SUSTAINABLE LEADERSHIP FOR INTERNET THAILAND PUBLIC COMPANY LIMITED



A THEMATIC PAPER SUBMITTED IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE DEGREE OF MASTER OF MANAGEMENT COLLEGE OF MANAGEMENT MAHIDOL UNIVERSITY 2014

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ABSTRACT

This paper adopts Avery's 19 Rhineland leadership practices derived from sustainable enterprises as a framework to examine the sustainable business practices of a small enterprise in Thailand. Using a case study approach, multi-data collection methods included non-participant observations during Internet Public Company Limited visits, semi-structured interview sessions with multiple stakeholders, and reference to internal information and published documentation. Evidence was found for compliance with 14 of Avery's 19 sustainable leadership elements, but to various degreed. The elements were categorized into six core groups of practices: adopting a long-term perspective, focusing on people priority, strong organizational culture, nurturing innovation, social and environmental responsibility, and ethical behavior. The paper concludes that Avery's 19 Rhineland practices provide a useful framework applicable to small enterprises in Thailand and possibly in other Asian countries that with to sustain their organizational success could adopt Avery's 19 Rhineland leadership grid elements to investigate their leadership practices, and adjust them to become more sustainable.

KEY WORDS: SUSTAINABLE LEADERSHIP / HONEYBEE / RHINELAND / ANGLO US./LOCUST

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CHAPTER I INTRODUCTION

Since the 1980s, the trend of sustainable leadership was increasing and the <u>companies</u> try to achieve their goal effectively. The present study was adopts Avery and Bergsteiner's Sustainable Leadership concept. The study examines business practices of Internet Thailand Public Company Limited to determine if there is a fit between Sustainable Leadership practices and those of the case company.

Internet Thailand Public Company Limited (INET) is one of leading ICT solution in Thailand. INET is the first commercial Internet Service Provider (ISP) in Thailand. INET also provide data center, inter access, e-business & media services, banking and financial services. INET have approximately 300 employees who work in 2 building separately. INET was established in Thailand in 1995 by joint venture of CAT Telecom Plc, TOT Plc, and the National Science and Technology Development Agency (NSTDA) and listed in Stock Exchange Thailand in 2001.

To determine the fit, the literature on Sustainable Leadership in Thailand is reviewed in Chapter 2. The methodology that used to test Sustainable Leadership will discuss in Chapter 3. In Chapter 4, I will explain findings from the research and discusses the finding in Chapter 5. In the last Chapter is including conclusion and recommendation to enhance company sustainability.

CHAPTER II LITERATURE REVIEW

Corporate Sustainability is a business approach that creates long-term consumer and employee value by not only creating a "green" strategy aimed towards the natural environment, but taking into consideration every dimension of how a business operates in the social, cultural, and economic environment. Also formulating strategies to build a company that fosters longevity through transparency and proper employee development. Organizations can improve their sustainability performance by measuring, monitoring and reporting on it, helping them have a positive impact on society, the economy, and a sustainable future. A growing number of private enterprises have heeded the call to action. While compliance and community engagement remain important, many companies have moved far beyond complying with environmental and social regulations and supporting corporate philanthropy.

In Europe, Rhineland capitalism is seen as an alternative philosophy to promote corporate sustainability (Albert, 1992), being concerned about the long-term sustainability of an enterprise and its relationships with many interest groups, not just with shareholders (Albert, 1993). The quest to ensure corporate sustainability appears similar in Asia. (Sooksan, 2013).

2.1 Triple bottom line

Key to sustainability, the concept of the triple bottom line means that business success is no longer defined only by monetary gain but also by the impact an organization's activities have on society as a whole. Triple bottom line demands that a company's responsibility be to stakeholders rather than shareholders. Stakeholders include anyone who might be affected by a company's or industry's practices, from workers to surrounding communities and beyond.

2.2 Sufficiency Economy Philosophy

Sufficiency Economy is a philosophy developed by His Majesty King Bhumibol Adulyadej that stresses the middle path as a guiding principle for people at all levels in pursuing their livelihood. It is applicable to the individual, families, communities, as well as at the national level. Sufficiency Economic means moderation, reasonableness, and the need for self-immunity for sufficient protection from impact arising from internal and external changes. To achieve this, an application of knowledge with due consideration and prudence is essential. In particular, great care is needed in the utilization of theories and methodologies for planning and implementation in every step. At the same time, it is essential to strengthen the moral fibred of the nation, so that everyone, particularly public officials, academics, businessmen at all levels, adheres first and foremost to the principles of honesty and integrity. In addition, a way of life based on patience, perseverance, diligence, wisdom and prudence is indispensable to create balance and be able to cope appropriately with critical challenges arising from extensive and rapid socioeconomic, environmental, and cultural changes in the world. The sufficiency economy concept can be applied to all economic sectors of the country, in urban as well as rural areas. The approach is fully compatible with ideas such as risk management, corporate social responsibility and good governance.

2.3 Rhineland and Honeybee

Nowadays, people tend to focus more on sustainable leadership which concerned more on long-term sustainability of any organization in terms of stakeholders such as employees, customers, suppliers, shareholders and communities. In terms of long-term sustainability, we focused on long-term profit and accepted by others. Corporate sustainability is becoming increasingly essential for business leaders that driven by many factors including energy and resource shortages, global warming, and unethical business practices and enhancing corporate reputation (Wong and Avery, 2009). The research showed, in Europe, Asia and Western countries, that Rhineland ,sustainable leadership, is seen as an alternative substitution philosophy to upgrade corporate sustainability (Albert, 1992), to concerned about the long term

sustainability of an organization and its relationships with many interest groups, not just with shareholders which focused only short-term profit (Albert, 1993). The most geographic region appears to operate on its own format (Sooksan, 2013).

