

**AN EXPLORATION STUDY OF HONEYBEE SUSTAINABLE
LEADERSHIP IN A PHARMACEUTICAL COMPANY**



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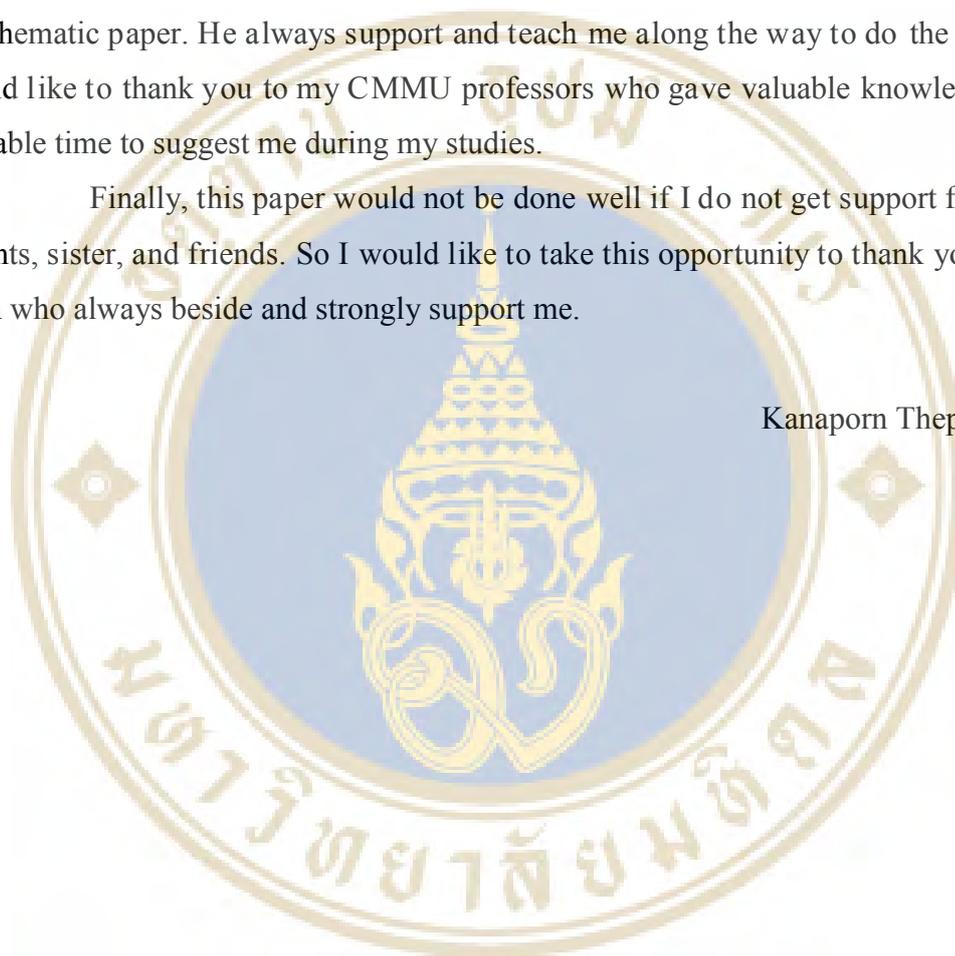
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ABSTRACT

Corporate sustainability is becoming essential for business leaders. Because of the unsustainability of many aspects of today's world, corporate sustainability has been widely discussed among corporate leaders. There are many approaches of principle of sustainability such as Rhineland capitalism. More recently, Avery and Bergsteiner introduced the concept of "Honeybee" leadership, with 23 practices; facilitate outcomes that go beyond the triple bottom line consisting of environmental sustainability, corporate social responsibility and financial success.

This paper attempts to study on how pharmaceutical organization sustains its performance and building its reputation among industry. This study examines business practices of Baxter Healthcare (Thailand) Co.,Ltd to determine if there is a fit between Sustainable Leadership practices and company's practices. Baxter Healthcare (Thailand) Co.,Ltd, is an international pharmaceutical company, states in top ten rank of PReMA (Pharmaceutical research and manufacturers association) pharmaceutical company in Thailand, company is the leader of peritoneal dialysis (PD) and has the highest growth among pharmaceutical industry. Therefore it is interesting to be case study for analysis. After investigate and analyze in all data provided, data shows that the company practices closely fit the Honeybee practices. This is the key factors drive company performance to achieve goals and can sustain in the relevant market.

**KEY WORDS: HONEYBEE / SUSTAINABLE LEADERSHIP / SUCCESSION
PLAN/ SELF-MANAGEMENT**

42 pages

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CHAPTER I

INTRODUCTION

Corporate sustainability has been widely discussed among corporate leaders and business professionals. Although it is an important issue, only a few approaches to corporate sustainability have been examined in the Thai context.

The present study therefore adopts Avery and Bergsteiner's Sustainable Leadership concept that has been supported by previous studies as a relevant approach to corporate sustainability in Thailand. The study examines business practices of Baxter Healthcare (Thailand) Co.,Ltd to determine if there is a fit between Sustainable Leadership practices and those of the case company. Baxter Healthcare (Thailand) Co.,Ltd is an international pharmaceutical company which sustain the lives of people with pharmaceutical and biotechnological products, it is the expertise in medical devices. Baxter states in top ten rank of P ReMA (Pharmaceutical research and manufacturers association) pharmaceutical company in Thailand, company is the leader of peritoneal dialysis (PD), CRRT and hemophilia products.

To determine the research question, the literature review of previous studies on Sustainable Leadership organizations in Thailand is in Chapter 2, and the research methodology is explained in Chapter 3, which included the collected method and data analysis. Chapter 4 shows the finding of this research, includes details. While discussion of finding and conclusion with practical recommendation to enhance the prospect of corporate sustainability for case study shows in Chapter 5.

CHAPTER II

LITERATURE REVIEW

In order to understand the context of sustainable leader philosophy, this chapter contains 4 sections which describe background of sustainability, the definition of sustainable leadership, sustainable Thai corporate where were approached, and comparative analysis among Thai corporation study.

2.1 Introduction

Corporate sustainability is becoming increasingly essential for business leaders, driven by many factors including shortages of energy and resources, global warming, unethical corporate practices, and enhancing corporate reputations (Wong and Avery, 2009). Because of the unsustainability of many aspects of today's world, the dynamics of development that will apply to the future is not the linear dynamics of classical exploration but the nonlinear chaos dynamics of a complex-system evolution (Lazlo, 2006). The changing worldview is forcing us to examine old metaphors and consider new way of living and organizing. The prior study (Robert, 2012), compared a matched sample of 180 U.S.-based companies, 90 of which classify as high-sustainability and another 90 as low-sustainability. The classification was based on the adoption of environment, social, and governance policies in the 1990s that reinforced a cultural commitment to sustainability. They found that high-sustainability organizations were significantly more likely to assign responsibility to the board of directors for sustainability and to form a separate board committee for sustainability. These companies were also more likely to make executive compensation a function of environment, social, and external perception (e.g. customer satisfaction) metrics. Secondly, they found that high-sustainability companies paid particular attention to their relationships with stakeholders such as employees, customers and NGOs representing civil society through active processes of engagement. Thirdly,

high-sustainability companies are more likely to measure and report on environmental and social metrics in addition to their financial results. Their external communications are also more long-term oriented. Not surprisingly, the high-sustainability organizations have more long-term investors every company's desire than their low-sustainability counterparts. These differences in behaviour are reflected in differences in financial performance. Companies that manage their environment and social responsibility have superior financial performance and actually create more value for their shareholders. They do this by attracting and keeping better and more committed employees and have more loyal customers. Over long time, they will preserve their licence to operate, something which is demanded to them by society. As societal expectations for responsibility environmental and social practices by companies will increase too, because they will be contributing to a sustainable society. It is the key to creating value for shareholder and all other stakeholders over the long term, thus ensuring the sustainability of the company itself.

