

THE CHARACTERISTICS EFFECTED OF THE LEADERSHIP SUCCESS IN THE INDUSTRIAL SECTOR

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ABSTRACT

Successful organizational leaders' characteristics can sufficiently establish successful leading industrial businesses. Quantitative and qualitative research methods were conducted in this study. The quantitative data were obtained by questionnaires from 500 leaders.

The results of this research compose of 4 aspects: personality, knowledge, capability, and success. Intelligence, witness, and tact are the highest average for the personality aspect. In the area of knowledge, understanding in investment represents the highest score. Management capabilities and skills are most leading at adapting to any changes in time for a rapidly changing environment. Simultaneously and leadership roles' success is essential for elevating the organization to internationalization to be recognized in the business sector. Hypothetical test results explicated that large, medium, and small-sized industrial organizations valued the leaders' characteristics that contributed to success as corporate leaders of the industrial sector, not statistically significantly different at 0.05. The developed structure equation model analysis reported that the study was followed the empirical data and passed the evaluation criteria. The Chi-square probability level, relative Chi-square, the goodness of fit index, and root mean square error of approximation are 0.067, 1.180, 0.965, and 0.019, respectively.

Keywords: Organizational Leader, Personality, Knowledge, Capability, Success.

INTRODUCTION

Nowadays, industrial enterprises are confronted with business challenges caused by increasingly intense competition in various industries Secundo & Elia (2014). In addition, the mentioned competition has also entered in the form of multinational companies, which is a business without borders, causing business organizations to adapt with new ways of thinking and perspectives to improve competitiveness and maintain the organization's existence Hussain et al. (2018). As a result, according to the 61 Global Economic Zones 2020 Competitiveness Ranking, Thailand was ranked 29th, down from 25th place in 2019. Additionally, considering the competitiveness rankings of Overall Economic Performance of 61 global economic zones, it was ranked the 43rd, dropping steadily from 42nd in 2017 and the 37th in 2016 IMD World Competitiveness Center (2021).

The information mentioned above has corresponded with the juristic persons desolated from the Ministry of Commerce, surveyed as of 2020. From the information, in the year 2015, 22,576 people were liquidated. In 2016, there were 20,983 liquidations, in 2017, 21,444 were liquidated, in 2018, 21,775 were liquidated, plus in 2019, there were liquidations. Twenty-two thousand one hundred twenty-nine businesses Department of Business Development Ministry of Commerce (2020). It is continually rising, which indicates the problems of business

organizations. Research on the causes of corporate failures has been found that businesses that experience operational difficulties, also known as failures, are usually caused by 12 major reasons as follows 1) The leaders lack experience in the business 2) The market for castigation is wrong 3) Entering the market of new competitors 4) Partners quarrel 5) Overinvested 6) changes in consumer behaviour 7) the death of business owners 8) discovery of new products or innovations Kim (2019). 9) economic situation 10) Heavy spends on loans 11) labour and strike problems, finally, unexpected events, where an excellent missing piece of knowledge and good business experiences of leaders is one of the most common factors that cause business failure Salamzadeh et al. (2014).

According to a survey of the top 100 successful industrial business leaders worldwide from Harvard University in 2017, most successful industrial business leaders were in the Americas, accounting for 50 per cent. They were followed by 32 per cent in Europe. Twelve per cent was found in Asia, and six per cent was found in South America. In Asia, there are no Thai industrial leaders who reached this position Harvard Business Review (2017).

From the above information, the problems of this research were found including 1) Thailand's competitiveness rankings out of 61 global economic zones are unstable and continuously decline 2) Thailand's economic performance had been declined 3) The liquidation of the juristic person of the Department of Business Development of Thailand tends to increase 4) Thailand was not reached by the flourishing industrial business leaders worldwide in 100 rankings 5) Successful corporate leaders account for less than 1% of the total number of all companies in Thailand.

