

## **CHAPTER ONE**

### **INTRODUCTION**

#### **1.1 BACKGROUND**

One of the biggest challenges for middle-level administrators at the Office of the Permanent Secretary of the Interior (OPSI) will face as a team leader is the problem of government officials' work performance culture. There is a growing body of research which shows that leadership behavior is a key factor influencing employee engagement. Research on the service-profit chain (Lau, 2000, cited in Wikanya Nonsadoo, 2006), for example, has highlighted the key role of leaders in securing and maintaining employee commitment at the workplace.

The study of employee engagement has emerged as a central factor in the success of the organization. Some studies have even shown that employee "engagement has potential to significantly affect employee retention, productivity and loyalty; it is also a key link to customer satisfaction, company reputation and overall stakeholder value" (Lockwood, 2007). For organizations to succeed in the future, they need to focus on employee engagement as well as organizational commitment.

In any organization, there are two kinds of employees – engaged and disengaged. Engaged employees are those who are dedicated to the organization's vision and eager to contribute. They are productive and live by the organization's values. Disengaged employees are those who aren't even aware of the organization's vision. Since an employee is engaged or disengaged based on the culture of the organization, the leader is a person who can build a culture to overcome employee disengagement.

Recent research has focused on developing a better understanding of how variables such as the quality of work relationships and values of the organization interact as well as their link to important work outcomes. 84% of highly engaged employees believe they can positively impact the quality of their organization's products, compared with only 31 percent of the disengaged. From the perspective of the employee, "outcomes" range from strong commitment to the isolation of oneself from the organization. A study done by the Gallup (2003) has shown that only 29% of employees are actively engaged in their jobs. Those "engaged" employees work with

passion and feel a strong connection to their company. About 2/3 of the business units scoring above the median on employee engagement also scored above the median on performance. Moreover, 54% of employees are not engaged meaning that they go through each workday putting time in but with no passion for their work.

A study conducted by Swindall (2007) indicates that the leaders in private corporations can turn disengaged employees into highly engaged go-getters. Because of the difference of organization structures and job classifications between private corporations and government services, the group (government officials at OPSI) in this case study may respond to the use of leadership behaviors differently. Hence, it is interesting to find out how middle-level administrators in government service exercise leader styles – directional leadership, motivational leadership, and organizational leadership – and find which styles best engage government officials in an organization.

## **1.2 STATEMENT OF THE PROBLEM**

This study aims to answer the following questions:

1.2.1 What are the leadership styles of middle-level administrators driving the engagement of government officials at OPSI?

1.2.2 What are the leadership styles exercised by middle-level administrators at OPSI?

1.2.3 What is the degree of engagement of government officials at OPSI?

1.2.4 Does a leadership style affect government officials' engagement?

## **1.3 OBJECTIVES OF THE STUDY**

The objectives of this study are the following:

### **1.3.1 Main Objective**

To investigate the leadership styles of middle-level administrators which drive engagement of government officials at OPSI.

### **1.3.2 Sub-Objectives**

1. To examine the leadership styles exercised by middle-level administrators at OPSI.

2. To measure the degree of engagement of government officials at OPSI.

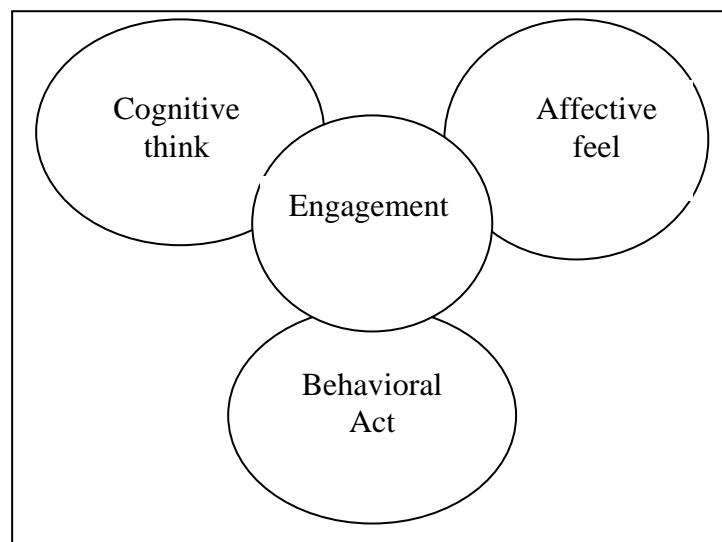
3. To indicate the leadership styles of middle-level administrators affect government officials' engagement.