Sustainable business need to do more than just only comply with internationally accepted rating systems such as ISO14001. Sustainability grounds the development debate in a global framework, within which continuous satisfaction of human needs constitutes the ultimate goal (Brundtland, 1987). Accordingly, corporate sustainability refers to meeting the needs of a firm's direct and indirect stakeholders without reconcile its ability to meet of future stakeholders as well (Dyllick and Hockerts, 2002). For the next chapter, I will discuss about sustainable leadership research framework and framework from findings. Later is conclusion and future direction for organization.

2.4 Honeybee Leadership 23 elements:

2.4.1 Foundation practices

2.4.1.1 Developing people – To be considered as Honeybee philosophy, corporate need to invest on developing employee in organization. Not only top management or knowledge level that was trained but operational levels also need to enhance knowledge. Moreover, training everyone in organization is needed to do continuously not just once. This element can examine in training record in the past and training budget.

2.4.1.2 Labor relations – Each level in organization have the equal power such as employee and manager or even CEO in company. Moreover, company has to cooperate with Union division.

2.4.1.3 Retaining staff – Company need to remain their staffs and develop their skill. The firm do not like when employees resign.

2.4.1.4 Succession planning – The firm have set long-term plan to replace every position in company. Especially employee from inside the company not hire or head hunt other staffs from outside even operational level or management level.

- **2.4.1.5 Valuing staff** The firm must concern on employees' welfare (emotional, working environment, salary and attitude) not just treat employees as a cost of company.
- **2.4.1.6 CEO and top team** This element shown that everyone in employee including CEO or top management level have the equal right. CEO does not tend to be a hero for company or decision maker.
- **2.4.1.7 Ethical behavior** The core value of the company must treat every employees the same not separate them by level in organization. The firm need to "doing-the-right thing" as an explicit core value in company.
- 2.4.1.8 Long or short term perspective This element focus on long-term and short-term factors which including investment, profit and dividend. Honeybee philosophy focus on long-term rather than short-term to sustainable company. To improve employees in organization, invest on R&D, buy new machine to focus on future successful.
- 2.4.1.9 Organizational change Company needs to consider on the future change and have to prepare to accept that change. Moreover, company need to enhance employees skill and manage organization structure not just solve when problem are arise.
- **2.4.1.10 Responsibility for environment** Company that crate pollution or factory and trade waste must seek some technology to protect the environment such as recycle paper, plant more trees. Environment concern is one of the Honeybee philosophies that will sustain organization.
- **2.4.1.11 Social responsibility** This element concerns on community or society beside company or factory. The noise pollution or smell pollution can create annoyance among people who live near them. Furthermore, it is not just community that lives around factory but helping people on flood situation.
- **2.4.1.12 Stakeholders** Every people who involve with organization are calling as a stakeholder such as customers, suppliers, shareholders, social and community. For Honeybee stakeholders element, employees in company must be stakeholders who have right to make a decision.

2.4.1.13 Vision's role in the business – Every employee in company must know their own company's vision and be able to share their vision. Moreover, the vision must be practical to use among employees.

2.4.2 Higher-level practices

- **2.4.2.1 Decision making** Decision making must be decided by every employee not just CEO, Managing Director or management level. They can use consensus to make a decision.
- **2.4.2.2 Self-Management** In this element, employee in organization must realize their responsibility and have to do it without order from the top level or self-managing.
- **2.4.2.3 Team orientation** Team orientation mean that employee in different division are be able to coordinate each other. For example, marketing department can cooperate with IT team and engineering, R&D team to get the best product that response to customer need.
- 2.4.2.4 Culture Employee are be able to share company's innovation, quality and social response widely and also provide the firm's core value to customer to a better benefit.
- **2.4.2.5** Knowledge sharing and retention Everyone share knowledge to everyone in organization. Knowledge shares all level in company not just the top level management but operational level also.
- **2.4.2.6 Trust** Employees in organization trust each other or willing to work for each other. If employees trust each others are calling as Honeybee philosophy while their manager keep monitor or control their work are Locust philosophy.

2.4.3 Key performance drivers

- **2.4.3.1 Innovation** Company needs to invest in every department equally not specific one. Everyone in organization have right to vote even in different level not just expertise or R&D division.
- **2.4.3.2 Staff engagement** Employees in organization must satisfy on company regulation and direction. Moreover, they are willing to do other

things beyond their regular job. This element focus on employee emotional that satisfy the firm or not.

2.4.3.3 Quality – Even in the crisis period that company confronts to but they have to keep innovate new product to launch in the market not just control or limit to produce.



CHAPTER III

CASE STUDIES ON HONEYBEE LEADERSHIP IN THAILAND

Sa Paper Preservation

According to Sa Paper Preservation House case study, they are small enterprise that provided traditional paper located in Chiangmai, Thailand. They started business with three family members and expanded to more than 400 employees within 25 years.

The company holds on to six elements of sustainable leadership which are long-term perspective, people priority, strong organizational culture, knowledge and innovation, social and environmental responsibility, and ethical behavior (Sooksan, 2013). Their ultimate goal is not to maximize profits, but to ensure that their employees are happy at work and home. The company treated employees as they were family members. They believed that happy employees were the key success factors to enhance and develop production. The company focused to retain their staffs to work with them for long time. They intended to hire people from community who lived nearby their company. Moreover, the company developed recycles water pollution to make sure that community would not affect. The company innovated both production and organizational process to overcome barriers such as shortages of supply and trade law regulations.

Thailand's oldest university

The oldest university that established since 1888 with approximately 28,000 employees, 39 faculties. Previously, the university was owned by Thai government, but they gave authority to manage themselves independently.

The university reached 15 out of 23 most evident elements in Honeybee elements on sustainable leadership. The president of the university emphasized that management team must consult students not just to teach or inform them. Even the university had established "Talent Development" project but, they also concerned on

other students. The university also considered to develop staff in many fields such as language, secretary, executive management program and ready for retirement. After the university taking a good care for staffs' livelihood, the result was loyalty of staff. One of example, in that time labor market is tight and hard to find staff to manage. One of their staff was headhunt to work in Australia with higher salary. Fortunately, he was happier to work in Thailand with better treat in university rather work in Australia with stress community. It showed that retaining staff in this university was very strong and success.