The research review found that there are researches on the characteristics of leadership that influence success as follows; Panida (2016) found that successful leadership has six critical elements, which are 1) commitment, 2) courage, 3) cognizance of bias, 4) curiosity 5) cultural intelligence (Perna, 2016) and 6) collaboration. These key components have a positive relationship with business success. Bersin (2013) found that the new generation of leadership consistent with Generation Y's values is inclusive leadership. Bara et al. (2017) studied six key conceptual characteristics of inclusive leadership Kaushal & Mishra (2017). There are 1) commitment, 2) courage, 3) cognizance of bias, 4) curiosity, 5) cultural intelligence and 6) collaboration. The mentioned characteristics will enable team leaders to reach the ability to respond to the diversity of the modern world. Hence, be able to lead the new generation of teams and organizations to success and create a competitive advantage in business.

Therefore, from the research background and significance of the above issues, researchers are interested in studying the successful characteristics of organizational leadership, which influence industrial sectors Radovic Markovic et al. (2016). From the issue that Thailand does not designate the characteristics that affect the success as an organization leader in the industrial sector, which creates the ability to compete in practice; as a result, the competitiveness of the Thai industrial business sector has continued to increase steadily, being able to compete with the international community. Consequently, the main objective is to explore the characteristics that contribute to success as an organizational leader in the industrial business sector. The study's model is mixed research. The sample group is 500 industrial business leaders Silpcharu & Thaisom (2020).

Objectives of the Research

1. To study the structure and operating characteristics of the industrial business sector.

2. To study the composition of characteristics influencing the success as an organization leader in the industrial business sector.
3. Develop a structural equation model of the characteristics affected of the leadership success in the industrial sector.

RESEARCH METHODOLOGY

1. Qualitative research with in-depth interview techniques was selected in the study. Nine experts were related in this research. Purposive sampling methods were adapted to this study. The number of successful leaders can be divided into three groups: three leaders in successful organizations, three leaders from government departments and relevant institutions, plus three from the academic groups. The focus group technique was applied in this study. The population used in this study by purposive sampling method is eleven Leepaitoon (2020).
2. Quantitative research was also implemented in the study. The population used in this research was defined as the leaders of the incumbent organizations: chief executive, managing officer, managing director, or a position called by other names with powers and duties in the management of a company or an industrial business organization Porter & Kramer (2019). Large industrial business refers to an industry with a fixed asset value of more than 200 million baht or employing more than 200 people or more. Small and medium-sized industrial businesses mean the industries with a value of not more than 200 million baht or employment of not more than 200 people, under the laws of the Ministry of industry, employment contracts for permanent assets the Ministry of industry promotion Dankaw & Silpcharu (2020).
3. Determination of sample size set by the research standard of element analysis or structural equation modeling was applied to the research. A sample size of 500 excellent level samples was determined Comrey and Lee, 2013 cited in Silpcharu (2020) by using multi-stage sampling Silpcharu (2020) consists of a cluster sampling process by categorizing industrial businesses into two sizes: large industrial businesses; and small and medium-sized industrial businesses Lata (2020), using probabilistic randomness with a method of drawing (probability sampling) and collecting data from the sample.

RESEARCH RESULTS

The development results of a structural equation model on the leadership of the industrial sector are divided into three parts according to the objectives as follows:

1. To study the structure and operating characteristics of the industrial business sector. Regarding the structure of the industrial business sector, it was found that the organization gave importance to the leadership of the organization the most, which is accounted for 40.40%. In the industrial enterprise's operation characteristics, it was found that the organization did not take advantage of customers or seek benefits for themselves. It is considered to be a percentage of 43.80. The organization expects a person who wants to work with first at 42.60%. The priority of each task is the proportion of 41.40, which is appropriately assigned to each task. Management with honesty, there are no other interests that conflict with the performance of duties, accounted for 42.40%. There is a system to check the work within the agency, which accounted for 42.60%. The appropriate allocation of human resources in the quantity and quality of work is accounted for 51.40%. The leaders are using decision-making processes to form conclusions accounted for 41.80%. Furthermore, when classified by the size of the industrial business by small and medium businesses, the factors that made the industrial business the most successful were the organization's leadership, which accounted for 47.60 %. Followed by the vision of the organization accounted for 25.60%. Corporate values accounted for 15.60%, and the strategic aspect of the organization accounted for 11.20%, respectively. For the large business segment, it was found that the factors that made the industrial business the most successful were the leadership of the organization, which accounted for 33.20%. Followed by the vision of the organization accounted for 27.60%. Corporate values accounted for 21.20%, and the organization's strategy accounted for 18.00%, respectively.
2. To study the composition of attributes that affect success as an organizational leader in the industrial sector. Overall, it was found of great importance, which has an average of 4.35. When considering the characteristics of the project, it was found to be very important, which implies that the mean is equal to

(\bar{X} =4.36, S.D. =0.232), with the list of wisdom and creativity are the most important. Management competencies and skills are also on an important scale. The average is (\bar{X} =4.36, S.D. =0.234), with the ability to work in a rapidly changing environment is the most important. In the part of the success of the leader's role, its importance is at a great level. The average is equal to (\bar{X} =4.35, S.D. = 0.23), with each item raising the organization to an international level until it is accepted in the business sector is the most important. Moreover, the leadership knowledge section has an average value of (\bar{X} =4.35, S.D. =0.25), knowing the investment is the most important. The size of the industrial business from small and medium-sized businesses was found that the overall picture was of high importance with an average of 4.35. When considering each aspect, it was found that competence and skills in management were at a high level. It has an average of 4.36. In terms of their characteristics, the average was equal to (\bar{X} =4.35, S.D. =0.224). The mean of success in the leadership role was (\bar{X} =4.35, S.D.=0.226), and the leaders' knowledge was of high importance. The mean was 4.33, respectively. Furthermore, large businesses were found that the overall level was high, with an average of 4.36. When considering each aspect, it was found that the importance of a leader's knowledge is high, with an average of 4.37. The mean of success in leadership roles is equal to (\bar{X} =4.36, S.D. =0.230). Their characteristics are also of high importance. The mean was (\bar{X} =4.36, S.D. =0.239) and the competence and skills in management were of high importance, which contains the mean value in (\bar{X} =4.36 S.D. =0.24), respectively.

3. Develop a characteristic structural equation model that affects success as a leader in the industrial business sector. The analysis of the characteristic structure equation model that influences the success as an organization leader in the industry in the Unstandardized Estimate mode as shown in Figure 1 and the Standardized Estimate mode after the model improvement is shown in Figure 2.

