

Building a Leadership Engagement Process for Medium-Sized Private Businesses: A Case Study of Manufacturing Estates in Thailand

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***Abstract:** This research report focused on the employee engagement process based on leadership construct. The researcher selected a medium sized private business as the case study model. The researcher conducted mixed method as the research and development framework which was the mixing of qualitative and quantitative research. The research was divided into two phases. The results from the first phase have been interpreted and analyzed for conclusions of the seven characteristics of a leader affecting employee engagement. The seven essential leadership characteristics are composed of Coaching, Communication, Integrity, Thinking, People Management, Career Path Development, and People Art. The second phase was to conduct quantitative research with 15 persons from the selected target group which was a manufacturing company. It focused on the experiment in the development of an employee engagement process based on leadership using the random sampling concept, as well as, to evaluate the effectiveness of the experimental process. The researcher applied the constructionism conceptual framework and the ADDIE model focusing on center-based learning.*

Keywords: leadership, leadership engagement, employee engagement, competency, constructionism, private business, ADDIE model.

Introduction

Organizations are faced with fierce competition because of external market changes which can result in losing market share, new offers of products by competitors, competitive price and new business opportunity for growth (Hiatt, 2013). The organization changes will not be successful if employees cannot improve and develop their competence to keep up with the changes. The success of an organization depends on human resources who must have the passion to work, commonly known as employee engagement. One of the main factors of promoting employee engagement is the relationship with leaders or management level, especially the supervisors and managers who work closely with the workers. There are many reasons that make employees resign, and one of the reasons is negative employee relationships with their leaders. Organizations in medium sized private businesses, especially manufacturing estates are sometimes faced with the lack of effective leader who can engage their subordinates (C. P. Group, 2014). The researcher is interested in measuring leadership engagement in the manufacturing estates. The study of the Office of the National Economics

and Social Development Board, Thailand, (cited in the Office of SMEs Promotion, 2013) found that the manufacturing sector is of high economic value because it was 34 percent of the total gross domestic product (GDP) in 2011. However, study found that there is a labor shortage in this sector, especially the labor for the operational level. According to the research of The Bank of Thailand (cited in the National Statistical Office, 2012), there is a severe labor shortage in the manufacturing sector with only about three-quarters of the total number of jobs filled. This information expresses that the labor shortage is a huge problem in the manufacturing sector which needs to be rectified.

Most of the human resources development in medium sized private businesses the leadership management process has not been clearly planned and implemented (The Office of SMEs Promotion, 2013). In this study, the researcher was interested in exploring the employee engagement leadership process focusing on the supervisor and manager level, and the research strategy focused on a selected business which is a medium sized private business. Thus, the aim of the study is to create a leadership engagement process in order to enhance the people context for the leader to develop, motivate and retain the company's employees. The researcher believes that many organizations can use the results as a model for developing leaders to enhance employee engagement which can lower employee turnover and increase employee engagement.

Purposes of the Study

The three purposes of this study are: 1) to explore competencies of the leader which affect employee engagement in a medium sized private business; 2) to develop the employee engagement process based on a leadership program in a medium sized private business; and 3) to evaluate the effectiveness of the developed employee engagement process based on a leadership program in a medium size private business.

Literature Review

Employee Engagement

Becker (1960) defined employee engagement as the expression of the people associated with certain behaviors due to the time they have invested their energy to it, and at the end they expect benefits from the organization. In addition, Buchanan (1974) defined employee engagement as a commitment to the organization's goal and value as well as a fulfillment of each person's role in order to achieve the organization's goal. According to Herbert (1976), employee engagement was represented defined employee engagement as coordination of the employees' behaviors and the organization's goal which has already determined the activities and behaviors.

