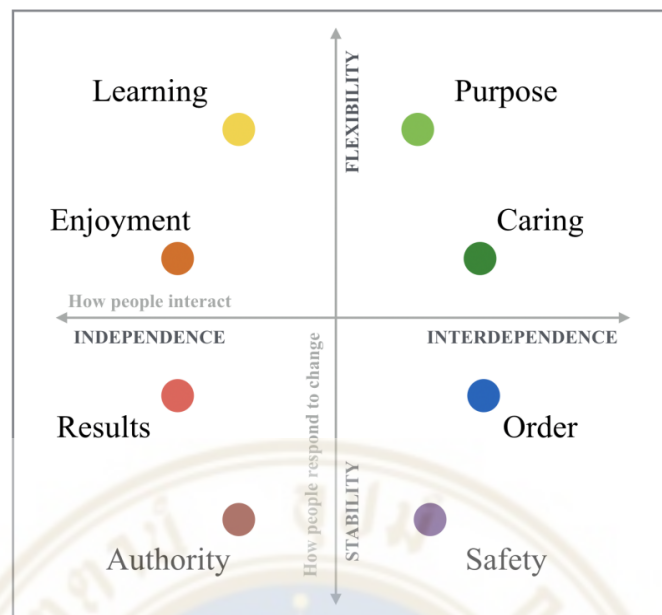
**Figure 2.2 Competing Values of Leadership, Effectiveness, and Organizational Theory**

Source: Cameron & Quinn (2011)

## 2.7 Integrated Culture: The Framework

Integrated culture: The framework, in figure 2.3, is the strategic framework for organizational culture and leadership which is proposed in Harvard Business Review about how leaders and founders of organizations demonstrate their cultural attitudes and beliefs to public either intentionally or unintentionally. This is how key attributes of cultures in the organization are indicated and expressed by how leaders present their thoughts with their pictures or concepts in their minds and how they lead organizational culture. (Groysberg, Lee, Price, & Chung, 2018)

There are eight characteristics which are defined and mapped in the framework. Two dimensions in framework describe how people interact (independence to interdependence) and flexibility (how people respond to change). Each characteristic co-exists with another characteristic which is adjoined in the framework. For example, Learning and Enjoyment will be co-operative easier in leadership style. These eight characteristics have their own advantages and disadvantages which will be explained in table 2.2 (Groysberg et al., 2018).

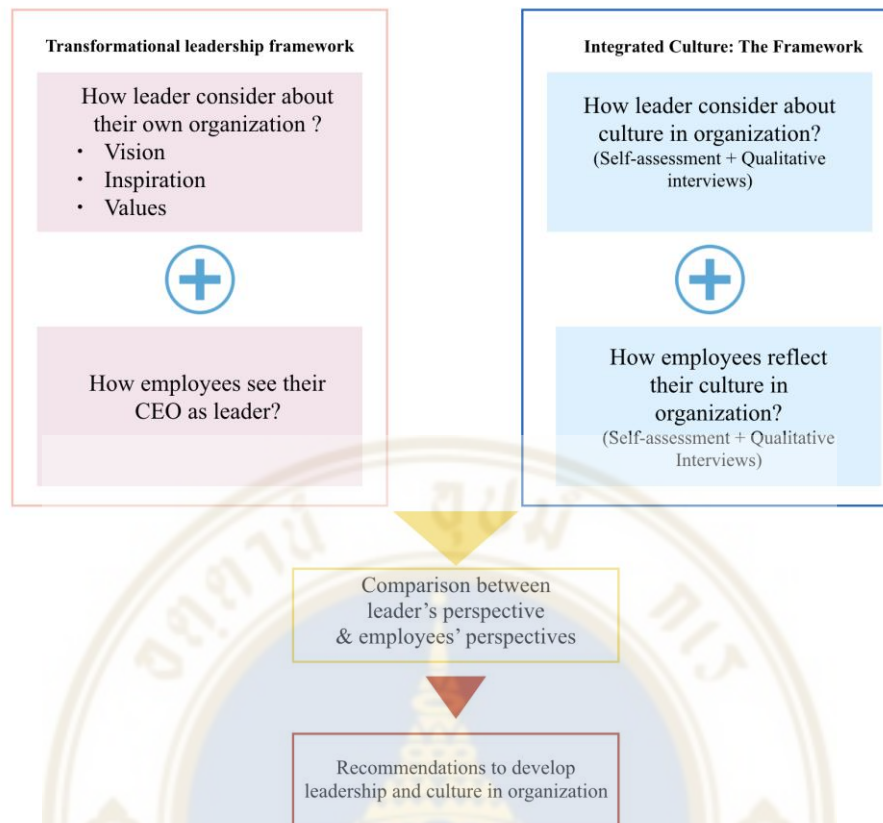


**Figure 2.3 Integrated Culture: The Framework**

Source: Groysberg, Lee, Price, & Chung (2018)