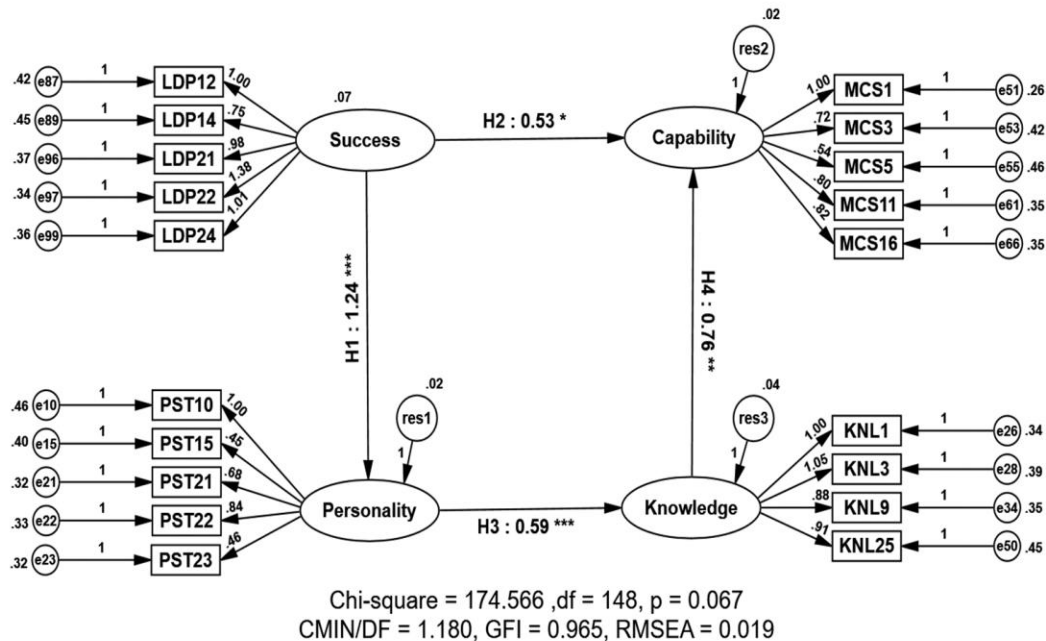


FIGURE 1
STRUCTURAL EQUATION MODEL OF THE CHARACTERISTICS EFFECTED OF THE LEADERSHIP SUCCESS IN THE INDUSTRIAL SECTOR IN THE UNSTANDARDIZED ESTIMATE MODE AFTER MODEL IMPROVEMENT

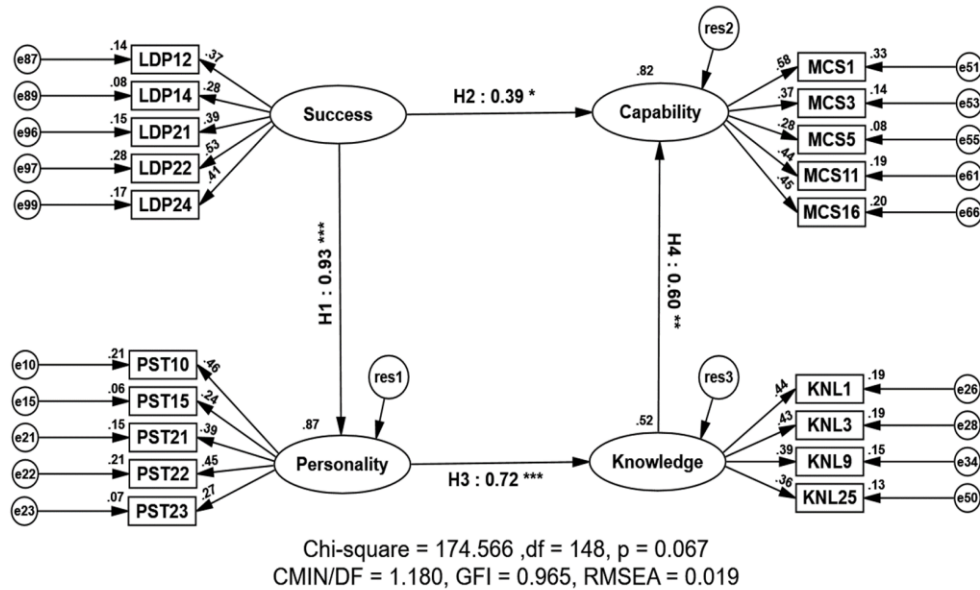


FIGURE 2
A STRUCTURAL EQUATION MODEL OF THE CHARACTERISTICS EFFECTED OF THE LEADERSHIP SUCCESS IN THE INDUSTRIAL SECTOR IN STANDARDIZED ESTIMATE MODE AFTER MODEL IMPROVEMENT

Figure 1 and Figure 2 found that the attribute model affects success as an organizational leader in the industrial sector. After the improvement of the model consists of the success factor in the leadership role (Success) was found to have a variance of 0.07, which directly influenced the component of one's attributes, Personality. The Standardized Regression Weights is 0.93, statistically significant at 0.001, multiple squared correlations (R^2) 0.87, variance 0.02. It directly influences capability at the standardized regression weights of 0.39, statistically significant at the 0.05 level, the squared correlation (R^2) 0.82, the variance 0.02. In the components of their personality characteristics, it was found that the variance 0.02 directly influenced the knowledge component of leaders at the standardized regression weights of 0.72, statistically significant at the 0.001 level; the squared correlation (R^2) is 0.52. The variance is equal to e0.04. The knowledge component of leaders was found that the variance is 0.04, which directly influenced the components of capability skill. The standardized regression weight is 0.60, statistically significant at 0.01 (3.26), multiple squared correlations (R^2) 0.82, variance 0.02.

