

**SUSTAINABLE LEADERSHIP IN STEEL INDUSTRY AT TYCOONS  
WORLDWID GROUP (THAILAND)  
PUBLIC COMPANY**



**A THEMATIC PAPER SUBMITTED IN PARTIAL  
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Dechachan Kaewmeesri

## **SUSTAINABLE LEADERSHIP IN STEEL INDUSTRY AT TYCOONS WORLDWID GROUP (THAILAND) PUBLIC CO., LTD**

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### **ABSTRACT**

The purpose of this thematic paper is to adapt 23 Honeybee leadership practices (Avery and bergsteiner, 2010) derived from sustainable organizations as a framework to examine the sustainable business practices of *Steel Industry* in Thailand. Several data collecting methods are applied such as in-depth interview with multiple stakeholders, non-participant observation, documentation technique and reflective note. This paper analyzes the company and found that 22 of Avery and bergsteiner's 23 sustainable leadership practices in Tycoons Worldwide Group (Thailand) Public Co., LTD. 16 elements were very strong practices. 3 practices were moderately evident and others appeared in least evident. The outcome of sustainable leadership principles contribute to integrity of brand and reputation, enhanced customer satisfaction, solid operational finances, long-term shareholder value and long-term value for multiple stakeholders. This paper reports sustainable leadership principles in Tycoons Company, which is steel industry. Steel Industry in Thailand and abroad, that wish to be sustainable organization, could adopt 23 sustainable leadership practices.

**KEY WORDS:** SUSTIANABLE LEADERSHIP, LEADERSHIP, HONEYBEE  
LEADERSHIP PRINCIPLES, STEEL INDUSTRY AND THAILAN

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# CHAPTER I

## INTRODUCTION

Corporate sustainability has been widely discussed among corporate leaders and scholars. 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 Tycoons Worldwide Group (Thailand) Public Co., LTD to determine if there is a fit between Sustainable leadership practices and those of the case company.

Tycoons Worldwide Group (Thailand) Public Co., LTD is in steel industry, which is dedicated to becoming the best partner for consumers worldwide. Tycoons (Thailand) takes advantage of its international flexible mass production capability, upright integration technology, entire production line, as well as operation of worldwide organizations so that provide a absolute solution from wire rods, spheroidized annealing wire, to screws.

To determine the fit, the literature on Sustainable Leadership in Thailand is reviewed in Chapter II. In Chapter III, the materials and methods used to test the Sustainable Leadership concept is explained. This includes how to collect and analysis data. Company back ground is also provided in Chapter IV. Chapter V presents result and discussion, while Chapter VI discusses the recommendation and concludes the study with practicing to enhance the prospect of corporate sustainability for the case company is in Chapter VII.

## CHAPTER II

### LITERATURE REVIEW

Nowadays business planners are important in the business world that continuous developments and changes strongly involved to revolute the way they organize and manage their businesses to be sustainable. Corporate sustainability has become a critical issue for today's business organizations. Corporate sustainability refers to ensuring that organization uses strategies which contribute to a long-term success. Sustainable practices facilitate maintaining a well-being. (*Avert and Bergsteiner, 2010*)

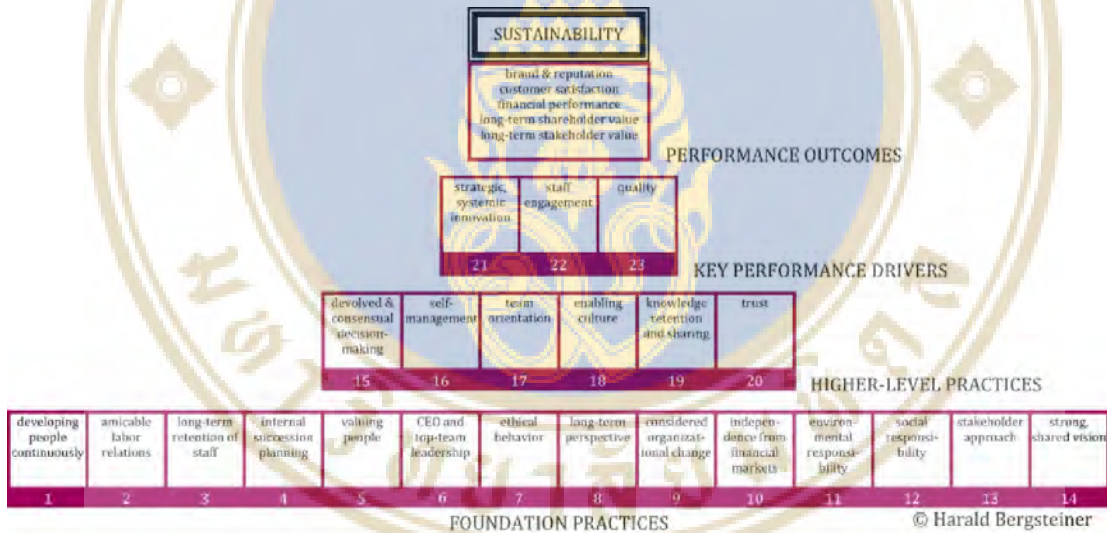
The two different methods to lead an organization, Anglo/US and Rhineland leadership principles would be implemented. Anglo/us principle, firms should emphasize on short-term strategy to get maximum profit and focus on short-term shareholder value over other stakeholder. Although, it does not lead to sustainable business. (*Avert and Bergsteiner, 2010*) In contrast, Rhineland emphasize on long-term perspective, which reflect to all factors of enterprise, including strategic thinking, planning, investment, growth and work process, human resource policies and stakeholder relationships. (*Albert, 2005*) According to research by Avery and Bersteiner, recommends that firm implement Rhineland principles tend to more sustainable and better perform than Anglo/Us organization.