**Table 2.2 Advantages and Disadvantages in Culture style from Integrated Culture: The Framework**

CULTURE STYLE	ADVANTAGES	DISADVANTAGES
<b>CARING</b> Warm, sincere, relational	Improved teamwork, engagement, communication, trust, and sense of belonging	Overemphasis on consensus building may reduce exploration of options, stifle competitiveness, and slow decision making
<b>PURPOSE</b> Purpose driven, idealistic, tolerant	Improved appreciation for diversity, sustainability, and social responsibility	Overemphasis on long-term purpose and ideals may get in the way of practical and immediate concerns
<b>LEARNING</b> Open, inventive, exploring	Improved innovation, agility, and organizational learning	Overemphasis on exploration may lead to lack of focus and an inability to exploit existing advantages
<b>ENJOYMENT</b> Playful, instinctive, fun loving	Improved employee morale, engagement, and creativity	Overemphasis on autonomy and engagement may lead to lack of discipline and create possible compliance or governance issues
<b>RESULTS</b> Achievement driven, goal focused	Improved execution, external focus, capability building, and goal achievement	Overemphasis on achieving results may lead to communication and collaboration breakdowns and higher levels of stress and anxiety
<b>AUTHORITY</b> Bold, decisive, dominant	Improved speed of decision making and responsiveness to threats or crises	Overemphasis on strong authority and bold decision making may lead to politics, conflicts, and a psychologically unsafe work environment
<b>SAFETY</b> Realistic, careful, prepared	Improved risk management, stability, and business continuity	Overemphasis on standardization and formalization may lead to bureaucracy, inflexibility, and dehumanization of the work environment
<b>ORDER</b> Rule abiding, respectful, cooperative	Improved operational efficiency, reduced conflicts and greater civic-mindedness	Overemphasis on rules and traditions may reduce individualism, stifle creativity, and limit organizational agility



**Figure 2.4 Process models of Transformational Leadership and Organizational Culture for analysis in this research**

## 2.8 Conclusion

According to the literature review, this research is developed from understanding that organizational culture and transformational leadership is collaboratively and cooperatively functioned. They are connected and have strong positive or negative impact on the company.

Consequently, the study aims to answer how transformational leadership is reflected and expressed by CEO attitudes and values with Integrated Culture: The Framework of the organization and compare to employee's perspectives to analyze differences or issues that can be identified and improved in leadership and organization culture. Accordingly, questions in research methodology will be developed, applied to find some remaining issues and provide further recommendations.



## **CHAPTER III**

### **RESEARCH METHODOLOGY**

This research aims to answer the understanding about the relationship between transformational leadership and organizational culture in the small company and compare between how leader visualizes about organization culture and how organization reflects oneself. Since organizational culture and leadership is quite abstract for quantitative measurement, the interview questions will be asked as in-depth with qualitative methodology. As a result, the findings will apply constructively from examples and some scenarios in those interviews.

#### **3.1 Research Design**

In this paper, the analysis will focus by first step on self-assessment in each interviewee about how they look their organization culture by using assessment which developed from Harvard business school with Integrated Culture: The Framework (Groysberg, Lee, Price, & Chung, 2018)

Subsequently, the researcher's observation, probing technique questions and qualitative interviews with the semi-structured model will be conducted. The researcher will provide face-to-face interviews with 8-10 questions to CEO and all staff levels seven persons. The interview will take around 30-40 minutes per person.

#### **3.2 Collecting Primary Data**

Seeing that the size of the company is quite small, this paper will conduct with simple random sampling which researcher will interview seven numbers including CEO and all level staffs. As the researcher considered about the importance in ethical clearance, the main information data will only focus on employee's divisions and period of working time from the day that employees were employed.

**Table 3.1 Primary data and information of seven interviewees**

Person Code	Division	Period of working time
A	Environmental Engineer	Eight years
B	Supporting (Admin)	Five years
C	Design (Engineering)	Three months
D	Design (Architecture)	Two years
E	Design (Engineering)	Two years
F	Environmental Engineer	Five years
G	Internship	-

### 3.3 Self-Assessment questions

Please, rank the number of these following statements from 1-8 based on what do you think which statement explains and fits with your organization's culture. [1 = the most correctly match to your company's culture; 8 = the most unfitting description]

**Table 3.2 Self-assessment from Integrated Culture: The Framework**

Rank	Explanation
	Your company is the place where people support one another. You are welcomed and feel warm while working.
	Your company is the place that people care about long-term future of the world. People are kindhearted and try to do good things to one another.
	Your company is the place where people are creative and love exploring new ideas or alternative ways. The company is an open-minded place.

