

Effective Leadership in NGOs in Thailand

Kasama Khwanmuang^{1*}, Haruthai Numprasertchai² and Suparerk Sooksmarn²

ABSTRACT

In the past decades, nongovernmental organizations (NGOs) have been prominence in development role. The number of NGOs and amount of funds have increased largely in developed as well as in Third World countries. While NGOs are praised on their flexibility, cost-effectiveness, innovation and ability to reach grassroots, critics are concerned with their lack of accountability. In addition, the rapid growth in the size and complexity of some NGOs has uncovered management problems that threaten their distinctiveness and their effectiveness. These changes raise recognition of the crucial role of leadership for NGOs in meeting challenges. It is found that leaders adopt different leadership styles for changing situations. This study identified senior executives' leadership style and measured leadership effectiveness perceived by subordinates in Nongovernmental Organizations (NGO) in Thailand. The research was based on a pilot study using a survey questionnaire. The findings reveals that transformational leadership is the major leadership style of NGO senior executives in Thailand. This style also has the highest correlation with leadership effectiveness.

Key words: leadership, leadership style, leadership effectiveness, nongovernmental organizations, Thai NGOs

* Corresponding author; e-mail address: pkasamaa@gmail.com

¹Kasetsart International MBA Program, Kasetsart University, Bangkok, 10900

²Faculty of Business Administration, Kasetsart University, Bangkok, 10900

INTRODUCTION

In the 1970s, nongovernmental organizations (NGOs) emerged in order to assist underprivileged people, trying to lay out an alternative path for the nation's development (Shigetomi et al., 2004). During the 1980, they began attracting attention due to donors had become frustrated with the often bureaucratic and ineffective government and found NGOs providing an alternative and more flexible funding channel (Lewis & Kanji, 2009). The number of NGOs and the amount of aid that NGOs receive has been increased dramatically in developed as well as in Third World countries (Antrobus, 1987; Lewis & Kanji, 2009). In Thailand, most NGOs focus their responsible on human rights, education, healthcare and rescue services. Thai NGOs have increased steadily and play significant role in providing voluntary services to society in addition to the services from the governments (Bunchapattanasakda, et al., 2012). While NGOs are lauded on their flexibility, cost-effectiveness, innovation and ability to reach grassroots, critics are concerned with their lack of accountability (Lewis & Kanji, 2009). Furthermore, the rapid growth in the size and complexity of some NGOs has uncovered management problems that threaten their distinctiveness and their effectiveness (Hailey & Smille, 2013).

It has raised recognition of the crucial role of leadership for NGOs (Hailey & Smille, 2013) and these changes put pressure on NGO leaders (Lindenberg & Dobel, 1999). Quite often, leaders seem to adapt leadership styles in different situations (Hailey & James, 2004). Many leaders have been practiced the full range of leadership consisting of transformational leadership, transactional leadership, and laissez-faire or nonleadership behavior. Transactional leadership can be reasonably satisfying and effective, but transformational leadership is more satisfying and effective (Bass, 1996; Bass, 1999). Thus, this study focuses on leadership style and its effectiveness of NGO leaders, senior executives (CEO, CFO, and other members of the top management team), who are responsible for the overall management and effectiveness of the organization (Bateman & Snell, 2011).

The research is conducted by applying Bass (1985)'s transformational leadership theory, and the new theory, Avolio and Bass's full-range leadership theory (FRLT) (Avolio & Bass, 1991), which Bass and his colleagues further expanded based on the results of studies completed between 1985 and 1990. The FRLT comprises the three leadership behaviors: transformational, transactional, and nontransactional laissez-faire leadership (see Table 1). Transformational leadership refers to the leader moving the follower beyond immediate self-interests. It lifts the follower's level of maturity and ideals as well as concerns for achievement, self-actualization, and the well-being of others, the organization, and society. Transactional leadership refers to the exchange relationship between leader and follower to meet their own self-interests. Laissez-faire leadership, the avoidance of leadership, such as "being

absent when needed”, and “taking no action even when problems become chronic” was strongly associated with subordinate dissatisfaction, conflict, and ineffectiveness (Bass, 1999).

Table 1 The Full Range of Leadership.

Transformational leadership	<p>Idealized influence: Leaders serve as role models for their followers. They emphasize important of having mission and have high moral and ethical standards. There are two aspects: the leader's behaviors and the elements that are attributed to the leader by followers.</p> <p>Inspirational motivation: Leaders motivate their followers by viewing the future with optimism, and effectively communicate expectations.</p> <p>Intellectual stimulation: Leaders stimulate their followers to view problems from various perspectives, and to look for more creative solutions.</p> <p>Individualized consideration: Leaders pay special attention to each follower's needs for achievement and growth. They act as coach or mentor teach with the intention of developing followers.</p>
Transactional leadership	<p>Contingent reward: Leaders focus on clarifying expectation and exchanging promises. They provide followers rewards in exchange for desire efforts.</p> <p>Active management-by-exception: Leaders monitor performance and takes corrective when it deviates from standards or expectation.</p> <p>Passive management-by-exception: Leaders do not intervene until problem becomes serious, or until it brought to their attention.</p>
Laisses-faire leadership	Leaders avoid making decisions, and absent when needed.

Sources: Adapted from Bass (1996) and Foster, Goertzen, C. Nollette, and F. Nollette (2011).