Asian industrial conglomerate

The conglomerate was established in 1913 that produce cement and become the most advanced industrial conglomerates in Thailand. They had approximate 30,000 employees with revenue more than 300,000 million baht. They produced industrial paper printing and writing-grade paper, cement and concrete products and petrochemical products. They developed many advance technology and program to sustain their business such as in-house training, International Accounting Standards and quality circle program.

According to the statement above, the conglomerate was established for many decades that make them almost reach all sustainable leadership elements (19 elements) such as developing people, retaining staff, organization change, decision making and staff engagement. Most of employees stay working in this company because they believed that company will keep acknowledge staffs and offer to promote everyone. One of their staff knew that he will be promoting as CEO because he was coached by his boss. The company preferred to promote their staff in top management level rather than hired from outsider. This strategy was keep reliable from employees to stay with the company. Moreover, they set the training program to develop their employees in every level. They also provided international courses or scholarships to study aboard and also in innovation field because innovation skill is the key of these businesses to compete with competitors. They available to listened all employees' opinion to make company sustainable. All these evident created staff engagement to the organization.

True Corporation

The company was founded in 1990, their business are in telecommunication field with many competitors in Thailand. They provided internet for consumer and Bangkok Metropolitan, pay TV services, mobile phone business and digital content business. They have approximately 15,000 full-time staffs.

The company reached 14 sustainable leadership elements in Honeybee philosophy such as ethical behavior, financial markets orientation, and vision's role in business, culture, trust, innovation and staff engagement. The company believed that they should invest in people training and promote them to top management level rather than find outsider to take the top level that make employees stay with the company. They also improved and trained staffs in all level. The company's policy provide training course for staffs that do not work well rather than lay off them. The prominent point of the company was social responsibility. They provided four key attributes in CSR vision which are Caring, Creative, Courageous and Credible (Sooksan, 2013). They preferred to develop both inside and outside company. As True Corporation's experience shows, Honeybee practices have helped the company enhance the integrity of its brand and reputation, as well as consumer satisfaction (Sooksan, 2013).

Bathroom Design Company

The company's vision is to be the top five sanitary producers in the world. Unfortunately, they established one year before Asian crisis but they hold on to Honeybee sustainable leadership to improve their business. The company diversified with other global company all over the world with more than 500 employees.

The company mainly focused on improving R&D department to innovate new design of bathroom sanitary to launch globally. Their business must keep finding new innovation to meet the customer need and increase company's revenue. As the company was founded by Thai people so their policy was to promote Thai employees who work with company to be top management level rather than appoint someone from outside. They spent 7 of 10 of the company net profit on social such as help build school in urban area or installed bathroom accessories in temples. The result was

company reached 11 elements out of 19 for most evident in Rhineland Sustainable Leadership philosophy.

Siam Cement Group

Siam Cement Group was founded by King Rama VI in 1913. The company diversified themselves into five business unit: cement, building products, distribution, paper and petrochemicals. The company had approximately 27,000 people who worked full time and provided more than 60,000 products. They run the business on sustainable leadership that made them sustain in conglomerate business for a long time.

Because of their sustain policy that make them have strong evident in 16 elements out of 19 in Rhineland philosophy. The company believed that employees in organization are the most important asset to improve and invest on training. They provided training course to all level in the firm by created scholarship for employees to study in the leading university both domestic universities and national universities. The company effort employees to analyzed and solve problem on training program. Moreover, the firm gave authority to everyone to make decision and vote for their right.

Thai Healthcare Service Provider

Thailand healthcare service was supported by Thai Government because the increasing of share in market. More than 1.3 million healthcare tourists and expected to reach more than US\$ 4 billion, Thailand preferred Asian healthcare destination (Sooksan, 2013). Theptarin hospital was founded by Himathongkam family.

According from the case study, Theptarin using six core categories to make the firm sustainable (Sooksan, 2013). CEO of the hospital (Thep Himathongkam, founder of the company) managed his hospital by looking after all employees (nurses, doctor and dietitian) as his family members. Theptarin hospital's organizational culture is deeply rooted in the founder's values (Sooksan, 2013). He intended to create the same model as in USA that determined to offer the same service to Thai patients (Sooksan, 2013). One of the most important elements for Theptarin's

hospital is social responsibility. The company shared their knowledge to other hospital business and for clients and their families (Sooksan, 2013). The firm did not focus on maximizing short-term profit or shareholder profit but intend to improve hospitality on society.

Since sustainable leadership has gained support in Thailand as an approach to ensure corporate sustainability and no study has been conducted into Internet Thailand Public Company Limited, 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 IV METHODOLOGY

To answer the research question, in-depth interview and non-participant observation techniques are adopts as the data collection approaches to find out that Internet Thailand Public Company Limited is using sustainable leadership theory to drive company or not. Moreover, I can recommend the elements that the company lacks of in recommendation part.

Open-ended questions are used to define which elements that company had and which one that the company does not had. To find the strength of the company that should hold to and to find weakness that the company should develop and make it more sustainable. The questions are used to interview employees in company included Managing Director of the company to see overview of the company. I also interviewed few of employees in operational level to find what their points of view is the company.

A list of open-ended questions is developed to drill down the core of management of this organization because at the first place we do not know anything in this management skill. The conclusion and recommendation will enhance company management skill and adapt attitude of employees to the same directions. These questions are provided below;

Open-end questions

Managing Director

- 1. How many times in your company that you arrange training course for staffs?
- 2. Do you have planned to invest on production?
- 3. Does the company develop or plan anything for coming AEC?
- 4. Company plan to have solution before problem arise or just solve them when confront with problem?
- 5. Do you have future plan for the world changing?
- 6. How do you communicate the future plan to your employees in company?