**Table 3.2 Self-assessment from Integrated Culture: The Framework (cont.)**

<b>Rank</b>	<b>Explanation</b>
	Your company is the lighthearted place. People work with happiness.
	Your company is the place that concerns about outcomes and used merit-based system. People are inspired to become top performers.
	Your company is the place where people aspire to get personal benefits. There is competitive environment in the company.
	Your company is the place where people are constantly concerning about risks and stability.
	Your company is the place where people will follow the rules and everyone wants to be part of the team or fit in the company.

### 3.4 Interview questions lists

**Table 3.3 Transformational leadership interview question list CEO**

<b>Topic</b>	<b>Interview questions</b>
<i>Charisma and Inspiration</i>	<ol style="list-style-type: none"> <li>1. What is your ultimate goal and vision toward the company?</li> <li>2. How would you explain your organizational culture in your company?</li> <li>3. How would you describe your leadership style? What is your strength that your employees recognize about you?</li> <li>4. How do you share your vision with your employees?</li> </ol>

**Table 3.3 Transformational leadership interview question list CEO (cont.)**

<b>Topic</b>	<b>Interview questions</b>
<i>Intellectual inspiration</i>	<ol style="list-style-type: none"> <li>1. Please give me some example when you're in some issues and suggest new ways of looking at problems and assignments?</li> <li>2. Do you seek different perspectives when solving problems in the company, or do you prefer to problem solve individually? How? Why did you decide to do that?</li> <li>3. How do you encourage or support your employees' new ideas? What you do you to ensure that they are supported to talk about new ideas to you?</li> <li>4. Can you think of an example when you coached an employee to solve a problem?</li> </ol>
<i>Individualized consideration</i>	<ol style="list-style-type: none"> <li>1. How do you take care or take consideration of your individual team members?</li> <li>2. What is the relationship between you and your team members? How do you build the relationship among the team and how do you decide about give tasks or responsibilities to each employee?</li> <li>3. How do you support your members with varying needs, abilities, and aspirations?</li> </ol>

**Table 3.4 Transformational leadership interview question list to employees**

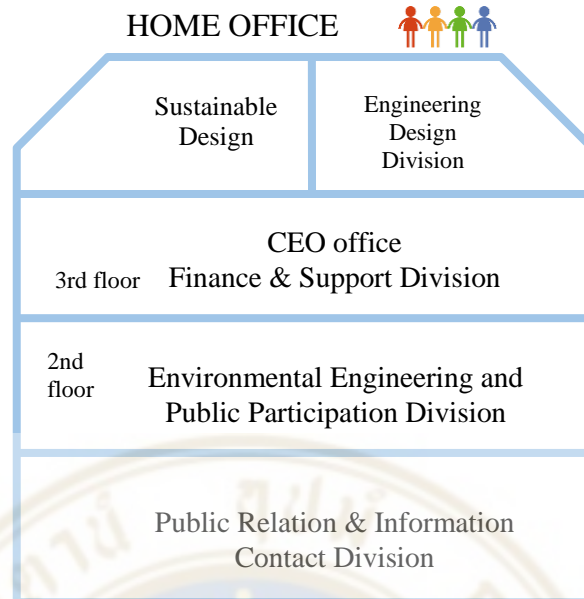
<b>Topic</b>	<b>Interview questions</b>
<i>Charisma and Inspiration</i>	<ol style="list-style-type: none"> <li>1. How would you describe your CEO's leadership style?</li> <li>2. How would you explain your organizational culture in your company?</li> <li>3. How do you think about goal and vision in the company?</li> <li>4. How does the CEO share the vision with you?</li> <li>5. Is your CEO a role model for you? Why?</li> </ol>
<i>Intellectual inspiration</i>	<ol style="list-style-type: none"> <li>1. Do you feel that the atmosphere in your company supports you to learn new ideas and developing yourself? Please describe.</li> <li>2. Do you feel that you are encouraged to be creative and innovative with problem-solving? Please describe.</li> <li>3. Do you feel that your team accepts your opinions even if they are different from their own ideas? If not, why?</li> </ol>
<i>Individualized consideration</i>	<ol style="list-style-type: none"> <li>1. How does your CEO take your personal concerns and needs into consideration?</li> <li>2. Please describe your personal relationship with your CEO.</li> <li>3. Do you feel that you are given opportunities to grow within the organization if you wish to do so? Please describe.</li> <li>4. How is the communication in your team, especially between the leader and team?</li> <li>5. If you have some new ideas, would you introduce that idea to your leader? Why and why not? Please describe and give some examples.</li> </ol>

## **CHAPTER IV**

### **FINDINGS AND DISCUSSION**

According to the researcher's observation, when visiting the company for the first time, the environments are modern and seem to be warm and comfortable. This organization is a small size home office located in Bangkok. There are inspirational words in English as "DREAM ENERGY WORK INTELLIGENT" decorated on the wall of the first floor in the office. The researcher noticed that there are some disorganized spaces presenting flexibility and cozy workplace. For example, some employees' slippers are not in order and there is a huge amount of disorganized files management on the 4th floor. Most employees do not dress in business attire.