DISCUSSION

The key issues of successful organizational leaders' characteristics, which sufficiently establish successful leading industrial businesses found from the research results, are as follows:

1. The characteristics that contribute to success as an organization leader in the industrial sector in terms of their characteristics had an average of 4.36, which was the highest average. It reflects the importance of corporate leadership qualities that directly contribute to the success of industrial business operations.
2. Qualities that contribute to success as an industry leader in terms of their characteristics found that leaders with average intelligence, wisdom, and ingenuity with an average of 4.62 were of the highest importance. For this reason, a successful business organization must have a leader who is average, witty, and quick-witted.

3. Characteristics that contribute to success as an organization leader in the industrial sector in terms of the leaders' knowledge: they knew investment, with a mean of 4.47 being of the highest importance. It is in line with the research on the appointment of Company Leaders (CEOs) with an aggressive business investment policy and a goal to grow by leaps and bounds and become a leader in the real estate business in the Stock Exchange of Thailand.
4. Characteristics that contribute to success as an organization leader in the industrial business sector are competence and management skills. It was found that leaders can be ready to change to keep up with the rapidly changing environment, with a mean of 4.55 being of the highest importance. There is consistent research on the subject. It is leading change in the era of globalization towards sustainable development. It was found that leadership characteristics and behavior changed. Affect the behavior of people in the organization and if the organization wants to make changes to the organization. Transformational leadership has a profound effect on success and brings organizations to be new and better situations.
5. Characteristics that contribute to success as an organizational leader in the industrial sector regarding success in leadership roles was found that upgrading the organization to internationalization until it was accepted in the business sector, with a mean of 4.49 being of the highest importance. An article about managing a large organization that has been around for more than 60 years of Central Retail Corporation Co., Ltd. has the beginning of the New Era, moving from a Thai company to a multinational company. (Multi-National Corporation) Central Retail Corporation Co., Ltd. has continued its successful business by driving an organization that has a way of extending to the international level.

CONCLUSION

This research aims to study the structure and operating characteristics, components and develop a structural equation model of characteristics affecting success as an organizational leader in the industrial business sector. From the study, it was found that:

1. Analysis of the characteristics that contribute to the industry's corporate leadership success with qualitative research, with in-depth interview techniques from experts, it was found that four components could be distinguished: personality, knowledge, capability, and success, with a total of 100 items divided into 25 variables per component, respectively.
2. The level of importance of attributes contributing to success as an organizational leader in the industrial sector concluded that the overall importance was high, with an average of 4.35. In terms of their characteristics, it is of great importance with an average of 4.36. The average of intelligence has the highest average of 4.62. The knowledge of leaders is of high importance, with an average of 4.35. With each item knowing investment, the highest average was 4.47. In terms of competence and skills in management. It is of great importance, with an average value of 4.36. The item of being able to be ready to change to keep up with the rapidly changing environment. The highest average was 4.55. Moreover, success in leadership roles was of high importance, with an average of 4.35, with each item raising the level of the organization to internationalization until it is accepted in the business sector. The highest average was 4.49.
3. Comparison of the importance of attribute elements that contribute to success as an industry leader, classified by business size by testing the differences between the mean values of two independent populations with a t-test, it was found that the importance of attributes influencing success as an organizational leader in the business industry sector as a whole, when classified by the size of the industrial business organization. No statistically significant difference was found at the 0.05 level to analyze differences in the importance of attributes affecting success as corporate leaders in the industrial sector. Classified by the size of the industrial business by each aspect, it was found that there were no differences in 3 aspects: competence and skills in management and success in leadership roles. There is a difference in one area, namely, knowledge of leaders. There was a statistically significant difference at level 0.
4. The analysis of the structural equation modelling factors affecting success as an organization leader in the industrial business sector. Before improving the model, it was found that the root index of the squared mean of the approximation. The error value (RMSEA) was 0.060, the Chi-Square Probability Level was 0.000, the relative chi-square (CMIN/DF) was 2.811, and the conformance index (GFI)