Are there any approaches of principle of sustainability? Much of the literature about sustainable leadership comes from the field of education, Andy Hargraves and Michael Fullen have both published books on the subject outlining basic principles, or elements, of sustainable leadership in education. They are named "Hargraves seven principle of sustainability" and "Fullen's eight elements of sustainability". Their views are similar in nature and appropriately apply to leadership of any type of organization. In Europe, Rhineland capitalism (Avery 2005) is seen as an alternative philosophy to promote corporate sustainability (Albert, 1992). Rhineland capitalism offers the basis for such approach because of its concern with the long-term sustainability of enterprises and the value it places on relationships with many interest groups, not just with shareholders (Albert, 1993). More recently, Avery and Bergsteiner (2010, 2011) introduced the concept of "Honeybee" leadership referring to a referring to a resilient and humanistic approach to corporate sustainability that builds on the sustainable Rhineland leadership practices that Avery (2005) and others have identified. Honeybee, with 23 leadership practices, facilitate outcomes that go beyond the triple bottom line consisting of environmental sustainability, corporate social responsibility and financial success. On the other hand, there is Locust practice (Avery and Bergsteiner (2010, 2011)) which contrasts the

sustainable “Honeybee” leadership approach on every practice. Locust approach focuses on the shareholder first, and value short-term profit. In Thailand, the ‘Sufficiency Economic Philosophy’ (Puntasenetal, 2003), which aims at creating balance and sustainability for the society, has been widely acclaimed as an approach to corporate sustainability (UNDP, 2007). Puntasen and his team reviewed royal speeches and business example that his Majesty the King Bhumipol Adulyades initiated.

As above, most sustainable leadership practices value on all stakeholder and employees, favouring internal promotion. Policies related to community, business ethics, customer health and safety. They are more likely responsible for society and environment. The organization are regarded as “sustainable”, over the long line, it meets the following three conditions: delivering strong financial performance, demonstrating the ability to endure economic and social difficulties and demonstrating the ability to maintain a leadership in its relevant market (Avery, 2005). The sustainable “Honeybee” leadership approach on every practice, some of its practice have more precisely reflect broad principles or attitudes. The research evidence suggested that each “Honeybee” practice could add considerable value to a business including to its bottom line. Then Honeybee leadership is possible approach to ensure corporate sustainability. The 23 Honeybee leader elements enhanced integrity of brand and reputation, enhance customer satisfaction, solid operational finances, enhance long-term owner/shareholder value and enhance long-term value for multiple stakeholders (Kantabutra and Saratun, 2012).

2.2 Sustainable leadership practices

The 23 “Honeybee” practices are categorized into three groups

2.2.1 Foundation practices

Include program for training and develop staff, striving for amicable labour relations, staff retention, succession planning, valuing employees’ experience and their contribution, deciding whether the top leader’s role is to be that of hero or top team member, ensuring ethical behaviour, promoting long-term thinking, managing organizational change sensitively, striving for independence from financial

market, promoting environmental and social responsibility, balancing multiple stakeholder interests and ensuring that the shared vision drives the business.

2.2.2 Higher-level practice

These practices cover developed and consensual decision making, creating self-managing employees, harnessing the power of teams, developing a trusting atmosphere, forming an organizational culture that enable sustainable leadership and sharing and retaining the organization's knowledge.

2.2.3 Key performance drivers

These practices include innovation, staff engagement and quality essentially provide

The next paragraph will discuss in details of Honeybee practices.

2.3 Research frameworks explanation

The characteristics of Honeybee sustainable enterprises: **Developing people**, in Honeybee practice, employees should grow their own managers. Company should heavily focus on developing people as a common practice. Employee believes they are learning and growing and have a positive future. Developing people really only happens via a partnership between the employee and the manager and also the company has some helpful resources and policies, too. **Labour relations**, the friendly relationship between organization and union appear most in Honeybee practice. Employees, unions and management share power that directly affect employees such as increasing /or decreasing salary. Employees represent on boards of large companies. Unions are obliged to support industrial conditions that stimulate or organizational success as a part of a partnership with, the business. **Retaining staffs**, In Honeybee practice, people are the key driver to lead company to be success and the greatest resources in many aspects such as knowledge, skill. Company should aware of welfare and needs to retain its staff with a low turnover rate. Hardly downsize in difficult situation because company pass that situation, it needs workforce who have good skill and fix the company culture. Company values long tender at all levels. **Succession**

planning, Company prefers to promote from within wherever possible rather than appoint outsiders to top positions. This way provides employees with career aspirations and helps keep them loyal to the organization. On the other hand, the outsider might not fix the organization culture; they can come close to destroy it.

Valuing staff, in Honeybee sustainable leadership practice, people are given priority in their organizations. Honeybee approaches encourage people by investing in training in their people and company concerns about employees' welfare. Valuing employees is an important part of retention and can also help decrease turnover rates.

CEO concept, in Honeybee concept, CEO will work as top team member. CEO is not the decision maker and also CEO tends not to be hero. Overall the evidence suggests that there are considerable advantages to organizations being led by top teams rather than by heroic solo CEO. Expanding leadership beyond one all-powerful individual to a top-management team is part of the Honeybee approach.

Ethical behaviour, Honeybee demonstrates that ethics are an explicit core value that everyone adheres to. Ethics require all employees in organization than leaving it up to individual, it are also being practiced in their entire operations. Ethics are seen in their actions by honesty, fairness and equity in interpersonal, professional and academic relationships. Ethical practice can help engage the shareholder when company face the difficult situation as well.

Long-term perspective, the sustainable practice focuses on the long-term and requires long-term view, company should concern for the long-term effects, include CR&D, innovation, retaining staffs. Its practice will not focus on short-term maximization of shareholder values, company challenges shareholder by long-term profit.

Organizational change, according to the market situation or globalization, change always is happened. Align with Honeybee practice, company should consider uncertain and prepare to manage change in all level. It should not be a fast fix.

Financial markets orientation, Company does not concern too much about short-term profitability, but resist and challenge investors to take a long-term view. Organization seeks maximum independence from others.

Environmental responsibility, it should be strong in Honeybee value, some managers think this practice might affect the financial performance. But In fact it is a must and seen as being competitive advantage and savings as opposed to reducing profits.

Social responsibility, Under Honeybee philosophy, company increase account of community

and stand to enhance its reputation by contributing to society. It will engage employee's loyalty, attract future customers and stakeholders. Company does not perceive money spent on being socially responsible as reducing profits. **Stakeholders**, the Honeybee sustainable practice, company focuses on wide range of party including everyone holds a stake in their businesses. Stakeholders also include future generations and society. They do not focus only on shareholders. Company truly concerns the stakeholders to reducing opportunity and damage to claim in the operation within organization. **Vision's role in the business**, within Honeybee organization, CEO and management team always share vision, core values and future goal to staffs. It is essential to make sure that employees share the values and understand the company vision. View of future necessarily drives the business. **Decision making**, Decision making is consensual in Honeybee philosophy. The decision relevant all employees, not only managers. Employees have a chance to input ideas/opinions into the decision making process. The Honeybee approach also fosters a strongly participated decision-making environment. **Self-Management**, Staffs in organization are mostly self-managing, they can run or manage job by their own capacity. Employees are able to organize the assignment by themselves. They can prioritize what task is important or what task need to do first/or later. **Team orientation**, Teamwork is core process in Honeybee leadership practice. Company does not use manager-centric as base practice. Managers should believe in team agreement, no need for management intervention. Moreover, employees in organization also have good collaboration across team. **Organizational culture** is the basic assumption that people in organization share and behave. It drives people behave, communicate and coordinate to objective of organization. Honeybee philosophy has strongly rooted in history, possible because people are retained. Fosters and enabling, widely-shared culture. Vision, values and philosophy are the same core. **Knowledge sharing and retention**, Knowledge is managed and shared throughout the entire organization, enabled by high staff retention. Honeybee organization should share knowledge both inside and outside organization including competitors to develop the market to benefits customers. **Trust**, when employees are assigned the task, they are considerate to be trusted by their manager. They can do a job effectively without closely monitor. **Innovation** included the product, service and process. It is

investing in innovation and R&D is the key to promote company sustainability; it is the better solutions that meet new requirements, inarticulate needs, or existing market needs. Honey practice should focus on incremental innovation in process, service and product. Do not focus only on radical innovation only strong, systemic, strategic innovation evident at all levels. **Staff engagement**, in Honeybee philosophy, Company values emotionally committed staffs. Employees prefer to do other thing and put discretionary effort into their work which beyond their responsibility without financial rewards as motivation. **Quality** of the product and process is high important to measure of corporate success, Honey philosophy strongly focus on high quality improvement. Company must be developed to serve customers' satisfaction. Management team do not focus on cost cutting and speed.