The home office plan consisting of various divisions is illustrated in figure 4.1. In every morning, a small meeting called "Morning Talk" around 15-30 minutes takes place on the second floor. If there are any problems, most employees will come directly to talk with CEO on the third floor. The researcher joined "Morning Talk" as an observer. On that day, one of the internship members shared about "Football Team" story at Northeastern of Thailand which is interesting and inspirational for team-building.



**Figure 4.1** Home office floor plan of environmental engineering consultant company

**Table 4.1** Evaluation of Characteristics of Transformational Leadership Between leader and employees

Characteristics of Transformational leadership	Evaluation (Leader)	Evaluation (Employees)
<i>1. Charisma and Inspiration</i>	✓	✓
<i>2. Intellectual inspiration</i>	✓	✓
<i>3. Individualized consideration</i>	✓	✓

The result of the interview can be stated that CEO or leader of this company owns all main characteristics of transformational leadership. Normally, when CEO talks or gives any opinions, he will concern about how the team would work more than his own individual desires. However, he still thinks that there might not be anyone who is potential enough to take care of this company after his generation.

From CEO's statement, "I usually share my experiences with employees. So, they would absorb more about my vision. Talking about solving problems, I

always say that when any problems occur, we need to help one another. We should not ignore or pretend that this is not our business. We are consultant company. This means that our connections and customer satisfaction, especially from government sectors, are truly important.”

Regarding individualized consideration, CEO explained that “I always talk with my employees in two times per year personally. I would provide rewards or take care of them individually. Actually, I trust employees who are in this company for more than five or six years. About our policy, I also ask my employees to go out for any workshops they are interested in once a year and I suggest them to go for workshops that I think it would be effective once a year as well.

#### **4.1 Transformational leadership through employee’s perspectives**

Transactional leadership in contingent reward is reflected through the welfare system and benefits in the company. However, transformational leadership is reflected in quite stronger and more positive perspectives through conversations by most employees. They mentioned that everyone is familiar with each other. Their company is just like a large family where their leader considers all opinions and takes care with his whole heart.

First of all, about Charisma and Inspiration, most of the employees appreciated their CEO as the role model in terms of expert, credible with strong experiences and highly recognized in human development. This indicates that CEO gains high “trust” from everyone in the company and identifies how CEO is recognized by his own charisma and inspiration to others.

For example, A said that “My CEO is a knowledgeable person. He knows how to manage people in this company. He can develop employees and give a chance to grow in career”. From A’s statement, “I was graduated from another field of study. However, my CEO taught staffs by himself how to work, give inspirational quotes and support me to improve my computer skills.”

Another example significant aspect of Charisma and Inspiration is how C stated that “I respect my CEO as an older brother. He is a decision-maker in the company. Although I might be quite new and feel nervous to work in this place, CEO



explained and suggested me with effective recommendations. He motivated me to work with happiness. For example, I worked on the report about pipeline management system. My CEO read and checked that report carefully. He provided me suggestions that help me get through that project. He is a flexible person. Moreover, everyone in the company will have free lunch together and talk during break time.”

Furthermore, useful examples of Intellectual inspiration are presented through company’s “Morning Talk” by researcher’s observation and conversations between researcher and employees when talking about their CEO. All employees mentioned that when any problems occur, their leader will support and listen to new ideas. Since the company is a consultant company, employees understand their essential values that CEO is an open-hearted person. He will support and agree with alternative options in problem-solving.

For example, D explained that “My CEO will always allow employees to propose new ideas. My company does not have any seniors. If anyone wants to work on some interesting projects, CEO will give us try. For instance, CEO lets me design or find some data about constructions and models for new products. I want to design cover of report which will be sent to the government sectors and I don’t want to design it in too formal way. My CEO is okay with that. However, our partners do not agree with that.”

F said that “My boss will listen to everyone and suggest us to find the solving-problems options for those issues. Then, we should explain our reasons why we agree with those ideas”.

Moreover, B described about interesting characteristic of their leader about intellectual inspiration that “My CEO is okay with ideas or employee’s opinions. For example, I think that we should fix some technical words in formal letters that will be sent to the Department of Water Resource, Ministry of Natural Resources and Environment. I do not hesitate to inform my CEO. He accepted and agreed with my proposed ideas.”

