

**SUSTAINABLE LEADERSHIP: HONEYBEE PRACTICES
AT THAI LISTED PETROLEUM EXPLORATION AND
PRODUCTION ENTERPRISE**



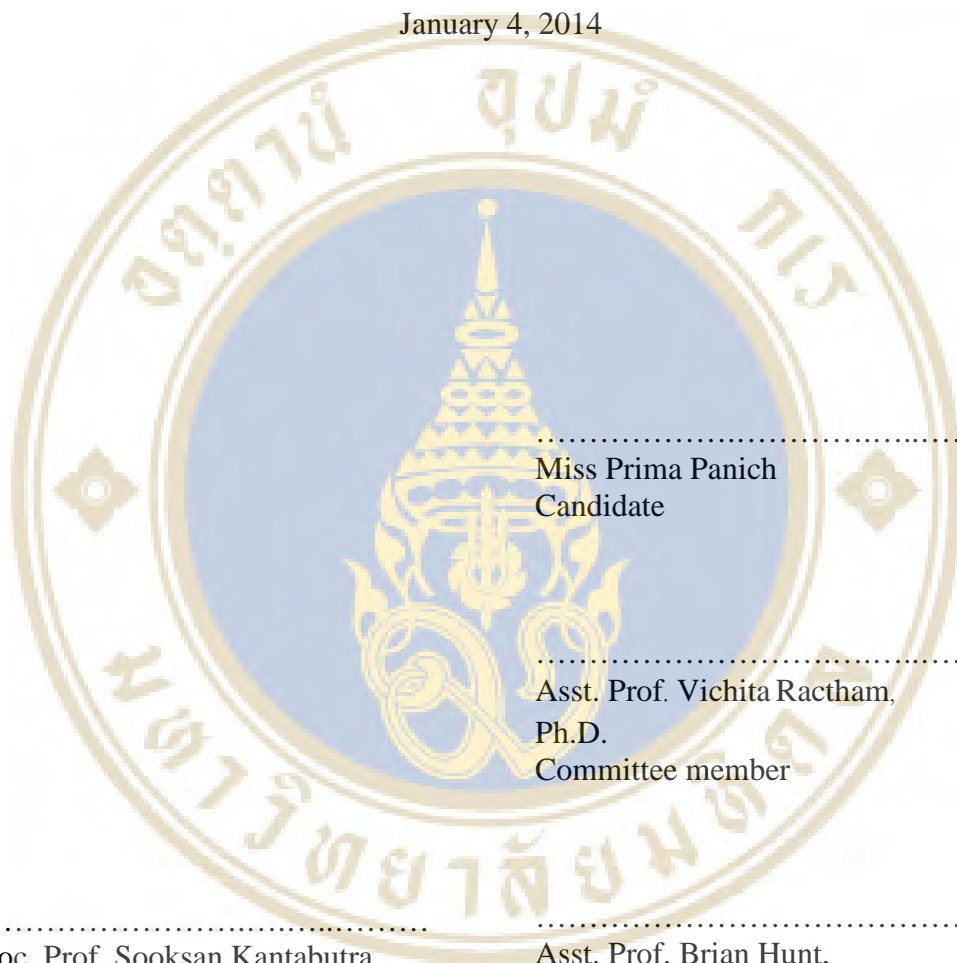
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ABSTRACT

This research focuses on the study of sustainable leadership practices, Honeybee leadership, which adopted from the 23 elements in previous studies in one Thai listed petroleum exploration and production enterprise. The objectives for the study are to learn on the practices according to each element in details and to see the similarities and differences from the principle and the actual practices. The applied research methodologies are in-depth interview, documentation and participant observation.

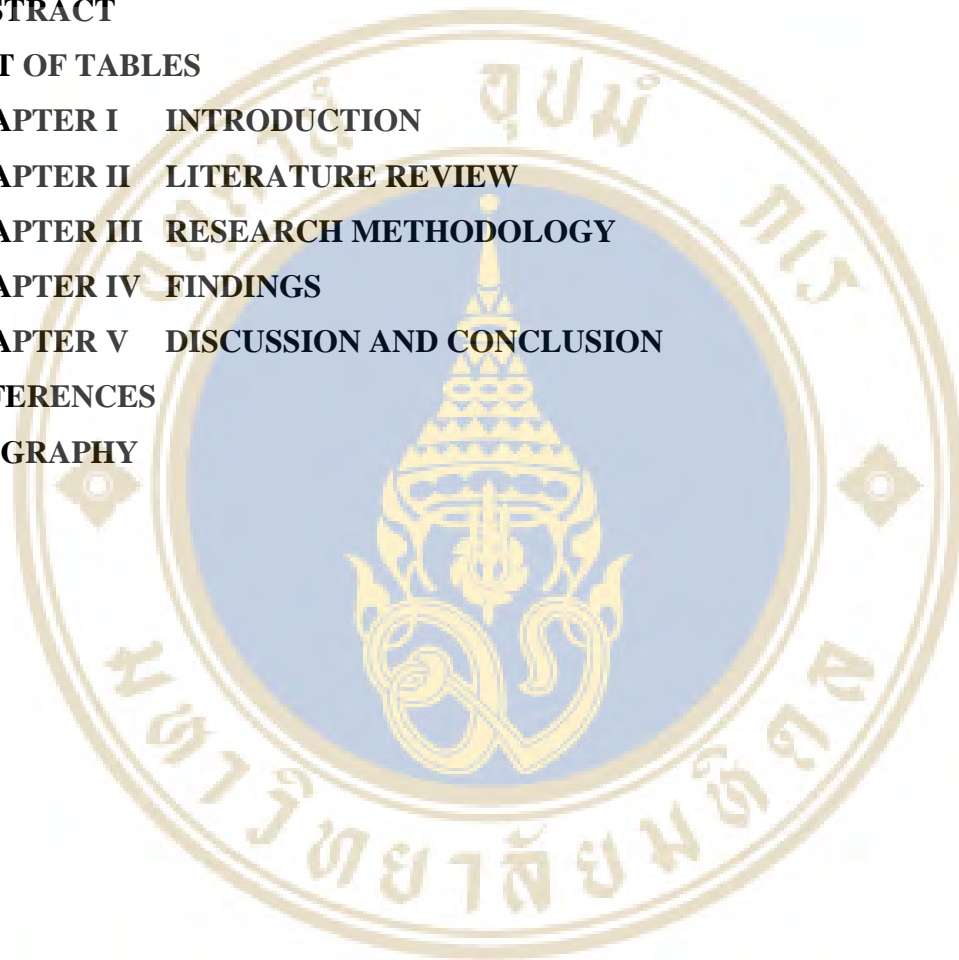
The findings result showed the compliance of 22 out of 23 Honeybee elements in different degrees. Consequently, the provided recommendations and suggestions were developed as they could lead to corporate sustainability finally.

KEY WORDS: CORPORATE SUSTAINABILITY / SUSTAINABLE
LEADERSHIP / HONEYBEE LEADERSHIP/
PETROLEUM EXPLORATION AND PRODUCTION

50 pages

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CHAPTER I

INTRODUCTION

In a past decade, corporate leaders and scholars extensively discussed over corporate sustainability. Although it is a significant issue, only a few approaches to corporate sustainability have been studied 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 Thai listed petroleum exploration and production enterprise to determine if there is a fit between Sustainable Leadership practices and those of the chosen case company.

This Thai listed petroleum exploration and production firm is a business operation for exploration and production of petroleum in Thailand and overseas, also the investment in project related to the energy business. The major shareholder is the listed national oil and gas enterprise as 65%. As a top-ten publicly-listed company in the Stock Exchange of Thailand, the firm operates in 12 countries, 45 projects with a workforce of 4,000.

To define the fit, the literature on Sustainable Leadership in Thailand is reviewed in Chapter 2. In Chapter 3, the research methodology applied for the study of Sustainable Leadership concept is explained, including how to collect and analyze data. Then, in Chapter 4 the findings are presented whereas Chapter 5 consists of discussion of the findings and conclusion of the case study with practical recommendations to improve the prospect of corporate sustainability for the selected enterprise.

CHAPTER II

LITERATURE REVIEW

Nowadays, in order to successfully run the business, the firm is expected to be a system of long-term cooperative relationships between affected parties. Hence, an organization should consider itself as an independent part of a society that consists of multiple stakeholders whose interests are integral to business success (Avery & Bergsteiner, 2011). As a result, corporate sustainability becomes critical issue for operating business these days, it was described as capability to reach the needs of an organization's direct and indirect stakeholders e.g. shareholders, employees, clients, pressure groups, communities, without compromising its capability to reach the needs of future stakeholders as well (Dyllick & Hockerts, 2002).