#### 1.4 FRAMEWORK OF THE STUDY

The framework of this study included the concept of leadership style as one of the employee engagement drivers.

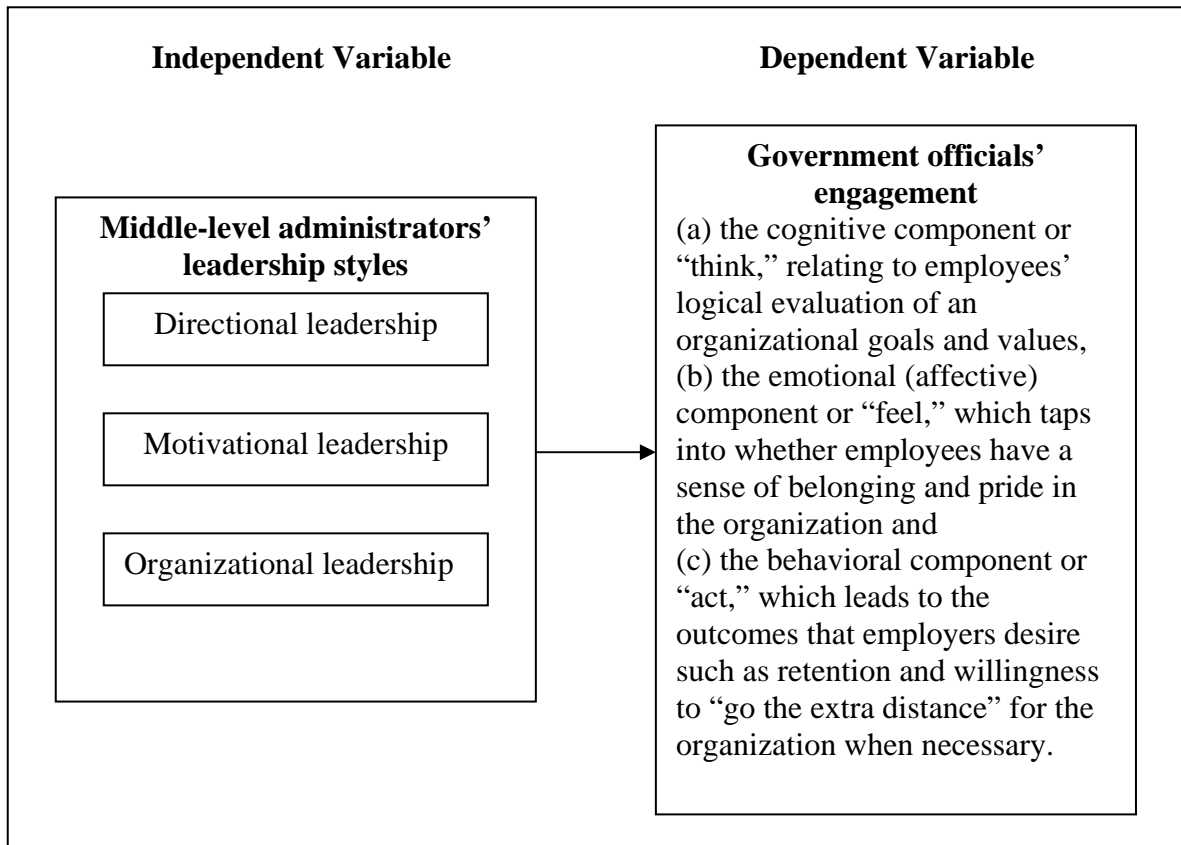
The independent variables are three aspects of middle-level administrators' behaviors which are directional leadership, motivational leadership and organizational leadership. The dependent variable is the engagement of government officials which includes (a) the cognitive component or "think" relating to employees' logical evaluation of organizational goals and values, (b) the emotional (affective) component or "feel," which taps into whether employees have a sense of belonging and pride in the organization and (c) the behavioral component or "act," which leads to the outcomes that employers desire such as retention and willingness to "go the extra distance" for the organization when necessary (International Survey Research or ISR, 2004).