2.4 The previous studies in Thai organizations

Research and observations in over 50 firms around the world, including in many listed corporations, suggest that sustainable leadership requires taking a long-term perspective in making decision, fostering systemic innovation aimed at increasing customer value, developing a skilled, loyal and highly engaged workforce and offering quality products, services and solutions. Since Rhineland and Honeybee leadership overlap, there are currently many Thai corporations were studied on Rhineland and Honeybee leadership principles link to enhanced brand, reputation, customer and staff satisfaction and financial performance.

The first case study is **Sa Paper Preservation House** (Kantabutra and Suriyankietkaew, 2013) has earned a reputation as a leading manufacturer of mulberry products in Thailand. It was developed and invented from local wisdom; company controlled its manufacturing capacity that was not over ability. Company also did not focus on short-term gain, but adopt a long-term perspective. From the total of its product portfolio, 20% are produced for the domestic market while the rest is exported throughout the world. Its current market share is estimated to cover about 70% of the entire Thai market. Clearly, Sa Paper Preservation House has maintained a leadership position in its relevant market. The previous research showed evidence that Sa Paper Preservation House appears a close fit between business practices and Avery's (2005)

Rhineland leadership practices on 14 elements, to varying degree, of the 19 elements. Sa pa per pr eservation focuses on t he i nterests of a wide range of s takeholders and adopts a v ery l ong-term p erspective b y i nvesting in its future, n ot attempting to maximise short-term profitability for its owner alone. Company also has a very strong culture d eeply r ooted i n t he f ounder's v alue, employees s hare v ision, v alues and beliefs. Moreover, employees here are genuinely concerned with the environment and society at large, which form the strong organizational culture. Sa pa per Preservation House prefers to develop managers from insider, a void laying off people in difficult time. It is also both incrementally and radically innovative, pioneering many products in Thailand. K nowledge s haring o ccurs w ithin t he e nterprise, and a cross t he l ocal mulberry product industry. However, there are 2 of 19 elements; no i nformation was provided on d ecision making process, self- governing. And 3 of 19 elements, which are CEO works as team prayer, financial market orientation, union management team are n ot applicable. The CEO appears to be t he heroic leader, w ho g ive t he s trategic direction and f inal a pproves, c learly d eviation from t he R hineland approach t aken among top management.

Second s tudy is **The Thailand's o ldest uni versity** (Kantabutra and Saratun, 2013) Mahidol i s t he Thailand's o ldest uni versity, w hich i s e stablished i n 1888. This i nstitute w ith a wide range of d isciplines, e ncompassing s ciences, technologies, hum anities and s ocial s ciences, w as f ully c ontrolled by t he Thai Government. In 2007, the university was allowed to manage itself independently from the government system in many areas of their operation such as personal management. This p ractice appears to m eet a ll t hree c riteria for s ustainable o rganizations. F irst, it continues t o d eliver c onsistently s trong f inancial pe rformance. S econd, i t h a s demonstrated a capacity to endure numerous difficult economic and social situations. Third, it has maintained a leadership position in its relevant markets. In term of Avery and Bergsteiner's (2010) sustainability performance outcome, it has delivered integrity of br and and reputation, c ustomer s atisfaction, s olid o pe rational f inances and l ong-term v alue f or m ultiple s takeholders. O verall, t he uni versity's l eadership p ractices closely fit the Honeybee criteria that Avery and Bergesteiner (2010) identified. 21 of the 23 elements were applied in the university, each of which conforms to a different extent. Organization can engage staffs successfully, one of faculty member decided to

decline the higher salary from another company. Moreover the lecturers often took great interest in their students, they always ask about to resident's academic progress their behaviour is beyond students' expectation. Fifteen practices were found to be strongly evident within the university. Mahidol University give priority to its people, the university provides a orientation program for new staff. Training and development is also available management at different levels. The development of senior management, including vice presidents and deans, also includes and evaluation which helps develop required leadership behaviour. Ethics has been an important element in the core values of the university. This hospital has provided healthcare services for everyone regardless of their social and economic status. Prince mahidol of Songkla, who continued his royal father's effort to further develop the hospital, pronounced many times to medical students for their wisdom and timeless moral values they contain. These have become the core values that university students and staff adhere to. The social contribution practice has been handed down from one generation to another through the years. In addition, the university promised place to live and learn with nature. However, there are 4 elements, which are self-governing, self-management, decision making processes, strong succession planning, and show moderately evident. Meanwhile environmental responsibility and labour relations is determined to be least evident. However the one notable deviant element is CEO, may be cultural given the high power distance valued by the society currently university presidents appear to be highly respected.

The third case study is **Thailand's largest conglomerate, Siam Cement Group (SCG)**, is one of Thailand's oldest and largest sustainable cement manufacturing conglomerate, it has diversified to become one of the largest and most advanced industrial conglomerate in Asia. The conglomerate has an impressive list of pioneering achievements including being the first Thai company to adopt many advanced practices. Siam Cement Group (SCG) meets three criteria for sustainable enterprise aside from staying in business for a long time (Avery, 2005): the capacity to deliver strong financial performance, endure difficult economic and social situations and maintain a leadership position in its markets. There are 2 studies to examine the business practices of Siam Cement Group (SCG).

The first SCG study (Kantabutra and Avery, 2011), company was

examined in terms of the extent to which it is managed along Rhineland practices (Avery, 2005). The results show that the SCG's leadership philosophy is largely consistent with the Rhineland approach (Avery, 2005). It reveals a moderate or strong fit on 18 of Avery's 19 elements, except for the CEO as speaker of the top team. It also heavily invested in human resources. It has not laid off staffs during the crisis situation such as the 1997 Asian economic crisis. It also prefers to promote inside staffs instead of hiring from outside. SCG is accountable for a wide range of stakeholders and does not aim to maximize short term shareholder value.

Most recently, the concept of "Honeybee" introduced, 23 leadership elements was built based on the Rhineland approach (Avery, 2005). The new study (Kantabutra and Avery, 2013), was expanded Kantabutra and Avery's study based on Avery, investigated how SCG's practices matching the 23 sustainable leadership criteria. Finding shows that overall, the conglomerate's management practices closely fit to 23 Honeybee criteria that Avery and Bergsteiner (2010) identified including the four new elements of trust, vision, staff engagement and self-managing employees. 19 practices were found to be strongly evident within the organization. The conglomerate prefers to promote from within. Developing people for promotion relies on extensive training and development programs being available. The training budget has never been cut for short-term purpose. There is high trust in this organization, when employees sent proposal to President; he does not need to screen much. Company displays a long-term perspective consistent with Honeybee enterprises by developing long-term sustainable forms part of its vision and the company challenges its investors to take a long-term perspective by paying stable dividends with maintaining its share price. SCG contribute to society by initiating projects that reflects community need company empowered its staffs feel involved, committed to help local community. As an example, during the 2011 flood in Bangkok, company provide assistance to its employees and their families as well as to the rest of the community. It provided people with flood prevention materials to deal with future disaster. The 3 other practices in the Avery and Bergsteiner (2010) model, developing self-managing, decision making and self-governing, are moderately evident. The conglomerate's employees are expected to be innovative and to think for themselves, which is quite challenging in a society that traditionally values obedience's to superiors and where

employees do not question their managers. However, employees have had to become more self-managing here to support company's culture.