According to Avery and Bergsteiner (2011), sustainable leadership is a management approach aimed at delivering better and more sustainable returns, decreasing employee turnover and promoting innovation. In other words, sustainable leadership comprises of humanistic management including valuing people and considering firm as a contributor to social well-being.

As the advantages of sustainable leadership were claimed over short-term profit focused, some scholars explored more for the issue in details (Kantabutra & Saratun, 2013). In general, Avery and Bergsteiner (2011) identified and observed the practices for these two principles, Rhineland/Honeybee and Locust, to see the differences in practices. The studies in developed countries like USA, UK, Australia, Europe and Scandinavia and emerging economies as South Africa and Thailand were conducted (Avery & Bergsteiner, 2011).

Many scholars are looking for the alternatives to prevent the different approach that focus on short term profit for shareholder, Anglo/US leadership principle (Kantabutra, 2009), and that's when Rhineland capitalism was introduced to others.

The concept of Rhineland capitalism aims for long-term relationships with many concerned groups with the firm such as shareholders, employees, client, pressure groups and communities, is another alternative approach for organizational practices (Kantabutra, 2012). In general, Rhineland principles and approaches support the brand and reputation, enhance financial performance and long-term investor returns and address a wide range of stakeholder interests (Kantabutra & Avery, 2011). On the other hand, there is another school of thought that is against Rhineland, Anglo/US principles. Anglo/US or “Locust” practice was claimed as the contrasting approach, which focuses only on short-term profit for the firm, without concerning others consequences or related parties’ interest. By testing with sample organizations around the USA, UK, Australia, Europe and Asia, Avery (2011) found that these two approaches comprised two diametrically opposed sets of practices which form self-reinforcing systems within the firm. As a result, researches and findings show that in overall, organizations managed by Anglo/US principles are less sustainable than Rhineland firms (Avery & Bergsteiner, 2011).

Besides Rhineland, there are some management principles which were created and executed in accordance with them, for instance, Japanese human capitalism in Japan that strongly focuses on employee, or the successful business model in Singapore, which the government takes a leading role in creating, shaping and guiding the market as well as the attempt to encourage the firms to be responsible for its employee social welfare. In Thailand, there is Sufficiency Economy Philosophy (SEP) that aims at creating balance and sustainability for the society (Kantabutra & Suriyankietkaew, 2013). However, from the aforementioned theories and practices, Honeybee leadership is the possible alternative approach to ensure corporate sustainability.

At the beginning, Rhineland sustainable leadership practices were introduced by Avery (2005), later on “Honeybee” leadership concepts, which are more resilient and humanistic approach, were developed from Rhineland by Avery and Bergsteiner (2010, 2011) (Kantabutra, 2012). Rhineland approaches were originally proposed at 19 criteria and recently the list of practices has been improved to 23 by recasting some of the practices and adding more four elements. In addition, five performance outcomes have been specified in the updated framework, and then the

approaches were renamed to Honeybee since then (Kantabutra & Avery, 2013). With 23 leadership elements from Honeybee in three groups collectively, foundation practices, higher-level practices and key performance drivers, then the firm can drive its brand and reputation, customer satisfaction, operational finances, shareholder value over the long-term and provide long-term value for all of stakeholders (Kantabutra & Avery, 2013). Briefly, the foundation practices can be implemented at anytime the firm is willing to do, while higher-level practices depend on the existence of some or all of the foundation practices then, the key performance drivers will shape the customer experience eventually (Kantabutra & Avery, 2013).

Consequently, Honeybee leadership is the possible approach to ensure corporate sustainability and its framework consists of 23 elements which are described as below;

Table 2.1: Criteria distinguishing typical sustainable leadership and shareholder-first perspectives

Exhibit 1 Criteria distinguishing typical sustainable leadership and shareholder-first perspectives		
<i>Leadership elements</i>	<i>Sustainable leadership "honeybee" philosophy</i> Sophisticated, stakeholder, social, sharing	<i>Shareholder-first "locust" philosophy</i> Tough, ruthless, asocial, profit-at-any-cost
<i>Foundation practices</i>		
1. Developing people	Develops everyone continuously	Develops people selectively
2. Labor relations	Seeks cooperation	Acts antagonistically
3. Retaining staff	Values long tenure at all levels	Accepts high staff turnover
4. Succession planning	Promotes from within wherever possible	Appoints from outside wherever possible
5. Valuing staff	Is concerned about employees' welfare	Treats people as interchangeable and a cost
6. CEO and top team	CEO works as top team member or speaker	CEO is decision maker, hero
7. Ethical behavior	"Doing-the-right thing" as an explicit core value	Ambivalent, negotiable, an assessable risk
8. Long- or short-term perspective	Prefers the long-term over the short-term	Short-term profits and growth prevail
9. Organizational change	Change is an evolving and considered process	Change is fast adjustment, volatile, can be <i>ad hoc</i>
10. Financial markets orientation	Seeks maximum independence from others	Follows its masters' will, often slavishly
11. Responsibility for environment	Protects the environment	Is prepared to exploit the environment
12. Social responsibility (CSR)	Values people and the community	Exploits people and the community
13. Stakeholders	Everyone matters	Only shareholders matter
14. Vision's role in the business	Shared view of future is essential strategic tool	The future does not necessarily drive the business
<i>Higher-level practices</i>		
15. Decision making	Is consensual and devolved	Is primarily manager-centered
16. Self-management	Staff are mostly self-managing	Managers manage
17. Team orientation	Teams are extensive and empowered	Teams are limited and manager-centered
18. Culture	Fosters an enabling, widely-shared culture	Culture is weak except for a focus on short-term-results that may or may not be shared
19. Knowledge sharing and retention	Spreads throughout the organization	Limits knowledge to a few "gatekeepers"
20. Trust	High trust through relationships and goodwill	Control and monitoring compensate for low trust
<i>Key performance drivers</i>		
21. Innovation	Strong, systemic, strategic innovation evident at all levels	Innovation is limited and selective; buys in expertise
22. Staff engagement	Values emotionally-committed staff and the resulting commitment	Financial rewards suffice as motivators, no emotional commitment expected
23. Quality	Is embedded in the culture	Is a matter of control
Source: Avery, G.C. and Bergsteiner, H. (2010) <i>Honeybees and Locusts: The Business Case for Sustainable Leadership</i> . Sydney: Allen & Unwin, pp. 36-37		

Foundation Practices

According to Avery and Bergsteiner (2011), as the primary step for developing Honeybee leadership, the firm can introduce foundation practices at anytime management would like to do so. The foundation practices consists of 14 elements as developing people continuously, maintaining good labor relations, retaining staff in long run, succession planning where internal promotion is normal practice, valuing staff by concerning on their benefit and welfare, having CEO as top team speaker, promoting ethical behavior, considering long-term perspective, organizational change is an evolving and considered process, financial markets orientation, responsibility for environment, social responsibility (CSR) and shared vision among all stakeholder in the business.

High-level practices

For this level of Honeybee leadership, Kantabutra and Avery (2013) founded it as relying on the existence of some or all of the foundation practices for the successful implementation. This level is including consensual and devolved decision making, self-management staff, team orientation as extensive and empowered, wildly shared culture, knowledge sharing and retention as normal practice within company and high trust through relationship among staffs.

Key performance drivers

These drivers, referred to Kantabutra and Avery (2013), are considered from numerous combinations of the other practices and helped shaping the customer experience. The drivers consist of innovation as strong system and strategy at all levels, staff engagement as having committed emotion among staff and quality is embedded in the culture.

Summary of the Findings of Previous Studies

From previous studies, the applications and practices of Rhineland were observed and studied at Sa Paper Preservation House, Bathroom Design Company, Siam Cement Group (SCG) and Theptarin hospital. In addition, Honeybee leadership

was studied at Thailand's oldest university, leading Asian industrial conglomerate and True Corporation.

Sa Paper Preservation House

Apart from 19 leadership elements of Rhineland, the 14 elements were found for conformity, two elements for 'not know' (2. Decision making: consensual and 17. Teams: self-governing) and three elements for 'does not conform' (1. CEO concept: top team speaker, 4. Financial markets: challenge them and 19. Union-management relations: cooperation) (Kantabutra & Suriyankiatkaew, 2013). The firm was considered having characterizing Rhineland enterprise as focusing on the interests of a wide range of stakeholders and adopting extremely long-term perspective by investing in its future and not attempting to maximize short-term profitability for its owner alone. The practices that represented its long-term perspective are such as paying the villagers to grow mulberry trees in plantation to prevent the supply problem, never operating business on credit manner, focusing on natural manufacturing process and product over money, or establishing positive relationships with its suppliers, customers, employees and community.