In Europe, corporate sustainability is promoted using Rhineland's philosophy (*Albert, 1992*), because it concerned not only shareholder (Anglo/US) but also stakeholder (e.g., employees, customers, suppliers and surround communities). This philosophy has been applied in Asia such as Japanese, Southeast Asia especially, Singapore and Thailand. As Japanese human capitalism, strong employee focuses push Japan to the advance stage of capitalism (*Ozaki, 1991*). In Southeast Asia, Singaporean government needs companies take much responsible for their stakeholders (*Stiglitz, 2002*). Furthermore, Thai's 'Sufficient Economy Philosophy' should point out creating responsibility and sustainability for the society. (*UNDP, 2007*)



Conforming to Rhineland's practice, there are 19 sustainable leadership practices that provide the useful framework for developing with an organization. Lately, Avery and Bergsteiner (2010, 2011) introduced the concept of “honeybee” leadership “approach. Honeybee is a resilient and humanistic approach, which contribute to competitive advantage of a Honeybee enterprise, and build the business case for implementing these practices. The purpose is to provide possible approach to ensure the extreme corporate sustainability

Honeybee practices contain the list of practices to 23 sustainable leadership elements by increasing 4 elements. 23 "honeybee" elements have been organized in the pyramid form to observe and guide the company, which shows below (figure1). The practices are categorized into three groups: 14 foundation practices, 6 higher-level practices and 3 key performance drivers. In addition, forth level in the pyramid contain performance outcome that contribute to corporate sustainability. (Avery and Bergsteiner, 2010)



**Figure 2.1. "Honeybee" sustainable leadership approach in pyramid form**

**Source:** Avery and Bergsteiner, 2010

**1. Foundation practices** are organized to the lowest layer of the pyramid, which is 14 foundation practices. *1. Developing people:* developing and training everyone continuously, *2. Labor relations:* Striving for amicable labor relations, *3. Retaining staff:* Value long tenure at all levels, instead of laying them off, *4. Succession planning:* Value long tenure at all levels, instead of laying them off, *5. Valuing staff:* is concerned about employee welfare, *6. CEO and top team:* Top team speaker: CEO works as top team member or speaker, *7. Ethical behavior:* an explicit value: “Doing the right thing” as explicit core value, *8. Long or short-term perspective:* long term: prefer the long-term

over the short-term, **9. Organizational change:** change is an evolving and considered process, **10. Financial markets orientation:** seeks maximum independence from others. **11. Responsibility for environment:** protects the environment, **12. Social responsibility (CSR):** value people and the community, **13. Stakeholders:** everyone matters, **14. Vision's role in the business:** shared view of future is essential strategic tool.

**2. Higher-level practices** are arranged to the second layer of the pyramid. There are 6 higher-level practices. **15. Decision making:** is consensual and devolved, **16. Self-management:** staff are mostly self-managing, **17. Team orientation:** self-governing: Team are extensive and empowered, **18. Culture:** fosters an enabling, widely shared culture, **19. Knowledge sharing and retention:** spreads throughout the organization, **20. Trust:** high trust through relationships and goodwill.

**3. Key performance drivers** are produced to the third level, which is 3 key performance drivers. **21. Innovation:** strong, systematic, strategic innovation evident at all levels, **22. Staff engagement:** values emotionally committed staff and the resulting commitment, **23. Quality:** embedded in the culture.

The 23 Honeybee leadership elements, which are classified into three level, are able to drive performance outcome shown pyramid's fourth level including; integrity of brand and reputation, enhanced customer satisfaction, solid operational finances, long-term shareholder value and long-term value for multiple stakeholder. (*Avery and Bergsteiner, 2010*)

To aim of this paper is to adopt "Honeybee" sustainable leadership framework, which has been approved its success across leading companies in Thailand in the previous research. Example of successful firms that comprise sustainable leadership philosophies include: Thailand's True Crop, Siam Cement Group, Theptarin Hospital and oldest Thailand's university.

**True Corporation:** True corporation refers a Thailand's telecommunication firm which established in 1990, becomes a successful telecommunication business. An analysis of True corporation's practices shows 22 out of 23 Honeybee elements. True Corporation invests in retaining the best staffs. It offers salary and plenty of opportunity to be promoted as a higher-level. Developing people continuously helps it to be sustainable growing in the telecommunication industry. Besides, the company offers the opportunity to continue the further studies at company' partner. The first priority promotion is on insider. As company's culture, it provides as "do-say-think" with the