The next interesting case is **Thailand's True Corporation**, the Thailand's largest provider of communication solutions such as Internet, consumer broadband Internet and pay-TV services, which is known as a convergent customers' lifestyle needs. The organization seeks to facilitate its customers' lifestyle through its telecommunication technology offering. A Thai telecommunication firm based in Thailand show that despite the challenges of operating in an emerging economy. They can contribute to effective, sustainable leadership and dominance in a competitive market. Company has a ability to endure difficult social and economic situations e.g. The 1997 Asian economic crisis, the subprime crisis between 2007-2008, the 2008-2009 petroleum crisis and the 2011 flood disaster and ongoing political crisis in Thailand. And company is also able to maintain leadership position in Thailand. The recently study (Kantabutra, 2012) which examined the business practices at True corporation. The study assesses the applicability of Honeybee framework to True Corporation's practice. The results show that True Corporation's practices are largely consistent with the Honeybee leadership practices. There are most or moderately 21 evident fit to the Honeybee practices. Most evidently, True Corporation invests in developing its staffs, long-term strategies, organizational culture, innovation and service quality. Its top management team realizes that an investment in human capital will help company prosper in the long run. Training and development programs are offered to employees of all levels to improve their knowledge. Company promotes employees within the organization wherever possible. Company has experienced several major changes. Its leaders' decision did not lead to short-term benefits or profit. True Corporation takes its corporate social responsibility role seriously with its 4 key attributes guide; 1) Caring 2) Creative 3) Courageous 4) Credible. Company has allocated an annual budget for its CSR activities even in times of financial difficulty. True Corporation has always adhered to a strict code of ethical conduct throughout the organization, with a n emphasis on people. The ethics underlie company's strong culture. There are moderate evidence supports social responsibility and company's culture. Meanwhile it shows the least evidence that CEO works as team speaker. The labour union, the only one element, is not available. From these evidences, company

can maintain leadership status in their market.

The next firm is **Bathroom Design Company** was found in 1996, one year before the 1997 Asian economic crisis. It is determined to prove that Thai designers and manufacturers are able to produce well-organized product and brand names for global market. The company has focused on innovative design and technology to bring them achieves company vision. Bathroom Design Company has sustained growth and diversifies its markets to more than 30 countries in Asia, Europe and the Middle East. The company has clearly maintained a leadership position in its relevant markets over time. The company also has demonstrated the capacity to endure a member of difficult economic and social situations in the 2011 flood disaster. The investigation found that the Bathroom Design's leadership philosophy appears largely consistent with the research framework. In 17 from 19 elements matched to Rhineland practices (Avery, 2005). Only 2 elements, which are financial market orientation and union management team, are unavailable. The observation and interviews revealed that company heavily invests in many aspects for long-term gains while carefully expanding its business. This is evidenced by its conservative debt-to-equity policy. According to the company's risk management manager, company's policy is to keep its long-term debt-to-equity ratio under 1. Company does not prefer to appoint outsiders to top management team. This practice is unusual among Thai organization, where appoint an outsider to the top manager team is prevalent. There is a strong bond of loyalty between company and employees; company has never laid off employees in its history, even in times of economic difficulty.

The last case study is **Theptarin Hospital** (Kantabutra, 2011). This hospital, specializing on endocrine-related disease, could pass the 1997 Asian economic successfully. During the crisis situation, the hospital has not laid off any staffs, but reduced salaries of the top and mid-level manager. This story demonstrated the strong company's culture. The hospital also has social responsibility by working with the government and non-government sectors to extend the knowledge about endocrine throughout the country. In analyzing research, overall, there appears to be a close fit between Avery's (2005) sustainable leadership practices and business practices at this hospital. The evidence was found for compliance with 15 of Avery's 19 Rhineland sustainable leadership elements, but to varying degrees. Ethic is part of

strong Theptarin's culture. Theptarin focuses on social responsibility. This practice is one of Theptarin's core values. Hospital focuses on the interests of a wide range of stakeholder and adopts a very long-term perspective by investing in its future and not attempting to maximize short-term profitability. It is also both incrementally and radically innovative pioneering many quality services in Thailand. Research is its core. Theptarin is the first "Foot clinic", the first peripheral distal bypass surgery in Thailand. While the three elements, which are; decision making processes, strong environmental responsibility and union management them, have no evidence was found for conformity with Rhineland principles. And the one element, which is CEO works as top team speaker, was not applicable. The CEO appears to be the heroic leader who gives the strategic direction and final approvals. The CEO is the successful entrepreneur behind the hospital.

According to the above research, these sustainable leadership Thai corporations' practices closely fit the Honeybee criteria that Avery and Bergesteiner (2010) identified. The investigation has found that all of these companies focus on the long-term perspective, people priority, innovation, social and environment responsibility, ethical behaviour and develop the strong organization culture. These leadership practices link to enhanced brand, reputation, customer and staff's satisfaction, and finance performance. The Honeybee sustainable leadership practices are guide company's processes in order to bring them become more sustainable in relevant industry. Since Sustainable leadership has gained support in Thailand as an approach to ensure corporate sustainability and no study has been conducted into Baxter Healthcare (Thailand), the present study adopts the Honeybee Leader as framework to explore business practices of a business in the proposed industry to determine if they are consistent with the Honeybee leadership. Recommendations to improve the business practices so that the business can be more sustainable will also be provided. Methodology used for the present study is discussed in the next chapter.

CHAPTER III

METHODOLOGY

3.1 Research methodology design

To answer the research question, in-depth interview and non-participant observation (during a company visit) techniques are adopted as the data collection approaches because during interview (Devault, 2013), the respondents can answer questions in as much as details as they want. The interviewer can get the accurate information about respondents' attitudes, values and opinions. The informal atmosphere encourages the respondent to be open and honest. Moreover, the interviewer can adjust questions as the interview is taking place. For the observation (Barbara, 2005), this method is used in a variety of disciplines as a tool for collecting data about people, processes, and cultures in qualitative research. Observation involves the researcher's involvement in a variety of activities over an extended period of time that enable him/her to observe the cultural members in their daily lives and to participate in their activities to facilitate a better understanding of those behaviours and activities. Observation has proven to be a beneficial tool for producing studies that provide accurate representation of a culture. Open-ended questions (Devault, 2013) are used because this research needs high quality data; the open-ended questions will provide higher quality data than the close-ended questions. Moreover, the approach has many lists of categories and they are likely to be emerging. The open-ended questions, the respondent has full opportunity to express themselves or explain answer which might be not clear. The responder can explain in details for interview. These questions are providing below:

Table 3.1 Questionnaires

Questions	CEO	Manager	HR	Staffs	Customer	Supplier	Holder
1. Developing people			√				
When you have new employees, what do they need to do before starting work?			√				
When you have the training course, what are the criteria's to select participant?			√				
How often do you provide training for employee?			√				
How much do you invest in training?			√				
How do you ensure that the training course is good enough?				√			
What do you think about training course at Baxter?				√			
How do you feel about the course that you get?				√			
What would you do if you would like to attend some courses which you are not assigned to attend?			√				
2. Labour relation			√				
How about labour relation? Does company have this union?			√				
How important of the company labour union?							
3. Retain staff							
How long do employees work here? What is the average?			√				
What did you do to engage employee to stay longer?		√	√				
Do you think the company values long tenure at all level?				√			
Do you think Baxter has high or low turnover rate? Why? Give me the reasons.			√				
How do you feel or act when many employees resigned at the same period?		√	√				
4. Succession planning							
Do you always promote internal employee all level in 5 last year?		√	√				
What level will be promoted from internal or what level come from outside? Why?		√	√				
5. Valuing staff							
What did you do when employees want to resign?		√	√				
Do you think company concern about employees' welfare?				√			
6. CEO and top team							
How often GM asks opinion from management team?		√					
What case does GM ask opinion?		√					
What GM always do when management team give their opinion?		√					
If you didn't agree with GM direction, what would you do?		√					
7. Ethical behaviour							
Have you ever deal with the difficult situation related ethic?				√			
What would you do for making decision? Why?				√			
8. Long- or short-term perspective							

Table 3.1 Questionnaires (Cont'd)

Questions	CEO	Manager	HR	Staffs	Customer	Supplier	Holder
What is your long term goal in the next 10 years?	√						
What's your plan to be leader?	√	√					
How do you feel/action when you did not achieve quarter target?	√	√					
What has happened after your action?							
9. Organizational change							
What was the latest change in your organization?				√			
How did you feel for that change?				√			
What did the company prepare for employees for that changing?				√			
How long the management team prepare for launching and implement?		√	√				
What changing in the company that made you feel uncomfortable in the last 2 years?				√			
10. Financial market orientation							
How about dividend payout rate?							√
How did shareholders feel the dividend payout that they got during 3 past years?							√
In case that the shareholders felt unsatisfied the dividend rate, What did company do?	√						
11. Responsible for environment							
What is your company do to protect the environment?				√			
How do the employees feel for reused the paper policy?					√		
12. Social Responsibility							
What does your company do for society?				√			
Who is the leader of each project?				√			
How did you feel?					√		
13. Stakeholder							
Who are company's stakeholders?		√	√				
How is your relationship with suppliers?		√		√			
What would you like to deal with Baxter next time and what situation made you feel like that?					√		
14. Vision's role in the business							
Can you tell me how is the company going to be in the next 10 years?	√						
What does GM usually talk to the employees in the town hall meeting?	√			√			
How do you feel? Is it possible? Do you believe it?				√			
15. Decision making							
How do you make decision in the company?		√		√			
How do the employees feel?		√		√			
16. Self-management							