In addition, the firm prefers to develop management and staffs as well by avoiding lay off people during difficult period, treating them as if they were family members, training skills, moral and ethic, emphasizing happiness among employees, realizing that staff is competitive tool over machine or other technologies and realizing that its employees comprised their family members, are part of the community, as a result, the firm focused on hiring people in community and allowed them to work at home with their families.

Furthermore, both incrementally and radically innovation and product are produced in Thailand, these include operational processes to overcome the business barriers as supply shortage or trade laws and regulations. For instance, replacing chemical dyes with natural products or adapting the products to meet different requirements from its customers by its highly skilled workforce.

Plus, responsibility for society and environment and ethical behaviors are initiated deeply in the firm's culture. For example, managing waste water effectively to ensure the clean environment, recycling the waste and gas produced as a by-

product from production process or maintaining good relationship with suppliers, customers, employees, local community, etc.

Knowledge sharing is spread within the firm and across the local mulberry product industry; the company always welcomes people who want to visit and learn how to make the product and acts like a learning center for people who are interested in learning about making product. Then, change was considered as a managed process while the firm invents the products continuously and when the firm develops associated manufacturing technologies.

Bathroom Design Company

From the study findings, 17 out of 19 Rhineland leadership elements were found as conformity and two (4. Financial markets: challenge them and 19. Union-management relations: cooperation) were found as 'not known' (Kantabutra, 2012). The company considered long-term perspective over short-term as represented in its main missions; maintaining sufficient incomes and profits for sustainable growth, always returning added values and benefits to all stakeholders and debuting new products with innovative design and function every six months. For example, maintaining its debt-to-equity ratio under 1, diversifying its brands nationally and internationally, normalizing profits or having the longest warranty period for its product, comparing to its competitors.

In addition, staffs are the most important assets for the firm as reflect in the fact that staff retention rates is pretty high, promotion from within preference, no layoff policy and further study supporting. Consequently, the day-to-day operations can be released from the president in relation to the encouragement of self-governing widely among staffs. Together with strong organizational cultures in product innovation, social responsibility and ethical behavior, the firm represents the sustainable leadership practices in doing business strongly. Some of the practices are investing 7% of its net profit in R&D, introducing new product to public continuously, gathering staffs together on 'Creative Saturday' to enhance creativity, contributing 7%-10% of its net profit on CSR activities, encouraging staffs to donate their salaries to charities, etc.

Siam Cement Group

According to the study by Kantabutra and Avery (2011), the findings showed that Siam Cement Group (SCG) was fully adopted all 19 elements of Rhineland leadership into business operation. In details, almost of the elements, except 1.CEO concept as top team speaker, were showed as moderately or most evident of compliance. The firm represented various long-term strategies in future growth like business restructuring, innovation, R&D, knowledge management, etc.

The examples of sustainable leadership practice inside SCG including issuing the same dividend level of ฿ 15.00 per share or 60% of net profit/share from 2005-2007, adopting a ten-year plan to become ASEAN leader in sustainable business, paying staffs at the 75th percentile of leading companies in Thailand, having strong organizational culture, committing to research and development, as well as awareness of environmental considerations and the well-being of society and the nation.

Theptarin Hospital

Kantabutra (2011) conducted the study on sustainable leadership practices in Thai healthcare services provider, Theptarin Hospital, the findings showed that total elements in conformity is 15 out of 19 Rhineland elements, one element (1. CEO concept: top team speaker) was founded as ‘does not conform’, three elements (2. Decision making: consensual, 15. Environmental responsibility: strong, and 19. Union-management relationships: cooperation) were found as ‘not known’. The following practices are the examples of sustainable leadership in the firm; investing in major new public education facilities, giving priority to its employees by promoting and developing staffs right across the enterprise, having deeply rooted organizational culture according to the founder’s value, implementing first “Foot Clinic” in 1999, developing behavioral modification program as “3Cs”, being pioneer in Thai healthcare, representing social responsibility through knowledge sharing with other healthcare institutions, clients and their families and having core values as Excellence, Teamwork, Hospitality, Integrity, Continuous improvement and Social responsibility (ETHICS).

Thailand's Oldest University

From the study, Kantabutra and Saratun (2013) found that 21 out of 23 Honeybee elements were adopted in Thailand's oldest university, while one element (6. CEO and top team: top team speaker) was found as 'does not conform' and another (10. Financial market orientation: challenge them) as 'not applicable'. The university showed the long-term perspective on the effort on creating shared directions which lead to vision, core values and goals consequently. Also, "Talent Development" project was founded for future succession planning. In addition, the "ready for retirement" program is another example for showing the employee focus in the university. A set of core values, Harmony, Altruism, Determination, Originality, Integrity and Leadership, was deeply-rooted within the university over years and represent in these following examples; giving priority on its people, searching for excellence and creating new knowledge, encouraging innovation through "Routine to Research" (R2R), contributing strongly to society, managing and developing the physical resources and environment professionally and supporting the ethical behavior throughout the firm as they are putting ethics as one of the core values as "Wisdom of the Land".

Leading Asian Industrial Conglomerate

Referred to the study by Kantabutra and Avery (2013), the leading Asian industrial conglomerate was found as fully adopted all 23 elements of Honeybee leadership in doing business. The extent to conform in 19 elements was found as most evident. The research results which showed the consistence of the framework are like executing long-term sustainable development as part of its vision through paying stable dividends to investors, investing in quality, society, environment and uncertainty and change management and setting the goal to become the sustainable business leader in ASEAN.

Furthermore, the conglomerate considered staffs as its most important asset as they were paid at the 75th percentile of leading Thai companies, promotion was limited to internal, training budget were allocated for all employees annually, scholarships were offered to staffs and self-governing team and consensual decision making were encouraged and supported among the firm.

In addition, the conglomerate developed organizational cultures around its shared values and vision, even CEO will brief the newcomers on these vision, core values, corporate philosophy and code of conduct personally during orientation period. Also, the practices like recruiting and retaining staffs during recession were also observed here.

Moreover, the sustainable leadership can be studied from these following practices; considering innovation as one of the two most important corporate goals by strongly focusing on research and development, demonstrating responsibility towards its stakeholders' interests and committing to the concept of fair practice to all parties.

True Corporation

According to Kantabutra (2012), the research observations and interviews showed that True Corporation adopted 22 out of 23 elements for Honeybee leadership practice and one element (2. Labor relations: cooperation) was found as 'not applicable' since the firm does not have the employee union. As the firm experienced many significant changes, it required the practical actions to support these in a long-term approach. Some of the examples of sustainable leadership inside True Corporation are; operating for long-term shareholder value even if in difficult situations, committing to attract, develop and retain the best people, having no-layoff policy, having strong corporate cultures as four Cs (Caring, Creative, Credible and Courageous), fostering knowledge and innovation in every units of the organization as staffs are allowed to make mistake as a learning step, taking the corporate social responsibility role seriously e.g. "Plook Panya" project, supporting the disabled, or providing free communications during crisis, etc. and developing strict code of ethical conduct throughout the organization.

Then, among these previous cases, there are some similarities; like True Corporation and Theptarin hospital which couldn't comply with 1. Developing people: grow their own because they occasionally appointed the outsider as a management, lacking of official staff union in Sa Paper Preservation House, True Corporation, Bathroom Design and Theptarin hospital, no conformity for 6.CEO concept: top team speaker in Sa Paper Preservation House, Thailand's oldest university and Theptarin hospital. Also, 'not known' for 2.Decision making: consensual in Sa Paper

Preservation House and Theptarin hospital. All of these similarities and differences will be discussed later on in Discussion chapter in details.

Areas for Future Research

According to the previous studies, these are the suggested areas of future research; sustainable leadership practices in other Thai business, in other Association of South East Asian Nations (ASEAN) universities, in other companies in the Asia Pacific region, in other organizations in Southeast Asian, the relationship between SEP and Honeybee philosophies in detail, investigating the applicability of Honeybee practices in other emerging economies and whether the mentioned Rhineland/Honeybee enterprises can sustain the practices and philosophies or they outperform the Anglo/US counterparts in the long run.

Since sustainable leadership has gained support in Thailand as an approach to ensure corporate sustainability and no study has been conducted into Thai listed petroleum exploration and production firm, 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.

A Research Question

Does Thai listed petroleum exploration and production enterprise develop sustainable leadership, Honeybee principle, into corporate practices?