Finally, Individualized consideration is highlighted in the interviews by most employees. They defined their CEO as a decent, kind and considerable person. Although there might be different roles and some difficult tasks in the organization,

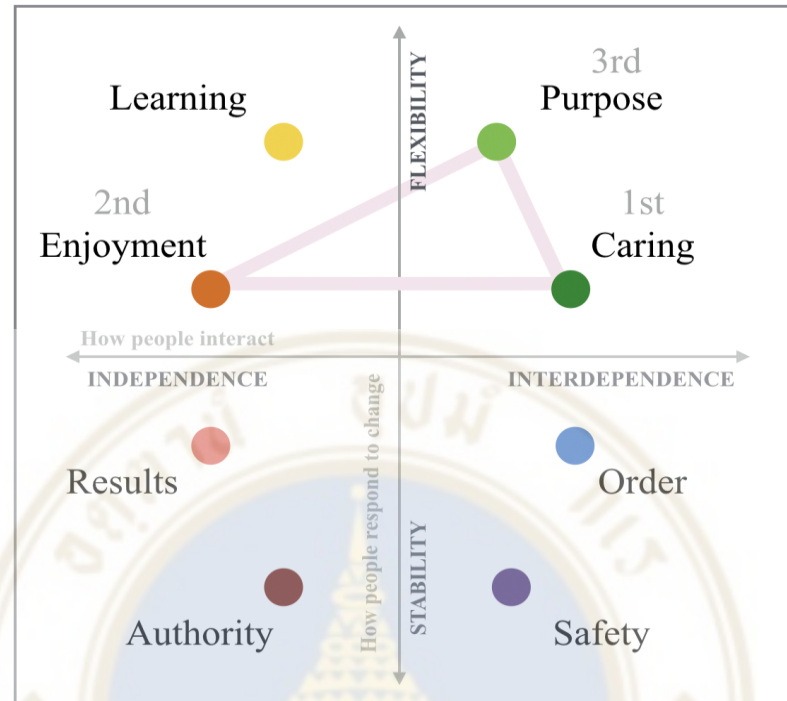
CEO takes his consideration to all employees and tries to talk with all employees both in career paths and in their spiritual life.

From the interview, A stated that “My CEO takes care all of employees. If he sees that he can help us in tough time, he will definitely provide assistance to us. We have special welfare that employees can borrow some money from him in case of urgency. At the end of the year, CEO will ask everyone to evaluate him and ourselves if there are any suggestions or recommendations that CEO or employees should develop in organization.”

D explained that he is quite closed with CEO. He can consult with him in any problems. They often have good dinners and go out for some drinks together. He feels that he is appreciated from CEO. In terms of career advancement, he stated that “I think my CEO might support me to work in my own unit as outsources and manage the division by myself.”

E stated that “My CEO is a caring person. He even took my girlfriend to the hospital when she was sick. I was appreciated with his kindness and compassion.” Moreover, F pointed out that CEO owns individualized consideration characteristic because F mentioned that “I would like to develop myself and plan to study in Master degree. My CEO did search for many efficient universities in good rank and suggest those interesting places to me.”

## 4.2 Organizational culture in accordance with CEO's perspectives



**Figure 4.2 Organizational culture framework according to CEO's perspectives**

Interesting information from CEO's self-assessment in terms of organizational culture is that he perceived the culture with "Caring" as priority and "Enjoyment" as the second rank in the assessment. He also sees his company as the place who consider about future of the world as ranking "Purpose" in third place. From CEO's perspectives, "trust" is highly essential and relationship is important among employees. He takes consideration about how his employees might feel and try to reduce pressure at work.

From his statement, "Actually, I would like to create the environment of my company to highlight on caring people. I tried to make everyone in this company feel like they are "friends" with potential teamwork. For example, I would like to support my employees to reach me easily. They can talk to me with anything in their mind. There will be no clear structure of responsibilities. I also support many activities in the company such as lunch cooking competitions or ask employees to join badminton game for working and learning to be part of the team."

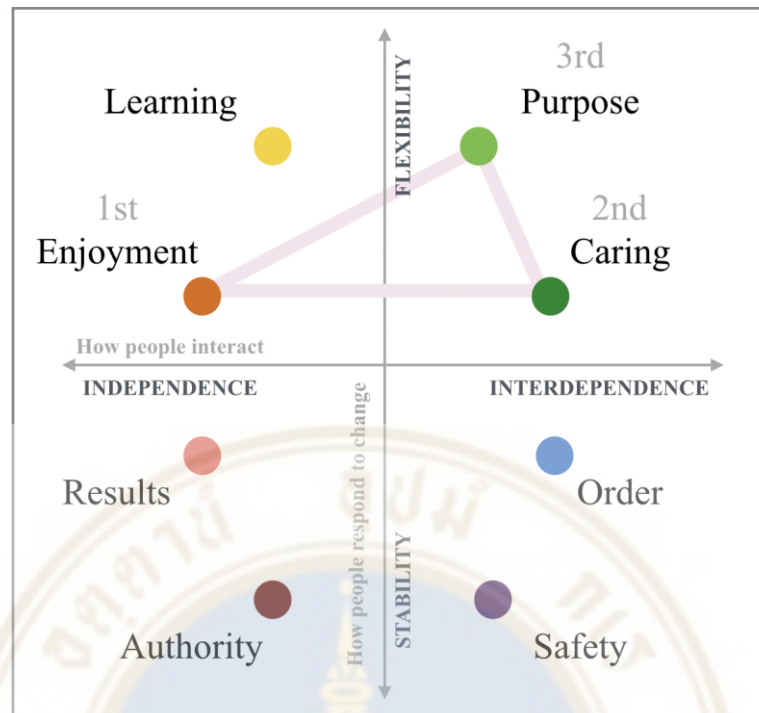
For “Enjoyment” in CEO’s perspective, he described that “This is my belief in work that if we work with happiness and joyfulness, we will not work like sluggish or lack of ambitions. I created “Morning Talk” which everyone in the company should attend and they will share any interesting stories or anything in their mind. It could be even jokes or funny stories. I believe that this activity will give them inspiration to work. Moreover, I think that emphatic is nature of Thai people. We always help and take care of each other.”