- 7. In process of making decision, who in your company can make decision?
- 8. Can employee offer any suggestion?
- 9. Do boards of directors in your company pressure employees in organization to make profit for company?
- 10. Do boards of directors prefer to gain revenue for company or focus on company's image?
- 11. How often you interview for a new product?

Human Resource Manager

- 1. Does the company set the staffs training budget for employees?
- 2. How do you select people in your organization to be trained?
- 3. How many times do the company train staffs per year?
- 4. Do employees cooperate with training course that company prepares for?
- 5. How often did staff turnover (percentage)?
- 6. What is the major reason for employees who resign from the company?
- 7. How many managers promoted in this year?
- 8. Does the regulation of company is promote remaining staffs or head hunt outsiders to become one of the manager?
- 9. In the past 5 year, do company hired top management level from outside?
- 10. Does the company do any CSR activities in the past couple year?
- 11. In your point of view, employees in company have a good attitude for company?
- 12. How do they response to follow the regulation that company had set?
- 13. Do employees willing to work without assignment or order from their managers?
- 14. Do the employees allow to work across function? Example?
- 15. How do you feel about this company?
- 16. How does company manage with unethical problem?

Vice President, Account Manager

- 1. Had you ever trained in this company?
- 2. How often that you attended in developing skill course?
- 3. Do you think this company supports you to work until you retire?

- 4. What do you think about company's welfare?
- 5. How do you feel about CEO in your company?
- 6. How you been treated by company?
- 7. How do you feel about this company?
- 8. What is your company vision?
- 9. What activities that you joined in your company related to CSR?
- 10. How many times that your boss complained you?
- 11. Do you prefer to work with this boss?
- 12. Can you handle the project yourself or you need advisor to help you?
- 13. How often does the top management level changed?
- 14. How to make decision in your team?
- 15. Do you have tools to make meeting more efficiency?
- 16. How often you interview new software product?
- 17. Can you make suggestion to R&D team to enhance the products?
- 18. Do you prefer to work out of your routine work?

Software Developer Manager (Customer)

- 1. How do you feel about employees in this company?
- 2. Do you satisfy the service that you get from the company?
- 3. Do you have long-term agreement with the company?
- 4. Did employees in this company offer you a new products or services?
- 5. Do you have any suggestion for employees in both operational and management level in this company?

To ensure validity of the data, the probing technique is adopted. Probing technique is adapt by ask questions in each interviewees in different questions in many ways to cross check that employees are thinking the same direction. Such as, in developing people, I set question to ask 2 employees who are employee in operational level and human resource manager in different questions. For HR manager, did the company have staffs training budget for employees in organization? And for employee, had you ever trained in this company? How often that you attended in developing skill course? The result of their answer are differently which I had to analyze them later.

Reflective note taking is also used to record observed data to make sure that information that I received from interviewed employees are not distort. I used post-it and video recorded to memorize all details that interviewees mentioned. In additional, I also used observation technique to observe each employees behavior and their thought to find the answer.

The sample is convenient as interviewees are consisting of 4 employees in the company (Managing Director, Human Resource Manager, Vice President, and Account Manager) and one of customer who use our products for a long time. The name and position of interviewees are show below;

Internet Thailand Public Company Limited

- 1. Khun Morragot Kulatumyotin, Managing Director
- 2. Khun Naowarat Puparattanapong, HR manager
- 3. Khun Pat Hosiri, Vice President
- 4. Khun Werachai Leesurawanich, Account Manager

Trinity Solution Provider Company Limited

1. Khun Wannathep Hluvijit, Software Developer Manager

As I interviewed Khun Morragot Kulatumyotin, Managing Director, she recommended me to give her feedback to lead company in sustainable leadership. Every interviewee was concurrence to give an answer of my questions clearly and open minded. I believed that information that I got will useful to improve and enhance the company to a better performing in the future.

Following the previous studies (Kantabutra and Suriyankietkaew, 2013; Kantabutra and Saratun, 2012; Kantabutra and Avery, 2013; Kantabutra, 2012; Kantabutra and Avery, 2011; Kantabutra, 2011), Honeybee leadership is adopted as the framework to collect and analyze data which shown in the table in Chapter V.

Honeybee Leadership framework

As information above, Honeybee leadership focuses on long-term and sustainable company. Many countries around the world developed their sustainable philosophy such as Japan Human Capitalism, Triple Bottom Lines, and Sufficiency Economy Philosophy. Avery has identified 19 sustainable leadership elements and tests them with 14 organizations. After that Avery and Bergsteiner improve this philosophy to 23 elements. In addition, they developed into form of pyramid to serve as a guide for intervention (Sooksan, 2013). The pyramid provided into 3 groups and 1 performance outcome.

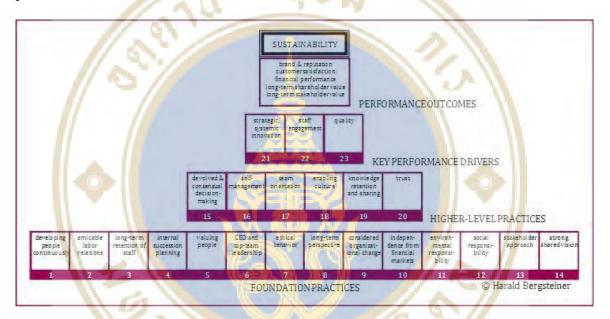


Figure 4.1 Honeybee Leadership Framework

Firstly, foundation practices, introduced stage for Honeybee leadership philosophy. This stage consists of 14 foundation practices such as developing people, long-term retaining staff, valuing people, long-term perspectives, social responsibility and stakeholder approach.

Secondly, higher-level practices, this stage was developing after the company placed all practices in foundation. This stage consists of 6 elements such as self-management, team orientation, enabling culture and trust. This stage must be conform to the first stage, for example, to build trust among employees in organization they must develop long-term retaining staffs and valuing people in the company.