*Figure 1: Components of employee engagement of ISR (2004)*



This study focuses on the leadership styles of middle-level administrators as a predictor of government officials' engagement. The variables in this study, dependent variable and independent variable, are shown in the following figure:

*Figure 2: Conceptual framework showing the relationship between the independent and dependent variables.*



## 1.5 HYPOTHESIS

**Hypothesis 1:** All leadership styles (directional, motivational and organizational) are used by middle-level administrators.

**Hypothesis 2:** Government officials at OPSI have a high level of engagement.

**Hypothesis 3:** Government officials at OPSI have high level of engagement in all three aspects: cognitive, emotional, and behavioral.

**Hypothesis 4:** There is a relationship between leadership style and engagement.

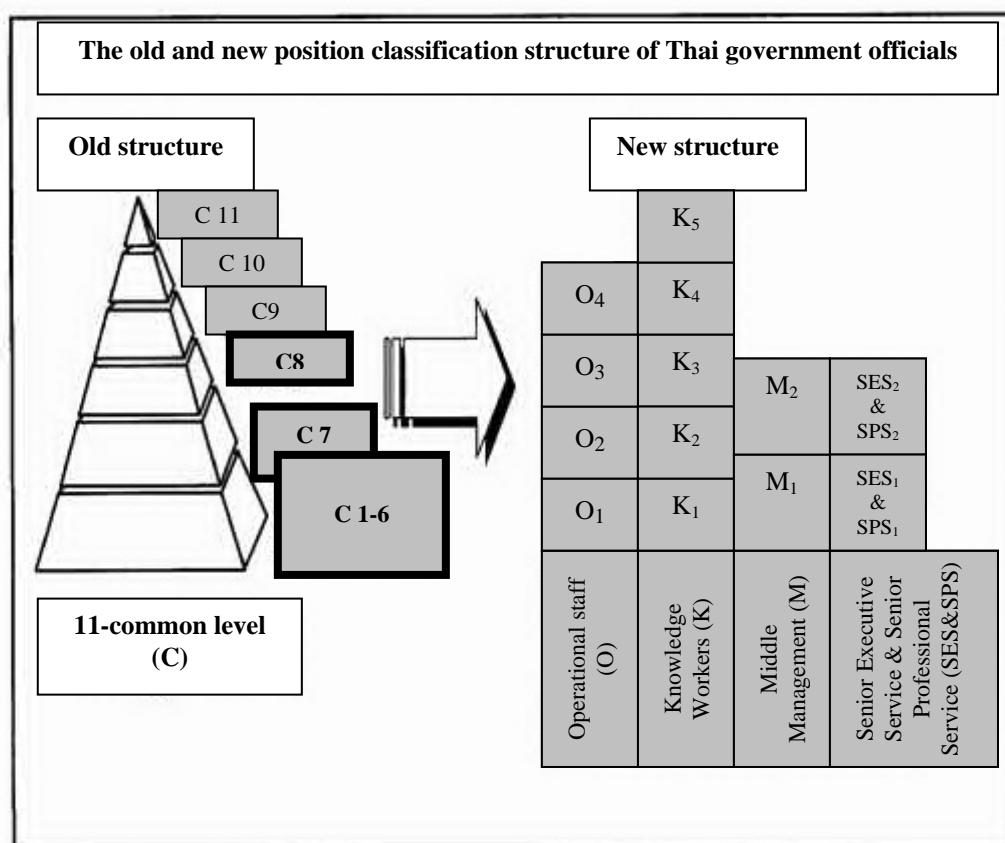
**Hypothesis 5:** All of the leadership styles (directional, motivational and organizational) of middle-level administrators drive government officials' engagement in the three aspects: cognitive, emotional, and behavioral.

## 1.6 DEFINITION OF TERMS

The following is the definition of the terms in this study.

**Position classification** refers to the position classification of government officials who work in government service. According to the Civil Service Act B.E. 2551, the Office of Civil Service Commission decided to opt for modification of the position classification. The design of the new position classification system is as follows:

*Figure 3: Position classification structure of Thai government officials according to The Civil Service Act B.E.2551*



The new position classification system consists of four position classifications which are Operational Staff (O), Knowledge Workers (K), Middle Management (M), and Senior Executive Service and Senior Professional Service (SES&SPS).