From the result, this means that CEO started his company with caring and joyful feelings. Therefore, he reflected his opinions with this kind of culture through conversations in the interview.

### **4.3 Understanding organizational culture in the company**

According to self-assessment, the result for describing organization’s culture in this company is likely to be more flexibility and interdependence. In general, each employee evaluated their company as culture with variety of ideas. Their results are in different ranks but, there are pattern and majority of results which shows some essential directions.

In overview, the company tends to have a significantly orientation toward “Enjoyment” and “Caring”. Employees emphasized that their organization is a lighthearted place and likely to make everyone happy by 3 of the 7 participants (43%). In addition, 4 of the 7 participants (57%) rank their organization as “Caring” in the second place for describing statement which reflects in both self-assessment results and their interviews. Looking at “Results” and “Authority” culture, most of participants ranks that those culture are in worst fitting statements to describe their organizational culture.



**Figure 4.3 Organizational culture framework according to employees' perspectives**

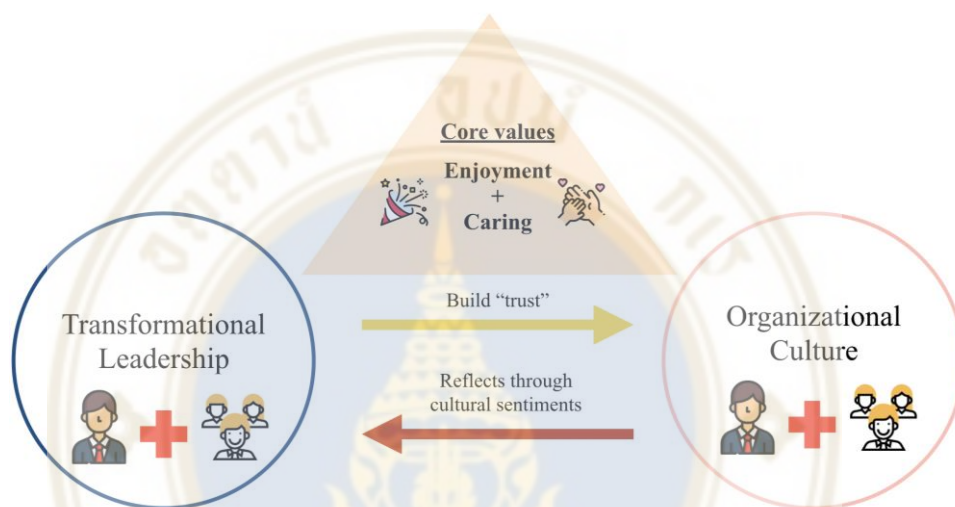
For “Enjoyment” and “Caring” culture, D stated that “My company is delightful because everybody is willing to share their happiness. We have many parties during I am working here. For example, we celebrate employees’ birthdays. We have sport days to play badminton together in the evening after work, or celebration when projects are successfully finished. I think these activities reduce my stress at work.”

Moreover, F described an organization as “not serious” because if most staffs are in stress and high pressure, they will feel more worried and directly affect work performance. G said that “We work for one project called “Kumpawa project” about Plumbing system at Udonthani province. I contacted many outsourcing specialists only by phone. There were a lot of stressful tasks. Sometimes, I need to relax myself and I feel like office is my family who I can share with anyone.”

G explained that he ranked “Enjoyment” as the first statement to describe organizational culture because he feels like the company is trying to follow “Google” company as fun and energetic to work. From G’s statement, “I think that the company

is designed to work like Google. I feel that there is low pressure here. For example, most employees are not too picky and demanding. We have meetings in every week. My CEO let me have chance to work independently. We are free but, if we get any deadlines, we have to send our tasks punctually.”

#### 4.4 Discussion on leader and employees’ perspectives



**Figure 4.4 Relationship between Transformational leadership and organizational culture**

From analysis of this study case, it is found that kind of culture in organization highlights on both “Enjoyment” and “Caring” in relationships between employees and their leader. The result of interviews can be explained that both leader and employees are likely to share same perspective on their organizational culture about high commitment to the company and norms of “trust” in relationships. There is little difference that employees seem to look at “Enjoying” and fun part, while leader focuses on “Caring” culture in organization. This is the gap that leader should fill by concerning and communicating right message to his employees through transformational leadership. However, this is a positive finding because CEO shows that he owns characteristics of transformational leadership which can support

organizational culture in his company. Essentially, he can create organizational culture along with “trust” in relationships. Most employees share same values, they are satisfied with work and there is low turnover rate in organization. Accordingly, this company can be a model for other small or medium-size companies in Thailand in terms of practical business to create culture in organization.