Thirdly, key performance drivers, this stage also need to combine the first and second stage to enhance to the last stage. This last stage consists of 3 elements which are strategic systematic innovation, staff engagement and quality.

On the top of the pyramid is the performance outcome after company adapted all elements in the company. This philosophy not only adapts from bottom-up flow but employees in company need to influence each others to use top-down. This sustainable leadership pyramid needs to cooperate with all employees in company to change not only just operational level or management level. The communication process is very important to improve all steps.



CHAPTER V FINDINGS

After I observed and interviewed 4 people in Internet Thailand Public Company Limited (INET) and 1 of company's customer I concluded that this company is in the period of changing. The company closely fit to honeybee leadership criteria in Avery and Bergsteiner philosophy (2010). I analyze all information and answer that I interviewed and put them in the honeybee elements grid to show how well of the company manage their sustainable leadership. The company had one element that not relevant to this Avery and Bergsteiner philosophy which is "Labor relations". There are only 7 elements that showed strong evident the company had. Most of them are moderate evident and least evident. I divided information that I got from interviewee into 23 elements according to the grids below. Later on I will explain findings of each element with supportive findings.

1979018

Table 5.1 Honeybee Leadership Grid

			Extent to Conform			
Honeybee elements on the Sustainable leadership grid		Typical Thai Firm	Least Evident	Moderately Evident	Most Evident	
1	Developing people	/				
2	Labor relations	-				
3	Retaining staff	/	===			
4	Succession planning	/	19			
5	Valuing staff	/	M	11		
6	CEO an Top team	/		110		
7	Ethical behavior	/		7/1		
8	Long-term or short-term perspective	-/		11.541	A .	
9	Organization change				11	
10	Financial markets orientation	/			7//	
11	Responsibility for environment	ALC: N			1	
12	Social responsibility (CSR)			120		
13	Stakeholders	- /-				
14	Vision's role in the business	MILLS AY			//	
15	Decision making	1///	9	/// .	//	
16	Self-management			// e		
17	Team orientation		1	A //		
18	Culture		16			
19	Knowledge sharing and retention	/	- 11	37//		
20	Trust					
21	Innovation	/-	-			
22	Staff engagement	/				
23	Quality	/				
	Total elements in conformity					
Legend	Legend: "/" = conforms; "-" = does not conforms; "?" = not known					

1. Developing people

INET's policy has set the training program to enhance their skill continuously in the past couple years. Unfortunately, the training course that company provided was not relevant to all employees in organization. For example, the training course will arrange whenever the company launched new products or new software to the market. According to the company business, Software Company must keep developing their products and software to compete with competitors so the company's employee must be improved at the same time. The firm had set training budget 10% of the company profit to improve employees' skill in products. The result showed that INET developed people moderately in the past couple years. The reasons of not being most evident were number of employees that attend in the training course were not all employees. The company mentioned only sale and marketing division. For accountant, financial and Human Resource divisions did not have training course for employees.

2. Labor relations

This element is not relevant.

3. Retaining staff

This element refers to turnover rate in this company. INET had approximately 2 employees lay off in each month especially in sale and marketing division. The company had set policy for sale division to reach target with limited period of time. The pressure is in sale division while back office (Engineering, Graphic Design, and Financial and Human Resource division, etc) had low turnover rate. As I asked Human Resource Manager (Khun Naowarat),

"We have sale branches that located in the big city of each province. The turnover rate was very high approximately 1 employee in each quarter because of decreasing in revenue and higher expenses. We tried to set limited budget in each branches and offer more products and services to increase their revenue. The number of turnover rate was decreasing compare to the last year that was a good sign".

With the high number of staffs, Khun Naowarat studied Sustainable Leadership concept to maintain staffs.

4. Succession planning

As the number of turnover rate was very high, company rather to hired outsiders instead of promote their remaining staff to the higher position.

"In the last 6 months we recruit 2 Vice President and 1 Managing Director Assistant for top management level. We thought our staffs had less experience and bargaining power in this position so we decided to hired outsiders. However, we still had some people who promoted."

5. Valuing staff

INET concerned on employees' welfare that offer high commission to Sales team but the target was very high. The company always commits employees to concern on employees' family first. Human Resource Manager mentioned that the firm offer higher salary base compare to other IT company in this business.

"We know that it was very hard for Sales to get their commission because of the unreachable target so we offered higher salary instead. The top level and Board of Directors always announce in meeting that we must give family to the first priority. We would like to have happy employees with good and fun environment while working".

6. CEO and top team

Most of the future organization planning was made by top management team. In the top management team meeting, MD and AMD always decide the direction of the company and the strategy to compete with competitors. Khun Morragot said,

"Sometimes we conclude the direction and strategy to drive business rather than used employees' suggestion because last time we listened to employees' opinion and it did not work to response customers need. We have to change our strategy to fit the customers."

7. Ethical behavior

As INET is a listed company in Stock Exchange Thailand, every process in accounting and financial must be examined. Moreover, the company is a state enterprise that share by CAT and TOT. In additional, the company had set to have ethical transaction and process to their customers. One of customer, Khun Wannathep said,

"Our company confident and trust in INET because the reputation themselves and reliable process in the company. Moreover, INET was listed in Stack Exchange Thailand so they must be examining from internal audit. We have been their client for a long time because of effective software and relationship between my company and INET."

8. Long or short-term perspective

The company's policy is to collect money recurring which means that sales team provide service to customers in term of rental service. They collect money every month not one-time pay. INET focused on long-term profit. The firm always supports R&D team to develop software for more effective and right to the customer need. Khun Morragot said,

"Last year we invested more than 50 million baht to make new data center. Our policy is to collect money recurring not one-time pay. We developed a lot on software to make it sustainable and effective with the least cost.