Leadership Competencies

Slocum, Jackson, and Hellriegel (2008) defined leadership competencies as managerial competencies which are sets of knowledge, skills, behaviors, and attitudes that a person needs to be effective in a wide range of positions and various types of organizations. According to Clark (2010), leadership competencies represented the skills needed to drive the organization onto the cutting edge of new technologies. Society for Human Resource

Management or SHRM (2008) confirmed that some essential leadership competencies need to be consistent among organizations.

Developmental Process

Swanson and Holton III (2001) stated that the developmental process is a process for developing human expertise for the purpose of improving organization, process, and individual performance. There are difference wording for the development process, such as human resource development process, training and development process, and organization development process. The HRD professionals found that most of the developmental process is based on ADDIE process. It is common to use the term "Training for Performance System (TPS)". TPS embraces the titles of the traditional five phases of training presented in most models: analyze, design, develop, implement, and evaluate.

Constructionism

Petcharak (2001) defined constructionism as a learner-centered learning approach. The learners must learn by themselves by depending on the media or technologies which encourage the learning process. According to Paron (2005), constructionism represented an idea which emphasizes on the learners learning from real practices. The learners can learn better from the lessons that they prefer as an exercise. In addition, Thongsorn, Tubsree and Suratreungchai (2006) stated that constructionism is a learning approach which emphasizes the learners learning by themselves through real practices.

Research Methodology

The researcher utilized sequential mixed methods research, starting with qualitative research and followed by quantitative research. The research process is divided into two main parts, which are discussed below.

Qualitative Research Methodology

The researcher used qualitative research to find the characteristics of leadership engagement. The researcher used in-depth interviews with selected target groups made up of 27 persons from three organizations with nine persons from each organization. The target groups were composed of one employee from the management level, one from the department level, one from the human resources department, and six from the operational level. The researcher selected target groups from the selected organizations according to the concept of purposive sampling conditions. The researcher divided the interview steps into two parts: 1) one-per-one interviews for the executive employee, department head, and head of human resources, which were arranged for one hour, and 2) a group interview, as a focus group, for the operational employees, which was for three hours. The researcher analyzed the interview results by manual coding and then classified them into categories accordingly to the research questions, then synthesized to the essential characteristics which a leader was supposed to have, in order that employees will engage at work. The researcher validated all these finding based on the qualitative method throughout the steps in the research process.

There are two main strategies for achieving trustworthiness which are triangulation, multiple method of data collection and authenticity

Quantitative Research Methodology

The researcher conducted the experiment on the process of building the characteristics of leadership engagement and analyzed the effectiveness of the process by using quantitative research to do testing with a selected organization as a case study. There were 15 target groups attending the research project composed of managers and assistant managers from the management level. All were treated by the random sampling method, and attended the engagement development program for seven days. The tool for compiling and analyzing leadership characteristics was the provision of a 180-degree questionnaire, as well as, participants doing self-evaluation, while all 15 members of the target group were comprised of managers and supervisors with an 80% weighing for managers and supervisors, and 20% for the participants. Then the scores from the two groups were determined, and the results compared prior to and after participation. During the experiment, the researcher conducted a training course in accordance with the characteristics of the leaders affecting employee engagement under the findings of qualitative research. The researcher had the role and duty to coach participants according to the defined course, assigned activities, summarized the results after the activities, observed participant behavior, provided assignments to participants after the course, followed up and verified the assignments, and assigned participants lesson reviews for work enrichment. After the project, the researcher prepared a report concluding the conduct of the employee engagement process based on the leadership program. The researcher validated all those finding of the quantitative method such as content validity and internal validity. The study used the item objective congruence index (IOC) to check the content validity which were between 0.6-1.0 for each item. The value of the IOC in this study showed 0.92 expressing that the questions defined complied with the contents. Internal validity threats are the implementation procedures, treatment, or experiences of the participants that threaten the researcher's ability to correctly interpret the results

Limitation

This study has some limiting factors that need to be taken into account when considering using its results for further study. The following considerations were recognized as possible limiting factors in this study: 1) Given the qualitative nature and sample size of this study, it is not possible to generalize the findings to the whole practice of all supervisor and manager levels in the private business sector. 2) There is prevailing criticism about the external reliability of interviews as a data collection method. To deal with this problem, an in-depth semi-structured interview was used in this study to assure a more systematic data gathering process, thereby enhancing the external reliability of the interview process

Results

The results of each case study are reported, based on the research questions, as discussed below.