stakeholder. Moreover, Top management always visit the all staff in every department especially, front-line staffs. It can make all staffs trust in the top management as well as organization. The company focuses on teamwork to enhance creativity. They provide many meeting rooms for knowledge sharing within the company. It leads to the best decision making. The company allows staffs to make mistake, and are encourage putting their creativity into practices and gaining reward as a part of their performance evaluation. Truly, True Corp cannot compete with other competitors if there is no potential innovation. True Corporation distinctive agrees to all level of staff in generating and developing the innovative product and service to increase market share. As social responsibility, the company provides several activities to support social and environment, which are retaining to education, energy and natural prevention, involve to the teenagers. Example of CSR activities are "Helping link" page that everyone can post need or offer helping such as blood donation from the emergency patient, "Supported the disabled" which is supporting wheelchair racing team for Paralympic game. And also, "Provided free communications in times of crisis" is considered in flooding crisis in 2011. Morally, it adheres to ethical conduct emphasizing on people by treating its employees with trust, respect, as well as sincerity in order to show the sincere contributions. All staffs will see the worthwhile of their performance and are able to fight with difficulties. Therefore, it contributes to the successful and sustainable business. *(Kantabutra, 2012)*

**Siam Cement Group:** found in 1913 as largest industrial conglomerates in Asia, which mirror 18 out of 19 Rhineland elements to be most evident. The deviant element is CEO's concept. Both current and past CEO becomes heroic leader because of Thai Culture, which respects senior people. Normally, it should make decision from team-based leadership at the top. SCG tries to provide the training program and developing staffs to create staff loyalty and involvement. SCG develops long-term strategies and invest in sustainable development for future growth and competitiveness. For staff development, the company strong emphasizes on investing in all people. They offers important training program to developing all staffs. And also provides scholarship to employees, which desire to continue their studies. The company runs the business on teamwork system such as consensual decision making. As company's culture, is extremely rooted in shared values and vision, which contribute to survive in competitive situation due to employee collaboration. The innovative culture encourages employees to think-beyond, think out of box and be open-minded, be assertive, learn from risks, mistake and

experiences. SCG set knowledge sharing among employees to create mutual relationship and enable networking of knowledge and professionalism for the benefit of the business. Strong organization culture, they do no lay-off staff in crisis situation. Moreover, SCG emphasizes on insider promotion to higher level. As the innovation, it takes R&D to produce strong value of products, services, processes, and new business models. Its innovation helps maintain status to be leader in the market. Potential training programs are able to generate more ideas, which are developing product quality, enhancing services, managing knowledge and improvement potential processes, to be more efficiency. Aware of environment is heart of its operation. Its CSR is to create activities that beneficial to customers, the environment and society. Trusty, moral integrity is a basic quality in every employee of the organization. SCG encourage employees to be good citizens, which contribute to be benefit with the society. All employees are main factor that drives company to be sustainability. *(Avery and Kantabutra, 2011)*

**Thai Healthcare Service Provider:** refer to Theptarin Hospital, was found in 1985. Theptarin hospital is specialized in endocrine related diseases and treatment. As Rhineland sustainable philosophy, matched between 15 out 19 Rhineland elements. Theptarin Hospital extremely emphasizes on long-term perspective to be better management and opportunities in making the hospital less vulnerability. They contain policy to avoid listing in The Stock Exchange, which is short-term profit. For staff development, it prefers to promote internal person since it develops professionals specifically for its service depending on knowledge and skills insider. Staff training is provided to develop and retain skill. They have strong culture to help hospital be survived, which is strong teamwork culture, trust and respect for lower-level employees. Evidently, he introduces several treatment techniques and other technology diabetes care, along with new treatment procedures and professions. Knowledge sharing also appears across the hospital and medical team. Both incremental and radical innovations are contributed to the hospital to quality services in Thailand. Besides, excellence, teamwork, hospitality, integrity, and continuous improvement are considered in ethical behavior and social responsibility. So, social responsibility and ethical behavior exhibit strong hospital's culture. *(Kantabutra, 2011)*

**Thailand's oldest university (Mahidol University):** is oldest teaching hospital in Thailand, established in 1888. Beginning, provide healthcare service to society. Moreover, they was extremely operated by government. Currently, it has

authorized to manage itself autonomously. The university expands into other faculties which are approximately 28,000 personal in 39 faculties and industries. Overall, the university's leadership practices close match with Honeybee element, shown 21 elements out of 23 elements. 15 practices are the most evident. The one element was not shown in the honeybee criteria, is university's president and top team criteria. As current university's presidents who are heroic leaders, materialize to be extremely respected. The university culture more emphasizes on seniority due to Thai society. Mahidol University shows successful components, which are development of shared strategic directions, involvement and collaboration in decision making, and core values. For staff development, they provide orientation program for every new staff. Development and training program are considered to retain their skill. The university's original core values are combined to Mastery, Altruism, Harmony, Integrity, Determination, Originality and Leadership, which are represented to organization's culture. Additionally, Mahidol is good at incremental innovation. It gives priority to its people, encouraging them to innovate in many areas of their operations through a program, called "Routine to Research". It is the most innovative tool for human resource and organizational development in enriching activities to retain non-academic employees. As social responsibility, "*My beloved children passed away, suffering regardless of all things I provided. How about the poorer Thai people? How much more suffering will their children have to endure? This make me want to build a hospital even more*", (His majesty King Rama V) is the core value of Social Contrition. Ethically, the statement of "*Wisdom of the land*" referred to knowledge with morality. It contributes to ensure the quality of provided education. (Kantabutra and Saratun, 2012)