#### **4.5 Some hidden issues**

From in-depth interviews, there are three interesting issues that are found hidden in the conversations which are seniority, unclear vision, and unstructured functional working process. These challenging findings should be further discussed in order to support sustainability toward culture and transformational leadership in organization.

Firstly, CEO mentioned that he did consider about how to improve communication channels between employees and leader. He tried to talk with employees as much as he can and deliberately provide tasks in different projects for everybody. However, seniority is also hidden and plays important role for customer relationship management especially in Thailand. Most employees are too young and have little experience. They seem to respect only leader, but they are not professional much to their colleagues because their culture emphasizes on “fun” rather than “caring”. Moreover, some employees stated that they are afraid to talk with higher level person or they are not confident to take high responsibilities when they go out for business to provide consultant to customers.

From A’s statement, “We have low-turnover rate here because my CEO truly cares about everyone. However, I noticed that some employees are sensitive when they are commented by aggressive or straightforward opinions. We are sometimes afraid or shy to present our projects to higher status customers.”

In addition, the researcher found that although everyone in the company shared core values in organization about fun and caring people, most employees could not explain vision or understand vision well enough to express themselves.

During the interviews, most employees only tried to explain about their tasks in consulting jobs. Nonetheless, they did not clarify vision or mission of this

company or individual aspiration toward organization. The researcher observed that vision is only shared by leader in his own unspoken words, behaviors, plans or actions. Therefore, this might be some misunderstanding or mistakes to interpret reactions between people in organization if vision is not shared by common language.

According to C, “I am actually quite new here. I feel that I am not afraid to talk or ask my CEO about problems at work. However, I hope that there could be someone that I can seek for some advice before going directly to CEO’s room.”





## **CHAPTER V**

### **CONCLUSION AND RECOMMENDATION**

#### **5.1 Conclusion**

From the case, the study shows the influence of leader on the organizational culture of this company. Transformational leadership and organizational culture can be articulated, supported and sustained through leader and people in organization. This further supports the idea of transformational leadership and organizational culture that are linked and cooperatively worked together. It is important for both leader and those who work in business to understand that transformational leadership and organizational culture would support company to gain more stability, prosperity and sustainability which can be applied to Sustainable Economy Philosophy for business in Thailand. The company will enhance ability to adapt with changes in highly competitive world of management.

From the in-depth interviews, there might be some concerns that the company is quite “funky”, flexible, lack of clear structure or role. So, they do not clarify responsibilities of in charge person in projects. For this reason, the researcher introduced that “Learning” culture should be supported more. For example, CEO and employee could create some innovative workshops in order to support learning about new technology that could applied in business or practicing how to present projects to customers with communication skills. This kind of culture should be developed more in terms of supporting employee’s interpretation of how fun and learning can be motivated at the same time. Everyone should understand goals in terms of sustainability and improvements in the organization as well.

#### **5.2 Recommendations**

First of all, leaders should understand that their role and behaviors in workplace are important to create values and culture at organization. In this case, CEO

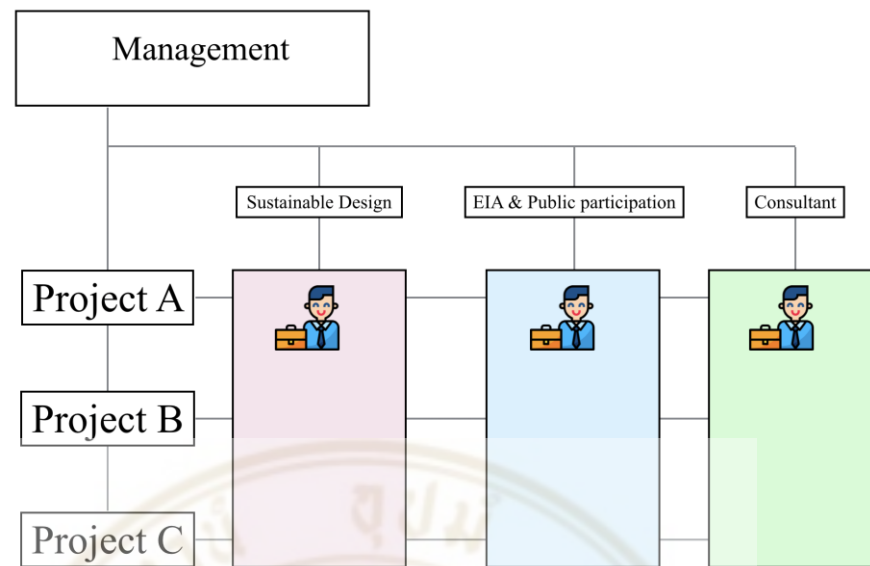
should contemplate, picture and list objectives in mind about what company's goals in both long-term and short-term perspectives. Leader should emphasize on achievements that the company is trying to reach. Strategic management from the study should be then applied in this practical business case.