9. Organizational change

As INET is providing ICT solution to commercial consumer and end user, the firm must have developing team to develop software up to date all the time. Nowadays, INET provide service and software only domestic customers just only few foreign companies are our clients. For upcoming AEC we decided to launch new services that cover Southeast Asia countries.

"We had joined many companies as a partner and we planned to launch new service next year. We always focus on the future plan to make our company sustainable. In additional, we planned to support upcoming AEC by joint venture with national companies. We hired couple foreigners to be our employees to learn other countries behavior."

10. Financial markets orientation

INET was listed in Stock Exchange Market since 2001 therefore, there must be shareholder who support and evaluate employees' performance. According to Khun Morragot interviewed,

"Our board of director always seeks for help to the company. They were not much pressure employees to reach the target. The intentions of shareholders are cooperating and make the company success together. They always give an advice whenever the firm had loss. Only few time that shareholder pressure employees to make profit to company. They keep told me to arrange some activities to relax employees such as Sport Day, Songkran Festival Party or New Year Party."

In my opinion, all interviewees that I interviewed are compliment board of director that always support them and give employees a chance to fix things. They did not blame on decreasing in sale but keep encourage staffs.

11. Responsibility for environment

This element is not relevant.

12. Social responsibility (CSR)

The company provides ICT solutions which are intangible product that are not directly effect to community or nearby social. Khun Naowarat said,

"We proudly present that our company had involve a lot of activities to develop society and community such as internship for university students on summer vacation, joint venture with blanket Producer Company donate blanket for Northern provinces in winter season, donate boat and wet suit in flood situation in Bangkok. In addition, INET had built new data center with materials that save world such as fire extinguisher that does not release chemical effect to atmosphere."

13. Stakeholders

Everyone in the firm involves to the affect or be affect by the actions of the business as a whole. Stakeholder in Honeybee Sustainable Leadership means that everyone in organization participates with the decision making or transaction in the firm. It also means not lay-off employees and promotes people in organization to a higher level. Everyone knows company's vision and also share the future company's vision. INET does not share clearly vision drilldown to operational level and did lay-off few employees in the past couple months. They need to consider developing strategy to communicate company's value and vision through staffs.

14. Vision's role in the business

As I mentioned above that Board of Directors and Managing Director always share the direction of the firm. The future or direction of the company is concern among employees but just only few groups of people who follow that direction. The reason is that no one shares the future of the business. To gain employees' harmony is to communicate clearly vision. Only the top level management knows the vision and direction of the organization and did not communicate to their subordinate.

15. Decision making

Overall, there appear a close fit of decision making philosophy between Avery and Bergsteiner Sustainable Leadership practice. People in organization can make decision by themselves in any level of management. Even top management level and operational level need to solve current situation especially for Sales and Engineering team. Whenever sales person have a meeting with their clients and got some problem of this king of business. Sales need survivor tactic to make customers satisfy. Also for Engineering team that need to decide to fix their problem by self-governing. However, MD or top level management appears to be leader and give specific direction or decision to the teams.

16. Self-management

According to decision making philosophy, employees have authority to make decision and manage themselves to succeed their target or KPI. Manager's roles are to consult operational employees and order few tasks. Khun werachai said,

"Our working style was to manage ourselves and reach target on time. My manager act like consultant and give an advice."

17. Team orientation

In IT Company, most division need to work as a team such as Sales need to contact for availability of VM (space in data center) in data center which they need to contact engineering whoever control the room. Moreover, Sales must contact with Costing team to do Sales Order (SO) to calculate cost of production. Sales need to work with many teams to satisfy customers and response to customers need. As Khun Werachai said,

"In one transaction of selling our VM we need to contact many people both inside company and outside vendors. We have to do many documents such as Request Order, Sales Order, and Cost calculating for other team. I need to do what exactly customer want because in IT business, company must not have any mistake arise."

18. Culture

There is not much culture sharing in this organization. In the meeting MD or speaker mention only few times of the company's culture. Avery and Bergsteiner Sustainable Leadership also include innovation, quality and social responsibility of the company. INET's core value does exist in organizational culture but did not make it as a rooted or norm for employees. Khun Werachai point out,

"I do not know much about company's core value or vision because nobody told me to so I cannot share company's culture or core value to others. I believe most of employees in our organization do not know that neither."

19. Knowledge sharing and retention

The strong point of this organization is they have CRM software that gathers all internal and external information in company. Everyone in the firm can access to this system and seek for knowledge and information. Especially, customers' information is really important to the company. For internship employee who never

have experience on working will be teach in this company from their managers. Khun werachai point out,

"The first time I start working in this company my manager taught me everything to handle, contact person in the company or even how to behave in this company. I was very to work in this company before I got my own target."

20. Trust

As I interviewed one of the sales divisions "Khun Werachai", he told me that everyone in sales team must be control by Sales Manager who monitors all process. He was forced to increase sale target every year. Eventually, among sales people are trust each other to work.

"Our sales team was monitor by our boss. He monitoring depend on numeric which is our actual sale volume. However, he feels free to the team for process of work. We always consult each other among the team or colleagues."

21. Innovation

INET is one of the leading in ICT Company in Thailand that remarkable on modern software. The firm emphasizes to develop and support R&D and Engineering team to make the company more successful. Not only in R&D or Engineering team who create idea but sale team who get requirement from customers can develop by themselves. Khun Morragot point out,

"Last year we develop one of the leading software that innovated from customer's requirement. Our sale teams are very effective on get requirement from customer. We planned to produce new software every year as many as possible. The company has innovated not only the software but also internal document transaction. For example, we need to use more than 15 papers in order to make transaction from purchase order successfully. Our Software Engineer team had developed work flow to use less paper. Nowadays, our sales team use tablet or mobile devices to do documents. We

save approximately 10% of cost by reducing paper. Last month we launched this paperless software into the market and the feedbacks were very well."