Table 3.1 Questionnaires (Cont'd)

Questions	CEO	Manager	HR	Staffs	Customer	Supplier	Holder
Can you run your work by yourself or do you need others?				√			
When you need some helps, who did you ask first?				√			
When your boss is not available at that time, what will you do and what do you feel?				√			
17. Team orientation							
If their decision is different from you opinion, what would you feel/do?				√			
If you do not have a strong skill to do the assignment, what would you do?				√			
18. Culture: strong							
What would other department response when you ask for their help?		√		√			
When you are so busy and someone asks you for some help, what would you do?		√		√			
How do you feel when other department ask for help?		√		√			
19. Knowledge sharing and retention							
If you get the new practice that is useful for work, what would you do with that practice?		√		√			
How would you feel if someone in the company shares an idea which is your first idea to others?				√			
What do you do for encouraging staff to share their knowledge to the other?			√				
How important of the knowledge sharing?		√		√			
When the employee resign what is the tools to retain knowledge in the organization?		√	√				
20. Trust: strong							
When do you assign your staff to do the task, how often do you need to follow up then?		√					
Are there any tasks that your staffs can do without your monitoring and what are they?		√					
21. Innovation: strong							
How often the company launch a new product or device?				√			
What levels are served with the new technology?		√					
How often does the company provide you the new program or new technology?				√			
How long your company launch the new technology compare to the other companies in relevant industry?		√	√				
22. Staff engagement: strong							
Have you ever volunteer to do the other tasks beyond your role and responsibility?				√			
How the company encourage you to do the other job?				√			
What is your motivation to do the job beyond KPI?				√			
23. Quality							
What is your expectation when you do a customers' survey (or process's survey, employee's survey)?		√	√				
How important of the results of the customers' survey?		√	√				

To ensure validity of data, the probing technique is adopted. Probing technique is question that elicits a large amount of general information concerning an area of practice. The probing questions are efficient and establish an open-ended dialogue that may answer 5-10 checklist questions at one time. (College of American Pathologist, 2005)

The reflective note taking (Bach and Piolat, 2005) is also used to record observed data because note taking is an essential tool in many information-transmission situations. It is striving to avoid forgetting something that interviewer will later have to use in order to complete data. The note taking is seen as the rapid transcription of information by using a few condensing techniques, such as shortened words and substitution symbol for the creation of an external memory.

3.2 Research sample

The sample is convenient as interviewees are 4 Managers, who are GM, HR Manager, Business Manager and Marketer, 3 employees who work in financial, sales coordination and sales representative; they have worked here from 1 to 10 years. 2 suppliers, 1 customer and 1 stakeholder also are interviewed. They are willing to participate in the study

Following the previous studies; Kantabutra(2013), Kantabutra and Saratun(2013) and Kantabutra(2012) , Honeybee leadership is adopted as the frameworks to collect and analyse data.

Table 3.2 Analysis table

Honeybee Elements on the Sustainable	Typical Thai firm	Extent to Conform		
		Least Evident	Moderately Evident	Most Evident
Leadership Grid				
1.Developing people: grow their own				
2.Labor relations: cooperation				

Table 3.2 Analysis table (Cont'd)

Honeybee Elements on the Sustainable	Typical Thai firm	Extent to Conform		
		Least Evident	Moderately Evident	Most Evident
Leadership Grid				
5.Valuing staff: strong				
6.CEO and top team: top team speaker				
7.Ethical behaviour: an explicit value				
8.Long-or short-term perspective: long term				
9.Organizational change: considered process				
10.Financial markets orientation: challenge				
11.Responsibility for environment: strong				
12.Social responsibility(CSR): strong				
13.Stakeholders: broad focus				
14.Vision's role in the business: shared future				
15.Decision making: consensual				
16.Self-management: strong				
17.Team orientation: strong, self-governing				
18.Culture: strong				
19.Knowledge sharing and retention: strong				
20.Trust: strong				
21.Innovation: strong				
22.Staff engagement: strong				
23.Quality: high is a given				

Total elements in conformity

Legend : √ = Conforms ; - = does not conform ; N/A = not known

Criteria for analysis

Most evident = exactly like Honeybee

Moderately evident = somewhere like Honeybee

Least evident = somewhere like Locust

Does not confirm = exactly like Locust

This framework will explore business practices of a business in Baxter Healthcare (Thailand) to determine if they are consistent with the Honeybee leadership in the next chapter.

3.3 Company background

Baxter Healthcare (Thailand) is the international pharmaceutical company. This organization develop, manufactures, and markets products that save and sustain the lives of people with hemophilia, immune disorders, infectious disease, kidney disease, other chronic, and acute medical condition. Baxter applies a unique combination of expertise in medical devices, pharmaceuticals and biotechnology to create products that advance patient care worldwide.

Baxter healthcare (Thailand) is invented in 1994, 12 years ago; company markets the medical device and kidney disease product. Company has growth continuously now Baxter healthcare (Thailand) is the leader of peritoneal dialysis (PD) product, CRRT, hemophilia product. Moreover company has critical product that save patient's life. Furthermore, it distributes the anesthetic product, parenteral product and anticancer etc. Company states in the top ten ranking in the PREMA pharmaceutical company in Thailand. Nowadays, Baxter has the highest growth (20%) compare with top twenty companies in Thai pharmaceutical industry. During the flood crisis situation in Bangkok in 2011, other pharmaceutical companies were affected a lot e.g. machines were destroyed, sale dropped, but Baxter healthcare (Thailand) can passed that situation successfully, company still achieved target as expectation. And during this year, many pharmaceutical companies are affected by government policy, they limit reimbursed budget in all patients. Many company could not achieve target and had to lay off a large group of staffs, while Baxter healthcare is the only one company that not be impacted. Company continuous sustain high growth a long the year and

continue to expand business for the long-term benefit. Baxter Healthcare (Thailand) commits to being socially responsible members of the community. Company demonstrates its commitment to the community through a variety of grant, contribution and other programs. Company donated some million US dollars to help community improve the healthcare system during crisis situation in 2011. Company support by build house for flood's victim and build restroom for poor people in 2012. In this year, it created program called "No limits Baxter Spirit Marathon" which sold the marathon tickets and donated all income to Renal Charity and Hemophilia. Its social economic and environmental responsibilities among its business priorities, Baxter's efforts in this area align with company's mission of saving and sustaining lives.

Among Baxter's competitive strengths is its technological expertise and commitment to scientific innovation. Baxter has diverse capacities in medical devices, pharmaceuticals and biotechnology. Baxter's R&D pipeline focuses on products and therapies that have the potential to satisfy unmet clinical needs, advance standards of care, and improve medical treatment. Baxter has a long list of "firsts" which are the first IV solutions, to the first peritoneal dialysis (PD) solutions, to the first recombinant, the inventor of inhalation anesthetic molecules.

Most Baxter products are dependent on a global network of suppliers. Company's philosophy around ethical supplier relationships, business practice standards for suppliers and other partners.

Recently, 2012, Baxter bought Baxac corporation, the private company which produce compounding machine for parenteral products. And Oct 2013, Baxter bought Gambro successfully. This expansion will support Baxter to be strong leader in Renal market. This year, company invests around 70 M US to build the PD solution manufacture at Rayong for Thai people. Its productivity serves the government policy to serve patients' needs. This project is expected to finish by 2009, and hope to hire employee from 150 to 600.