Question One: What are the factors of a leader affecting employee engagement in a medium sized private business?

The researcher employed the qualitative research to find the characteristics of leadership engagement. The researcher used the in-depth interviews with selected participants of 27 persons from three organizations, and nine persons from each organization. The researcher found from the analysis of the qualitative data that the essential leadership characteristics affecting employee engagement were composed of seven significant factors: 1) Coaching, 2) Communication, 3) Integrity, 4) Thinking, 5) People Management, 6) Career Path Development, and 7) People Art. The definitions to describe each factor are as follows:

Coaching – To develop the employees' abilities via coaching and mentoring are the approaches of analyzing the characteristics and differences of each employee. Leaders are supposed to be able to choose the right development tools which are appropriate for the different characteristics of each employee.

Communication – Talking and communicating clearly with the employees by using a common language. It also includes the ability of transmitting the data and organization policies to the employees.

Integrity – Taking justice and fairness with the people in organization. There should also be transparency in jobs, or the jobs must be operating with honesty and can be investigated.

Thinking – The ability of positive thinking towards the organization, division and employee. It is the way of thinking and talking only on the positive issues. The positive thoughts will also affect emotions and self-control, in which it will be reflected as the appropriate behaviors in front of the employees or others.

People Management – The art of managing people with problems at work or as the need arises. Also, it should include the ability of providing help to the employees, and trying to fix problems for the work-team. They should be able to manage the work-team.

Career Path Development – Developing the progress in the professions for the employees, by providing the opportunity and progress in their career paths, so that they will have moral support in doing their jobs.

People Art – Managing people and the work-team, so that they can work together without conflicts. They should also be able to manage people from different age groups, and support the cooperation among them.

Question Two: What are the processes of the employee engagement process based on the leadership program to be implemented in a medium sized private business?

The researcher conducted the implementation of the process of building the characteristics of leadership engagement and analyzed the effectiveness of the process by using quantitative research with a selected organization as a case study. There were 15 target groups attending the research project composed of 13 managers and 2 assistant managers from the management level. All were randomly selected and attended the engagement development program for seven days. Most of the participants had graduated from university with a bachelor's degree, majoring in Business Management, Finance or Accounting. Their ages range were 34 – 48 years Most of them commenced work before 2004. The researcher found that all of the participants have been with the company for over ten years. The researcher tried to build the employee engagement process based on a leadership program along the framework of a development course of the ADDIE Model.

Question Three: How effective is the developed employee engagement process based on the leadership program for a medium sized private business?

The answer from the research question of the effectiveness of the developed employee engagement process based on the leadership program along the ADDIE Model in this study, the researcher evaluated the efficiency of the implementation process using an 180 degree evaluation with results obtained from the manager and supervisor, and the learners is shown in the table below

Table 1 The Summary of Pre and Post-test Evaluation of 15 Attendants

Leadership Engagement Characteristics of 15 Leaders	% Evaluation Results		
	Pre-Test	Post-Test	% Differentiation Pre/Post Test
Characteristic 1 : Coaching	50.47	55.89	5.42
Characteristic 2 : Communication	56.63	62.78	6.15
Characteristic 3 : Integrity	52.62	58.13	5.51
Characteristic 4 : Thinking	63.67	69.2	5.53
Characteristic 5 : People Management	53.45	58.87	5.42
Characteristic 6 : Career Path Development	53.99	59.51	5.52
Characteristic 7 : People Art	54.49	60.36	5.87
% Evaluation Results	55.05	60.68	

The above table shows the development process of leadership characteristics derived from the experiment of each characteristic. The three characteristics most developed by qualitative research are Communication, People Art, and Thinking. The scores obtained were higher than the prior participation. However, the overall projections expressing all seven leadership characteristics of the 15 learners were developed by five percentage points.