Since Sustainable Leadership has gained support in Thailand as an approach to ensure corporate sustainability and no study has been conducted into *steel industry*, the present study adopts the Honeybee Leadership as a 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

## MATERIALS AND METHODS

To answer the research question, in-depth interview and non-participant observation (during a company visit) and documentation techniques are adopted as the data collection approach because these three techniques are useful qualitative data collection. The in-depth interview, which proceeds as a confidential and secure conversation between an interviewer and a respondent, is deeper insight, greater flexibility and more productivity. In-depth interview technique is able dig down the participant in order to receive high knowledge and insight. Interviewer is able to ask in-depth follow-up questions and probes. (Berry, 1999) In term of non-participant observation, the researcher observes the situation with an “open mind”, can gather a lot of information. Moreover, the interviewer can receive more detail from documentation technique. As three research techniques able to get clarified information, which leads to my points.

According to open-ended question, which need to be worded so that respondents expound on the topic, are applied, are applied, An open-ended question allows participants to answer the question that include with attitude answer and emotional response. (*“Asking Open-Ended Question and Probing the Answers”*, n.d.) Moreover, the open-ended questions also inclined to be more objective and less leading.

A list of open-ended questions is developed because it will be evident preparing, which identify related questions and respondents. Moreover, the list of question can reduce complication during the interview. These questions and respondents are listed in Table 3.1.

**Table 3.1. List of questions and respondents**

<b>No.</b>	<b>Honeybee Elements on the sustainable leadership Grid</b>	<b>Interviewees</b>	<b>Question</b>
1	Developing people	HR	Are there training program for all employees? How often? How much budget you spend for training program per year?
		Employee in factory	How company provided the training program to you? How often?
2	Labor relations	No	-----
3	Retaining staff	HR	Average work life? How long they work for company? What are reasons to recruit the new employees? How often do you recruit employee?
4	Succession planning	HR	Is there promoting plan? How do you promote? Who will replace mid level manager?
5	Valuing staff	Office employee	Does the company provide welfare for employee? How/What they provide? How much?
6	CEO and top team	Department Head	How does CEO involve in each project? Does CEO influence decision? How?
7	Ethical behavior	Department Head	How do you treat the customer in term of product and service? How do you feel or relationship the company?
8	Long- or short-term perspective	CEO	What is your goal? (S-T or L-T) How do you plan to reach the goal? Are you satisfied with CSR project if it does not return tangible benefit?
9	Organizational change	CEO	Do you prepare for AEC? How do you plan for the change?
10	Financial markets orientation	CEO	How do you spend dividend to the shareholder?
11	Responsibility for environment	CEO	How does company care the environment/ Social responsibility?
12	Social responsibility	CEO	What is your CSR project?
13	Stakeholders	CEO	Who do you emphasize/focus on your business?
14	Vision's role in the business	CEO	Can you tell the current vision of the company? Do you involve with vision?
15	Decision Making Consensual	Department Head	How do you involve important decision making?
16	Self-Management	Office employee	Can you describe your work process? In problem situation, how do solve the problem?

**Table 3.1. List of questions and respondents (Cont.)**

17	Team orientation	Department Head	Do you work across division? How?
18	Culture	Department Head/ Office employee	What is company culture? Do you involve with company culture?
19	Knowledge sharing and retention	Department Head/ Office employee	How do you keep and share knowledge?
20	Trust	CEO	How do you create trust?
		Employee in factory	What the extent of trust to organization?
21	Innovation	CEO	Do you invest in R&D? How?
22	Staff engagement	Department Head	How do you respond to employee who shows strongly commitment?
23	Quality	CEO	Do you have product development plan? How do you develop the product quality?

To ensure validity of the data, the probing technique adopted. The probing technique is another strategy for finding out more detail and accurate information. The probing technique is the way to dig a large amount of general information. (*"Asking Open-Ended Question and Probing the Answers", n.d*)

Reflective note taking is also used to record observed data. The reflective note taking is efficient tool for capturing learning. During the interviewing, this tool is a specific process by records and interprets important information. (*Castleberg, n.d.*)

To sample is convenient as interviewees are one CEO, one department head, one human resource and two employees who are job site and office. They are willing to participate in the study. The data collecting was at Tycoons Company, Rayong, Thailand. The interview and observation were set into 2 times on November 25, 2013 and December 4, 2013. The duration of each interview was around 2 hours per each.

Following the previous studies, Practices lead to "Sustainable leadership at Thailand's True Corp." (*Kantabutra 2012*), "Sustainable leadership at Siam Cement Group" (*Kantabutra, Avery, 2011*), "Sustainable leadership in a Thai healthcare service provide" (*Kantabutra, 2011*) and "Sustainable leadership: honeybee practices at Thailand's oldest university" (*Kantabutra and Saratun, 2013*), Honeybee leadership is adopted as the framework to collect and analyze data.