CHAPTER IV

FINDING

4.1 Research finding

From the document, in-depth interview and non-participant observation techniques, the results show that Baxter healthcare (Thailand)'s practice is largely consistent with the Honeybee approach. Table 4.1 summarizes the fit between the data and each element in the Honeybee sustainable leadership grid using three categories to represent the degree of conformity; lead evident, moderately evident and most evident in the data.

Table 4.1 reveals a moderate or strong fit on 16 of Honeybee's 23 elements. This figure represents the researchers' summary, however the qualitative data provide more insightful information and findings for each element are discussed below

Table 4.1 Results

Honeybee Elements on the Sustainable leadership	Typical Thai firm	Extent to Conform		
		Least Evident	Moderately Evident	Most Evident
Leadership Grid				
1.Developing people: grow their own	√			
2.Labor relations: cooperation	N/A			
3.Retaining staff: strong	√			
4.Succession planning: strong	√			
5.Valuing staff: strong	√			
6.CEO and top team: top team speaker	√			
7.Ethical behaviour: an explicit value	√			
8.Long-or short-term perspective: long term	√			
9.Organizational change: considered process	√			
10.Financial markets orientation: challenge	N/A			
11.Responsibility for environment: strong	√			
12.Social responsibility(CSR): strong	√			
13.Stakeholders: broad focus	√			

Table 4.1 Results (Cont'd)

Honeybee Elements on the Sustainable leadership	Typical Thai firm	Extent to Conform		
		Least Evident	Moderately Evident	Most Evident
Leadership Grid				
16. Self-management: strong	√			
17. Team orientation: strong, self-governing	√			
18. Culture: strong	√			
19. Knowledge sharing and retention: strong	√			
20. Trust: strong	√			
21. Innovation: strong	√			
22. Staff engagement: strong	√			
23. Quality: high is a given	√			

Total elements in conformity**21****Legend : √ = Conforms ; – = does not conform ; N/A = not known**

4.2 Explain research finding by element

Developing people: Company provides training for all new employees with specific schedule within 6 first months such as ISO-train, Product knowledge.

“I am surprised when I started work here; HR gave me the outline for 6 first months what I had to train and what I need to complete in the beginning period, it directed me and make me understood the whole process and let me prepare myself for them”

1 Employee said

For the current staffs, company will provide soft skill or job training course to all employees but different course depend on type of job such as negotiation course, excel course, selling skill. Company values and invest a lot for training and expects that these courses will enhance employees' capacity.

“I was invited in advance to attend the selling skill training; HR always provides a lot of training course to employees. I think it is helpful for my job and enhance my knowledge”

1 employee shared

From data, Baxter values on developing people all level continuously in order to enhance knowledge and capacity of employees. They invest 10% of budget

for developing people. I found most evidence for developing people in this organization.

Retaining staff : In 5 past years, company could retain the supporting employees, e.g. financial, sales supporting department etc., be happy to work at this company for several years. However, company has the high turnover rate of sales and marketing staffs, so HR tries to retain these staffs and develop organization's culture to engage them and make them feel proud to work here and focusing on developing these staff. In 2 past years, the performance looks better, the turnover rate of these staffs are lower significant especially the young staffs and young managers.

“The turnover rate of sales staff is better than the 5 past years, HR focus on retain people as long as possible, we create many program to engage employees e.g. E2 project”

HR manager shared

As information from interview, it shows the moderate evidence, their practices like Honeybee because they aware of retaining staffs and find the way to engage people as much possible.

Succession planning: Company tries to promote insider, such as Head of finance, Business Manager. These positions need the understanding of organization's culture and system. However, some positions need job's experiences from outside companies to enhance company performance, so company always bring outsider to take that role, for example, Marketer, Sales Manager. Company acts like Locust in term of promoting outsider sometime, this element should be least evident.

“We promote outsider more than insider because currently the business change rapidly, so our company requires the outside experience to make company grows up above market growth.”

BU said

Valuing staff: HR and management team value on people, the HR team always create the activities that represents company cares employees' health for example, exercise activity in office at 3 p.m. every day, invite guest speaker to lecture on topic “healthy food”, “saving money”.

“HR and supporting concern all employees especially their health, we always remind them to do work life balance”.

1 HR Manager mentioned

And invest a lot for training or team building, however, company needs to achieve short-term target, so when staffs cannot reach their key performance index,

company provides the timing for their improvement. If they do not improve in specific area, company needs to let them consider themselves.

“I often concern and stress cause of sales achievement, if I cannot achieve it. I might not survive here” *I employee said.*

From the data, sometime employees do not think they might not important for the company, if they cannot achieve target. It demonstrate that some practices look like Locust, not Honeybee.

CEO concept: GM always work on be half of management team player, not hero, she often ask opinion from the top management team. By the way, she listens and might have challenge questions sometime, if management team can convince her with suitable reasons, she will allows them to do.

“GM is my idol, she is the greatest whom I have ever known, and she respects other opinions. Everyone can share.” *I employee said.*

In case that any staffs do not agree with GM policy, she allows them to share their concerns in order to improve company behaviour

Ethical behaviour: Performing align with Ethic is very important for this company, Management team works strictly on ethic. Everyone in company needs to act align with code of conduct and Pharmaceutical code (PREMA). GM, HR and management team emphasize every month on this point and it also being practiced in their entire operations. This is demonstrated the most evidence of ethic in this company. This prove that CEO work as team player and willing to listen top team Management's opinion, it is rate a most evidence. This practice demonstrates the most evidence in the company.

“Company allow employees work on ethic seriously, CEO always emphasize ethical topic every month” *I employee shared*

Long-term perspective: GM always shares her vision to staffs that Baxter Thailand team will be leader in all portfolio by timeline specifically, she believes that Thailand team achieve that goals. Company invests for long-term growths such as decided to build the manufacturing in Thailand, expand the key account team, and invest in IT technology. By doing these ways, company actually can compete with others in the long term. This practice demonstrates the most evidence in the company.

“We know company invest a lot of projects for long-term benefit eg compounding project, built the Manufacturer in Thailand. I can feel that this company will be more success in the future.” *I employee said.*

Organizational change. According to the innovation and fast moving in industry, many companies have to change within organization in order to survive in market. Baxter always concerns the organization change which affects staffs. When they need to make a change or launch the new policy, company will set the helper team to prepare for the changing and inform the employees in advance. Sometimes they run with pilot team first in order to make sure that the new things work or improve the obstacles before real launching. After changing, company always monitor and track the outcome, including employees' satisfaction.

“We set the team helper to run new project, we are trained and the helper team need to prepare a lot for organization change, some new project needs 6 months before changing.” *HR said.*

It demonstrated that company has the most evidence support this element of Honeybee practices.

Financial markets: The dividend payout is high in the previous years but it is low last year. The return is not consistency, however, the shareholder understands market situation and accept it.

“I accept the payout rate during 2 past years even it is not must.”
I stakeholder said.

Environmental responsibility: Company always encourage employee value on environment, they apply in organizing by promoting using re-used paper as normal practice in office. All employees agree and aware of using paper. If they use the paper a lot, it means they are destroying the trees and environment.

“I agree the re-use paper policy, it helps company saves cost and reducing cutting trees.” *I employee shared*

“I saw company create the bag by using the recycle plastic from product packaging this is really good creative idea, how can they do!” *I employee said.*

Social responsibility: Company always creates many CSR projects along the year, and also continue the previous projects. Company has CSR department and every month CSR manager shows and updates the activities that company help

society, for example, built house for people who were affected by flood in 2554, built the restroom for people in upcountry. Many projects, employees volunteer to be helper in projects. They feel so proud for working in the company which always contribute to society.

“My colleagues and I are so proud to work in this organization, it continuously contribute to society.” *I employee said.*

Stakeholders: Everyone in business are company's stakeholders, company does not focus only on the customers, the company policy also values on supplier and others. Company does not only think about profit, they also concern the satisfaction of others. They make a fair and develop trust for stakeholders. Company have good relationship with stakeholder and be good partner.

“We have good relationship with Baxter, we are great partner, we also respect each other. They fair with us.” *I supplier said.*

Vision's role in the business: GM and management team always share vision, core values and future goal to staffs in town-hall meeting every month. This year, GM focus on customer-centric and make everyone in company aware of customer-centric is essential driver for the business goal.