equal to 0.648 has not yet passed the assessment criteria. Therefore, the researcher has improved the model by considering the Modification Indices obtained from the packaged program with theoretical academic principles to eliminate some improper observational variables one by one and then proceed to reprocess the structural equation model. Do this until a structural equation model with all four qualified statistical values is obtained after the model improvement has been carried out. It was found that the probability of chi-square is 0.067 greater than 0.05 shows that this structural equation model is statistically insignificant. The relative chi-square (CMIN/DF) of 1.180 is less than 2, the GFI is 0.965 greater than 0.90, and the root means squared error index (RMSEA) is more significant than 1.180. It is equal to 0.019 is less than 0.08, so it can be concluded that all four statistics passed the assessment criteria. Consistent with empirical data.

5. The results of hypothesis testing to analyze the causal influence between latent variables. In the structural equation model of the characteristics that affect the success as an organizational leader in the industrial business sector, four hypotheses were found that conform to the four hypotheses as follows:
6. The success factor in the leadership role directly influenced their attributes (Personality) with statistical significance at the 0.001 level with a weight standardized regression weights = 0.93.
7. The success component in the leadership role directly influenced the component of competence and management skills. (Capability) was statistically significant at the 0.05 level with a weight (Standardized Regression Weights) = 0.39.
8. The composition of their characteristics (Personality) directly influenced the knowledge components of leaders (Knowledge) statistically significant at the 0.001 level with Standardized Regression Weights = 0.72.

RECOMMENDATIONS

Recommendations Obtained from Research at the Policy Level

- 1) Institute for the Promotion of Knowledge Management Training programs should be encouraged in the knowledge of investment and upgrading the organization to be international for all departments.
- 2) Personnel and Organization Development Institute Training programs on targeting should be encouraged for leaders or executives in all sectors.
- 3) Office of the National Economic and Social Development Council should plan and formulate a country's industrial development strategy, focusing on the competitiveness of the country.
- 4) Supports the establishment of government institutions to develop leaders at all levels, modern and international standards.

Suggestions Obtained from the Research at the Operational Level

- 1) Link and disclose information that is true, accurate, available at all times.
- 2) Offer a system for collecting knowledge of the organization.
- 3) Motivation at work and create a clear career path for employees.
- 4) Create an innovation system for every organization-to increase the chances of competition.
- 5) To be the center of information on the targeted industries of the country, including providing funding or technology to organizations that need assistance.
- 6) Collaborating with the private sector to improve educational curricula, fields of leadership development to be in line with international standards.
- 7) Produce personnel in organizational leadership at all levels and in all professions to be professional and highly competent.
- 8) Assessment of business leaders that meet the criteria for receiving national quality awards.
- 9) Cultivate business leaders to the international level.
- 10) Create a business ecosystem for all industries.

Suggestions for Future Research

- 1) Research by testing the hypothesis of differences in the importance of attributes that affect success as an organizational leader in the industrial sector. Classified by other aspects, such as the value of industrial business according to the price in the stock market or classified by a group of listed companies, Etc.

- 2) Conduct the research studies to establish “*The Self-Assessment of Characteristics influencing Success as an Organizational Leader in Industrial Businesses*”.
- 3) Provides the educational sector to research the characteristics that contribute to success as an organizational leader in various industrial business sectors, metaphorical.

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