## **CHAPTER IV**

### **COMPANY BACKGROUND**

#### **Tycoons Worldwide Group (Thailand) Public Co., LTD.**

Tycoons Worldwide Group (Thailand) Public Co., LTD. is dedicated to becoming the best partner for consumers worldwide with the concept of "Innovation and changes, beyond ourselves. Tycoons (Thailand) takes advantage of its international flexible mass production capability, upright integration technology, entire production line, as well as operation of worldwide organizations so that provide a absolute solution from wire rods, spheroidized annealing wire, to screws, building the immediate benefits for its consumers. *(Tycoons worldwide group (Thailand) PCL, 2012)*

In September 1996, Tycoons (Thailand) has been established. The company expanded to build 9 factories for screw and wire use in 1997. In 1998, Tycoons Company has started to build rolling mill factory and official selling of screw products. Official selling of rod products had been started in 1999. Tycoons Company has acquired ISO-9001 & ISO-14001 certifications in 2001. Next 2003, Tycoons renamed itself to be Tycoons Worldwide Group (Thailand) Public Co., LTD. and become a listed company on stock exchange. In 2004, had started to building bolt factory and official selling of bolt products. Tycoons group expanded to invest steelmaking plant in Vietnam with U.S. \$ 200 million in capital. In 2010, Tycoons (Thailand) has acquired ISO/IEC 17025 laboratory certifications of wire rod, steel bars for reinforced concrete, wire and bolt from TISI. *(Tycoons worldwide group (Thailand) PCL, 2012)*

In term of Avery and Bersteniner's (2010) sustainability performance outcome, it has concreted operational finance, delivered integrity of band and reputation, improved customer satisfaction, created long-term value for multiple stakeholders and long-term for shareholder Therefore, the company provides a sustainable subject. The aim of this paper is to examine the extent to which Tycoons worldwide group PCL, which applied 23 sustainable leadership criteria attributed to be sustainable organizations.

## CHAPTER V

### RESULT AND DISCUSSION

Findings are corresponded to Avery and Bergsteiner's (2010) research framework and exhibited many Honeybee leadership elements, which consists of 23 sustainable leadership practices, would predict a sustainable Honeybee enterprise. Moreover, this framework is used to summaries the tycoons worldwide group (Thailand) Public Co., LTD. result in figure4.1.

Honeybee leadership framework exhibit in figure 3 has been classified on a range from “Least evident” which neutral like Honeybee, “Moderately evident” which somewhat like Honeybee and "Most evident" which exactly like Honeybee.

**Table 4.1. Sustainable Leadership Grid compares Honeybee elements and Tycoons worldwide Ltd.**

No.	Honeybee Elements on the sustainable leadership Grid	Tycoons	Extent to conform		
			Least Evident	Moderately Evident	Most Evident
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 behavior: 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	√			

**Table 4.1. Sustainable Leadership Grid compares Honeybee elements and Tycoons worldwide Ltd. (Cont.)**

19	Knowledge sharing and retaining: strong	√			
20	Trust: strong	√			
21	Innovation: strong	√			
22	Staff engagement: strong	√			
23	Quality: high is a given	√			
Total elements in conformity		22			

Legend √ =conforms; - =does not conform; ?= not know.

**Source:** Adapted from Avery and Bergsteiner (2010)

**1. Developing people:** It exhibits in "Most evident". The company provide training program for all staffs. Training programs are represented into 2 categories which are annual training program for all staff, and technique and educational program for particular workers. Annual training courses are safety program and emergencies training, which have been provided for all workers. All departments need of expertise. Therefore, technique and educational training courses have been provided throughout the year in each department such as laboratory training, HR training, electrical training, mechanical training, energy saving program and so on.

*"Tycoons worldwide company emphasize with safety during the work and job skill. We set both of training courses during a year. Beside, my company spent money a lot for training courses which is about 3-5 million per year" -HR*

*"The company gives me safety courses and work guideline once enrolled such as fire-emergencies and forklift control. Fire-emergencies training have set twice per year." -Employee in factory*

**2. Labor relations:** No union.

**3. Retaining staff:** Tycoons Company shows "Most evident" in retaining staff. The company classified employees into 2 types. There are office and job site employees. Both of them have long work life which is very less turnover rate. The company would like to retain all employees as long as possible because all employees are the most important part of their success. Beside, changing staff will be more effect with the company such as reliability, waste of time and money and lack of co-worker. Therefore, the company tries to provide several ways as employee's need, which increase employee's satisfaction.

*"The average work life in the company is about 7 year in office and 5.3 years in the job site (factory). All staff is important for us. We try to keep them by providing several policies such as good welfare and compensation. Currently, our company is expanding production line. So, we constantly recruit employees." -HR*

**4. Succession planning:** Company shows "Most evident", refers to employee's promotion plan. The company tries to promote from within wherever possible. As tycoons, they have obvious policy, that existing employees or insiders are first priority to be raised. To find suitable person, department head and high level of management team choose from performance, skill and loyalty. However, acquisition recruitment will be second priority.

*"The company has the guiding system to evaluate staff in each quarter by department head. The promotion plan of any employee will be promoted by department head and higher level of management team. They will evaluate his/her skill, performance, educational background, royalty to the company then make the decision to promote or not. However, if no one good enough. We will recruit acquisition employee." -HR*

**5. valuing staff:** Valuing staff represents in "Most evident", emphasize on employee's retaining by provide several employee's welfare which is a major concern of employers. The company provides basic welfare such as accident insurance, transport service and annual physical checkup. Moreover, the company emphasizes on employee' healthy which do contract with nearly hospital to get cheaper price for medical care and life after retirement which is social retirement fund. Social retirement fund take care the employee after retirement. Provided welfare leads to their satisfaction and low retention rate as well.