Transactional leadership is fundamental for effective leadership, but a greater amount of effort, effectiveness, and satisfaction, is from transactional leadership if augmented by transformational leadership (Bass, 1996). The effectiveness of leader in this research refers to the ability of leaders in increasing followers' desire to succeed and to exert effort higher than their normal rate, leader's efficacy in achieving organizational and team's objectives, and followers' satisfaction to their leaders. To measure these aspects of leadership effectiveness, employee perception toward the leaders was used.

As the role of leadership is critical to an organization, this study aims to identify Thai NGO senior executives' leadership style and measure its effectiveness based on subordinates' perception.

MATERIALS AND METHODS

The target population was subordinates to senior executives of NGOs in Thailand. This pilot study used a convenience sampling method to select a sample of 30 subordinates. The survey

questionnaire for this study was developed based on Avolio and Bass (1991)'s full-range leadership theory (FRLT) and divided into two parts. The first part was about the demographic which contained 3 questions. The second part included two elements about behaviors of leadership styles, and leadership effectiveness. The behaviors of three leadership styles consisted of 18 questions which 10 questions for transformational leadership, 6 questions for transactional leadership, and 2 questions for laissez-faire leadership. The leadership effectiveness was measured by 6 questions. In the second part, a 5-point scale rating was used to evaluate leaders, where 1 is strongly disagree, 2 is disagree, 3 is neutral, 4 is agree, and 5 is strongly agree.

To ensure that the questionnaire is clear and covers the purpose of the study, the researcher brought it to consult and check the content validity with the experts in NGOs. Regarding the reliability of the questionnaire, it was calculated by using Chronbach's alpha. The reliability values for behaviors of transformational, transactional, and laissez-faire leadership style were 0.955, 0.736, and 0.611 respectively. The reliability value for leadership effectiveness was 0.876.

The data was collected through the online self-administered questionnaire and analyzed using statistical package software program. The descriptive statistics and the Pearson's correlation were used to analyze data.

RESULTS AND DISCUSSION

The results of data analysis collected from 30 senior executives' subordinates of NGOs in Thailand are as follows.

Table 2 Demographic data.

N = 30

Demographic Factors	Frequency	Percent
Gender:		
Male	4	13.3
Female	26	86.7
Age:		
21-30 years old	3	10.0
31-40 years old	13	43.3
41-50 years old	13	43.3
More than 50 years old	1	3.4
NGO type:		
NGO registered with the Ministry of Social Development and Human Security (MSDHS)	13	43.3
International NGO registered with the Ministry of Labour (MOL)	17	56.7

Table 2 presents gender, age, and NGO type demographics of respondents in this research. The majority are females (86.7%) aged less than 40 (53.3%). Most of them work for International NGOs registered with the Ministry of Labour (56.7%).

Table 3 Dominant leadership style of senior executives of NGOs in Thailand.

Type of leadership style	Mean (\bar{x})	Std. Deviation (S.D.)
Transformational leadership	3.52	0.9673
Transactional leadership	3.17	0.7877
Laissez-faire leadership	2.01	0.8952

The mean score shown in table 3 above indicates that transformational leadership is the dominant leadership style of NGO senior executives in Thailand, followed by transactional leadership, and laissez-faire leadership.

Table 4 Leadership effectiveness.

Leadership effectiveness	Mean (\bar{x})	Std. Deviation (S.D.)
Leadership effectiveness	3.46	0.9030

By using a 5-point scale rating to evaluate leaders, the mean score of leadership effectiveness refers to the degree to which leader are efficient in achieving organizational objective and goals, able to in achieving organizational objective and goals, and satisfying to subordinates. Table 4 shows the mean score of leadership effectiveness (mean = 3.46) suggesting that NGO senior executives' leadership style tends to be fairly effective.

Table 5 Correlation between leadership styles and leadership effectiveness.

	Leadership effectiveness
Transformational leadership	.893**
Transactional leadership	.675**
Laissez-faire leadership	-.358

** . Correlation is significant at the 0.01 level (2-tailed).

Table 5 shows the result of the relationship between leadership styles and leadership effectiveness. The score from the correlation analysis shows that transformational leadership has the highest positive correlation with the leadership effectiveness, followed by transactional leadership. On the other hand, laissez-faire leadership has a negative correlation with the leadership effectiveness.

Research findings indicate that transformational leadership style appears to be the major leadership style of NGO senior executives in Thailand. The reason that senior executives display transformational leadership style could be related to their role which are strategic planning includes creating the organization mission, vision, and goals, and implementing strategy, with which people can identify and to which people will enthusiastically commit. At some level, they must motivate people in organization to follow their vision.

Results of study also show that transformational leadership style has a highest positive correlation with the leadership effectiveness in followers' perception of satisfaction, organization's objectives achievement, and their willingness to expend extra effort. Since subordinates are satisfied, it could make NGOs effectively retain employees. Furthermore, subordinates to transformational leaders are coached in order to develop them for achievement and growth, motivated to go beyond one's self-interests for the good of the organization. This could increase organizational effectiveness. Consistent with previous research of NGOs in the Philippines, NGOs leaders exhibit transformational leadership behavior (Taylor, 2014). Similar research in India suggested that transformational leadership enhances NGO employees' satisfaction (Shiva & Suar, 2010). Study of Turkey NGOs indicated that transformational leadership yields positive results (Seyhan, 2013).

CONCLUSION

Based on the results of the pilot study findings, transformational leadership style tends to be the dominant leadership style applied among senior executives of NGOs in Thailand. The result also reveals that their leadership style appears to be moderately effective based on subordinates' perception. Therefore, NGOs should apply transformation leadership as one of the recruitment and selection criteria for new senior executives, and develop leadership program to train current senior executives to embrace transformational leadership behaviors.

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