CHAPTER III

RESEARCH METHODOLOGY

To answer the research question, in-depth interview, documentation and participant observation techniques are adopted as the data collection approaches because they could enhance the chance to get the answer for research question. As one of the staffs in this Thai listed petroleum exploration and production firm, these data collection methods are suitable and practical.

According to McDaniel and Gates (2013) individual depth interview was described as the one-to-one interviews that probe and elicit detailed answers to questions, often used for uncover hidden motivations. Guion, Diehl & McDonald (2013) considered in-depth interview as an effective data collection method that can be practiced for a variety of purposes, including needs assessment, program refinement, issue identification and strategic planning.

Then, according to Patrick (2013) open-ended questions are used here because they are claimed as posing a question to respondents but, at the same time, allow them to answer in their own words. In addition, they allow the respondents to provide more nuanced answers which include lots of details and rationale. Often, the researchers find open-ended questions useful for exploratory research in which the response serves as a guide in developing closed-ended questions for future surveys and developing hypotheses.

A list of open-ended questions is developed because in order to get the answer from the interviewees, only closed-ended questions would not be enough for the research because they have disadvantages as offering little ability to get below the surface of the superficial response and reveal the thought processes that led to it. These questions are provided below;

Table 3.1: Questions developed for the interview

Leadership Elements		Questions	Concerned Parties
1	Developing people: grow their own	- Does the company provide the training budget for individual staff?	HR & Employee
		- What kind of trainings was provided to staff as the newcomer? Do you think this company is	
		- Is it possible for staff to be sent to training in oversea?	
2	Labor relations: cooperation	- Does the company have employee union?	HR
		- What kind of relationship between staff union and management team?	
3	Retaining staff: strong	- What is the average period of staff retention?	HR & Employee
		- Does the company have high turnover rate? Why?	
		- If yes, how to cope with that situation?	
4	Succession planning: strong	- Does the company have the policy for promotion within first?	HR & Employee
		- Do you think you can be promoted here?	
5	Valuing staff: strong	- Does the company provide attractive welfare and benefit for staff, comparing to other firms?	Employee & Observation
6	CEO and top team: top team speaker	- Do you think CEO is acting more like the decision maker or top team speaker?	Employee & Management
7	Ethical behavior: an explicit value	- Do you think the staff here is acting in ethical manner? Why or why not?	Employee & Observation
		- Have you been treat ethically or equally here?	
		- How do you feel about this company?	
8	Long-or short-term perspective: long-term	- What is the investment plan for the company?	Financial Ratio & HR
		- What is the company target ?	
9	Organizational change: considered process	- Does the company prepare anything for the change?	Employee
10	Financial markets orientation: challenge	- What is the dividend payout policy for this firm?	Annual Report
11	Responsibility for environment: strong	- Do you think this company cares for or focus on the environment?	Employee & Stakeholder
		- Does the social impact is important for the firm?	

Table 3.1: Questions developed for the interview (Cont.)

Leadership Elements		Questions	Concerned Parties
12	Social responsibility (CSR): strong	- Do you think this company cares for or focus on the society?	Employee & Stakeholder
		- Does the company have CSR budget?	
		- Have you ever participate in CSR activity inside the firm? How was it?	
13	Stake-holders: broad focus	- Does the stakeholder impact is important for the company?	Employee
14	Vision's role in the business: shared future	- Do you know the company's vision, mission or any corporate values?	Employee & Observation
		- Do you think they were communicated well throughout the firm?	
		- Do you think the company takes these factors into account during the business operation?	
15	Decision making: consensual	- Generally, how do you make decision in your company?	Employee & Observation
		- Do they have any procedures, delegation or committee approval?	
16	Self-management: strong	- How do you work in general?	Employee & Observation
		- Can you manage the work without management direction or decision?	
17	Team orientation: strong, self-governing	- Do you work in team in the company?	Employee & Observation
		- Does the team consist of cross-functional staffs?	
		- Do you need a combination of knowledge or skill for the job?	
18	Culture: strong	- Do you remember any core values of the firm?	Employee & Observation
		- Do you think the business operation or practice is following those core values?	
19	Knowledge sharing and retention: strong	- Does the company have knowledge sharing and retention tools or culture in practice?	Employee & Observation
20	Trust: strong	- Do you feel trust among your team or colleagues?	Employee & Observation
21	Innovation: strong	- Does innovation is important for your firm?	Employee & Observation
		- Do they invest in R&D in this business field?	

Table 3.1: Questions developed for the interview (Cont.)

Leadership Elements		Questions	Concerned Parties
22	Staff engagement: strong	- Will you be willing to challenge yourself beyond the current assignment, even you didn't get paid for it?	Employee & Observation
23	Quality: high is a given	- Do you think the quality of product and service is important here?	End User

Furthermore, documentation is also the method for data collection here, because as an employee for this firm, some data and information in corporate email, intranet or company website are very useful and convenient to gather for conducting this study.

Then, to ensure validity of the data, the probing technique is adopted. According to McDaniel and Gates (2013), this technique can encourage the respondent to elaborate or continue the discussion, as a result probes will advance a discussion shortly away from top-of-mind responses then access deeper information into insight.

According to Watton, Collings & Moon (2001), Probed question can be used for two purposes; to clarify and either clarify or for additional information.

1. Probing for clarify Since some of open-ended questions are likely to be too general e.g. what do you think, why do you feel that way, etc., so the respondents' answer might be in general way. Then, probing technique can use here to clarify by asking for more specific details or explanations. The best probes for clarify are those that inform the respondent exactly what you need to know, or what you want him/her to do. For example, what do you mean by saying like that, could you be more specific about that, etc.

2. Probing for completeness (additional information) When a clear answer has been received, the interviewer can probe for additional responses to the question. And the best way to execute this is by repeating the substance of the question as part of a request for further details. Then, the interviewer should ask probed question continually for additional information until the respondent indicates that he/she has nothing to say on the subject.

In addition, reflective note taking is also used to record observed data because reflective writing is claimed by Watton, Collings & Moon (2001) as providing the opportunity to gain further insights from the work through deeper reflection on experiences, perspectives or theories. Then, by taking note as the reflection, the data collection will be the reflection of experience, perspectives and insight of the research conductor.

The sample is convenient as interviewees are 3 managers and 6 employees who are willing to participate in the study.

Following the previous studies (Kantabutra and Suriyankietkaew, 2013; Kantabutra and Saratun, 2013; Kantabutra and Avery, 2011, 2013; Kantabutra, 2011, 2012; Avery and Bergsteiner, 2011), Honeybee leadership is adopted as the framework to collect and analyze data.

The following is the **analysis table** adopted from the aforementioned studies;

Table 3.2: Analysis table adopted from previous studies

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

Table 3.2: Analysis table adopted from previous studies (Cont.)

	Honeybee Elements on the Sustainable Leadership Grid	Typical Thai Firm	Extent to Conform		
			Least Evident	Moderately Evident	Most Evident
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					
<i>Legend: √ = conform; - = does not conform; ? = not know.</i>					

Criteria for analysis

- Most evident = exactly like Honeybee
- Moderately evident = somewhat like Honeybee
- Least evident = somewhat like Locust
- Does not conform = exactly like Locust

Thai Listed Petroleum Exploration and Production Enterprise

As a national petroleum exploration and production company dedicating to provide a sustainable petroleum supply to Thailand and the countries, this firm operate as well to bring in foreign exchange earnings to our country. The firm was founded in 1985 by the support from the main national list oil and gas company and was listed in Stock Exchange of Thailand (SET) since 1992.

Currently, the firm operates in domestic and international areas on 45 projects in 12 countries with approximately 4,000 of employees in onshore and offshore base.

With the attractive benefits and the stability of the energy industry itself, this enterprise was ranked in the 4th workplace that people want to join according to the survey result from www.positioningmag.com. The firm was driven by the vision as 'Becoming leading Asian E&P Company driven by technology and green practices' as well as the mission as 'Operating globally to provide reliable energy supply and sustainable value to all stakeholders'. Also, the company has the corporate values as Explorer, Passion, Synergy, Performance Excellence, Innovation, Responsibility for society, Integrity and ethics and Trust and Respect (EP SPIRIT). In addition, the corporate DNA as 'Passion to Explore with Responsibility' is also applied and communicated throughout the firm.

Besides the operations for petroleum exploration and production in both domestic and international, the firm also pays attention in developing long-term sustainability and as a result, many achievements and awards were received including The NACC Integrity Award (2012), Honoring Outstanding Achievement in the category of Corporate Social Responsibility Excellence (2013), Honorable Level for Zero Accident Campaign (2013) and recent awards from SET as Top Corporate Governance Report Awards and Investor Relations Awards (2013).