22. Staff engagement

INET need to improve on this practice because of the interviewees said that they were under pressure from their boss when they work in this company. Only few departments willing to work other things beyond their regular job. Khun werachai point out,

"I am willing to do other job but I was committing from my boss to reach the target. I do not really agree to work something else because I believe that everyone in employee are busy and do not have enough time to do other things."

23. Quality

The quality of the firm is very good because of reputation itself. Before INET listed in Stock Exchange Thailand was mange by government. The company had set nig amount of investing budget. The company design to build new data center which cost more than 300 million baht but it took only 1 year to finish it. The company always plans to develop new software.

"We invested approximately 300 million baht last year to make new data center that quality equivalent to Google but the size is just smaller. We claimed that our new data center is the most effective data center in Thailand."

CHAPTER VI RECOMMENDATION

According to the Honeybee elements on the Sustainable Leadership gird, I conclude that INET had close fit in Honeybee practices. INET reach 21 Honeybee elements out of 23 elements. In additional, INET had reach 7 strong evident, 7 moderate evident and 7 least evident. Because INET is the company that listed in Stock Exchange Thailand so transaction and activities must be concerned.

First thing to do for strong evident, INET had reach 7 practices out of 23 which consist of long-term and short-term perspective, organization change, social responsibility, team orientation, knowledge sharing and retention, innovation and quality. I suggest to the company to continuously enhance on this practices to make organization sustainable.

Secondly, to develop INET to be more sustainable, company should focus more and develop on 7 practices that it got moderate evident which are developing people, valuing staff, ethical behavior, financial markets orientation, stakeholders, decision making and self-management. In my opinion, the firm should consider more on people in organization. I suggest that company should invest more on people, such as, company must arrange training program for more frequently and set more budget to serve a training course to all staff level to improve the performance of all. Moreover, I concern that the growth of company also depends on the effective employees in the company. If employees happy to work in the company, they will make the firm progress. So, company might put this as a main policy of company to create a happy work place. For example, new vision is created to push INET not only being the most effective ICT company but also attend to the environment of workplace to have a relax atmosphere and concern about relationship between people in organization also. Next, according to Sa Paper case (Sooksan, 2013), they manage the company to be a happy work place, instead of internal competitive. The firm should change attitude of employees to work together as a team by creating a strong teamwork by having an effective leader on each team to be able to inspire and make a team moving forward. For stakeholder element, Sa Paper case could be a good example on this term too. As it said that they give more credit to customer to sustain a good relationship between them. INET should use this method too with good cash-flow customers which will help building better relationship with stakeholders. In terms of decision making, the firm should give authority for employees to make decision by themselves while the top level management's duty can give a consult to them whenever they have problem.

Lastly, the evident that firm should develop the most because they all are low evident in this company and need to improve. There are retaining staff, succession plan, CEO and top team, vision's role in business, culture, trust and staff engagement. INET has low practice on promote staff in company to higher level in succession plan. Promote employees within company could increase satisfaction among employees and enhance their motivation at work as a extrinsic reward which could create engagement to the company. The company should select people in organization first before they head-hunt people from outside. If existing employees did not have enough efficiency on promotion, company could arrange training program to increase performance and leadership behavior. Moreover, each organization should have it own culture. INET might improve the culture by choosing culture. Then, it need to make all staff understand it deeply and everyone must corporate to do it by have a communication and follow the result till it become a strong culture. Staff engagement and retaining staff should be one of the goal of INET's culture because this company has a high level of turnover rate and most of staff are working in team. So, strong relationship or teamwork is needed to be able to service customer and create a strong sales team. So, if staff are get along with each other and they are happy to work together with high performance. It will make them engage with team till the company. Nevertheless, MD could share company's culture in company's meeting to influence people in company to active all the time. This reason can decrease turnover rate. Last but not least, above recommendation could not be success without the effective CEO and top management level team. CEO and top manager should have this skill and behavior. Firstly, they should improve the skill themselves of a good leadership by listening to employees. They also need to examine through problems from all perspectives and find solution

which benefit to everyone. Next, they should be able to help staff to learn their mistake and improve it. Then, they should develop the policy and goal of company and push it to encourage all employees to follow and make it success. As the research showed that communication among people in organization is very low and employees do not know much in company future direction. Top level management should communicate drilldown to operational level of the future of the firm such as arrange company meeting once a month and communicate the direction of the company. So, company direction and successful rate could not happen without the effective and high performance CEO and top management level.



CHAPTER VII DISCUSSION

7.1 Long-term perspective

INET is one of the leading ICT businesses in Thailand. The company's goal is not to maximize profit but to make sure that employees are willing to work and customers gain benefit from INET. INET emphasize on long term relationship and try to hold on win-win strategy to their partner. In the past few years, INET had signed contract with many company to become partner as win-win situation. Moreover, INET focus to get paid from customers by recurring. Get paid by recurring means rental business that customers have to purchase INET's service or products every month. INET try to keep relationship with customer for a long time. INET do not focus to do only one solution with customers but try to offer few services or product with win-win strategy.

In my opinion, the case study that I want to mention is Sa Paper Company. The company has regulated the pace of expansion by the availability of capital, labor, and natural resources. The pace of growth is determined by the availability of raw materials and the capacity of its own accumulated capital (Sooksan. 2013). The Sa Paper Company's ultimate goal's is not to maximize profit but to ensure that employees are happy. The company also has established good stakeholder relationship with its suppliers, customers, employees and the community as its future business. Moreover, Sa Paper focuses to develop community nearby by promoting Sa-related occupations so that people will have jobs to earn money.

INET's long-term perspective closely different with Sa Paper in some factors. Sa Paper Company focuses more on welfare and livelihood of employees but INET focuses more on business. Therefore, INET should enhance employees on living and welfare to gain more trust and benefit to company. Fortunately, INET is better than Sa Paper Company in suppliers factor. INET try to use win-win strategy with suppliers to both of them gain benefit.