*"I got basic welfare such as accident insurance, transport service and annual physical checkup. I pay money for social retirement fund every month, which take care me after retirement. I pay 3% of my salary. Then, the company converts it to 5%.and 8% (average work life more than 10 year) next 5 years. Moreover, I got discount about 20%for medical care at Matapud Hospital " -Office employee*

**6. CEO and top team:** It exhibits "Moderately evident". Tycoons Company is very big firm. CEO can not involve in every project. It depend on project size and investment returning, not only money but also public awareness. The CEO only distributes project and suggestion to respondents. Project's respondents have to find

solution. Small project should be run by yourselves and report to CEO. In case of big project, should make decision with CEO.

*"It depends on company direction and company's requirement. We have to measure each project's return on investment, not only money but also recondition and public awareness."* -**Department head**

**7. Ethical behavior:** It means "doing the right thing" as an explicit core value, which shows "Most evident". Tycoons Company is steel industry which produce finish product such as wire rods, screws, spheroidized annealing wire and so on. So, the company emphasizes on product quality, which is constant and stable product quality such as standard weight and shape. As the delivery, the company provides on-time delivery. Moreover, the company had obvious related policies which are health and safety concerning, environment in workplace policy and security policy

*"We are producing the standard and mass production. We never aim for best quality but we aim for constant and stable product quality. Moreover, aim on-time delivery. Customers are able to receive and sell our products and calculate their cash flow."* - **Department head**

**8. Long or short term perspective:** Company shows "Most evident", which prefers to long-term over short-term. Tycoons Company adopts long-term perspective in production line. According to tycoons goal, would like to be fully integrated from raw material to finish product. Currently, the company has to purchase raw material. Then, produce into finished product. As their goal, the company would like to add raw material processing in the production line. Moreover, to be vertical integrated able to more flexibility in products. Not only finished products but semi-raw material and raw material can be sold. Therefore, risk from inventory turnover is reduced.

*"Our company goal is "To be fully integrated" which starts from raw material to finish products. As manufacturing company, "Cost" is the most competitive edge and long-term sustainability. This is always the long-term goal for the company and it will be completed in 2nd quarter, 2014."* -**CEO**

**9. Organization change:** It is the "Most evident". AEC (Asian Economic community) in 2015, the company tries to increase product volume and improve product quality which is one mission that would like to achieve. The company applies fully integrated in production line as long-term plan, which gives the company be more flexibility in product.

*"We expect the AEC will bring Thailand with higher economical growth. This will directly impact the company to supply Thailand with a bigger constructive appetite. This is what we are preparing now. 1. Increase our production volume. 2. To be vertical integrated, to give the company be more flexibility. Because no one will never knows if AEC will fulfill all the dream being descript or not" -CEO*

**10. Financial markets orientation:** exhibit in "Most evident", seeks maximum independence from other. Tycoons Company will pay 30% regularly of its net profit as cash dividends. However, they will not pay if losing situation.

*"We are the listed company, which the regular is the company will pay 30% of its net profit as cash dividends."-CEO*

**11. Responsibility for environment:** shows the "Most evident". The company takes care of the environment and properly treats the wastewater and sewage of manufacturing process by waste water treatment plant, through the treatment system and effluent the water will be tested to ascertain that it meets with the official standards. The waste gas is exhausted after the wet scrubber treatment. Industrial waste is entrusted qualified waste transporter and disposer to disposal. Our job is to reduce the energy use, the generation of waste and pollution during the process of manufacturing. For the sustainable development of the company and the survival of mankind, we fulfill our environmental responsibilities in pollution prevention and environment protection.

*"We provide several policies for environment by following."1. Provide the environmental management system planning. 2. Obey environmental law and enforce to practice. 3. Reduce pollution of envelopment by envelopment concerning technique. 4. Allocate resources to be reserving. 5. Enforce prevention of all possible accidents and stop the expanding of accident." (Tycoons worldwide group (Thailand) PCL, 2012) Moreover, we have ISO 14001 certificate, which is environment friendly and energy saving program." -CEO*

**12. Social responsibility (CSR):** values people and community. It shows "Least evident". The company provides Cooperate social responsibility (CSR) campaign, which is only donation campaign in foster home, nearly temple and hospital. They do donate money in these three places twice per year. Moreover, the company is temple sponsor in Thai new year festival or Songkran day.

*"We provide the donation campaign; include foster home, temple and hospital twice a year. And also be main sponsor in temple for Songkran festival." - CEO*

**13. Stakeholder:** Who is everyone matter, is "Moderately evident". The company pay attend to everyone matter, not only shareholder but also employees, supplier, customer and local community. Tycoons set meeting between suppliers and company. And also, provides CSR project to participate with local community such as sponsor for Songkran day. However, the main focusing is shareholder because we are listed company.

*"Actually, we pay attend to everyone matter. We cannot be success with one of them. For example, we set meeting between us and suppliers. However, shareholder is main focusing because we are listed company." -CEO*

**14. Vision's role in the business:** is share view of future is essential strategic tool, which is "Least evident". Tycoons Company shared the vision to all everyone who participates with organization such as employees, shareholder and so on. As Tycoons' vision, focuses on long-term perspective and identical direction. Moreover, the company develops several missions to support vision such as to be fully integrated in production line.