Briefly, this petroleum exploration and production enterprise appears to meet all the three criteria for sustainable enterprises (Avery, 2005). First, it delivers consistent and strong financial performance continuously. Second, it presents the capability to endure difficult economic and social situations, including during political and critical situations currently. Third, it maintains a leadership position in its relevant markets. As a result, the Thai listed petroleum exploration and production firm is the

suitable subject for investigating the management practices for 23 sustainable leadership criteria attributed to Honeybee principle in developing economy.



CHAPTER IV

FINDINGS

Table 4.1: Findings from the case study

Honeybee Elements on the Sustainable Leadership Grid		PTIEP	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	√			
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		22			

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

1. Developing people: grow their own

In this listed petroleum exploration and production firm, the employees were developed continuously. From the findings, the result showed as 'moderately evident' for this element. The evidence showed as the company focuses on developing and investing in people. First, the company provides the scholarship to the students in high-school, university and even current staff in order to continue the study in the field related to petroleum exploration like geology or geophysics and the company didn't require the students from the program to work for them after graduation, they have a chance to select the workplace themselves but it is limited to petroleum exploration and production firms in Thailand. Also, the company provides training budget for all employees allocating in the department budget and the required courses will be revised annually depending on the staff performance and management expectation. *"I feel so good to learn that we have individual and different courses every year and we can directly inform the management which courses we are interested in and they will add some more to widen our skills and capabilities in working"*, from one of the staffs in assistant officer level.

Furthermore, for the current employed staffs, besides the provided courses/seminar/workshop which including the required and optional skills provided by both in-house and external parties in domestic and international, every staff has to be evaluated individually according to individual and department Key Performance Indicators (KPI) annually. The management will be engaged and supported the process by giving an individual feedback for every staff, this is the requirement assigned to every management level in the firm and the corporate also provide the training for them in advance as the guideline. Later, the required trainings for the current and next years are reviewed by management in order to provide the best support for their subordinates' performance and contribution to the firm. However, if there is interesting course/seminar/workshop offered during the year outside the plan, managements usually fully support their staff to attend if they consider that they are related and useful to the job.

On the other hand, the support for developing its people seems to be focused on the core business function only and the staffs from other functions have less development plan in career path.

2. Labor relations: cooperation

This firm did not have the labor union inside the company, so the result showed as not applicable.

3. Retaining staff: strong

From the findings, the result for this element showed as 'moderately evident' The evidence showed that the company values the long tenure at all levels for staff, as they reward the staffs who stay longer in the firm as 10 years, 15 years, 20 years and 25 years, the award was given by CEO at the ceremony which was held annually. This method makes the employee feels proud and valuable towards the company according to the interview with some management who already received the awards. *"This year is the second time for me to receive the awards for working here 15 years, throughout the period of being here I feel so proud and all the management team makes me feel valuable as one of those who contribute a lot for the company"*.

However, from interviewing with HR staff and current staffs, for supporting function in the company, there is average turnover rate, e.g. secretary and administration, tax consultant, accountant. This may cause by the fact that supportive function was hired by the firm's subordinate company with less benefits comparing to the main company. One of the secretary said that *"I feel good to work for this well-known firm but somehow and sometimes I think that working as the supportive side didn't receive the appreciation as it could and some technical or management staffs won't give the priority to us."*

4. Succession planning: strong

Findings from the firm showed the 'moderately evident' in promoting from within wherever possible. From interviewing with HR staff, the staffs that come from the engineering and geologist background will have more potential in promoting inside the company since they are work in core business function. However, there is one position that can be appointed from the outside, Chief Executive Officer (CEO) because this position was appointed and agreed from the Board of Directors (BoD) of company group, so there are many factors that can affect the appointment of CEO. The

current CEO was former management in the firm before, he was assigned to work for the main company and then back here again since last year as CEO.

5. Valuing staff: strong

Findings revealed that the firm values its staffs as 'most evident'. The evidence showed that this petroleum exploration and production firm concerns about employees' welfare as the attractive packages and benefits are provided to the staff. The permanent staffs are offered with attractive salary and bonus, medical and life insurance and supportive funding for children, maternity and funeral. In addition, for the employees that were assigned to oversea assignment, either business trip, or relocation, will receive more attractive benefit and package e.g. coverage for taking spouse and children there, personal income taxes covered by the firm, etc.

6. CEO and top team: top team speaker

For this element, the evidence showed as 'moderately evident' because the CEO for this enterprise is acting like the representative from top management team. From the interview with the staff who used to join the meeting with CEO said that *"He showed his openness and respect to other staffs during the meeting as always listen to others' opinion first and act more like the advisor, not the dictator or leader in the meeting. Also, he usually delegates his power and authority to the concerned management staff in order to make the decision more practical and show the respect and trust towards them as well."* Apart from this, CEO always acts like the top team speaker who communicates with employee in any situations and mostly in form of email, e.g. CEO Message for encouraging staff to submit the project for Annual award, inviting staff to join Sustainable Development (SD) Day 2013, or informing the SSHE performance of Q3 2013, etc. Those messages make staff feel that CEO is not just a top management with high gap of hierarchy, but he is business leader who needs more support from employee in order to achieve the company target eventually.

7. Ethical behavior: an explicit value

For this Honeybee element, the result showed as ‘most evident’. As the firm has set the ethics as the part of corporate values, so doing the right thing is the significant requirement for staff here. All staffs have to pass the Business Ethics and Corporate Governance course once they join the company. According to the findings in the Corporate Government guideline, as for the practical action, staff is required to complete these following questions before taking any actions; Does it the right action?, Does it acceptable among society/public?, and Does it cause the negative reputation for the firm? If the action is proved as the right, acceptable and present the positive image for the company, the staff is allowed to execute it. One of the contractors once said that *“This company practice was very strict, especially for procurement, the vendor has to be registered and qualified in order to get into award bidding process but it’s worth for us because we get both good reputation and money from working with this firm”*.

8. Long-or short-term perspective: long-term

From the findings, the result showed as ‘most evident’ as the firm practices long-term over short-term because they concern and care for the all stakeholders/society through many alternatives. For instance, the dividend payout policy is to pay out dividends of not less than 30% of net profit which represent that the company didn’t focus on short-term profit only. Also, the next 5-year plan of the corporate was published on company website as well as the 2014 corporate strategy on the intranet website for all employees. By this information, all stakeholders can perceive and realize where the company drives the business to without doubting or questioning on the firm’ direction or position. One of the shareholder said that *“I decided to buy their stocks not only because they pay the attractive dividend but also the fact that the way they run business is quite clean because normally the shareholder will question a lot during the annual shareholder meeting and the company usually take action according to the comments and suggestion from us”*.

9. Organizational change: considered process

From the findings, the result showed as ‘moderately evident’ for this element. One of the examples is the SAP implementation, one staff said that *“We just launched the new ERP system, SAP ECC 6.0, I was assigned as one of the division super users for the system, I was trained for almost a year before the implementation, it was hard because I have my own assignment together with attending lots of courses but I think it’s worth my effort because the change of new system makes the business run more smoothly and effectively”*. This SAP system was considered both alternative and ad-hoc at the same time because for some business units like finance and accounting and procurement, it was required for the staff to work overloaded due to the current duties and training for the new system since middle of last year. From individual experience, the hardest part for implementing would be training the end user for all employees because it required time, effort and participation from everyone. However, since the system was introduced prior to the launch through the events, e-learning games and management message, so the staffs are prepared for this in advance and there is no resistance for that change if it’s considered good for the corporation. The CEO message on this issue is *“The challenges of ‘Positive Change’ require increased engagement from users. Because the systems and processes are changing, i.e., from Oracle and Maximo systems to the SAP system, the XXXXX value, ‘Adaptability and Will to Learn’ is crucial for successful implementation. As part of this organization, we are all obligated to commit our effort and time to contribute to the success of this project”*.

10. Financial markets orientation: challenge them

The findings showed that the petroleum exploration and production has ‘moderately evident’ for this element. Aforementioned findings represented that the dividend payout policy as to pay out dividends of not less than 30% of net profit, then the shareholder pressure have less impact on their decision making. One of the staff who used to participate as staff for shareholder meeting in last year said that *“Some of the investors are kind of demanding and asking lots of question on the investment plan or even the candidate for company board. And one of the Board of Director (BoD) had to resign after the company learned about his corrupted behavior in the past and this*

was raised from the shareholder's voice during the meeting". This showed that the firm took the shareholder's voice into account for some reasonable issues.