At the first step, vision should be articulated, developed and shared to all employees in order to engage team to understand about their vision and missions. This will support work and culture in organization. Transformational leadership will be characteristics for leader to redefine company's goals or objectives in more effective actions.

For example, leader should explain and emphasize regularly on "vision" by communicating more to his employees. My recommendation for the company is that vision should be developed as "To be caring environmental engineering consultant with sustainable design". The company's mission is "To develop solutions for environmental problems through service and people engagement." To be highlight, the identities of employees are considerable and happy people. They could share philosophy with their passions with "DREAM ENERGY WORK INTELLIGENT"

Moreover, organizational structure should be developed and planned in terms of working process. Matrix structure is highly recommended. Since consulting knowledge is technical, there should be some credible and responsible person in the project from the first step into the last step in value chain of service. Therefore, when any problems occur, there will be someone who is in charge of the team and does not push the responsibilities to the leader only.

In this case study, there can be three main processes which are sustainable design, EIA with public participation and consultant in each project. This will support employees to learn more about multi-functional skills and adapt to work more with systematic plans.



**Figure 5.1 Matrix structure for the study case**

In addition, team building should be supported through activities in organization. Employees should be supported to do activities in more effective and practical way. There should be clear objectives when creating team-building activities. For example, recycle design competitions to raise awareness of employees to care about sustainability or creating role plays when consulting with higher status customers from the government sectors to practice in more professional consulting.

Finally, there should be concern about limitations of transformational leadership and organizational culture. These are not measurable. They are hidden in actions, social patterns, behaviors or even cultural dimensions in different countries in the world. This case study focused only on company in Thailand. Therefore, transformational leadership and organizational culture might not reflect in the same results in other workplaces. Leaders who studied the case should understand this concept, apply uniquely and balance their management in organizations.

## REFERENCES

- Bass, B. M. (1990). From transactional to transformational leadership: Learning to share the vision. *Organizational Dynamics*, 18(3), 19-31.
- Bolman, L. G., & Deal, T. E. (2017). *Reframing Organizations Artistry, Choice, and Leadership*. Newark: John Wiley & Sons, Incorporated.
- Cameron, K. (2009). An introduction to the competing values framework. *Organizational culture white paper*. Haworth.
- Cameron, K. S., & Quinn, R. E. (2011). *Diagnosing and changing organizational culture: Based on the competing values framework*. John Wiley & Sons.
- Doing Business 2018 - Reforming to Create Jobs - World Bank Group. (2017). Retrieved from <http://www.doingbusiness.org/reports/global-reports/doing-business-2018>
- Dirks, K. T., & Ferrin, D. L. (2002). Trust in leadership: meta-analytic findings and implications for research and practice. *Journal of applied psychology*, 87(4), 611.
- Graham, C. M., & Nafukho, F. M. (2007). Culture, organizational learning and selected employee background variables in small- size business enterprises. *Journal of European Industrial Training*, 31(2), 127-144. doi:10.1108/03090590710734354
- Groysberg, B., Lee, J., Price, J., & Chung, Y. J. (2018). The leader's guide to corporate culture. *Harvard Business Review*, 96(1), 44-52.
- Hall, M. L. (2005). Shaping organizational culture: a practitioner's perspective. *Peak Development Consulting*, 2(1), 11-17.
- Haugh, H., & McKee, L. (2004). The cultural paradigm of the smaller firm. *Journal of Small Business Management*, 42(4), 377-394. Retrieved from <https://search.proquest.com/docview/221011511?accountid=46528>

- Obasan, K. A. (2012). Organizational Culture and Its Corporate Image: A Model Juxtaposition. *Business and Management Research*, 1(1). doi:10.5430/bmr.v1n1p121
- Organizational Culture Assessment Instrument online. (2012). Retrieved from <https://www.ocai-online.com/>
- Rooke, D., & Torbert, W. R. (2005). Seven transformations of leadership. *Harvard Business Review*, 83(4), 66-76.
- Rost, J. C. (1993). *Leadership for the twenty-first century*. Greenwood Publishing Group.
- Schein, E. H. (1992). *Organizational Culture and Leadership*. San Francisco: Jossey-Bass
- Schein, E. H. (2010). *Organizational culture and leadership* (Vol. 2). John Wiley & Sons.
- Tohidi, H., & Jabbari, M. M. (2012). Organizational culture and leadership. *Procedia-Social and Behavioral Sciences*, 31, 856-860.