Discussion

The discussion of the results is also structured around the three research questions, as follows:

Research Question One

The seven essential characteristics of a leader affecting employee engagement are composed of Coaching, Communication, Integrity, Thinking, People Management, Career Path Development, and People Art, which conform to the theories of Mowday, Porter and Steers (1982) It mentioned 4 factors affecting work engagement which are; 1) Personal Characteristics, 2) Job or Role-Related, 3) Work Experiences, and 4) Structural Characteristics. All are similar to the People Management Characteristics found by this research. In addition, Gubman (1998) mentioned seven factors which contributed to employee engagement: 1) Shared values, 2) Quality of work life, 3) Job tasks, 4) Relationships in work, 5) Total compensation, 6) Opportunities for growth, and 7) Leadership. Gubman (1998) stated that leadership was the main factor affecting employee

engagement which conformed to the intervention of this researcher who aimed to study the capability of leader building employee engagement, or named as Leadership Engagement.

Research Questions 2 and 3

The findings from the research found that the learning framework of the constructionism model can be applied for actual learning, as well as, the real practices focusing on the learner as a based center were applied. There were integrations of variable learning models not only practicing in the classroom. Learning can be done individually, with the researcher as the facilitator. All the above conform to the research of Chinsiraphra (2007), which mentioned that constructionism can be used to develop a person's learning process in terms of life skills and allow a person to have the ability to use important technology. It also promotes and cultivates learners to systematically think, plan and work, as well as practice problem-solving skills, be good team players, and know their responsibilities and duties coupled with morality and ethics. It is learning which consists of a full body of knowledge of all the aspects essential to living. This allows learners to become self-reliant and have the habit of longing for knowledge on a continuous basis throughout their lives.

In addition, the researcher used the human resources development framework under the concept of the ADDIE Model. There are five phases of ADDIE Model presented in most models: analyze, design, develop, implement, and evaluate. (cite in Swanson and Holton III (2001) which was implemented in the experimental process, concurrently applied with the learning framework of constructionism. This refers to the study of Swanson and Holton III (2001) that the developmental process is as process for developing human expertise for the purpose of improving the organization, process, and individual performance. There is different wording for the development process as a human resource development process, training and development process, and organization development process. HRD professionals found that all the developmental processes are based on the ADDIE process, or we can use the term the "Training for Performance System". TPS embraces the titles of the traditional five phases of training presented in most models: analyze, design, develop, implement, and evaluate. This five-phase model, as already mentioned, is generally referred to as the ADDIE model. In addition, the critical overarching task of "leading the training and development process" is added to the ADDIE process.

For the experiment in building the characteristics of the leader affecting employee engagement under the concept of Constructionism integrated with the concept of the ADDIE Model, the researcher found that the new presentation to build potentials and characteristics of leader affecting employee engagement, which is shown in following figure 1.