11. Responsibility for environment: strong

This element showed as 'most evident' according to the findings. *"The spirit of XXXXX staff is to be courageous and discrete, not senselessly daring. Whatever we do, we need to be concerned not only with safety but also with consequences to the environment, society and community. Rushing forward without awareness of these issues is not our way. Certainly, more than 80% of XXXXX staff is qualified with these attributes"*, this was from one Executive Vice President, Strategy and Business Development Group.

Furthermore, the company also focuses on the factors that can impact the business operation. For example, one of the major corporate functions is Safety, Security, Health, and Environment (SSHE), which was widely promoted among employees through many channels. One of the former CEO used to mention as "Safety is the license to operate." this represents the awareness of SSHE impacts which is critical issue for business operation, especially in oil and gas business. Before the drilling or engineering operation, the concerned parties will be prepared and informed as the first priority. The potential impacts will be investigated and studied in SSHE guidelines or procedures, Environment Impact Assessment (EIA) report, signed by CEO or concerned parties, and then it will be submitted to all stakeholders before the operation in advance. Moreover, for environment, apart from the reports and procedures before conducting the operation, the firm also pays attention to the issue of global warming and greenhouse gas emission. For instance, during the function group seminar, it is the requirement for staff to conduct the Corporate Social Responsibility (CSR) activity for the company at the same time, the activities are like planting the trees, planting the coral or returning the sea animals to their origin.

12. Social responsibility (CSR): strong

The findings showed that 'most evident' was found for this element. As mentioned earlier, social responsibility is one of the corporate values in this listed petroleum exploration and production. Social responsibility here includes society,

environment and people's living. The value is shared and practices often among employees and many of the contributions are the volunteer jobs. The XXXXX CSR Volunteer club was implemented in order to act as a group of volunteer staffs directly conducting CSR activities. For example, during the oil leak situation at Sa-Med Island in charged by one company of the groups, the CSR Volunteer club asked for the additional volunteer to assist in the area and within only 10 minutes, they announced via internal email that the volunteer is fully booked. *"I like to join the CSR activities with the company like a trip to donating stuffs for rural area or helping disordered children during the study trip. These activities make me feel good for social contribution and also for the company itself. I'm looking forward to the next trip."*

Also, there are some practices execute in the head office like during the lunch break, the company will shut down the electricity in the office, restroom area and car park building, the light will be dimmed and turn on just some of the bulbs instead of the whole area to save the energy and cost.

13. Stakeholders: broad focus

From the findings, the result showed as 'most evident' for this element. Beside the SSHE culture, dividend payout policy, or CSR activities as mentioned earlier, the firm also pays attention to society and people's living as contributing in several ways, e.g. giving scholarship to students in remote area near the operating sites, building new facilities for people in the country that they have oversea offices like Myanmar or donating money and stuffs for people in rural area, etc.

14. Vision's role in the business: shared future

From the findings, the result showed as 'most evident' for this element. The company provides the long-term vision, mission and plan to all stakeholders including staff, shareholders and public through communication channels like email, website, event, or meeting. In addition, all the set vision, mission and corporate values are developed from the employee engagement survey result since 2012 and received the consensual agreement among executives, which represents the respect for the voices of employees equally. In addition, the corporate vision, mission, goal and values are fostered within the company strongly, for example, one staff said that *"I*

know that the company wants to drive the production target as 900 KBD as strength case and 600 KBD as the base case within 2020. All of the business operation and practices are driven towards the corporate vision, mission and goal consequently. Sometimes when I have question on the business practice, I will look back into those factors to see the rations behind it”.

15. Decision making: consensual

For this element, the result showed as ‘moderately evident’ since some of the decision was made through manager and some are by management committee. For some decision within division, the line Vice Presidents has fully authority to execute by themselves but for some issues like budgeting, donating, representation or procurement, the approval from management committee is required. Inside the company there are many committees such as Procurement Committee, Risk Management Committee, Drilling Committee, and Management Committee, according to the concerned issues. For instance, if the company has to hire one vendor to provide the taxation and legal services, they need the approval from the Procurement Committee prior to receiving the service. Furthermore, the Delegation of Authorities (DAS) is also the key guideline for the management, the limitation of budget within each level of management will be described there. As if the line Vice President can approve the payment to the external vendor within 10,000 baht only, beyond that they have to go for the formal procurement procedure. Every year, the top management will receive the report of procurement compliance for their divisions from the corporate procurement, so they can check and monitor why some procurement are not complied, in order to improve the performance in the following year.

16. Self-management: strong

For this element, the findings show as ‘least evident’. In general, the working process or direction will drive by management like line VP or manager, especially in small division. Due to the reason that this firm has horizontal organization, the firm consists of many divisions from several departments. Then, the management in the division has the authority to manage his/her own team, in line with the superior management’ vision and direction. In addition, as the firm still consists of

Thai value as seniority, the staff usually asks for the comments or approval from the senior supervisor before taking action, even though that senior or management has no authority over that business unit. One of managers said that *“I always consult with my senior colleague since he is both the senior from same faculty in Chulalongkorn and the one who invite me to join this firm. Also, he has more experiences in operating oversea assets and useful knowledge in this industry, so his advice helps me a lot for working here”*.

17. Team orientation: strong, self-governing

For this element, the findings result showed as ‘least evident’ since as mention earlier, there are lots of divisions within the enterprise, however, the teams are more like manager-centered.

According to the findings and observation, some business units will run in cross functional manner, for example, for the domestic or oversea assets, they will have their own accountant, procurement staff, project coordinator, drilling engineer, or geophysics, apart from corporate side. In addition, the cross functional team can be available only for specific purposes like, acquiring new possibility of investment in oversea countries or preparing for new project/system implementation, etc.

18. Culture: strong

For this element, result showed as ‘most evident’. In the firm, there are various cultures and values promoted to the employees. In general, SSHE, Knowledge Management (KM), Sustainability, Business Ethics (BE), Corporate Governance (CG) and Social Responsibility are the major issues that were communicated to all employees via channels like intranet, e-newsletter, posters, video clips, or events. The corporate communication and concerned teams will promote these cultures with the best efforts and effectiveness, for example, giving the prizes to the winner of e-learning on BE&CG monthly, hiring famous singer/actor/actress for events or providing free snack/lunch/giveaway for staffs who join the event session. With the number of staffs as approximately 4,000 in domestic and international offices, it becomes complicated to communicate deeply and efficiently to everyone, as a result, all of the aforementioned strategies was developed and practiced within the company.

19. Knowledge sharing and retention: strong

The findings revealed that this element has ‘most evident, Knowledge Management (KM) is widely shared culture here. The KM team will sent their staff to be a part of every department, the KM meeting will be hosted every weeks and each division has to nominate one staff to be KM team member. KM cultures include submitting individual training summary, monitoring KM performance among your team, hosting After Action Review (AAR) or Post Project Review (PPR) as contributing to department Key Performance Indicator (KPI). Then, these are some of the practices resulted from the organizational culture within this petroleum exploration and production firm; Knowledge Sharing Session on Subsea System or Deep Water Drilling, AAR for Conducting Environment Management Plan report, etc.

Moreover, the firm also hosts the event “XXXXX Technical Forum” annually in order to promote the best practice and knowledge sharing related to the business to the public and the main target will be college/university students, contractors, stakeholders, employees and public. In the event, the presentation in poster and stage will be provided by the employees and the content will be in wide range from soft skill to the real operation. As a part of this event, both poster presentation speaker and participant, this event provides great opportunity for the staffs to present the learning and practical processes/practices to the outsiders, as well as promotes the positive reputation for the company. The award will be given to the excellent presentation judged by the committee from concerned departments.

20. Trust: strong

For this element, the findings showed as ‘moderately evident’. Since this enterprise consists of about 4,000 employees, it could hardly imply that everyone trusts each other. However, having good relationship and goodwill for others still can be found among staffs. For example, it is quite acceptable for receiving the email informing that one staff lost the car key/wallet/iPhone, checking if anyone found that item. Also, the department that takes care of the building also promotes the attitude towards the maids and security guard that whenever they found the valuable item left without owner and if they can return it to the owner finally, they will get some rewards and examples of successful stories were published in the public area. This practice

makes trusting becomes more strong within the company, *“I used to forget one cosmetic bag in the restroom, one colleague informed me that there are five girls in the restroom helping to figure it out to whom this item belongs. And the thing is I left it in the morning but it was still there at 3 p.m. I was so impressed with that”*, one female staff said with the interviewer.

21. Innovation: strong

From the findings, the result showed as ‘moderately evident’ for this element. For this company, technology is another important factor to be concerned according to the nature of business, innovation then becomes one of corporate values. However, some of the innovative products or processes are limited to the technical function such as geology or engineering only. CEO and executives also set the priority to the innovation in working process as they encourage the staff to participate in competition related to innovation award frequently both from internal and external organizers. For instance, CEO currently invites the employee to submit the project for Society of Petroleum Engineers (SPE) Thailand Annual E&P Award 2013 via employee email.