*"Our vision can drive us, which is not only company but all stakeholders, to be success." -CEO*

**15. Decision making:** Tycoons Company is the "Most evident", which is very strong in consensual and devolved. As the decision making, everyone participate and suggest the own idea to audiences. Otherwise, they can be good listener to all members' ideas. Finally, they do consensus for final decision making. However, everyone will respect and accept the final decision making whether bad or good decision.

*"I will make sure; I fully illustrate the Pro and Con of the project or my view of the project to the CEO. But once if the decision is made will fully follow However, I think a good or bad decision." -Department head*

**16. Self- management:** is staff are mostly self management, which is "Moderately evident". The company will not authorize directly to employees for solving problems. But they should find the solution way if problem occurs to department head. Then, department head approve and suggest the best way to solve problem.

*"In term of problem occurs, I must have some solution. I will not only bring the problem to the department head, but also to think of couple solution to provide to department head. However, department head will approve and suggest me to right solution." -Office employee*

**17. Team orientation:** exhibits "Most evident". Tycoons Company is very firm. So, team orientation is important part in the company. There are three business units. Between business unit have set meeting in one a week. Furthermore, between divisions also set monthly meeting.

*"Company separates to 3 business units. In between business units, have meeting every week. Moreover, between divisions also has meeting every month." -*

**Department head**

**18. Culture:** Company culture is very strong or the "Most evident", that always ask when there is problem and always thing the way to solve the problem. Moreover, Team working is company culture. As the company culture, all employees are motivated to think creative and also improved employee's ability. Working as a team can reduce barrier between employees. It leads to create family and friend atmosphere. As the result, the company will receive work efficiency and productivity.

*"The company set always asks when there is problem, always think how to solve ask. And also work as a team." -Department head*

*"I have to find the solution by asking during problem occurs." -Office employee*

**19. Knowledge sharing and retention:** presents the "Most evident". The company creates useful systems which are Information data center and recording system. These systems always share the data, information and work experiences throughout the company. All useful information can develop and improve their work process till to make accuracy decision. Beside, the company set the weekly meeting for employee and monthly meeting for department. Weekly meeting, all employees can share work experience and outcome among employees. Monthly meeting, all department heads can share the knowledge to find the best solution. All the work experience and possible outcome will be recorded into recording system. As the result, work outcome will be efficiency and productivity

*Company creates "Information data center" and recording system. Also each month have division meeting to ask and sharing the experiences." -*

**Department head**

*"I have to fine the solution when problem happen. I can retrieve some useful information or data from Information date center. It helps me to make accurate decision." -Office employee"*



**20. Trust:** is "Least evident". The company tries to make trust to all participants especially, employees. Tycoon' CEO do continuous communication by action and commitment, which leads to trust. From interviewing and observation, all employees in job site trust the organization in term of salary, which consistent salary. If economic crisis happen, they think that the company will not fire out them. Moreover, the CEO needs all employees trust the organization, which are not only financial term but also work process and decision making.

*"Trust is easy to say then done. It is a continuous communication by action and commitment, makes to the employee and needs years to built up in between them"-CEO*

*"I trust to the organization. I got salary constantly, no late and no cheating." - Employee in factory*

**21. Innovation:** is the "Most evident". As CEO mention early, the company will provide not only the best quality but also standard quality. So, The Company more focuses on products which standard quality. Research and develop (R&D) department is significant business unit. From interviewing, the company spends a lot of money to R&D department to develop product.

*"We give R&D budget on the selected business unit. We spend a lot of budget on 1. New machine, 2. New tooling and 3. New process. We cannot expect number of R&D cost. If project is good and possible outcome, we are willing to pay." -CEO*

**22. Staff engagement:** values emotionally committed staff and the resulting. It is the "Most evident" in the organization. The company gives compliment, which is compensation and job opportunity, when they have good performance. As the evaluation, the company always does deeper observation such as continues action. If they perform well and continuously, they will be promoted in higher-level. As staff engagement, has been in company policy, will be motivated them to well performance. It leads to work efficiency.

*"Have to give compliment when they do well in the job. Strongly committed to the job is good, but needs to see deeper into it. If the act is continues or not. And does the commitment end up as the final solution. If is in a good direction, then this person will be promoted." -Department Head*

**23. Quality:** In term of product quality, is very strong. The company more emphasizes with product which is standard quality. As company policy, provide products are consistently produced and controlled to the quality standards appropriate to their intended use and as required. Customer can find your needs in one-stop shopping for the best products with reasonable price. Moreover, the company received several certifications such as ISO-9001 for quality management system and ISO-17025 for General Requirements for the Competence of Testing and Calibration Laboratories. These certificates can ensure that their products are standard.

*"We link strongly with our customer. Understand if there are any products are suitable for our company to develop or even what product to end. As product quality, we have ISO credit laboratory. Again, we never aim for Best quality. We aim for standard quality with sustainability." -CEO*



## CHAPTER VI

### RECOMMENDATION

As the result, we found 16 practices to be "Most evident" and 3 practices were found to be "Moderately evident" within Tycoons Company. Moreover, 3 practices were found to be least evident at the company.