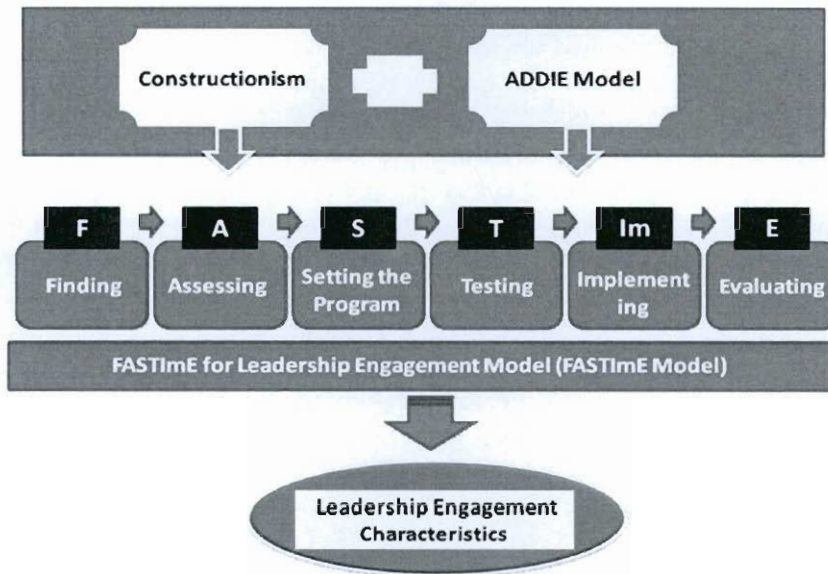


Figure 1 FASTImE for the Leadership Engagement Model

The above figure shows that FASTImE is the model that the researcher has created as the result of the study to suggest the process to build the characteristics of a leader affecting employee engagement as shown below.

Finding – the first step of the leadership development process affecting employee engagement. It is the findings of the essential characteristics of the leader which enhanced and supported employee engagement by compiling data from in-depth interviews and a focus group study with a top executive, department head, head of human resources department, and employees.

Assessing – assessing the potentials of the manager and supervisor who the organization wishes to develop having characteristics of a leader affecting employee engagement. It was the comparing of the characteristics findings with actual characteristics, in order to assess the target group which the organization desired to develop the potential of each leadership characteristic depending on the level of strength and weakness the employee actually had.

Setting the Program – designing the employee engagement process based on a leadership program by setting a course suitable to the characteristics evaluated, setting learning targets and objectives, providing details of the learning course, setting results derived from each course, arranging appropriate activities for learning at each course, setting learning steps, and setting the means to evaluate the learner's acknowledgement via job assignment.

Testing – enable the employee engagement process based on a leadership program to be tested with the selected target group by providing training about specified contents. This included activities, such as, games, case studies, and movies to test the selected target group prior to the actual training, as well as, to gather information for improving and developing the training courses, handouts, and activities arranged at each course.

Implementing – arrange the development program to be tested with the target group for actual improvement by using a design process for development of characteristics of a

leader affecting employee engagement. At this step the developer applied the concept of Constructionism to be implemented and the learner would have actual learning and practice. The development tool of non-classroom training was concurrently applied with classroom training.

Evaluating – evaluate the learning results after the completion of the development program. It was to evaluate the learner comparing the characteristics of a leader appearing prior to and after participating in the development program. The appraiser was able to use questions and evaluation guidelines prior to the learner participating in the development program. Also the developer must find methods to follow up on the learner as well as to determine whether he/she provided good assignments after participating in the development program.

The results of this research and development study (R and D) found that the FASTImE Model is different from the ADDIE Model. The ADDIE Model is the framework to develop the program focusing on the learning process for instructional design. However, the researcher found that the FASTImE Model is the framework to develop the program focusing on the outcome for increasing employee engagement in the organization. The FASTImE Model can be applied as a framework for building the leadership development process affecting employee engagement. The FASTImE Model is the process for answering research question 2. For the evaluation of the accomplishment of the leadership development process affecting employee engagement, the researcher settled the evaluation step as one of the processes of the FASTImE Model which enhanced the knowledge of the learner participating in this development program by delivering assignments to the facilitator. It included assessing the behavior of the learner as to whether it had changed, this could be assessed by a questionnaire from the learner, and the facilitator sent it to the relevant people to assess the behavior as to whether he/she had the essential characteristics that a leader is supposed to have. This evaluation method invented by the researcher was capable of answering research question 3.

Recommendations

The researcher presents the recommendations for applying the results of the study in the organization, as shown in the following details.