Besides the mentioned event, the Board of Director (BoD) has agreed to provide Excellence Performance Award for the project within the company and innovation is one of the key awards. The innovation award will be given to project/team that can represent the best practice in current/new working process in relation to innovation for business. From the mentioned practices, innovation is one of critical factors that can improve the company performance towards the ideal vision, mission and goal they have expected for.

22. Staff engagement: strong

For this element, the findings showed as ‘most evident’. *“For me, this company gave me many opportunities, I got paid, I got good friends and network, I was challenge with some difficulties but I love this firm. As I have some expertise in recreational and entertainment, whenever the management asked me for special assignment like training new staffs to dance or being the MC for company event, I will take that as the reward and compliment though I didn’t get paid for doing it.”* one

staff said this after questioning on the special assignment without get paid. In addition, as mentioned earlier, XXXXX CSR Volunteer club was established and they normally asks for some volunteer to a trip for donating or helping children or poor people in rural area and many staffs like to join the activity with them. The aforementioned CSR activities are also the good examples of staff engagement inside the firm.

23. Quality: high is a given

For this element, the result showed as ‘moderately evident’. Even the firm represents itself as the long-term focus enterprise, some of the concerned parties still have some inquiries on that. In general, the firm will transport and sell the petroleum production to the main company as Business-to-Business (B2B) commerce, so there is no direct customer apart from the main company. One of the end user, the one who needs fuel for his car, said that *“Yes, I knew this company is well-known in Thailand, they have the cream staffs from best universities and they produce good quality oil and gas, but I don’t like the XXX group in the way they are controlling and trying to be manipulate the market industry.”* It becomes hard to question on the quality since this company brand image was attached with the main company, so in the end user or public point of view, they may get confused and have some negative comments towards the firm since the business is in sensitive area that could cause a lot of impact on stakeholder.

CHAPTER V

DISCUSSION AND CONCLUSION

From the findings, the practices in this Thai listed petroleum exploration and production enterprise showed as 22 out of 23 elements in conformity with Honeybee leadership and the discussion in details are as follow;

1. Developing people: grow their own

For this element, the practice in this petroleum exploration and production firm indicated the level of conformity (moderately evident) as well as in True Corporation and Theptarin hospital. The staff development in these firms are offered through courses/trainings, however it seems to be critical to also focus on employees' feeling and how to make them feel as an important part of the firm as well. For instance, the case of a manager in True who almost resigned but having a discussion with his boss and getting a new satisfied compensation package help resolving the problem.

2. Labor relations: cooperation

Unlike Thailand oldest university and Asian industrial conglomerate, this firm did not form the employee union formally. Then, this practice also was applied in other enterprises such as Sa Paper Preservation House, True Corporation, Bathroom Design and Siam Cement Group. The possible approaches for not forming the staff union may be the difficulties in establishing and maintaining the union in positive and cooperative manner along with the management team of the enterprise.

3. Retaining staff: strong

The practice in terms of retaining staff for this petroleum exploration and production firm is in the same level of conformity as True Corporation (moderately evident), whereas other enterprises in the case studies are conformed in the 'most evident' level. According to the case findings, the challenge for True Corporation is

retaining the skilled staffs in highly competitive market like telecommunication, but for the petroleum exploration and production firm, the challenge is to retaining the experienced staffs, especially in supportive functions like finance, accounting, or secretarial, to stay longer within the firm.

4. Succession planning: strong

The level of conformity for this element (moderately evident) in petroleum exploration and production enterprise is similar to Thailand's oldest university, True Corporation and Theptarin hospital. The similar practice that these firms shared is hiring the outsider to appoint as management team member which may caused by the convenience in timely manner and lack of the suitable professional from inside. On the other hand, other firms such as Asian industrial conglomerate, Bathroom Design and SCG, the 'most evident' was found in this element as the staff promotion is limited to the internal employee only.

5. Valuing staff: strong

For this element, the conformity level showed almost the same in the previous studies and this petroleum exploration and production enterprise as 'most evident'. Almost of the companies showed their concern on employees' welfare through providing competitive salary and benefit.

6. CEO and top team: top team speaker

The conformity level for this element in this listed petroleum exploration and production firm is same as in Bathroom Design Company (moderately evident). While the other organizations found it as 'least evident' or 'does not conform'. This may caused by Thai culture that considers leader more like hero with high power distance or hierarchy, whereas for some corporations, the CEO is acting more like top team member who mainly communicate the management message with the employees.

7. Ethical behavior: an explicit value

The practice in the petroleum exploration and production enterprise is in line with other Rhineland/Honeybee firms as the level of conformity for ethic showed

as 'most evident'. Most of the firm represents the good code of conduct/corporate governance practiced within the companies.

8. Long-or short-term perspective: long-term

Like all Rhineland/Honeybee enterprises, the level of conformity for this element is 'most evident' in the listed petroleum exploration and production company. The practices for long-term perspective in these firms are such as putting long-term approach into corporate vision/mission like Bathroom Design or SCG, paying stable dividends while maintaining its share price as the conglomerate and SCG did, or investing in R&D/future investment/market like the conglomerate, True Corporation, SCG and Theptarin hospital practice.

9. Organizational change: considered process

The conformity level in the Thai listed petroleum exploration and production firm showed similarity with other enterprises as 'most evident'. The examples of practice are preparing the firm for the future by developing succession plan by Thailand's oldest university and the conglomerate, rebranding to strengthen the company operation as True Corporation did, or expanding the international market in conservative and slow manner like Bathroom Design practiced.

10. Financial markets orientation: challenge

Even this petroleum exploration and production firm is listed company as well as the conglomerate, True Corporation and SCG, the conformity level is different as 'most evident' for the previous studies and 'moderately evident' for the current case. The similarity they shared is that the shareholder's pressure couldn't affect the dividend payout rate but the pressure that this petroleum exploration and production firm takes into account is more related to something that can affect the company reputation in long run.

11. Responsibility for environment: strong

The conformity level as 'most evident' in the petroleum exploration and production enterprise is similar to Sa Paper Preservation House, the conglomerate and

SCG. These four firms considered this element carefully and importantly since their businesses can cause many effects to the environment, e.g. creating pollution and waste. The examples of the practice are waste water management system in Sa Paper Preservation House, managing and developing physical resources and environment professionally like Thailand's oldest university did, supporting environment-driven initiatives like the conglomerate practiced, or taking environmental consideration into the heart of the business operation as in SCG.

12. Social responsibility (CSR): strong

Most of the firms in previous and current studies represent the 'most evident' for this element. The practices are in line with the Honeybee principle that values people and community such as developing more Sa paper makers in the community by Sa Paper Preservation House, embedding the social contribution into core values like the oldest university did, motivating staff to get engaged with the community by conducting a project which reflects the community need and assisting its staffs and their families during floods in 2011 like the conglomerate practiced, providing free communication service for customer during flood in 2011 for its customer by True Corporation or instead of concerning on making profit during Asian crisis in 1997, SCG staff contributed to work harder for regional market expansion and attracting more foreign currency to Thai market.

13. Stakeholders: broad focus

In accordance with other Rhineland/Honeybee enterprise, this petroleum exploration and production firm showed the 'most evident' for stakeholder focus. The example practices for this element is in line with the perspective in environmental and social focus, such as Sa Paper Preservation House always maintains ethical and long-term relationship with its customer, suppliers, staffs, educational institutes, etc., or Theptarin hospital that aims at being the model for other healthcare institutions for improving the standard of diabetes care.

14. Vision's role in the business: shared future

For this element, the current study finding showed the similarity as 'most evident' as well as in Thailand's oldest university, the conglomerate and True

Corporation. This petroleum firm also develops the current mission and vision among management team like the Thailand's oldest university as well. In addition, True's management visit on front-line staffs, in order to emphasize the core values among them, is also represents the shared vision among corporation.

15. Decision making: consensual

For this element, the practice in this petroleum enterprise is 'moderately evident' same as in Thailand's oldest university, the conglomerate, True Corporation, Bathroom Design and SCG. In these firms, the consensual decision was encouraged and supported, but in some context, the managerial decision is the leading role, for instance, the numerous major changes in True Corporation. Furthermore, due to some limitation as ethic for the university case or timely manner for the petroleum firm, the decision making maybe revised to suit the proper situation.