From 3 Moderately evident of Honeybee practices within Tycoons Company, There are CEO and top team, Stakeholders and Self-management. As CEO and top team, A team based approach is more powerful and important to Honeybee Leadership. The role of CEO can be both of speaker of a group and final authority in the organization. From the observation, CEO appears to be the grand leader. So, CEO should provide the right of decision making to top team at certain level. Tycoons Company more emphasizes to shareholder than another party. So, Tycoons Company should consider another party in order to let company go sustainability. As the Honeybee philosophy, Stakeholders must include all staffs, suppliers, customers, board members, related responds, regulators, alliance and future generations. As self-management, not everyone able and willing to be self-management because of their personal preferences, personalities and skills. Tycoons should provide training program to improve their skills. Moreover, key performance index (KPI) should be set to encourage them such bonus, compensation, reward and so on.

According to least evident in Honeybee practices, which consisted of Social responsibility (CSR), Vision's role in the business and trust, appears with the tycoons company.

In term of Social responsibility (CSR), CSR activities are able to create competitive advantages for the firm. From the observation, Tycoons provides only donations to foster home, temple and hospital twice a year, which is not most evident of Honeybee philosophy. Tycoons should emphasize with CSR activities. which associate with nature and local community. Moreover, all the CSR activities should be participated from our party. So, it is able to contribute to the success of the company.

Vision's role in the business, which is least evident within Tycoons Company. Vision provides a clear direction or higher-order purpose for a company's future. Honeybee's vision expects all staffs to be shared. From the observation, vision's role in

the business does not clearance. Tycoons should set explicit vision, which involves all staffs. Moreover, company can do 8 steps of change managements, which are 1. Create urgency, 2. Create a coalition, 3. Develop a vision and strategy, 4. Communicate the vision, 5. Empower action, 6. Get quick wins, 7. Leverage wins to drive change and 8. Embed in culture. (*"Kotter's 8-Step Change Model", n.d.*)

<b>8 Steps to Change Management</b>	
<b>Change Stage</b>	<b>Description</b>
<b>Create Urgency</b>	Help the team see the need for change and the importance of speed.
<b>Create A Coalition</b>	Ensure you have support from top levels w the right skills & credibility to drive change.
<b>Develop A Vision &amp; Strategy</b>	Leverage the evidence for change to create a shared roadmap & success metrics.
<b>Communicate the Vision</b>	Confirm acceptance and understanding.
<b>Empower Action</b>	Remove barriers to make the team successful
<b>Get Quick Wins</b>	Identify and broadcast early wins to maintain momentum.
<b>Leverage Wins to Drive Change</b>	Use momentum from quick wins to continue driving change.
<b>Embed in Culture</b>	Reward and encourage new behaviors to embed into the culture.

Source: Kotter International

**Figure 6. 1. 8 Steps to Change Management**

**Source:** <http://www.mindtools.com>

As company trust, Obligation Contractual Relationships (OCR) assumes that all parties in a relationship will mutually commit in working together, as well as be willing to so more than they have contractually agree to do. Trust should be appeared to all levels such as employees, suppliers, investors or other stakeholders. Besides, OCR trust takes a long-term view of relationships. The main reason is sustain and strong finance to retain employees from observation. So, Tycoons should create trust by making relationship among all levels for example, set meeting, provide suggestion box, allocate company share and so on. The result can make employees trust within organization, which is not only financial term but also co-working in all levels.

## **CHAPTER VII**

### **CONCLUSION**

Overall, Tycoons worldwide group (Thailand) Ltd., closely fit the Honeybee criteria that Avery and Bergsteiner (2010) identified. Our analysis in figure 3, exhibits 22 of 23 elements, can be observed in the organization's document and behaviors. 16 practices were found to be most evident. And also 3 practices were found to be Moderately evident within Tycoons Company, which are CEO and top team, Stakeholders and Self-management. Moreover, 3 practices, are Social responsibility (CSR) Stakeholders, Vision's role in the business, and trust, were found to be least evident at the company.

Some project need immediate responsibility, CEO appears to be the heroic leader due to Tycoons is listed firm. Only one campaign, which is donation, is not enough to respond the public. Clearly, Social responsibility policy is critical considered at the company. As stakeholder, emphasizes not only shareholder but everyone matter should be considered. Vision's role in the business, everyone matter should be go identical direction. Tycoons Company expects that employee should come with solution when problem appear. Developing Self-management, employees have had to become more self-managing here to support the company. Trust between employee and organization should be more realized, which is not only financial term but also work process and decision making.

According to paper limitation, Tycoons worldwide Company is big enterprise, which contains several department and more than 2000 staffs. We selected only five respondents include one CEO, one department head, one human resource and 2 employees. Five respondents cannot represent all staffs in organization. In my opinion, should interview all department heads and at least one staff per department. This information could help to analysis. The end of result leads to less ambiguous and more accurate.

This paper reports sustainable leadership principles in Tycoons company that wish to be sustainable organization. In author opinions, steel industry in Thailand and aboard could apply Honeybee principles, which contain 23 sustainable leadership grid elements (Avery and Bergsteiner, 2010), to monitor on how the extent of sustainability of that company is. In addition to, Honeybee philosophy could support and guide them to be more sustainability.



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