“GM always express her vision and future expectation to employees in town- hall meeting. I feel energetic every time when I heard her.” *I employee said.*

Decision making: Decision making is always come from consensus. Not only manager, but also relevant staffs have a chance to share ideas/opinions into the decision making process. By doing this, staffs feel satisfy because the consensus comes from their participation. They are willing to do in that way. The idea comes from group decision, not one person, strongly supports sustainable leadership practice.

“Company culture allows me to express my opinion. We will brainstorm and share in the meeting before launching the new project.” *I employee said.*

Self-Management: HR and management team always encourage staffs manage work by themselves. But in the real practice, staffs think they are not the expert in that field; they are in the developing stage. So they are not confident to run work by themselves. They often ask boss or others to do for them.

“Company opens to recruit the new graduated employees who do not have any experience, most of them lack of self-management, just request the higher level to

do for them. I try to develop this practice by let them try or do it by their own ability first, and I will feedback them again in order to enhance their skill.” I Manager said.

From research data, some evidence show Locust practice in young level. However HR department and manager try to develop this practice, so I indicate this element is the least evidence.

Team orientation: The researcher explore that the teamwork are not limited here. Company does not use manager centric, but we believe in team agreement. Employees do not only focus on their team but they also have good collaborate across team for example financial team, regulator affair team, IT team. They are always help each other to solve problem and increase productivity. From interview and observation I can touch that this organization has most evidence to support the team orientation.

“When I need help from other departments, even they were dealing with another job, they were willing to help me suddenly. I am really impressive them, we are the great team.” *I employee said.*

Organizational culture: Company has strong culture in term of friendly atmosphere that everyone can touch in history, everyone is nice and willing to help others even they are dealing with other task. This practice influence the new coming to act in the same way. Moreover company committed to help society and focused on CSR. They always launched new projects to help people especially crisis situation, company spent money and time to build house for flood’s victim. It encouraged staff within organization to help others. This is the strong data support that company has not evidence of organization culture.

“I joined the event that company gave a house to flood’s victim, I felt overwhelmed to see the happiness of receiver, their house disappeared cause of flood. They could not believe that they would have the new house.” I employee said.

Knowledge sharing and retention: Knowledge is shared throughout the entire organization, Sometime the knowledge is share across department for example, HR ask employees from financial department to share the useful finance knowledge to other departments. Moreover, when employees come up with the new great idea, they do not hesitate to share knowledge to others. In the company meeting, the management always set the sharing part in order to let their staffs’ share the best practice to others

in company, other employees can imply other sharing into their job. In order to sharing knowledge in team, the supporting team creates share folder in system that everyone can access and search knowledge by themselves. This tool can help the new employees has fast learning and also can retain knowledge from the old staffs. Many sharing stories with related to employees benefits confirm that company has strongly focused on knowledge sharing.

“In monthly meeting, my colleague who achieve over target always share her success story to others in team, it is very useful for me because I can apply in my job in order to enhance my performance.” *I employee share.*

Trust: There are many type of employees work here both of long-experiences and new young employees. So the employees who work for several years, who are the small group in company, are trusted to run the important tasks, on the other hand, the young employees, who are new graduated from university, are not be trusted by their manager. Managers have to monitor them closely in order to ensure that work goes well. This data demonstrated that company has some behaviour like Locust practice, so I indicate its practice to be least evident.

“When we assign task to employees, normally we will monitor them quite closely because we don’t want the mistake happens, however, we can trust some employees who have high responsibility, we select only some person whom we can trust.” *I manager said.*

Innovation: Company always launch new devices to help process effectively, the type of devices depend on job type such as I-phone for managers, IPAD for sales representative, V ablet application, Sales forces dot com, company normally set the helper team for new technology. However, company is not the fastest company to use new technology; they will observe the outcome from other company, after that company will on process source that technology. So company will always launch new technology delay compare with other company in industry. From evidence, company shows that company continuously invest in technology, like moderately supporting.

“We allow to use new device, IPAD, after other companies launched them for a while. I think company need to make sure before decision because it is a big budget.” *I employee said.*

“I allow employees generate their new ideas in the meeting because I think I can gain new create ideas by doing this way.” *I Manager said.*

Staff engagement: HR department always encourage staffs to do job over time or help other department by giving rewards or recognition to staffs who volunteer to help others without request. the volunteer to do other role is very rare, they do not prefer to do other thing because employees always have overload task and cannot finish them as expectation.

“I willing to do the beyond job if I complete my current job on time, but normally I hardly finish them on plan.” *I employee said.*

“We try to encourage staff to do job beyond role for example we ask volunteer from manager to be committee of digital tools some are available, but some cannot. We use reward as recognition to motivate them as well.” *HR Manager said.*

Quality: Quality is important for this company, Baxter does not focus only product quality, it values on process, customer's satisfaction and employee feeling. Management team always do survey both of inside and outside company in order to evaluate quality in all aspect. They continuously do survey every quarter and review the result in details. If any dimension is weak, the management team has to find out the problem and find solution to improve quality. Company expect the result of customers' satisfaction survey or employee survey is over 90% or very good result.

“We are very serious about this, if the results is lower than expectation, the manager needs to find out the specific area where need to be improved.” *HR said*

From above data shows that company demonstrate the most evidence of quality focus.

4.3 Conclusion of finding

From finding chapter, I found that most practices align with Honeybee practices but some practices of Baxter are different from Honeybee practices in various degrees. I will discuss in details in the next chapter (Chapter 5)

CHAPTER V

DISCUSSION THE FINDING AND CONCLUSION

5.1 Discussion and recommendation

This research compares the practices of this organization with the Honeybee framework and the previous studies. Overall, Baxter healthcare (Thailand)'s practices closely fit the Honeybee sustainable leadership practices that Avery and Bergsteiner (2010) identified. The above analysis shows a agreement on 21 of the 23 elements each of which conforms to a different extent. Sixteen practices were found to be moderately or strongly evident within an organization. Like the previous studies, the sustainable companies value a skill workforce and invest heavily in training and developing staff. Baxter allocates 10% of the total budget developing their staff in all levels. Not only managers, company provides training course to staffs who work as supporter and young level such as excel training, negotiation skill training. In the same way like Mahidol University (Kantabutra. and Saratun . 2013), giving priority to its people, the university provides and orientation program for new staffs. Training and development is also available to enable management at different levels to develop managerial skills. Valuing on people development happen in SCG (Kantabutra and, Avery, 2013), all employees are eligible for training big a huge budget. The training budget has never been cut in any economic crisis. All sustainable companies focus on developing people for promotion, they prefer promote within organization rather than appoint outsider to top position. For long term investment, Baxter always does business for the long-term perspective. Both of expending related business and invest money for building manufacture in Thailand. Baxter can survive in Pharmaceutical Company with high growth for many and many years because company use the long-term strategy. Like the business practices of Thailand's largest conglomerate, SCG (Kantabutra. S, Avery, 2013), the company challenges its investors to take a long-term perspective by pay stable dividends while maintaining its share price. In the same was as True Corporation, this company has experienced several major changes. Each time

its leaders had to make difficult managerial decisions, the decisions did not lead to short-term benefits or profits to the company. Furthermore, Baxter has strong company culture in terms of ethical behaviour, every staff needs to strictly behave based on the ethic. Ethic is also included in the core value of other sustainable companies in previous studies as well. Baxter continues many projects that contribute to society. For example, “No limits Baxter Spirit Marathon”, built house for flood’s victim, built bathroom for poor people. The CSR program always demonstrates in previous studies, the social contribution practice has been handed down from one generation to another through the years. SCG also initiated projects that reflect community needs. As an example, company provided assistance to its employees and their families as well as to the rest of community. It provided materials of flood prevention to people. Like True Corporation, it takes its CSR roles seriously with 4 key attributes guide: Caring, Creative, Courageous, and Credible. True Corporation has always adhered to a strict code of ethical conduct throughout the organization, with an emphasis on people. Doing business based on ethic and contribute to the society has benefit for company in terms of good reputation. It helps engage employees and gain trust from stakeholder and customers even in difficult crisis. Self-management and trust are least evident at this organization, although they try to increase the evidence of self-management, trust such as encouraging staffs to do their job by themselves with less monitoring. Clearly, a succession plan is considered critical in this company. They always bring the manager from outside, not promote within company. There is no strong evidence that support the valuing and engagement staff, even company is considering this is a critical point, there is no systemic approach to continually engage and retaining staff.