16. Self-management: strong

Unlike the other enterprises in previous studies, the petroleum exploration and production firm has 'least evident' for staff as self-managing, whereas the others showed as 'moderately evident'. As mentioned earlier, the barriers for the big firm with 4,000 staffs as this petroleum company to promote more self-managing staff are the complexity of organization and seniority in Thai culture.

17. Team orientation: strong, self-governing

Unfortunately, the conformity level for self-governing team in this petroleum enterprise is in line with the previous element 'least evident', the correlation is showed in Honeybee case studies as Thailand's oldest university, the conglomerate and True Corporation as well ('moderately evident' in self-management and team orientation). The practices as in the conglomerate depend on well-developed employee, as mentioned by one president as he showed the respect and trust in the work quality from his subordinates (Kantabutra & Avery, 2013). On the other hand, the petroleum firm working procedures still rely on the managerial direction.

18. Culture: strong

Like other Honeybee corporations in previous studies, this petroleum company embedded a set of core values into shared culture in the company as 'most evident' same as Thailand's oldest university, the conglomerate and True Corporation. For example, seven core values of Thailand's oldest university were applied into training, communications, staff evaluation, criteria for recruiting, etc. and that makes them deeply rooted in university culture (Kantabutra & Saratun, 2013). Also, the shared values were briefed to the newcomer on orientation course by its CEO in the conglomerate. Unsurprisingly, similar practices were applied to these enterprises accordingly.

19. Knowledge sharing and retention: strong

The conformity level in the previous studies is in line with this petroleum enterprise ('most evident'). For instance, Sa Paper Preservation House is acting like a learning center for people who are interested in making Sa products, or Theptarin hospital that widens the knowledge on endocrine-related diseases throughout the country. This petroleum exploration and production company also has 'Corporate Knowledge Management' as a department in order to foster this into the corporate culture strongly, KM staffs are well-trained for supporting KM activities throughout the firm, especially in individual. Briefly, the knowledge management can be both internal and external implementation for a firm.

20. Trust: strong

Unlike other Honeybee enterprises, the level for this element for the petroleum firm showed as 'moderately evident' only due to the corporation size, whereas others are 'most evident'. This petroleum firm uses employee engagement survey to monitor the staff satisfaction and feeling toward the firm itself same as True Corporation did, this practice also shows the firm's trust and respect towards staff at the same time. Moreover, the enterprises like Sa Paper Preservation House and True have the principle to treat their employees as family members, which also another alternative to build trust as well.

21. Innovation: strong

Most of the previous studies show that Rhineland/Honeybee firms develop innovation as ‘most evident’, while the current study showed as ‘moderately evident’. Many organizations invest a lot in R&D budget every year, such as the conglomerate, True, Bathroom Design, etc. In addition, some may foster the innovation as a corporate culture via a tool within the company, e.g. Thailand’s oldest university uses ‘Routine to Research’ (R2R), ‘creative Saturdays’ for Bathroom Design staffs, or Valued Innovation Program in SCG.

22. Staff engagement: strong

Both the previous studies and current study showed the similarity in conformity level for this element as ‘most evident’. The staff engagement in these firms was developed and embedded from and through corporate value and culture accordingly. For instance, the seven core values and culture in Thailand’s oldest university are so strong that a faculty member, who was offered with twice salary, declined the offer from international university, or the situation that all the eight top management, including CEO, voluntarily resigned to be only mentors for the new management group, which represented the management’s spirit for the firm eventually.

23. Quality: high is a given

For this element, this petroleum firm showed the conformity as ‘moderately evident’ while others in previous studies showed as ‘most evident’. The quality which was embedded into corporate culture can be in its staffs, product, service, or working process. Some of these are represented in a form of organizational award receiving, such as Best Thai Provincial OTOP Award (Five Stars) in 2003 for Sa Paper Preservation House, Thailand Best Practices on Corporate Governance in 1999 for the conglomerate, The Best Innovation Award in 2006 –2007 for True Corporation, etc.

Recommendations

From the finding table, the Thai listed petroleum exploration and production enterprise mostly develops and practices Honeybee leadership principle as ‘most evident’ for 10 elements, 10 as ‘moderately evident’, 2 for ‘least evident’ and 1 for non applicable.

For ‘most evident’ elements, the company should continue to practice these as a corporate norm. While for the ‘moderately evident’ elements, the company can practice more and harder as below;

1. Developing people: grow their own

This Thai listed petroleum firm already provides the useful courses/training for staffs individually in every level with great amount of budget. However, it can improve the performance in this element by develop their potential and current staff continuously and more importantly, make the staffs in supporting functions feel more engaged and committed with the company since the staff development, e.g. scholarship for potential and current staffs, is mainly for the staffs in core business.

3. Retaining staff: strong

As mentioned earlier, this petroleum firm can successfully retain its employees at only some core business departments, so in order to improve this, the company should treat the staffs more equally. Even though, it is hard for the company since it set up the subordinate company for minimizing the cost for the main company intentionally, but the firm should improve the salary package or benefit to be more equal to the main company’ staffs. Also, another alternative is to embedded the corporate values into staffs’ norm and culture as the oldest university practices, so the staffs’ engagement and commitment will become stronger and retaining them as a result.

4. Succession planning: strong

The suitable recommendation for this listed petroleum firm is to limit the promotion to only internal staffs like the other firms as the conglomerate, SCG or Bathroom Design practice. This might take more time for the company, in order to

develop the staffs to match the promotion, but the result in long run will worth its effort finally.

6. CEO and top team: top team speaker

For this element, this listed petroleum corporation's performance actually effective because the CEO and executives can delegate the authorities to subordinates and CEO himself, is acting like top team representative. However, CEO still couldn't practice like Bathroom Design's president, decreasing participation in day-to-day management/control of the firm, because seniority and Kreng-jai value in Thai culture still exists here, so the executive team and CEO generally cooperate together all the time.

9. Organization change: considered process

For this element, the petroleum company already planed and prepared in advance for the uncertainty and change, however, the firm can improve the performance by encouraging staffs harder during the change process. In addition, giving more explanation and clarification for the change like the conglomerate management did can also motivate staffs as well.

10. Financial markets orientation: challenge them

Thai listed petroleum exploration and production showed the good practice in this element in maintaining the dividend payout rate same as the practice in the conglomerate and SCG. However, this petroleum firm still considers the shareholders' voice as important if the voice is reasonable enough. To improve this element, the firm can continue the practice as its positive reputation comes from these practice as well.

15. Decision making: consensual

This Thai listed petroleum enterprise showed the consensual decision making in the management committee meetings during normal business operation, however, the decision making in the small division can be improved by encouraging

opinions among staffs in all level in a team, then the staffs can feel that their contributions and voices are a part of any decision making within a firm.

20. Trust: strong

In this element, the petroleum enterprise can improve the performance by engaging trust into significant cultures for the company like the Thailand's oldest university embedded various core values strongly into the staffs, as a result, the desirable value stick with the firm as a corporate norm or culture.

21. Innovation: strong

For this element, the listed petroleum company may also implement the tools like R2R in Thailand's oldest university into its business, also widening the innovation into some other business functions, not only in core business areas is alternative too.

23. Quality: high is given

The quality of product and service for this company couldn't be identified as the petroleum was sold directly to the main company. As mentioned earlier, this Thai listed petroleum exploration and production enterprise has strong brand image influenced from the mother company, also the main shareholder is the main company as well. It could be more difficult for the firm to separate the image directly from the main company, as even the corporate name still similar for both companies. It will take more times and effort for the company to handle this challenge.

Then, the two elements that show as 'least evident' are *staffs are less self-managing and staff team is less self-governing*. This petroleum company can improve these two elements by putting more trust and respect in staffs' decision and performance in both individual and team level, like the president in the conglomerate did, even though it takes times to implement this, including learning from the mistake as well.

Then, the last element as non applicable is that *the firm has no employee union*. Even though the company has thousands of employee, they didn't have the staff union since they considered that the salary, benefit and welfare provided to the staff

are effective and good enough and creating union may cost some negative feedback like strike for more payment or bonus, which become difficult to handle for the large firm with drilling operations like this. Then, the recommendation would be implementing the staff union in order to having a neutral party among employees and top management for the neutral benefit in overall enterprise.

Conclusion

In brief, this Thai listed petroleum exploration and production showed the study result presented the close fit according to the 23 Honeybee criteria that Avery and Bergsteiner (2010) clarified. In total, 22 elements out of 23 were found as conformity as 10 practices are found as most evident, other 10 practices for moderately evident, 2 for least evident and last one for non applicable. The improvement in self-managing staff, empowered team and implementing staff union will fulfill the gaps in sustainable leadership practices within this corporation and hopefully it will lead to corporate sustainability as well as its business operation will become more effective finally.

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