**Level of position classification** refers to the level of each position classification of government officials who work in government service: Operational Staff (O) classification consists of four levels, Knowledge Workers (K) consists of five levels, and both of Middle Management (M) and the Senior Executive Service and Senior Professional Service (SES&SPS) consist of two levels.

**Middle-level administrator** refers to government officials, common level (C) 8, who is the direct leader determined as the Operational staff 3 (O<sub>3</sub>) and the Knowledge Workers (K<sub>3</sub>) government officials, who according to organizational structure have power to supervise government officials.

**Government official** refers to government officials who are:

- Common level (C) from 1 to 7 of the old position classification structure or determined as the Operational staff 1 and 2 (O<sub>1</sub> and O<sub>2</sub>) government officials of in the new structure, under direct supervision of the direct leader, the Operational staff 3 (O<sub>3</sub>).
- Common level (C) from 1 to 7 of the old position classification structure or determined as Knowledge Workers 1 and 2 (K<sub>1</sub> and K<sub>2</sub>) government officials of in the new structure, under direct supervision of the direct leader, Knowledge Workers 3 (K<sub>3</sub>).

**Leadership styles** refer to behavioral dimensions exercised by middle-level administrators in order to achieve the organizational goals.

- *Directional leadership* is the behavior of middle-level administrators in giving instructions, expectations, deadlines, and appropriate guidance about performance to government officials. This behavior also includes specifying directions and purposes, keeping subordinates on task and providing them a sense of meaning for their work, as well as shaping the organization's goal.
- *Motivational leadership* is the behavior of middle-level administrators in understanding what drives subordinates to take specific actions, inspiring their performance toward the organizational vision, and encouraging subordinates to be dedicated to the organization. This behavior includes creating opportunities for them to meet personal and organizational needs at the same

time. Moreover, middle-level administrators use their power to direct, reward and motivate government officials to achieve organization's goals.

- *Organizational leadership* is the behavior of middle-level administrators in operating with a clear vision of the future, focusing on both short-term and longer-term performance, and sharing belief and values that influence the organizational behavior of government officials. This behavior includes an emphasis on teamwork, the encouragement of risk taking, emphasis on innovation and empowerment enabling government officials to perform and achieve.

**Engagement** is a cognitive component or “think,” relating to employees’ logical evaluation of organizational goals and values, an emotional (affective) component or “feel,” tapping into employees sense of belonging and pride in the organization, and a behavioral component or “act,” leading to the outcomes that employers desire such as retention and willingness to “go the extra distance” for the organization when necessary.

## 1.7 SCOPE OF THE STUDY

This study was limited to government officials at the Office of the Permanent Secretary of the Interior (OPSI) and focused only on the Operational staff 1 and 2 (O<sub>1</sub> and O<sub>2</sub>) and the Knowledge Workers 1 and 2 (K<sub>1</sub> and K<sub>2</sub>) government officials. Although there are several factors contributing to the engagement of government officials, this research focused only on the leadership styles of middle-level administrators, the Operational staff 3 (O<sub>3</sub>) and the Knowledge Workers (K<sub>3</sub>) government officials, as a leading factor in engagement. Furthermore, the data came only from the self-reported measurement of government officials’ perception of middle-level administrators’ leadership styles and their organizational engagement.

## **1.8 SIGNIFICANCE OF THE STUDY**

The results can be used as a guideline for administrators at OPSI in the use of leadership styles that engage government officials at all levels for improving organizational productivity and reducing absenteeism among government employees.

## **1.9 ORGANIZATION OF THE STUDY**

The study is divided into five chapters. The first chapter is the introduction consisting of the background of the study, statement of the problem, objectives of the study, scope of the study, definitions of terms, significance of the study, and organization of the study.

The second chapter is a review of the literature in three main areas along with a summary: (1) leadership, (2) employee engagement, and (3) relevant research.

The third chapter is the methodology comprising subjects, materials, procedures and data analysis.

The fourth chapter presents the results and tables of the survey and the last chapter will provide the conclusion, discussion, and recommendations for further research.