Recommendations for Practical Application

1. Improvement of Learning Models in an Organization, it is recommended that the leadership development process as introduced by the researcher should be accompanied with the Constructionism concept. It is a new developing model where Human Resources Department can apply as real practice since the development must focus on humans. The Constructionism Model which focuses on the learner to have actual practice on the case studies assigned, as well as, the learner is able to share ideas and comments among members in the team. The facilitator guides only the learning framework. The improvement of learning models presented by the researcher conform to the concept of Paron (2005) which stated that constructionism is an idea which emphasizes that learners learn from real practice. The learners can learn better from using the lessons which they prefer as an exercise. Therefore, the learning process is not forced onto the learners. Constructionism is an integration of

academic and other contents which the learners should learn by themselves through real practice.

2. Implementation of a research report as the framework in developing the leadership characteristics of an organization – the seven essential characteristics of the leader affecting employee engagement are Coaching, Communication, Integrity, Thinking, People Management, Career Path Development, and People Art. It was assumed that these essential characteristics of an organization should build for the leadership competencies for the organization's executives. Clark (2010) defined leadership competencies as the skills needed to drive the organization onto the cutting edge of new technologies. This is in line with a study by the Society for Human Resource Management (SHRM) (2008) which referred to the research of the Center for Creative Leadership that identified some essential leadership competencies consistent among organizations. They divided the overall structure into competencies for leading the organization, leading self and leading others in the organization.

3. The results of this study indicated that employees require and expect a leader to have the seven essential characteristics to affect the building of employee engagement. Managers must supervise and watch subordinates. They must find ways to develop themselves by analyzing whether they have all of these seven characteristics. If not, they should try to develop themselves beyond the programs provided by the organization.

4. Implementation of Research related to a Training Road Map – The Human Resources Department can use the results from this study to prepare a "Training Road Map" as well as to arrange training for leaders for the seven essential characteristics affecting employee engagement. All managers and supervisors should be required to attend the course to enhance their leadership potential.

5. Implementation of a Research Report Related to Career Paths: the Human Resources Department can use the seven characteristics as the criteria or rules in appraising the capability of employees prior to job promotions, as well as, to assess their potential whether they have the specifications to perform as leaders in the preliminary level. If they still lack some of the seven essential leadership characteristics, employees and managers must find a development program to suit the employee's capability in order that they are getting the readiness for promotions in the future.

Recommendations for Future Research

1. Since this study has discovered the seven leadership characteristics, there could be a further study in detail to find development tools beyond the guidelines as proposed in this research, then putting effort into the development and following up the results seriously and continuously.

2. Recommendation of this research report as framework to develop leadership characteristics in other field of business. Any researchers who are interested in the development process to affect employee engagement, can apply this study with other businesses which are not located in an industrial estate. Also he/she can apply the FASTImE Model to analyze the characteristics of the leader to affect employee engagement in other businesses which might be similar or different from the research study.

3. Recommendation of this research for development of the seven leadership characteristics to affect employee engagement. For researchers who are interested in further

studying leadership characteristics which are Coaching, Communication, Integrity, Thinking, People Management, Career Path Development, and People Art, can do the study regarding to finding tools and equipment for development of such the characteristics.

4. Recommendation of this research for employee promotions. The researchers who are interested in this research can apply this study framework for employee promotions, as well as the employee should implement the seven characteristics affecting employee engagement, by using the seven characteristics as prescribed in this research as a framework to develop employees for promotion in the preliminary level.

5. Recommendation of this research for developing leaders in other fields. The researchers who are interested in this research can apply the Mixed Model concept composed of 1) Qualitative Research by using In-depth Interviews and a Focus Group Study, and 2) Quantitative Research can use the research framework of this report to find leadership characteristics in other fields, such as, Team Leadership, Creative Leadership, or Change Leadership.

6. Recommendation of this research report for building the leadership engagement process with the same case study. Other researchers can apply the processes of this study by using qualitative and quantitative methods to build a leadership engagement process for medium sized private businesses in the same case study of manufacturing estates. Other researchers can increase the number of key informants for in-depth interviews and the number of participants in the research and development process (R and D) to confirm the results from this study.

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