Succession planning : The sustainable practices (Avery, 2010), company should promote insider, who value and continue the organization culture, instead of hiring manager from outside organization, who can come close to destroying it. From this research, company promotes insider to be top management, however, company prefers to appoint some manager from outside organization e.g. Product Manager, Supervisor because company expects the outside experiences to enhance company’s performance. Compare with previous sustain Mahidol university (Kantabutra and Saratun, 2013) , SCG (Kantabutra and Avery, 2013). Companies always promote

insider, companies did not prefer to appoint outsiders to be top management team except internal people cannot be promoted due to the lack of required skill. Baxter performs different from the sustainable practice in terms of succession planning. However, Baxter try to improve this practices by develop current staffs as well.

In order to motivate insider, refer Mahidol University practice, Baxter had better to find the potential employees who can be developed to be future leaders. The manager of each department has to provide official plan to successors. The top management team also can create program which is suitable designed for organization to develop their staffs, and refer from sustainable company (SCG, Kantabutra 2013), Baxter should avoid bringing in outside managers to join their management teams, but they should have promoted people from within their organizations. Company also needs to retain staffs with a low turnover rate and values long tender at all level.

Value staffs: For the valuing staff, giving priority to people as a key success for sustainable Honeybee practice (Avery 2010) from previous studies, the new idea of creating product come from staffs in True Corporation (Kantabutra, 2012) also invests in developing its staffs align with Honeybee practices as well. Training and development programs are offered to employees of all levels to improve their knowledge, skill, and capacity. For the finding data from Baxter, its practice look similar to sustainable practices in terms of heavily invest in people (10% of total budget), however, these are some behaviors look like Locust. For example when company faced with the financial crisis, company would reduce head count by lay off employees who did not achieve target. By doing this way, employees' insight afraid of the reducing head count and they might feel stressful like this place is not safe so far, they might not be lay off in the future. This way leads to their un-secured feeling in their job. In order to enhance performance in the long-term, Baxter should value staff in all situations, even the financial crisis. Refer from SCG practice (Kantabutra and Avery, 2013), SCG heavily invested in developing staffs, it has not laid off staffs even in the crisis situation. So Baxter should have save cost by cutting other expenses, not people cost. Company could engage people and increase their loyalty so far. This way leads to their secured feeling in their job.

Self-Management: Under sustainable practice (Avery 2010), it recommended that employees are self-managing. They can run job by their own

capacity. From interview, HR manager at Baxter always encourages staffs to be self-manager. Some staffs could do job by their own managing but young staff in some teams could not be self-manager because they thought they did not have enough experience. They always request managers did for them. This practice also influences other staffs in organization. The others were not willing to do job by their own capacity, sometimes they ask the senior staff did or directed job for them. This is the critical point of this company where need to focus. In addition, cause of Thai culture that always obeys supervisors, the previous studies showed least evidence as well. Mahidol University (Kantabutra and Saratun, study, 2013) show least evidence of self-management. This is a challenge practice that Mahidol try to fill the skill gap and give succession plan for staffs that lack of self-management. SCG (Kantabutra and Avery, 2013) where employees have to become more self-managing to support company's sustainable practice.

From Honeybee sustainable practice, Baxter has to create company culture to encourage employee act as self-managing. HR department try to improve this practice by encouraging and developing staffs, so that they can run the job by themselves. SCG is the example company in previous studies where always encourages self-managing in organization.

Trust: Furthermore, as the Honeybee sustainable leadership practice, employees are considerate to be trust by their manager. They can do job effectively without closely monitor (Avery 2010). Based on this research, Baxter demonstrated least evident. Cause of company's culture that young staffs are not willing to be self-managing; they always ask help from their manager. Then manager often monitor their staff closely. Manager might lose time for monitoring their staffs instead of spending time focus on strategic job to increase company performance. This way does not lead company to be sustainable leadership. Compare with the previous studies, Baxter has this practice quite different from the sustainable company where has high trust such as Mahidol University (Kantabutra and Saratun, 2013), SCG (Kantabutra, 2013). At SCG, a group president does not need to screen subordinates' proposals much because the group president knows that the employees do not put anything which irrelevant. The high trust also showed in True Corporation, the top management does not monitor closely, just visit front-line employee once a month. So Baxter had better improve this

practice align with Honeybee Philosophy, Managers do not need to monitor their staffs closely. Moreover, they should encourage staffs to have more commitment. By doing this way, it can help company be more sustainable in the future.

Self-engagement: As Honeybee practice, the self-engagement is contained in sustainable leadership practice. The prior study, Mahidol University (Kantabutra and Saratun, 2013) demonstrates most evident in organization illustrate a faculty member has emotional commitment by refusing the higher offer from another company because he feel working in this university like he is working for the King. Moreover, the lectures take care students' beyond expectation for example, lecturer always asks about academic progress. From this research, Baxter also demonstrates this practice but the data shows least evidences. Some staffs do not have emotional commitment, they focus only their job.

As Honeybee framework, company should value emotionally committed staffs in all level. By doing this suggestion, its staffs are willing to do thing which beyond their responsibility. It helps support sustainable leadership status in long-term.

From this research, it confirmed that Baxter healthcare (Thailand)'s practice closely fit the Honeybee sustainable leadership. 16 of 23 elements appear to be moderately or strongly evident in this organization. This pharmaceutical company shows the strong evidence of CEO concept which is clearly usual among Thai firms where the CEO acts like heroic. Meanwhile other practices seem like other sustainable companies in previous studies which is value on people and stakeholder, long-term perspective, strong organization culture, team orientation, focus on the innovation, condenses decision making, work with ethic, responsible for society and environment, CEO works as team player and always share vision, employees often share the knowledge, and quality concern. So this sustainable philosophy is likely to enhance many aspects of organization performance.

However, in order to become more sustainable, in the future in relevant market, company should adopt the remain elements which show least evident in current situation to be strong evident.

5.2 FINAL CONCLUSION

This study explored the Honeybee's sustainable practice of Baxter Healthcare (Thailand). The findings derived from the interview 11 persons of management team, its staffs and its stakeholder's survey of Baxter Healthcare (Thailand).

In the beginning, the review of the sustainable organization in Thailand where approach sustainable leadership practices, Rhineland (Avery, 2005) and Honeybee (Avery and Bergsteiner 2010, 2011), Rhineland approaches the 19 elements for long-term sustainability enterprises. More recently, "Honeybee" was introduced, build on the Rhineland leader practices. The Honeybee concept focuses on 23 practices in order to support the sustainable leadership status in its market. The previous studies were found that there. In addition, from finding in this research and observation show that many Thai corporations' practices closely fit the Honeybee criteria that Avery and Bergsteiner (2010) identified, to very degree. However, companies are founded that one element does not fit/ or least evident/ the sustainable leadership practices. It is the CEO role, they did not work as team speaker, and the CEO appears to be highly respected, for example Mahidol University. Moreover, it is noticed that self-governing practice was not be strong evident in Thai companies. This is quite challenging in Thai society that traditionally values obedience's to superiors. Nevertheless, some companies have developed culture which employees have had to become more self-managing to support company's culture. For example, Siam Cement Group, Mahidol University. The present student found that the results were consistent with Honeybee leadership practice. 21 from 23 practices align with Honeybee concept in various degrees. Company showed strong evidence in many areas; developing people, ethical behaviour, long-term perspective, organization change and considering process responsibility for environment, social responsibility, stakeholder focus, shared vision, consensual decision making, team orientation, knowledge sharing, and retention, strong culture, high quality, and the CEO concept. CEO works as a team player of the top team management, this outstanding practice is different from other Thai organizations where the CEO appears to be highly respected. This student attempts to explain how company manages within organization to be sustainable company. It suggests that Baxter should promote within organization more than

appointing outsider, include provide official plan of successor to them and company had better strongly value on people e.g. no lay off policy even in difficult financial situation. Moreover, the firm can encourage staff to work by self-managing and values emotionally commit. Trust is also considered practice within organization as well. This suggestion would improve company performance to become truly sustainable organization in the long-term.



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