7.2 Staff development

The practices of Avery and Bergsteiner in people are developing people, retaining staff, valuing staff, stakeholders, staff engagement and trust. In topic of people, INET do not focus on people factor. INET did have course training to develop employees in company but did not get attention much from employees to attend in the courses. Moreover, INET arrange training course only few divisions in organization such as in Sale and marketing, R&D or Engineering team.

The Thai case studies that I would like to compare are Sa Paper and The conglomerate case. For Sa Paper, the owner think that develop and enhance people in organization is the most important factor to make the firms sustainable. Lapinta treat all employees like they are one of her family which everyone satisfies to work in this company. The firm trained employees to have specific skill, moral and ethical behaviors. Moreover, Sa Paper never use machine to lay off any employees or other technology. For the conglomerate, the company equally treat employees both Thai and non-Thai employees. The conglomerate also mentioned that the training budget for employees has never been cut even in economy crisis or decreasing of revenue. The communication in the conglomerate also good enough as the case said. Everyone in the firms knows the direction of the company for the next 5 years. In additional, the top level management also rely on their subordinate that they do not screen much on proposal or documents.

In my opinion, INET could take the conglomerate and Sa Paper case studies adapt to change in the company. INET should set training program for everyone in the company to develop their skill and attitude.

7.3 Organizational culture

The company in case study that apparently good in organizational culture is Siam Cement Group (SCG). SCG is deeply rooted in shared values and vision. The organizational cultures are characteristic of ethic, perseverance, diligence, retaining staffs and innovation. In the history of SCG never lay-off their employees even in the hard time or company crisis. Moreover, it refers to low turnover rate of staffs. SCG

have strong organizational behavior because top management level were promoted within company not just find them from outside.

INET's organizational culture was less strong than SCG because if high turnover rate, and high number of lay-off employees in the company. However, INET's employees are freely to create new innovation or suggest opportunity to create value for company. They innovate new service or develop their new products freely.

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7.4 Innovation

The case Bathroom Design Company was obviously see the innovation in their products. They need to have new innovation to make their business growth and create more value. Radical innovation refers to major shifts in product lines and processes or developing entirely new goods or services (Sooksan, 2013). The company creates new innovation to yield a competitive advantage such as I-Spa, I-Touch, I-Aroma, I-Wave, I-Zecure and I-Silence. They create many innovation methods to generate new ideas and products. Their innovation created employees' suggestion and continuous improvement in organizational.

INET is one of the leading ICT Company in Thailand who always create new solution offer for customers. INET trained and develop employees in R&D division to create new innovation for the company. Fortunately, INET open for employees to suggest their ideas to create new innovation especially for sales team. Because of sale team are the one who meet customers and got requirement from customers. They might have new ideas from meet customers.

7.5 Social responsibility

The case studies that I would like to mention in social responsibility practices are Theptarin Hospital in Thailand and Sa Paper. Firstly, Theptarin mention that social responsibility is one of their core values. It serves the broader community by sharing its knowledge with other healthcare institutions and for clients and their families (Sooksan, 2013). Their goal is not just provide the best service for customers but they also mentioned to be the model for other institutions. Theptarin's social

responsibility, primarily through knowledge sharing, extends to a range of stakeholders and societies from across the South-East Asian region, including training professionals who end up working for competitors hospitals (Sooksan, 2013). Secondly, Sa Paper concerns on the pollution that release to the river by devise a simple effective system of managing waste water. Moreover, Sa Paper considers recycling their raw materials (Mulberry trees) and generating heat by recycling gas produces. Not only social's concern the company also creates value for stakeholders such as suppliers or customers. The case said that many times that the company paid money for suppliers more than they asked for or whenever customers' cash flow are shortage, the company allow them to pay later. The company does not realize only for social response but also their stakeholders for long-term relationship and not for just maximize profits.

INET also concern this social response as their core values. INET did help many communities and social disaster such as flood. As INET's core service is provide data center for customers to rent the company produced effective and green data center that do not effect environment in that area. For example, INET use hardware from the most reliable company in the world to save their cost and also expel noise and smell pollution for community. The different between INET and the example of two cases are INET did not concern on stakeholders who are suppliers and customers. One of the reason is INET was established from government so the transaction of the cash flow and regulation must be correct. Moreover, INET is a listed company so all transaction must be examine.

7.6 Ethical behavior

This topic is also important to the company's moral. The case that I would like to mention is a story of "True Corporation". True Corporation is one of the leading companies in Thailand who provide convergent business for end users. True Corporation maintains an ethical relationship with its customer stakeholders. For example, True Corporation went successfully through the 1997 Asian Economic Crisis because it gained trust and confidence from financial institutions, given its demonstrated honesty, integrity, transparency and ethics.

INET also have ethical behavior by its core values. INET's core values are consisting of performance, innovation, fairness, teamwork, integrity and dynamism. The company believes that being a good corporate cam lead those to greater success and also treat customers and competitors with fairness can turn to benefit in long run.



CHAPTER VIII CONCLUSION

Overall, Internet Thailand Public Company Limited (INET)'s leadership practices closely fit with Avery and Bergsteiner's Honeybee Sustainable Leadership criteria. My analysis above shows 21 Honeybee Leadership out of 23. "

It appears that 7 elements out of 23 apply to strong evident. The company focuses on the interest of a wide range of long term perspective by investing to get long term maximize profitability and also commit to have team orientation in the company. As INET is IT company, INET focuses R&D and innovation department to compete with competitors and sustain their business. Moreover, INET should develop on people such as emphasize on retaining staff, developing everyone in company and valuing staff. The company shows 7 elements of moderate practices which are developing people, valuing staff, ethical behavior, financial markets orientation, stakeholders, decision making and self-management. The company should consider more on staffs developing and authority in decision making. To gain more trust among employees, the firm should also emphasize on self-management. It would not be trust for employees if company always monitor and control their work.

It appears that Avery and Bergsteiner Sustainable Leadership practices do apply usefully to this Company and leaving the way open for future researches to similarly examine other Thai business.

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